

**Aspen School District No. 1 (RE)  
Aspen, Colorado**

**Financial Statements  
June 30, 2025**



**Aspen School District No. 1 (RE)  
Financial Statements  
June 30, 2025**

**TABLE OF CONTENTS**

**Introductory Section**

Letter of Transmittal..... 1

**Financial Section**

Independent Auditor’s Report ..... 6  
Management’s Discussion and Analysis ..... 10  
Basic Financial Statements  
    District-wide Financial Statements:  
        Statement of Net Position..... 21  
        Statement of Activities ..... 22  
    Fund Financial Statements:  
        Balance Sheet – Governmental Funds..... 23  
        Reconciliation of Governmental Funds to the Statement of Net Position ..... 24  
        Statement of Revenues, Expenditures and Changes in Fund Balances –  
            Governmental Funds ..... 25  
        Reconciliation of Changes in Fund Balances (Deficit) to Changes in  
            Net Position ..... 26  
        Statement of Net Position – Proprietary Funds ..... 27  
        Statement of Revenues, Expenses, and Changes in Fund  
            Net Position – Proprietary Funds ..... 28  
        Statement of Cash Flows – Proprietary Funds ..... 29  
        Combining Statement Net Position – Discretely Presented Component Units ..... 30  
        Combining Statement Activities – Discretely Presented Component Units ..... 31  
Notes to Basic Financial Statements ..... 32

**Required Supplemental Information:**

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and  
    Actual (GAAP Basis):  
        General Fund ..... 74  
Schedule of District’s Proportionate Share of the Net Pension Liability -  
    Colorado Public Employees' Retirement Association School Division  
    Trust Fund - Last 10 fiscal years ..... 75  
Schedule of District Contributions - Colorado Public Employees’ Retirement  
    Association School Division Trust Fund - Last 10 fiscal years ..... 76  
Schedule of District’s Proportionate Share of the Net OPEB Liability -  
    Colorado Public Employees' Retirement Association Health Care  
    Trust Fund - Last 10 fiscal years ..... 77

**Aspen School District No. 1 (RE)  
Financial Statements  
June 30, 2025**

**TABLE OF CONTENTS**

Required Supplemental Information (continued):

Schedule of District OPEB Contributions - Colorado Public Employees’ Health Care Trust Fund - Last 10 fiscal years .....	78
Notes to the Required Supplementary Information .....	79 - 86

Supplemental Information:

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis)	
Debt Service Fund .....	87
Building Fund .....	88
Capital Reserve Fund .....	89
Aspen Educational Fund.....	90
Combining Balance Sheet – Nonmajor Funds.....	91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Funds .....	92
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis):	
Student Athletics Fund .....	93
Aspen Family Connections Fund .....	94
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP) and Actual with Reconciliation to GAAP Basis:	
Employee Housing Fund .....	95

**State Compliance Section**

Auditor’s Integrity Report .....	96
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**Single Audit Section**

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 Governmental Auditing Standards .....	97
Independent Auditor’s Report on Internal Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by Uniform Guidance .....	99
Schedule of Findings and Questioned Costs .....	102
Schedule of Prior Audit Findings and Questioned Costs .....	103
Schedule of Expenditures of Federal Awards .....	104

Aspen School District No. 1 (RE)

INTRODUCTORY SECTION





Members of the Board of Education

Citizens of the Aspen School District No. 1 (RE):

The Annual Comprehensive Financial Report (ACFR) of the Aspen School District No. 1 (RE) (the “District”) for the fiscal year ended June 30, 2025, is hereby submitted as required by state statutes. The statutes require the District to issue an annual report on its financial position and activity, and that this report is audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. Included in the report are three distinct component units that provide material financial grants to the District – Aspen Education Foundation, Aspen Community School, and Aspen Public Education Fund. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included in this comprehensive report. This letter of transmittal is designed to complement the “Management’s Discussion and Analysis’ (MD&A). The MD&A can be found in the Financial Section immediately following the independent auditors’ report.

### **The School District**

The Aspen School District No. 1 (RE) boundary encompasses approximately 144 square miles of Pitkin County. The county is approximately 80% publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. It is located in the central mountains of Colorado at an elevation of 7,908 feet. Pitkin County’s current population is estimated at 16,640 and the City of Aspen’s estimated population is 6,555. Recreation and tourism, real estate and construction dominate the local economic activity of the County.

A board of five members, elected to staggered four-year terms, governs the District. The District provides a full range of educational services, as authorized by Colorado State Statutes, appropriate to grade levels pre-kindergarten through twelfth grade, as well as special programs in vocational education, gifted and talented, International Baccalaureate, special education, information technology, and experiential education. This report includes all of the funds and account groups necessary to support the above services.

In conformance with generally accepted accounting principles (GAAP), this report includes all funds and account groups in which the District has financial accountability, and two distinct component units. Under these guidelines, the Public Employees' Retirement Association of Colorado has not been included. The District entered into a Charter School contract, as authorized by state law, with the Aspen Community School beginning with the 2001-02 school year. This agreement was recently renewed for a period of five years beginning July 1, 2025. The Aspen Community School provides an alternative educational environment within our district for K-8th grade students. The charter school operates as a separate entity with its own administration and accounting system. The Aspen School District collects per pupil revenues on behalf of the charter school, as provided for in the Colorado School Finance Act, and passes those revenues on to them. The District has included the charter school financial information within this report.

## Local Economic Conditions and Outlook

State school district funding in Colorado is dependent primarily upon a state per pupil funding formula. This means that the local economic conditions have minimal impact on overall school district financing. The formula establishes a base per pupil funding amount, and is adjusted for other factors such as the school district size factor and cost of living differentials to determine total per pupil funding. The School District also receives various federal and state grants to fund specific programs. Beginning with the 23-24 school year, the District was funded primarily on local taxes and overrides, with minimal state and federal revenues. This has continued into the 24-25 school year.

Historically, silver mining and agriculture formed the basis of the local economy. Today, the summer and winter tourist industries of Aspen and Snowmass Village, second homeowners, construction and real estate are the primary economic factors. The county's tourism industry is among the largest and least seasonal of any Colorado county with substantial ski resort facilities.

The assessed valuation for our District, as certified each December 15th, increased dramatically with a recent re-assessment and is now at \$5,342,831,920 for the 24-25 year. Valuations for the 25-26 year are expected to increase slightly. Property tax collections have remained strong in large part because in the Aspen School District assessed values are only approximately one-tenth of the actual value. Total tax collections to levy have averaged 99% over the last five years.

Student enrollment has increased 1.9% during the past year from 1,523 to 1,552 students, but state funding calculation costs are based on a five-year average which is 1,569. Enrollment is expected to decrease slightly for the 25-26 year.

## Major Initiatives and Accomplishments

### Financial

The Aspen School District focuses its work through the policies adopted by the Board of Education and from the school-level accountability committees that help guide decision making and resource allocations. The following were recent key accomplishments of the District.

**Local Funding Partners:** For the 2024-25 school year, the District was able to utilize the funding from the Aspen Public Education Fund sales tax revenues and the Snowmass Village Public Education Fund property tax to cover costs for programs, special education, technology, professional development, and recruitment, training and retention. The district continues to evaluate staffing needs through its hiring process to reflect class size and educational needs.

**Financial Controls and Processes:** Stricter financial controls have been put in place and thoughtful budgets have been created. Monthly variance reports are in place to monitor spending. An expense cutting task force was also created, composed of District administrators, teachers and other staff, with the goal of cutting costs through operational efficiencies and attrition cuts to staffing.

**Financial Health:** The District was able to recover from multiple years of spending deficits and has shown a small surplus in both the 2023-24 year and 2024-25 year. This will assist the District in building up fund balance, which has been significantly depleted in recent years. The District has budgeted for another surplus in 2025-26.

### Educational

During the 2024–2025 fiscal year, the Aspen School District achieved significant progress in advancing student-centered academic excellence, instructional coherence, and inclusive learning across all schools.

**Districtwide International Baccalaureate (IB) Continuum Implementation:** The District successfully established full PK–12 vertical alignment across all subjects, deepening the integration of the IB philosophy with

Colorado Academic Standards. Aspen is now recognized as Colorado’s first fully authorized IB Continuum District, with all three schools—Aspen Elementary, Aspen Middle, and Aspen High—offering the Primary Years, Middle Years, and Diploma Programmes respectively.

**Instructional Excellence and Student Achievement:** The Aspen School District was designated by the Colorado Department of Education as “Accredited With Distinction” under the 2025 District Performance Framework, confirming our highest-level standing among Colorado districts. Aspen High School celebrated a 97.9% graduation rate, underscoring the District’s strong academic outcomes and commitment to every learner’s success.

**Collaborative Curriculum and Standards Alignment:** For the first time, PK–12 educators worked collaboratively to vertically align **Colorado Academic Standards and IB Objectives**, ensuring coherence in learning expectations and that every student is taught at grade level. This work included robust vertical team structures and the introduction of monthly K–12 professional development sessions focused on aligning the *Written, Taught, and Assessed* curriculum.

**Technology and Learning Management Integration:** The District fully onboarded **Toddle** as its unified platform for curriculum planning, documentation, and student learning management. This integration supports seamless collaboration, transparency, and visibility into student learning across all grade levels and programmes.

## Planning for the Future

### Financial

The Aspen School District will continue its fiscal responsibility and resource optimization through the following financial initiatives in fiscal year 2025–2026.

- **Financial Controls and Processes:** The Business Office will ensure our set of systems and processes continue to align with the current District Strategic Plan, and will seek continued improvement.
- **Budgeting and Financial Monitoring:** Regular budget meetings and monitoring with internal stakeholders will continue to take place. Quarterly financial updates will also continue to be presented to the Board of Education to ensure adequate financial oversight.
- **Strategic Planning:** Every effort will be made to develop a continued surplus budget to build financial reserves, in addition to improved long range strategic financial planning.
- **Fall 2025 Ballot Initiatives:** The District pursued four ballot initiatives in November 2025 that all passed. The first was a \$95M bond, to be used primarily for acquiring employee housing. The District looks to issue that bond in Spring of 2026. The second measure was an indefinite Mill Levy Override (MLO) increase from 25% total program funding to 47% (the new maximum allowed under Colorado Law). This initiative is intended to generate another \$5M in revenue for FY 2025-26. The primary use of those funds in FY 2025-26 will be to replenish fund balance. The other two measures were a school-specific property tax and sales tax, passed through the Town of Snowmass Village and City of Aspen, respectively. The District has previously had these revenue streams, but they were renewed for five years and doubled. The District now expects \$4M in additional revenue from the City of Aspen Sales Tax and \$500k from the Town of Snowmass Village property tax. That revenue increase will be received in FY 2026-27.

### Educational

The Aspen School District will continue advancing its vision of student-centered academic excellence through the following educational initiatives in fiscal year 2025–2026:

- **Universal Design for Learning (UDL) Implementation:** A yearlong professional development series for the Student Services team will strengthen Tier 1 instruction and ensure that every classroom is inclusive and responsive to all learners.

- **Professional Learning with John Hattie and John Almarode:** Districtwide training focused on *Student Outcomes* and *Teacher Clarity* to deepen instructional impact and further align teaching practices with evidence-based strategies that improve student learning.
- **Data-Informed Decision-Making and Intervention Systems:** A comprehensive district Data Dashboard will be launched to support informed decision-making, guide instructional planning, strengthen intervention practices, and enhance teacher coaching.

In parallel, the District is expanding the use of **PowerSchool Analytics and MTSS platforms** to better identify and track student needs, monitor growth, and strengthen Tier 2–3 supports. These systems will be further scaled to enhance data-driven interventions, improve responsiveness, and ensure that every student receives the right support at the right time.

- **Mathematics Curriculum Alignment (K–12):** Mathematics remains a district priority. All K–12 math educators are aligning pacing and grade-level expectations within the unified Imagine Learning curriculum, with an emphasis on data-driven instruction through Imagine Learning Classroom assessments.
- **Language Arts Continuum (Pre-K–12):** The District’s Language Arts curriculum is now vertically aligned across all grade levels. The new K–5 resource, *Arts and Letters*, is being implemented to support consistency and rigor in early literacy instruction.
- **International Baccalaureate (IB) Continuum Excellence:** As Colorado’s first fully authorized IB Continuum District (PYP, MYP, DP), Aspen continues to strengthen its IB implementation. Over 120 staff members are engaged in ongoing IB professional development, supported by three dedicated IB Coordinators.

The District’s “IB for All” initiative ensures equitable access and support for all students pursuing IB coursework and examinations.

- **Outdoor Education (ODE) Integration:** The Outdoor Education program is being re-envisioned as an integrated component of the formal curriculum. Guided by IB frameworks, teacher leadership, and interdisciplinary connections, ODE will evolve from a stand-alone experience to a transformative learning environment.
- **Safety and Security:** In partnership with local law enforcement, the District has trained all staff, most students, and many parents in Standard Response Protocol (SRP) procedures. These protocols have been cross-walked with district technology systems to ensure a cohesive, safe, and responsive campus environment.

Building on this foundation, the 2025–2026 school year will expand safety preparedness through additional training in Crisis Prevention and Intervention (CPI), Incident Command System (ICS), and other FEMA-approved school safety programs, reinforcing a culture of readiness and collective responsibility across all campuses.

- **Technology Integration and Teacher Efficacy:** Ongoing professional learning enhances teacher capacity in key instructional platforms such as Toddle (with AI integration), PowerSchool Analytics, and targeted intervention tools supporting math and literacy growth.
- **Vertical Professional Development and Collaboration:** The District continues its monthly K–12 vertical professional development sessions—across all subjects and the ESS department—focused on aligning the *Written, Taught, and Assessed* curriculum and strengthening tiered intervention practices.

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aspenk12.net

## **Budgetary and Accounting Controls**

The Board maintains a system of budgetary and accounting controls designed to assist management in meeting its responsibility for reporting financial information. The system is designed to provide reasonable assurance that assets are safeguarded and transactions are recorded and executed with management's authorization. The District believes that the existing systems of budgetary and accounting controls provide reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period. The District utilizes a budget that is prepared according to the guidelines and requirements set forth in State law and the Colorado Department of Education Financial Policies and Procedures Manual.

The District specifically maintains budgetary controls which are designed to ensure compliance with legal provisions embodied in the annual appropriated budget. The budget is prepared in accordance with GAAP, approved by the Board of Education, and includes the activities of the General Fund, Colorado Universal Preschool Program, Capital Reserve, Debt Service, Capital Projects and Special Revenue Funds. The Housing Fund is budgeted on a modified accrual basis but follows full accrual processes for GAAP. The level of budgetary control for management purposes (that is the level at which expenditures cannot exceed the appropriated amount by Board policy) is established by function and activity within a fund. All expenditures must be authorized and approved by an administrator.

## **Cash Management**

The District attempts to maximize investment earnings on cash temporarily not required for operations. This is accomplished by maintaining all District funds in interest bearing accounts, purchasing U.S. Treasury funds and U.S. Treasury bills where appropriate.

## **Risk Management**

The District participates in the Colorado School District's Self Insurance Pool with many other Colorado districts. The pool insures property and liability exposures through contributions made by member districts. The School District funds its pool contributions, outside insurance purchases, deductibles, and uninsured losses, through the General Fund. The District is self-insured for unemployment compensation and has a \$10,000 deductible for property insurance. Participation in the pool has allowed us to experience more stable coverage and premiums than we could obtain in the open market. The District does not maintain an equity interest in the Self Insurance Pool.

## **Independent Audit**

As required by Colorado State Law, an annual audit of the financial records of the Aspen School District has been made by independent certified public accountants. The report of our independent certified public accountants, McMahan and Associates, LLC., appears at the beginning of the financial section of this report. Their audit of the basic financial statements was performed in accordance with the auditing standards generally accepted by the United States of America, and Government Auditing Standards, issued by the comptroller General of the United States, which includes a review of the Board's system of budgetary and accounting controls.

## **Acknowledgments**

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of all members of the Finance Department. We also would like to express our appreciation to other departments and individuals who assisted in the preparation of this report.

Respectfully submitted,

Max Marolt, CPA

Interim Chief Financial Officer

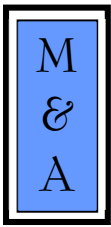
Tharyn Mulberry

Superintendent of Schools

Aspen School District No. 1 (RE)

FINANCIAL SECTION





# McMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Education  
Aspen School District No. 1 (RE)  
Aspen, Colorado**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units and each major fund of Aspen School District No. 1 (RE), Colorado (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units and each major fund of the District as of June 30, 2025, 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 ("U.S. GAAP").

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

We did not audit the financial statements of Aspen Education Foundation, which represent 32 percent, 40 percent and 33 percent, respectively, of the assets/deferred outflows, net position and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Aspen Education Foundation, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

*Member: American Institute of Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT**  
**To the Board of Education**  
**Aspen School District No. 1 (RE)**

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP; 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**INDEPENDENT AUDITOR'S REPORT  
To the Board of Education  
Aspen School District No. 1 (RE)**

***Required Supplementary Information***

U.S. GAAP require Management's Discussion and Analysis, the Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District Pension Contributions, Schedule of District's Proportionate Share of the Other Post-Employment Benefits Liabilities, Schedule of District's Other Post-Employment Benefit Contributions, and the Notes to the Required Supplemental Information, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 U.S. GAAS, 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.

The budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison 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. 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 U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual budgetary schedules, the Colorado Department of Education Auditor's Electronic Data Integrity Check Figures, and the Schedule of Expenditures of Federal Awards as required by *Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* included in the Single Audit Section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual budgetary schedules, the Colorado Department of Education Auditor's Electronic Data Integrity Check Figures, and the Schedule of Expenditures of Federal Awards listed in the accompanying table of contents is the responsibility of management and was derived from and relates 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 U.S. GAAS. In our opinion, the combining fund financial statements, individual budgetary schedules, the Colorado Department of Education Auditor's Electronic Data Integrity Check Figures, the statistical section, and the Schedule of Expenditures of Federal Awards listed in the accompanying table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**INDEPENDENT AUDITOR'S REPORT  
To the Board of Education  
Aspen School District No. 1 (RE)**

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and on compliance.

*McMahan and Associates, L.L.C.*  
**McMahan and Associates, L.L.C.**  
**Avon, Colorado**  
**December 5, 2025**

Aspen School District No. 1 (RE)  
Management Discussion and Analysis



**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

As management of the Aspen School District No. 1 RE, Pitkin County, Colorado (the District), we offer readers of the District’s Comprehensive Annual Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that can be found in the letter of transmittal on pages 1 - 5 of this report.

**Financial Highlights**

- The assets of the District exceeded its liabilities at the close of fiscal year 2024-2025 by \$34,383,143 and unrestricted net position was (\$42,827,426). The negative net position is due to the District’s allocated share of the Colorado Public Employees’ Retirement Association (PERA) net pension liability and pension related deferred inflows of \$53.9 million. Additionally, the District also has a net other employment benefit pension (“OPEB”) liability and OPEB related deferred inflows of \$1.4 million at June 30, 2025.
- Governmental activities have a net position (both restricted and unrestricted) of (\$15,858,010) at June 30, 2025. The net position is composed of the following:

Net investment in capital assets	\$17,365,611
Restricted Funds for:	
TABOR Emergency	\$1,807,000
Debt Service	\$8,045,699
Unrestricted Funds-PERA pension portion	\$(42,900,645)
Unrestricted Funds-OPEB portion	\$(1,238,968)
Unrestricted Funds-non PERA/OPEB portion	<u>\$1,063,293</u>
	\$(15,858,010)

- The District’s governmental activities’ liabilities at June 30, 2025 were \$168,848,973, a decrease of \$13,602,583 compared to \$182,451,556 at June 30, 2024. Of this decrease, \$7,461,290 is the decrease in PERA net pension liability and \$497,226 is the decrease in the OPEB liability. The non-PERA/OPEB related change in liabilities is a decrease of \$5,644,067.
- During fiscal year 2024-2025, the fund balance of the District’s governmental funds decreased by (\$12,115,963) resulting in an ending fund balance of \$21,630,940 .
- At June 30, 2025, the general fund has a net fund balance surplus of \$2,692,081 . This figure is net of the accounting treatment for accrued salaries and benefits and other accrued expenses.

**Overview of the Financial Statements**

Management’s discussion and analysis is intended to serve as an introduction to the District’s basic financial statements. Comparison to the prior year’s activity is provided in this document. The basic financial statements presented on pages 21 – 73 are comprised of three components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Year Ended June 30, 2025

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader of the Aspen School District's Comprehensive Annual Financial Report a broad overview of the financial activities in a manner similar to a private sector business. The government-wide financial statements include the statement of net position, the statement of activities and the comparative statement of activities.

The *Statement of Net Position* presents information about all of the District's assets and liabilities. The difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the net position of the District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flow may be recorded in a future fiscal periods.

Both of the government-wide financial statements distinguish functions of the District that are supported from taxes and intergovernmental revenues (governmental activities). The two categories reported in the District-wide financial statements are as follows:

- **Governmental activities:** Most of the District's basic services are included here, such as instructional services, support services and student activities. Such services include activities relating to building construction and maintenance, technology and administration. Governmental activities include the general fund, debt service fund, capital reserve fund, building fund, Aspen educational fund and the non-major funds.
- **Business-type activities:** District housing is included under this heading.

The government-wide financial statements can be found on pages 21 - 22 of this report.

**Fund Financial Statements**

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. Fund financial statements for the District include three possible fund types. The fund types presented here are governmental funds and proprietary funds.

*Governmental funds* – All of the District's basic services are included in governmental funds, which generally focus on (1) how cash and equivalents that can readily be converted to cash, flow in and out, and (2) the balances left at year-end that are available for funding future basic services. Consequently, the government fund statements provide a detailed short term view that helps determine whether there are more or fewer financial resources that can be spent in

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

the near future to finance the District's programs. Governmental fund information does not report on long-term commitments as reported on the District's government-wide statements.

The District maintains five different governmental funds. These funds are the general fund (which includes the Colorado preschool fund, the local option fund and the November 2001 election fund), the capital reserve fund, the building fund, the debt service fund, the educational fund and the non-major funds. They are presented separately in the fund financial statements.

*Proprietary funds* - The District maintains a proprietary fund which is an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the district-wide financial statements. The District uses an enterprise fund to account for its employee housing operations. Proprietary Funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide financial reports for the District's housing fund which is considered to be a major fund of the District.

The basic fund financial statements can be found on pages 23 - 31 of this report.

**Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes can be found on page 32 - 73 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents other supplemental information concerning the District that is required as part of the Colorado Public School Finance Act. The District adopts an annual appropriated budget for each of the governmental funds. A budgetary comparison schedule for the General Fund is included in the fund financial statements to demonstrate compliance with the adopted budget. Budgetary comparison schedules for all of the District's funds can be found on pages 74 – 93 of this report. The additional schedules required as part of the compliance with Colorado Public School Finance Act can be found on page 94 - 99 of this report.

**Government-wide Financial Analysis**

The assets of the District are classified as current assets and capital assets. Cash and investments, property tax receivable and accounts receivable are current assets. These assets are available to provide resources for the near-term operations of the District. The majority of the current assets are the result of the property tax collection process; the District receives approximately 85% of the annual property tax assessment in March to June time period.

Restricted cash and investments include those funds dedicated to TABOR reserves, capital reserve, capital projects and debt service. Capital assets are used in the operations of the District. These assets are land, buildings, improvements, equipment, and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Long-Term Debt, elsewhere in this analysis.

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

Current and non-current liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits and the current portion of debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2025-2026. Non-current liabilities are long-term debt obligations that will be liquidated from resources that will become available after fiscal year 2025-2026.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The liabilities of the governmental activities exceed assets by (\$15,858,010) with a negative unrestricted balance of (\$43,076,320). If we exclude the impacts of the PERA pension liability and the OPEB liability along with related deferred inflows, the unrestricted balance is \$1,063,293.

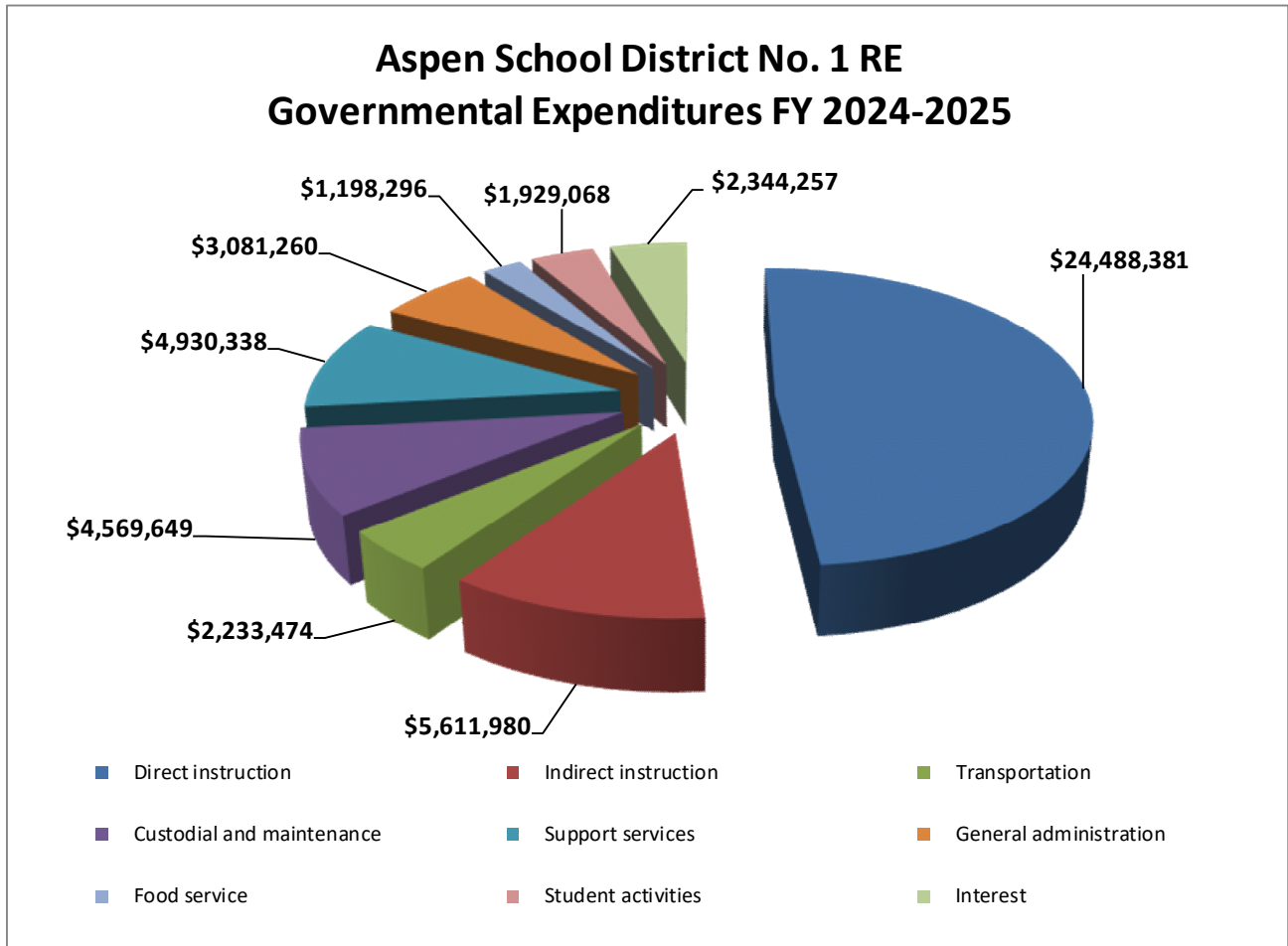
	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
<b>Assets:</b>						
Current and other assets	\$ 29,768,931	\$ 42,488,483	\$ 498,019	\$ 449,512	\$ 30,266,950	\$ 42,937,995
Capital assets	117,099,516	108,559,255	49,992,259	52,430,682	167,091,775	160,989,937
<b>Total Assets</b>	<b>146,868,447</b>	<b>151,047,738</b>	<b>50,490,278</b>	<b>52,880,194</b>	<b>197,358,725</b>	<b>203,927,932</b>
<b>Deferred Outflows of Resources:</b>						
OPEB related deferred outflows	191,516	252,550	-	-	191,516	252,550
Pension related deferred outflow	11,022,148	17,074,877	-	-	11,022,148	17,074,877
<b>Total deferred outflows of resources</b>	<b>11,213,664</b>	<b>17,327,427</b>	<b>-</b>	<b>-</b>	<b>11,213,664</b>	<b>17,327,427</b>
<b>Liabilities:</b>						
Current and other liabilities	14,234,823	14,544,037	157,631	175,316	14,392,454	14,719,353
Long-term liabilities	154,614,150	167,907,519	-	-	154,614,150	167,907,519
<b>Total Liabilities</b>	<b>168,848,973</b>	<b>182,451,556</b>	<b>157,631</b>	<b>175,316</b>	<b>169,006,604</b>	<b>182,626,872</b>
<b>Deferred Inflows of Resources:</b>						
Property tax revenue	112,084	1,572,494	91,494	77,611	203,578	1,650,105
OPEB related deferred inflows	552,418	444,134	-	-	552,418	444,134
Pension related deferred inflow	4,426,646	2,680,947	-	-	4,426,646	2,680,947
<b>Total deferred inflows of resources</b>	<b>5,091,148</b>	<b>4,697,575</b>	<b>91,494</b>	<b>77,611</b>	<b>5,182,642</b>	<b>4,775,186</b>
<b>Net Position:</b>						
Net investment in capital assets	17,365,611	15,951,317	49,992,259	52,430,682	67,357,870	68,381,999
<b>Restricted for:</b>						
TABOR emergency	1,807,000	1,785,000	-	-	1,807,000	1,785,000
Debt service	8,045,699	8,074,577	-	-	8,045,699	8,074,577
Unrestricted	(43,076,320)	(44,584,860)	248,894	196,585	(42,827,426)	(44,388,275)
<b>Total Net Position</b>	<b>\$ (15,858,010)</b>	<b>\$ (18,773,966)</b>	<b>\$ 50,241,153</b>	<b>\$ 52,627,267</b>	<b>\$ 34,383,143</b>	<b>\$ 33,853,301</b>

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

The District is reporting a positive balance in net investment in capital assets of \$67,357,870 representing land, improvements, buildings, equipment, and vehicles to provide services to the District's 1,554 public school students, net of related debt. Net position of \$8,045,699 accumulated from voter approved bonded debt mill levy assessments have been restricted to provide resources to meet the current general obligation bond principal and related interest payments. The legally required TABOR reserve of \$1,807,000 is also restricted. Unrestricted net position is (\$42,827,426). If we exclude the impacts of the PERA pension liability and the OPEB liability along with related deferred inflows and outflows, the unrestricted net position would be \$1,063,293.



**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Year Ended June 30, 2025

**Governmental Activities**

Revenues from governmental activities, including transfers in, were \$53,521,098 while total expenses amounted to \$50,605,142. Governmental activities experienced a \$2,915,956 increase in the net position of the District during the fiscal year ended June 30, 2025, compared to an increase in net position of \$99,905 in fiscal year 2024.

	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
<b>Revenues:</b>						
<i>Program revenues</i>						
Charges for services	\$ 2,921,191	\$ 8,579,443	\$ 1,684,520	\$ 1,639,166	\$ 4,605,711	\$ 10,218,670
Operating grants and contributions	9,965,257	2,926,925	12,055	12,981	9,977,312	2,939,906
Capital grants and contributions	53,223	74,280	-	-	53,223	74,280
<i>General revenues</i>						
Property taxes	36,746,629	35,480,101	-	-	36,746,629	35,480,101
Specific ownership taxes	1,146,920	1,107,978	-	-	1,146,920	1,107,978
State revenue	24,995	61,635	-	-	24,995	61,635
Grants and contributions not restricted	1,221,289	2,345,589	-	-	1,221,289	2,345,589
Investment earnings	890,588	1,946,123	-	178	890,588	1,946,301
<b>Total revenues</b>	<b>52,970,092</b>	<b>52,522,074</b>	<b>1,696,575</b>	<b>1,652,325</b>	<b>54,666,667</b>	<b>54,174,399</b>
<b>Expenditures:</b>						
Direct Instruction	24,488,381	22,590,775	-	-	24,488,381	22,590,775
Indirect Instruction	5,611,980	4,713,920	-	-	5,611,980	4,713,920
Transportation	2,233,474	1,932,593	-	-	2,233,474	1,932,593
Custodial maintenance	4,569,649	4,774,387	-	-	4,569,649	4,774,387
Support services	4,930,338	3,541,126	-	-	4,930,338	3,541,126
General administration	3,081,260	4,126,511	-	-	3,081,260	4,126,511
Community service	218,439	136,436	-	-	218,439	136,436
Student activities	1,929,068	2,822,387	-	-	1,929,068	2,822,387
Interest	2,344,257	2,437,702	-	-	2,344,257	2,437,702
Food service	1,198,296	1,255,183	-	-	1,198,296	1,255,183
Employee housing	-	-	3,658,720	3,638,766	3,658,720	3,638,766
<b>Total Expenses</b>	<b>50,605,142</b>	<b>48,331,020</b>	<b>3,658,720</b>	<b>3,638,766</b>	<b>54,263,862</b>	<b>51,969,796</b>
Change in net position	2,364,950	4,191,054	(1,962,145)	(1,986,441)	402,805	2,204,503
Gain on disposal of capital assets	-	-	127,037	-	127,037	-
Transfers	551,006	(4,091,149)	(551,006)	4,091,149	-	-
Change in net position after transfers	2,915,956	99,905	(2,386,114)	2,104,708	529,842	2,204,503
Net position-July 1	(18,773,966)	(18,873,871)	52,627,267	50,522,559	33,853,301	31,648,797
Net position-June 30	\$ (15,858,010)	\$ (18,773,966)	\$ 50,241,153	\$ 52,627,267	\$ 34,383,143	\$ 33,853,301

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

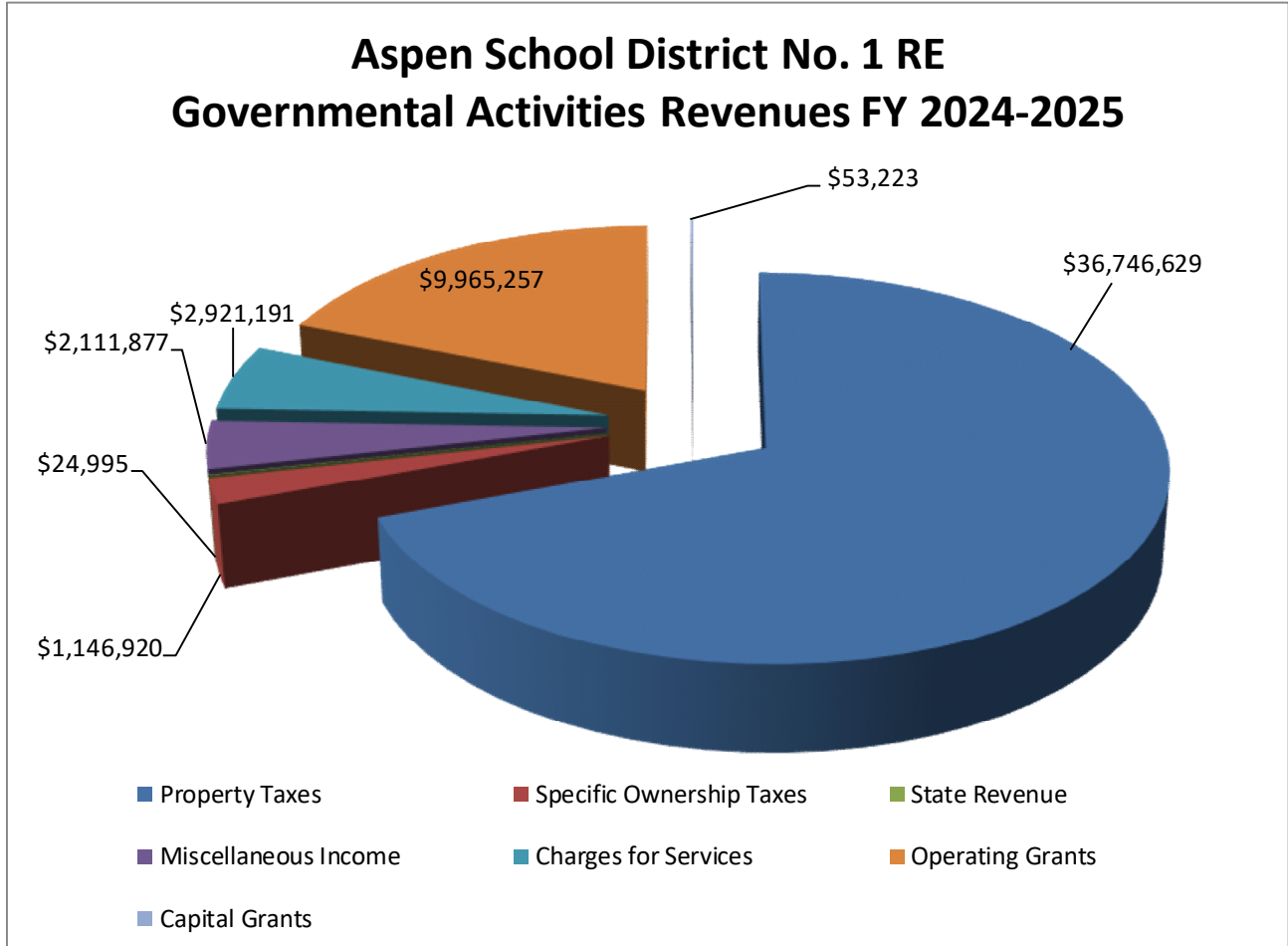
Key elements of the increase in net position for governmental activities are as follows:

- The vast majority of the District's operating revenues are controlled by the State of Colorado and are based on an annually adjusted formula that is part of the Colorado School Finance Act. Beginning with FY 22-23, the State determined that the District would be locally funded. This occurs when local resources (property taxes) are large enough to support the funding needs as determined by the state. For the past several years, the funding formula has produced modest increases in revenues, but the District stands to lose funding under the State's newly proposed changes to the funding formula.
- Property tax revenue was \$36,746,629 in FY 24-25 compared to \$35,480,101 in FY 23-24, a modest increase primarily driven by an increase in per pupil funding.
- The decrease to net position in business-type activities is primarily attributable to the sale of a housing unit, previously purchased using the 2021 bond proceeds, that did not end up fitting the housing needs of the District. The funds will be reinvested in a future housing opportunity that better fits the needs of the District.

ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2025



**Business-Type Activities**

Business-type activities include the District's employee housing program. Key elements of business-type activities include:

- The District's housing fund's net position decreased by \$2,386,114 due primarily to the sale of a housing unit, previously purchased using the 2021 bond proceeds, that did not end up fitting the housing needs of the District.

**Financial Analysis of Government Funds**

The Aspen School District uses fund accounting to ensure and demonstrate compliance with finance related legal, federal and state requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spend able resources. Such information is useful in assessing the District's financial resources. Specifically, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

As of June 30, 2025, the District's governmental funds reported a combined ending fund balance of \$21,630,940 a decrease of \$12,115,963 in comparison with the prior year.

The general fund is the chief operating fund of the District and includes the Colorado preschool fund, the food service fund and the local option fund. The fund balance in the general fund increased from \$2,429,007 at June 30, 2024, to \$2,692,081 at June 30, 2025.

The ending fund balance in the capital reserve fund decreased by \$12,041,275 to \$10,181,791 in 2025 mainly due to capital outlay expenses of \$16,664,886.

The fund balance in the debt service fund at June 30, 2025 is \$8,045,699 a decrease of \$28,878 from the prior fiscal year. The ending fund balance is necessary to meet interest and principal payments due in December, before new property taxes are assessed in January 2026.

The fund balance in the educational fund at June 30, 2025 is \$1,474,544, a decrease of \$217,448 from the prior fiscal year.

The non-major funds include the Student Athletics fund and the Aspen Family Connections Fund. The non-major funds had an ending fund balance at June 30, 2025 of (\$760,175), a decrease of \$91,436 from the prior year balance of \$(668,739).

**Budget Variances in the General Fund**

The Aspen School District's budget development process is in compliance with Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the general fund.

One of the most important variances to discuss is budgeted versus actual revenues and expenditures in the general fund. Actual revenues and transfers were less than the final budget by \$1,511,612. Actual expenditures and other financing sources and uses were \$3,445,314 less than budgeted. These variances caused an increase in the ending fund balance of the general fund of \$263,074.

The District has prepared a balanced budget for the next fiscal year. This budget reflects a slight increase in overall program funding and thus a corresponding increase in property tax income as well. TABOR restrictions will continue to limit revenues and the corresponding state funding.

**Capital Assets and Long-Term Debt**

Capital Assets. The District's investment in capital assets, net of accumulated depreciation for its governmental activities as of June 30, 2025 amounts to \$117,099,516. This is an increase of \$8,540,261 from the prior fiscal year.

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

**Capital Assets (net of accumulated depreciation)**

Fiscal Year Ended June 30th

	Governmental Activities		Business-type Activities		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Non-depreciable assets:						
Land	\$ 2,524,133	\$ 2,524,133	\$ 1,024,236	\$ -	\$ 3,548,369	\$ 2,524,133
Construction in progress	49,927,670	41,133,623	-	-	49,927,670	41,133,623
Total non-depreciable	52,451,803	43,657,756	1,024,236	-	53,476,039	43,657,756
Depreciable assets:						
Buildings	111,595,459	117,177,426	62,132,651	63,855,055	173,728,110	181,032,481
Vehicles	5,504,383	4,938,578	-	-	5,504,383	4,938,578
Other equipment	10,720,949	10,422,117	-	-	10,720,949	10,422,117
SBITA assets	212,490	212,490	-	-	212,490	212,490
Total depreciable assets	128,033,281	132,750,611	62,132,651	63,855,055	189,953,442	196,393,176
Less accumulated depreciation/amortization	63,385,568	67,849,112	13,164,628	11,424,373	76,550,196	79,273,485
Book value - depreciable assets	64,647,713	64,901,499	48,968,023	52,430,682	113,615,736	117,332,181
Percentage depreciated	49.5%	51.1%	21.2%	17.9%	40.3%	40.4%
Book value - all assets	\$ 117,099,516	\$ 108,559,255	\$ 49,992,259	\$ 52,430,682	\$ 167,091,775	\$ 160,989,937

Additional information on the District's capital assets can be found in Notes I and IV of this report.

Long-term Debt. As of June 30, 2025, the District had total bonded debt outstanding of \$109,144,614. Additionally, the District also had SBITA liabilities of \$130,799, a financed purchase of \$1,371,068, \$496,777 of compensated absences, net OPEB liability of \$878,066 and net pension liability of \$49,496,147.

Additional information on the District's long-term obligations can be found in Note IV.F.

**Economic Factors Affecting Financial Condition and Next Year's Budgets**

Each year the state budget is crafted by the governor and legislature to determine how much of the total budget will be allocated to K-12 education. The state economic picture is important to the district because a major source of funding for the district's General Fund is determined through the state's School Finance Act (SFA), established by the state legislature. After the state sets the total funding for K-12 public education, each local district determines how to fund its specific system and allocate resources to schools.

**ASPEN SCHOOL DISTRICT NO. 1 RE  
PITKIN COUNTY, COLORADO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Year Ended June 30, 2025**

**Economic Factors Affecting Financial Condition and Next Year's Budgets (continued)**

The funded pupil count is an important component of school funding. The SFA identifies a per pupil funding amount, and the number of full-time students enrolled in a district determines the amount of total funding. The funded pupil count refers to the number of full-time equivalent students enrolled in a district. Not all students attend school on a full-time basis; the funded pupil count is different from the total enrollment, or pupil membership. The official pupil count occurs each October 1 and results in the funded pupil count.

The budget implications are substantial if projected enrollment is not realized. If an unexpected shortfall in actual enrollment occurs, this information is generally received after the close of the first quarter of the fiscal year and many staffing and program changes cannot be made without significant impacts to students. For this reason, the district generally undertakes a reasonable, yet conservative, projection methodology to reduce the risk of a funding shortfall.

Additionally, the District pursued four ballot initiatives in November 2025 that all passed. The first was a \$95M bond, to be used primarily for acquiring employee housing. The District looks to issue that bond in Spring of 2026. The second measure was an indefinite Mill Levy Override (MLO) increase from 25% total program funding to 47% (the new maximum allowed under Colorado Law). This initiative is intended to generate another \$5M in revenue for FY 2025-26. The primary use of those funds in FY 2025-26 will be to replenish fund balance. The other two measures were a school-specific property tax and sales tax, passed through the Town of Snowmass Village and City of Aspen, respectively. The District has previously had these revenue streams, but they were renewed for five years and doubled. The District now expects \$4M in additional revenue from the City of Aspen Sales Tax and \$500k from the Town of Snowmass Village property tax. That revenue increase will be received in FY 2026-27.

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Max Marolt, CPA  
Interim Chief Financial Officer  
Aspen School District No. 1 RE  
0235 High School Rd.  
Aspen, CO 81611

Aspen School District No. 1 (RE)

Basic Financial Statements



**Aspen School District No. 1 (RE)**  
**Statement of Net Position**  
**June 30, 2025**

	Primary Government			Component Units
	Governmental Activities	Business Type Activities	Total	
<b>ASSETS</b>				
Cash and investments	\$ 7,072,635	\$ -	\$ 7,072,635	\$ 8,750,623
Accounts, taxes, and other receivables	4,285,724	3,298	4,289,022	780,837
Due from other governments	60,487	-	60,487	12,807
Prepaid expenses	162,230	-	162,230	5,368
Internal balances	(494,721)	494,721	-	-
Restricted cash and investments	18,682,576	-	18,682,576	3,338,440
Capital assets not being depreciated:				
Land	2,524,133	-	2,524,133	-
Construction in progress	49,927,670	-	49,927,670	-
Capital assets being depreciated/amortized:				
Buildings and improvements	111,595,459	63,156,887	174,752,346	11,665,237
Vehicles	5,504,383	-	5,504,383	453,571
Equipment	10,720,949	-	10,720,949	-
SBITAs	212,490	-	212,490	-
Less accumulated depreciation/amortization	(63,385,568)	(13,164,628)	(76,550,196)	(4,637,942)
Total assets	<u>146,868,447</u>	<u>50,490,278</u>	<u>197,358,725</u>	<u>20,368,941</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	-	-	-	-
OPEB related deferred outflows	191,516	-	191,516	27,582
Pension related deferred outflows	11,022,148	-	11,022,148	844,861
Total deferred outflows of resources	<u>11,213,664</u>	<u>-</u>	<u>11,213,664</u>	<u>872,443</u>
<b>LIABILITIES</b>				
Accounts payable	4,964,894	157,631	5,122,525	35,320
Accrued compensation and other liabilities	2,033,897	-	2,033,897	304,501
Accrued interest payable	319,904	-	319,904	-
Due to component unit	12,807	-	12,807	-
Compensated absences				
Due within one year	248,388	-	248,388	-
Due in more than one year	248,389	-	248,389	-
Bonds payable				
Due within one year	4,275,000	-	4,275,000	-
Due in more than one year	104,869,614	-	104,869,614	-
Financed purchases				
Due within one year	135,189	-	135,189	-
Due in more than one year	1,235,879	-	1,235,879	-
SBITA Liabilities				
Due within one year	45,500	-	45,500	-
Due in more than one year	85,299	-	85,299	-
Net OPEB liability	878,066	-	878,066	64,737
Net pension liability	49,496,147	-	49,496,147	3,648,573
Total liabilities	<u>168,848,973</u>	<u>157,631</u>	<u>169,006,604</u>	<u>4,053,131</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Grant and contribution revenue	112,084	91,494	203,578	-
OPEB related deferred inflows	552,418	-	552,418	40,415
Pension related deferred inflows	4,426,646	-	4,426,646	123,070
Total deferred inflows of resources	<u>5,091,148</u>	<u>91,494</u>	<u>5,182,642</u>	<u>163,485</u>
<b>NET POSITION</b>				
Net investment in capital assets	17,365,611	49,992,259	67,357,870	7,480,866
Restricted for:				
TABOR	1,807,000	-	1,807,000	107,500
Debt service	8,045,699	-	8,045,699	-
Charter School	-	-	-	374,684
Permanent endowments	-	-	-	3,458,440
Unrestricted	(43,076,320)	248,894	(42,827,426)	5,603,278
Total net position	<u>\$ (15,858,010)</u>	<u>\$ 50,241,153</u>	<u>\$ 34,383,143</u>	<u>\$ 17,024,768</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business Type Activities	Total	
<b>Governmental Activities:</b>								
Current:								
Direct instruction	\$ 24,488,381	\$ 850,199	\$ 8,102,078	\$ 53,223	\$ (15,482,881)	\$ -	\$ (15,482,881)	\$ -
Indirect instruction	5,611,980	6,026	1,575,951	-	(4,030,003)	-	(4,030,003)	-
Transportation	2,233,474	-	-	-	(2,233,474)	-	(2,233,474)	-
Custodial and maintenance	4,569,649	-	-	-	(4,569,649)	-	(4,569,649)	-
Support services	4,930,338	82,122	-	-	(4,848,216)	-	(4,848,216)	-
General administration	3,081,260	-	-	-	(3,081,260)	-	(3,081,260)	-
Community service	218,439	-	-	-	(218,439)	-	(218,439)	-
Food service	1,198,296	927,140	-	-	(271,156)	-	(271,156)	-
Student activities	1,929,068	1,055,704	287,228	-	(586,136)	-	(586,136)	-
Interest	2,344,257	-	-	-	(2,344,257)	-	(2,344,257)	-
Total governmental activities	<u>50,605,142</u>	<u>2,921,191</u>	<u>9,965,257</u>	<u>53,223</u>	<u>(37,665,471)</u>	<u>-</u>	<u>(37,665,471)</u>	<u>-</u>
<b>Business-type Activities</b>								
Employee housing	3,658,720	1,684,520	12,055	-	-	(1,962,145)	(1,962,145)	-
Total business-type activities	<u>3,658,720</u>	<u>1,684,520</u>	<u>12,055</u>	<u>-</u>	<u>-</u>	<u>(1,962,145)</u>	<u>(1,962,145)</u>	<u>-</u>
Total primary government	<u>\$ 54,263,862</u>	<u>\$ 4,605,711</u>	<u>\$ 9,977,312</u>	<u>\$ 53,223</u>	<u>(37,665,471)</u>	<u>(1,962,145)</u>	<u>(39,627,616)</u>	<u>-</u>
<b>Component Units</b>								
Aspen Community School	3,990,816	472,973	304,864	-	-	-	-	(3,212,979)
Aspen Education Foundation	2,015,464	561,246	2,939,320	-	-	-	-	1,485,102
Aspen Public Education Fund	4,051,001	-	-	-	-	-	-	(4,051,001)
Total component units	<u>10,057,281</u>	<u>1,034,219</u>	<u>3,244,184</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,778,878)</u>
<b>General revenues:</b>								
Taxes:								
Property taxes levied for general purposes					28,744,707	-	28,744,707	3,050,293
Property taxes levied for debt service					8,001,922	-	8,001,922	-
Specific ownership taxes					1,146,920	-	1,146,920	-
Sales taxes					-	-	-	3,987,422
State revenue					24,995	-	24,995	173,964
Grants and contributions not restricted to specific programs					1,221,289	-	1,221,289	23,066
Interest and investment earnings					890,588	-	890,588	611,082
Gain on disposal of capital assets					-	127,037	127,037	-
Transfers					551,006	(551,006)	-	-
Total general revenues and transfer					<u>40,581,427</u>	<u>(423,969)</u>	<u>40,157,458</u>	<u>7,845,827</u>
Change in net position					2,915,956	(2,386,114)	529,842	2,066,949
Net position, beginning					(18,773,966)	52,627,267	33,853,301	14,957,819
Net position, ending					<u>\$ (15,858,010)</u>	<u>\$ 50,241,153</u>	<u>\$ 34,383,143</u>	<u>\$ 17,024,768</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Reserve Capital Projects Fund</b>	<b>Aspen Educational Fund</b>	<b>Non-Major Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS AND OTHER DEBITS</b>						
Assets:						
Cash and investments	\$ 6,813,624	\$ -	\$ -	\$ -	\$ 259,011	\$ 7,072,635
Restricted cash	-	7,770,000	10,912,576	-	-	18,682,576
Accounts, taxes, and interest receivable	2,066,258	507,923	-	1,109,498	-	3,683,679
Prepaid expenses	8,537	-	-	-	153,693	162,230
Other receivable	487,177	-	1,185	-	113,686	602,048
Due from other governments	49,515	-	-	-	10,971	60,486
Due from other funds	139,256	4,739	3,828,260	445,977	796,468	5,214,700
Total assets and other debits	<u>9,564,367</u>	<u>8,282,662</u>	<u>14,742,021</u>	<u>1,555,475</u>	<u>1,333,829</u>	<u>35,478,354</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts and other current payables	1,063,299	-	3,723,050	83,931	156,962	5,027,242
Accrued expenses	2,029,094	-	-	-	2,700	2,031,794
Due to component unit	12,807	-	-	-	-	12,807
Due to other funds	2,908,736	29,163	837,180	-	1,934,342	5,709,421
Total liabilities	<u>6,013,936</u>	<u>29,163</u>	<u>4,560,230</u>	<u>83,931</u>	<u>2,094,004</u>	<u>12,781,264</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	858,350	207,800	-	-	-	1,066,150
Total deferred inflows of resources	<u>858,350</u>	<u>207,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,066,150</u>
Fund balances:						
Non-spendable						
Prepaid expenses	8,537	-	-	-	153,693	162,230
Spendable:						
Restricted	1,807,000	8,045,699	10,181,791	-	-	20,034,490
Committed	166,238	-	-	-	-	166,238
Assigned	-	-	-	1,471,544	886,217	2,357,761
Unassigned	710,306	-	-	-	(1,800,085)	(1,089,779)
Total fund balances	<u>2,692,081</u>	<u>8,045,699</u>	<u>10,181,791</u>	<u>1,471,544</u>	<u>(760,175)</u>	<u>21,630,940</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,564,367</u>	<u>\$ 8,282,662</u>	<u>\$ 14,742,021</u>	<u>\$ 1,555,475</u>	<u>\$ 1,333,829</u>	<u>\$ 35,478,354</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**  
**June 30, 2025**

Governmental Funds Total Fund Balance	\$	21,630,940
Add:		
Capital assets, net of depreciation, used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds. Details of these items are as follows:		
Value of Capital Assets at Cost		180,485,084
Accumulated Depreciation		(63,385,568)
Property taxes and other revenues - Revenues that do not provide current financial resources are unavailable on the governmental fund financial statements but recognized on the government-wide financial statements.		
		1,014,309
Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and therefore are not reported in the funds. This is the amount of District long-term liabilities. Details of these items are as follows:		
Accrued Interest Payable		(319,904)
Bonds Payable		(109,144,614)
Financed purchases		(1,371,068)
Subscription-Based IT Arrangements		(130,799)
Accrued Compensated Absences		(496,777)
Net Pension Liability		(49,496,147)
Net OPEB Liability		(878,066)
Changes in pension and OPEB related actuarial assumptions, proportion of collective pension and OPEB amounts, differences between actual and expected experience and investment earnings, and differences between actual and annualized contributions to the plan are recorded as deferred inflows or outflows of resources and amortized over the average remaining service life of all active and inactive plan members.		
Unamortized Pension-related Deferred Outflows		11,022,148
Unamortized Pension-related Deferred Inflows		(4,426,646)
Unamortized OPEB-related Deferred Outflows		191,516
Unamortized OPEB-related Deferred Inflows		(552,418)
		(15,858,010)
Governmental Activities Net Position	\$	(15,858,010)

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2025**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Reserve Capital Projects Fund</u>	<u>Aspen Educational Fund</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Taxes						
Property taxes	\$ 28,060,176	\$ 8,001,922	\$ -	\$ -	\$ -	\$ 36,062,098
Specific ownership taxes	1,146,920	-	-	-	-	1,146,920
State income	1,376,854	-	-	-	(98,440)	1,278,414
Federal income	998,548	-	-	-	82,250	1,080,798
Investment income	311,319	-	570,770	-	8,499	890,588
Other	2,474,316	-	608,002	5,809,352	2,466,255	11,357,925
Total revenues	<u>34,368,133</u>	<u>8,001,922</u>	<u>1,178,772</u>	<u>5,809,352</u>	<u>2,458,564</u>	<u>51,816,743</u>
<b>EXPENDITURES</b>						
Current:						
Direct instruction	20,687,303	-	-	1,059,641	-	21,746,944
Indirect instruction	4,126,767	-	-	9,620	758,799	4,895,186
Transportation	1,740,048	-	-	-	-	1,740,048
Custodial and maintenance	4,073,410	-	140,004	-	-	4,213,414
Support services	3,053,960	-	174,987	22,709	3,059	3,254,715
General administration	2,966,662	-	-	-	-	2,966,662
Community service	153,554	-	-	-	63,098	216,652
Food service	1,176,192	-	38,041	-	-	1,214,233
Student activities	-	-	-	-	1,914,874	1,914,874
Debt Service:						
Principal	43,286	4,120,000	125,758	-	-	4,289,044
Interest	7,721	3,894,750	1,430,731	-	-	5,333,202
Cash management fees	-	16,050	-	-	-	16,050
Capital outlay	871,156	-	16,664,886	-	-	17,536,042
Total expenditures	<u>38,900,059</u>	<u>8,030,800</u>	<u>18,574,407</u>	<u>1,091,970</u>	<u>2,739,830</u>	<u>69,337,066</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(4,531,926)</u>	<u>(28,878)</u>	<u>(17,395,635)</u>	<u>4,717,382</u>	<u>(281,266)</u>	<u>(17,520,323)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	4,507,500	-	5,354,360	-	89,830	9,951,690
Transfers (out)	287,500	-	-	(4,934,830)	100,000	(4,547,330)
Total other financing sources (uses)	<u>4,795,000</u>	<u>-</u>	<u>5,354,360</u>	<u>(4,934,830)</u>	<u>189,830</u>	<u>5,404,360</u>
<b>NET CHANGE IN FUND BALANCES</b>	263,074	(28,878)	(12,041,275)	(217,448)	(91,436)	(12,115,963)
<b>FUND BALANCES, BEGINNING (AS RESTATED)</b>	2,429,007	8,074,577	22,223,066	1,688,992	(668,739)	33,746,903
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,692,081</u>	<u>\$ 8,045,699</u>	<u>\$ 10,181,791</u>	<u>\$ 1,471,544</u>	<u>\$ (760,175)</u>	<u>\$ 21,630,940</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Reconciliation of Changes in Fund Balances (Deficit)**  
**to Changes in Net Position**  
**June 30, 2025**

Governmental Funds Changes in Fund Balances	\$ (12,115,963)
 Add:	
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. The following are the details of the amount by which capital outlay exceeded depreciation during the year:	
Capital outlay capitalized	12,530,529
Depreciation/amortization expense	(3,979,195)
 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 governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items at the time of debt issuance, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items are as follows:	
Principal repayments	4,289,044
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.	
	684,531
 The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase or decrease net position. This is the amount of loss on disposal of assets.	
	(11,073)
 Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Details of these items are as follow:	
Change in accrued compensated absences	(81,667)
Change in accrued interest	11,067
Amortization of debt-related deferrals	1,597,913
Difference between employer contributions to pension plan and change in pension liability and amortization of pension-related deferrals	(337,138)
Difference between employer contributions to OPEB and change in OPEB liability and amortization of OPEB-related deferrals	327,908
Governmental Activities Change in Net Position	\$ 2,915,956

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2025**

	<b>District Housing Fund</b>
<b>ASSETS</b>	
Current assets:	
Accounts receivable	\$ 3,298
Due (to) from other funds	494,721
Total current assets	498,019
Non-current assets:	
Capital assets:	
Buildings	63,156,887
Less accumulated depreciation	(13,164,628)
Total non-current assets	49,992,259
Total assets	50,490,278
<b>LIABILITIES</b>	
Current liabilities:	
Accounts and deposits payable	157,631
Deferred revenues	91,494
Total current liabilities	249,125
Total liabilities	249,125
<b>NET POSITION</b>	
Net investment in capital assets	49,992,259
Unrestricted	248,894
Total net position	\$ 50,241,153

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**

	<b>District Housing Fund</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 1,684,520
Other income	12,055
Total operating revenues	1,696,575
<b>OPERATING EXPENSES</b>	
Purchased property services	760,325
Purchased professional and technical services	40,913
Employee benefits	89,660
Salaries	239,059
Purchased services	137,938
Operating supplies	326,372
Depreciation	2,064,453
Total operating expenses	3,658,720
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>(1,962,145)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Gain (loss) on asset disposal	127,037
Total non-operating revenues (expenses)	127,037
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(1,835,108)</b>
Capital contributions	4,853,354
Transfers in (out)	(5,404,360)
<b>CHANGE IN NET POSITION</b>	<b>(2,386,114)</b>
<b>TOTAL NET POSITION - BEGINNING</b>	<b>52,627,267</b>
<b>TOTAL NET POSITION - ENDING</b>	<b>\$ 50,241,153</b>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2025**

	<u><b>District Housing Fund</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from customers	\$ 1,681,222
Other cash receipts	25,939
Payments to vendors	<u>(1,611,953)</u>
Net cash provided (used) for operating activities	<u>95,208</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Transfers (out)	<u>(5,449,569)</u>
Net cash provided (used) by noncapital financing activities	<u>(5,449,569)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Sale of assets	<u>5,354,361</u>
Net cash provided (used) by capital and related financing activities	<u>5,354,361</u>
<b>Reconciliation of Operating (Loss) to Net Cash (Used) for Operating Activities:</b>	
Operating income (loss)	<u>(1,962,145)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	2,064,453
Changes in assets and liabilities related to operations:	
(Increase) decrease in accounts receivable	(3,298)
Increase (decrease) in accounts payable	(17,685)
Increase (decrease) in deferred revenues	13,883
Total adjustments	<u>2,057,353</u>
<b>Net cash provided (used) for operating activities</b>	<u><u>\$ 95,208</u></u>
<b>Schedule of Noncash Transactions:</b>	
Contribution of assets, net of related debt	<u>4,853,354</u>
Total noncash investing, capital and financing activities	<u><u>\$ 4,853,354</u></u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Combining Statement of Net Position**  
**Discretely Presented Component Units**  
**June 30, 2025**

	<b>Aspen Community School</b>	<b>Aspen Education Foundation</b>	<b>Aspen Public Education Fund</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and investments	\$ 3,794,846	\$ 3,409,119	\$ 1,546,658	\$ 8,750,623
Accounts, taxes, and other receivables	12,542	120,000	648,295	780,837
Due from other governments	12,807	-	-	12,807
Prepaid expenses	5,368	-	-	5,368
Restricted cash and investments	-	3,338,440	-	3,338,440
Capital assets being depreciated:				
Buildings and improvements	11,665,237	-	-	11,665,237
Furniture, fixtures and equipment	453,571	-	-	453,571
Less accumulated depreciation	(4,637,942)	-	-	(4,637,942)
Total assets	<u>11,306,429</u>	<u>6,867,559</u>	<u>2,194,953</u>	<u>20,368,941</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
OPEB related deferred outflows	27,582	-	-	27,582
Pension related deferred outflows	844,861	-	-	844,861
Total deferred outflows of resources	<u>872,443</u>	<u>-</u>	<u>-</u>	<u>872,443</u>
<b>LIABILITIES</b>				
Accounts payable	34,526	794	-	35,320
Accrued compensation and other liabilities	304,501	-	-	304,501
Net OPEB liability	64,737	-	-	64,737
Net pension liability	3,648,573	-	-	3,648,573
Total liabilities	<u>4,052,337</u>	<u>794</u>	<u>-</u>	<u>4,053,131</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
OPEB related deferred inflows	40,415	-	-	40,415
Pension related deferred inflows	123,070	-	-	123,070
Total deferred inflows of resources	<u>163,485</u>	<u>-</u>	<u>-</u>	<u>163,485</u>
<b>NET POSITION</b>				
Net investment in capital assets	7,480,866	-	-	7,480,866
Restricted for:				
TABOR	107,500	-	-	107,500
Charter School	374,684	-	-	374,684
Permanent endowments	-	3,458,440	-	3,458,440
Unrestricted	-	3,408,325	2,194,953	5,603,278
Total net position	<u>\$ 7,963,050</u>	<u>\$ 6,866,765</u>	<u>\$ 2,194,953</u>	<u>\$ 17,024,768</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Combining Statement of Activities**  
**Discretely Presented Component Units**  
**For the Year Ended June 30, 2025**

	<u>Aspen Community School</u>	<u>Aspen Education Foundation</u>	<u>Aspen Public Education Fund</u>	<u>Total</u>
<b>PROGRAM REVENUES</b>				
Charges for services	\$ 472,973	\$ 561,246	\$ -	\$ 1,034,219
Operating grants	304,864	2,939,320	-	3,244,184
Total program revenues	<u>777,837</u>	<u>3,500,566</u>	<u>-</u>	<u>4,278,403</u>
<b>PROGRAM EXPENSES</b>	<u>3,990,816</u>	<u>2,015,464</u>	<u>4,051,001</u>	<u>10,057,281</u>
<b>GENERAL REVENUES</b>				
Taxes:				
Property taxes levied for general purposes	3,050,293	-	-	3,050,293
Sales taxes	-	-	3,987,422	3,987,422
State revenue	173,964	-	-	173,964
Federal revenue	23,066	-	-	23,066
Interest and investment earnings	59,684	513,196	38,202	611,082
Total general revenues and transfer	<u>3,307,007</u>	<u>513,196</u>	<u>4,025,624</u>	<u>7,845,827</u>
Change in net position	94,028	1,998,298	(25,377)	2,066,949
Net position, beginning	7,869,022	4,868,467	2,220,330	14,957,819
Net position, ending	<u>\$ 7,963,050</u>	<u>\$ 6,866,765</u>	<u>\$ 2,194,953</u>	<u>\$ 17,024,768</u>

The notes to the financial statements are an integral part of this statement.

Aspen School District No. 1 (RE)  
Notes to the Basic Financial Statements



**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**

**I. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Aspen School District (the “District”) is organized under Colorado statutes for school districts. Management of the District is independent of other state or local governments. The County Treasurer collects taxes for the District but exercises no control over its expense/expenditure. The membership of the Board consists of five members elected by the public. The Board has broad control responsibilities including the approval of the annual budget, establishment of a system of accounting and budgetary control, acquisition and disposition of school property, and the establishment, organization and operation of schools. The District is a primary government because it is a special-purpose government that has a separately elected governing board and is fiscally independent of other state or local governments. The accompanying financial statements present the District and its discretely presented component units, entities for which the District is considered to be financially accountable.

**Discretely Presented Component Units**

*Aspen Community School:*

The State of Colorado Legislature in 1993 enacted the “Charter School Act – Colorado Revised Statutes (CRS) Section 22-30-101.” This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as “Charter Schools.” Charter Schools are financed from a portion of the District’s School Finance Act Revenues and from revenues generated by the Charter Schools, within the limits established by the Charter School Act. Charter Schools have separate governing boards; however, the District must approve all Charter School applications and budgets. Therefore, the Aspen Community School is included in the District’s reporting entity because of the nature and significance of their operational or financial relationships with the District. Complete financial statements can be obtained by contacting Compass...for lifelong discovery, P.O. Box 336, 1199 Woody Creek Rd., Woody Creek, Colorado 81656.

*Aspen Education Foundation:*

The Aspen Education Foundation (“AEF”) is a Colorado nonprofit organization dedicated to supporting Aspen School District by raising funds from the community. AEF is included in the District’s reporting entity because of the nature and significance of their organizational or financial relationship with the District. Complete financial statements can be obtained by contacting Aspen Education Foundation, P.O. Box 2200, Aspen, CO 81620.

*Aspen Public Education Fund:*

The Aspen Public Education Fund (“APEF”) is a Colorado nonprofit organization dedicated to supporting Aspen School District by receiving the three-tenths of one percent (.3%) sales tax approved by the electors of the City of Aspen on November 6, 2012 and disbursing these funds to the Aspen School District for educational purposes. This sales tax was approved to be collected starting January 1, 2013 and ending on December 31, 2016. The sales tax was renewed in 2016 for 5 years, through December 2021. On November 3, 2020, the sales tax was renewed for 5 more years through December 31, 2026. APEF is included in the District’s reporting entity because of the nature and significance of their organizational or financial relationship with the District.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. District-wide and Fund Financial Statements**

**1. District-wide Financial Statements**

The district-wide financial statements (i.e. the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**2. Fund Financial Statements**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segments and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The financial transactions of the District are reported in individual funds in the fund financial statements, including fiduciary funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. One or more specific restricted or committed revenue should be the foundation for the fund.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. This fund is comprised of the general educational, preschool, local option and 2001 election departments.

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

The *Capital Reserve Capital Projects Fund* is used to account for proceeds restricted by outside parties (i.e. land dedication fees), as well as amounts committed by the School Board of the District for expenditures of capital outlay. It excludes those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**B. District-wide and Fund Financial Statements (continued)**

**2. Fund Financial Statements (continued)**

The District reports the following major proprietary funds:

The *District Housing Fund* accounts for all financial activities associated with the District's employee housing units.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

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 current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal 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.

Property taxes and automotive ownership taxes are reported as receivables and deferred revenue when levied and as revenues when due for collection in the following year and determined to be available. Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District follows guidance of the Governmental Accounting Standards Board for preparation of financial statements, including proprietary fund financial statements.

As a general rule, the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the District's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the *District Housing Fund* are charges to customers for rent. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**D. Assets, Liabilities and Net Position or Equity**

**1. Cash and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The pooled cash concept is used whereby cash balances of each of the District's funds are pooled and invested in certain investments.

The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District records nonparticipating interest-earning investment contracts at cost. All other securities are recorded at fair value. It is the intention of the investment pool to maximize interest income, and securities are selected according to their risk, marketability, and diversification. Income earned or losses arising from investment of pooled cash balances are allocated to each fund with a pooled cash balance.

**2. Interfund Balances**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balance outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**3. Property Taxes**

Property taxes are levied on or before December 15 of each year and attach as an enforceable lien on the property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities and Net Position or Equity (continued)**

**3. Property Taxes (continued)**

Property taxes levied in 2024 but not yet collected in 2025 are identified as property taxes receivable at June 30, 2025, and are presented net of an allowance for uncollectible taxes.

**4. Receivables**

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

**5. Capital Assets**

Capital assets, which include property, vehicles and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The District does not capitalize interest on the construction of capital assets.

Property, vehicles and equipment of the District, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	30 to 50 years
Transportation equipment	7 to 13 years
Other equipment	5 to 20 years

**6. Subscription-Based Information Technology Arrangements**

The District is party to non-cancellable agreements for subscription-based information technology arrangements ("SBITAs"), as further described in Note V.F.4. In such arrangements, the District recognizes right-to-use subscription assets (and corresponding subscription liabilities) with an initial, individual value of \$100,000 or more. Right-to-use subscription assets and subscription liabilities are reported on the Statement of Net Position.

At the commencement of a subscription, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities and Net Position or Equity (continued)**

**6. Subscription-Based Information Technology Arrangements (continued)**

The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying asset.

Key estimates and judgments related to subscriptions included how the District determines the following:

*Discount Rate:* The District uses the interest rate charged by the subscription service provider as the discount rate to discount the expected lease payments to present value. When the interest rate charged by the subscription service provider is not provided, the District uses the most recent borrowing rate.

*Subscription Term:* The subscription term includes the non-cancellable period of the subscription and extended term(s) that the District is reasonably certain to exercise.

*Subscription Payments:* Subscription payments included in the measurement of the subscription liability are composed of fixed payments. The subscription payments are subject to annual CPI adjustments, and such variable payments are recognized as an expense when the estimated CPI adjustment differs from fixed payments initially used to measure the liability.

The District monitors changes in circumstances that would require a re-measurement of its subscriptions and will re-measure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

**7. Pensions**

The District 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.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities and Net Position or Equity (continued)**

**8. Defined Benefit Other Post Employment Benefit (“OPEB”) Plan**

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (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.

**9. Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of net 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. The District has two items that qualify for reporting under this category on the Statement of Net Position. One item is deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt. Another item is the collective deferred outflows related to the District’s net pension and other post-employment benefit obligations (“OPEB”). Pension and OPEB contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a reduction of the net pension or OPEB liability in future periods.

Deferred inflows of resources represent an acquisition of net position that applied to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category. One item is unavailable revenue. Another item is the collective deferred inflows related to the District’s net pension and OPEB obligations are reported on the Statement of Net Position and are amortized over the average remaining service life of all active and inactive plan members

See Note IV (H and I) below for discussion on pension and OPEB related deferred outflows and inflows.

**10. Compensated Absences**

It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the district-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The District estimates how much of the leave is more likely than not to be used as paid leave and recognizes that portion as a liability for compensated absences.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**I. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities and Net Position or Equity (continued)**

**11. Long-Term Obligations**

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statements of net position. The District records long-term debt of governmental funds at the face value. The District's general obligation bonds are serviced from property taxes and other revenues of the *Debt Service Fund*. The long-term accumulated unpaid vacation and accrued sick leave are serviced from property taxes and other revenues by the respective fund types from future appropriations.

**12. Bond Premiums, Discounts, and Deferred Amount on Refunding**

In the district-wide and proprietary fund financial statements, bond premiums and discounts, as well as the difference between the reacquisition price on refunding debt and the net book value of the old debt, are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount and deferred amount on refunding.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

**13. Fund Equity**

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**II. Reconciliation of Government-wide and Fund Financial Statements**

**A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the district-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and changes in net position of governmental activities as reported in the district-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for district-wide statements. However, certain items having no effect on measurement and basis were eliminated from the government fund statements during the consolidation of governmental activities.

Due from other funds – governmental fund statements	\$	5,214,700
Due to other funds– governmental fund statements		(5,709,421)
Due to other funds– business-type fund statements		494,721
Eliminated governmental activities internal balances	\$	-

**B. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

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

- a. On or about December 1, the Superintendent submits to the Board of Education a five year financial projection. This is the basis for budgeting guidelines established by the Board of Education.
- b. By May 31<sup>st</sup>, the Superintendent submits to the Board a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and means of financing them.
- c. Public hearings are conducted at a regular Board of Education meeting to obtain taxpayer comment.
- d. Prior to June 30, the budget is legally adopted by the Board of Education.
- e. Formal budgetary integration is employed as a management control device during the year for all funds.
- f. The District issues a separate budget document after the budget is approved by the Board of Education.

Colorado Budget Law requires that all funds have legally adopted budgets and appropriations. The total expenditures for each fund may not exceed the amount appropriated. Appropriations for a fund may be increased if unanticipated revenues offset them. Where applicable, the Board of Education includes available fund balance in the amount appropriated in the annual Appropriations Resolution.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**III. Stewardship, Compliance, and Accountability (continued)**

**B. Budgetary Information (continued)**

Authorization to transfer budgeted amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent of Schools and may be delegated to an appropriate level of management. Revisions and/or supplemental appropriations that alter the total expenditures of any fund must be approved by the Board of Education.

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year except they exclude appropriated available fund balance. Individual amendments were not material in relation to the original appropriations.

The District's general fund, the debt service fund, the building fund, the student athletics fund, and the Aspen Family Connections fund had expenditures exceeding the budget by \$3,445,314, \$16,050, \$337,883, \$856,874 and \$134,956 respectively at June 30, 2025. This may be a violation of Colorado State Statutes.

Budgets are prepared on a GAAP basis for all funds except the General Fund, which recognized revenue and expense for the proportionate share of the State of Colorado's contribution payment to PERA's School Division Trust Fund. The budget for this fund has been adopted on a non-GAAP budget and are reconciled to GAAP below:

	<b>General Fund</b>
Net Change in Fund Balances - Budget Basis	\$ 263,074
Add/(Less):	
Pension direct distribution - Special funding	405,745
Pension expense - Special funding	(405,745)
Net Change in Fund Balances - GAAP Basis	\$ 263,074

**IV. Detailed Notes on All Funds**

**A. Deposits and Investments**

The District's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA.

*Fair Value of Investments*

The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**A. Deposits and Investments (continued)**

At June 30, 2025, the District had the following recurring fair value measurements:

<u>Investments Measured at Amortized Cost</u>	
CSAFE	\$ 23,872,191

Investments classified in Level 1 are valued using prices quoted in active markets for those investments. Investments classified in Level 2 are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the investments' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published at fair value per share (unit) for each fund.

The District is governed by the deposit and investment limitations of state law. Unrealized losses were \$0, which reflect the change in fair market value of investments. The deposits and investment balances at June 30, 2025, are as follows:

<u>Type:</u>	<u>Rating</u>	<u>Carrying Amount</u>	<u>Maturities</u>	
			<u>Less Than One Year</u>	<u>One to Five Years</u>
<i>Deposits:</i>				
Checking Accounts		\$ 6,450,609	\$ -	\$ -
Cash with Fiscal Agent		18,682,576	-	-
<i>Investments:</i>				
Investment Pools	AAAmmf	363,015	363,015	-
Investment Pools	Not Rated	259,011	259,011	-
		<u>\$ 25,755,211</u>	<u>\$ 622,026</u>	<u>\$ -</u>

The Investment Pool represents an investment in CSAFE which is a 2a7-like pool. The fair value of the pool is determined by the pool's share price. The District has no regulatory oversight for the pool.

**Interest Rate Risk.** As a means of limiting its exposure to interest rate risk, the District diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The District coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years from the purchase date.

**Credit Risk.** State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The District has no investments policy that would further limit its investment choices. At June 30, 2025 only the District's investment in investment pools were subject to ratings.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**A. Deposits and Investments (continued)**

**Concentration of Credit Risk.** The District places no limit on the amount the District may invest in any one issuer. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

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

The District has restricted cash and investments in the governmental funds as of June 30, 2025 for future debt service of \$7,770,000 and for unspent bond proceeds of \$10,912,576.

**Custodial Credit Risk.** For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the amount of securities that can be held by counterparties.

**B. Accounts and Taxes Receivable**

Receivable at June 30, 2025 for the District's individual major funds and nonmajor, internal service, and fiduciary fund in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<b>Governmental Funds</b>			
	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Reserve Capital Projects Fund</b>	<b>Aspen Educational Fund</b>
Receivables:				
Taxes	\$ 2,066,258	\$ 507,923	\$ -	\$ -
Accounts	-	-	-	1,109,498
Other	487,177	-	1,185	-
Intergovernmental	49,515	-	-	-
Gross receivables	<u>2,602,950</u>	<u>507,923</u>	<u>1,185</u>	<u>1,109,498</u>
Less: allowance for uncollectible	-	-	-	-
<b>Net Receivables</b>	<u><u>\$ 2,602,950</u></u>	<u><u>\$ 507,923</u></u>	<u><u>\$ 1,185</u></u>	<u><u>\$ 1,109,498</u></u>

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**C. Capital Assets**

**Governmental Activities:** Capital asset activity for the year ended June 30, 2025 was as follows:

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Construction in progress	\$ 41,133,623	\$ 9,260,868	\$ (466,821)	\$ 49,927,670
Land	2,524,133	-	-	2,524,133
Total capital assets, not being depreciated	<u>43,657,756</u>	<u>9,260,868</u>	<u>(466,821)</u>	<u>52,451,803</u>
Capital assets, being depreciated/amortized:				
Buildings and improvements	117,177,426	2,483,105	(8,065,072)	111,595,459
Transportation equipment	4,938,578	565,805	-	5,504,383
Other equipment	10,422,117	687,572	(388,740)	10,720,949
SBITA assets	212,490	-	-	212,490
Total capital assets being depreciated/amortized	<u>132,750,611</u>	<u>3,736,482</u>	<u>(8,453,812)</u>	<u>128,033,281</u>
Total capital assets - Cost	<u>176,408,367</u>	<u>12,997,350</u>	<u>(8,920,633)</u>	<u>180,485,084</u>
Less: accumulated depreciation/amortization for:				
Buildings and improvements	(56,398,076)	(2,940,201)	8,057,533	(51,280,744)
Transportation equipment	(3,472,817)	(361,532)	-	(3,834,349)
Other equipment	(7,925,096)	(634,964)	385,206	(8,174,854)
SBITA assets	(53,123)	(42,498)	-	(95,621)
Total accumulated depreciation/amortization	<u>(67,849,112)</u>	<u>(3,979,195)</u>	<u>8,442,739</u>	<u>(63,385,568)</u>

**Business-type Activities:** A summary of changes in the Business-type Activities capital assets is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 63,855,055	\$ 4,853,353	\$ (5,551,521)	\$ 63,156,887
Total capital assets being depreciated	<u>63,855,055</u>	<u>4,853,353</u>	<u>(5,551,521)</u>	<u>63,156,887</u>
Less: accumulated depreciation for:				
Equipment	(11,424,373)	(2,064,453)	324,198	(13,164,628)
Total accumulated depreciation	<u>(11,424,373)</u>	<u>(2,064,453)</u>	<u>324,198</u>	<u>(13,164,628)</u>
Total capital assets, being depreciated, net	<u>52,430,682</u>	<u>2,788,900</u>	<u>(5,227,323)</u>	<u>49,992,259</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 52,430,682</u>	<u>\$ 2,788,900</u>	<u>\$ (5,227,323)</u>	<u>\$ 49,992,259</u>

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**C. Capital Assets (continued)**

Depreciation expense and capital outlay expense were charged to functions/programs of the primary government as follows:

	<b>Amortization Expense</b>	<b>Capital Outlay</b>
<b>Governmental activities:</b>		
Direct instruction	\$ 2,252,776	9,167,802
Indirect instruction	613,691	477,641
Transportation	406,509	637,720
Custodial and maintenance	435,245	1,187,676
Support services	264,997	1,059,690
General administration	5,977	-
<b>Total governmental activities</b>	<b>\$ 3,979,195</b>	<b>\$ 12,530,529</b>
<b>Business-type activities:</b>		
Employee housing	\$ 2,064,453	\$ 4,853,353
<b>Total business-type activities</b>	<b>\$ 2,064,453</b>	<b>\$ 4,853,353</b>

**D. Interfund Receivables, Payables and Transfers**

The outstanding balances between funds result mainly from the amount of pooled cash attributable to each fund, reported in its entirety in the *general fund*.

The composition of interfund balances as of June 30, 2025, is as follows:

	<b>Due (to)/from Other Funds</b>
General Fund	\$ (2,769,480)
Debt Service Fund	(24,424)
Capital Reserve Capital	
Projects Fund	2,991,080
Aspen Educational Fund	445,977
Non-major Funds	(1,137,874)
District Housing Fund	494,721
	<b>\$ -</b>

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) provide additional resources for current operations or debt service.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**D. Interfund Receivables, Payables and Transfers (continued)**

For the year ended June 30, 2025, the District made the following transfers:

	<u>Transfer In (out)</u>	<u>Purpose</u>
General Fund	\$ 4,795,000	Supplemental funding
Capital Projects		
Projects Fund	5,354,360	Return of asset sale proceeds to ap
Aspen Educational Fund	(4,934,830)	Supplemental funding
Non-major Funds	189,830	Supplemental funding
District Housing Fund	(5,404,360)	Return of asset sale proceeds to ap
	<u>\$ -</u>	

**E. Short-Term Debt**

**1. State Sponsored Interest-Free Loan Program**

During the year ended June 30, 2025, the District borrowed \$14,998,614 from the State-sponsored interest-free loan program to provide cash flow throughout the fiscal year. The loan was paid in full in May 2025, from property taxes received in 2025.

**F. Long-Term Debt**

**1. General Obligation Bonds**

\$7,840,000 Series 2012 General Obligation Refunding Bonds, dated February 28, 2012, were issued to partially refund the Series 2005 General Obligation Bonds. Interest payments are due semi-annually on June 1 and December 1. Interest ranges from 2.0% to 3.0%. Principal payments are due December 1 until December 2025.

\$9,610,000 Series 2016 General Obligation Refunding Bonds, dated March 9, 2016, were issued to refund the Series 2005 General Obligation Bonds and partially refund the Series 2009 General Obligation Bonds. Interest payments are due semi-annually on June 1 and December 1. Interest ranges from 2.0% to 4.0%. Principal payments are due December 1 until December 2028.

\$94,315,000 Series 2021 General Obligation Bonds, dated March 25, 2021, were issued to finance the acquisition, construction, installation and equipping of capital projects. Interest payments are due semi-annually on June 1 and December 1. Interest ranges from 3.0% to 5.0%. Principal payments are due December 1 until December 2041.

The District is compliant in ongoing disclosure requirements to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 15c2-12.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**F. Long-Term Debt (continued)**

**1. General Obligation Bonds (continued)**

Annual debt service requirement to maturity for general obligation bonds is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 4,275,000	\$ 3,737,975	\$ 8,012,975
2027	4,435,000	3,551,650	7,986,650
2028	4,650,000	3,333,550	7,983,550
2029	4,870,000	3,104,925	7,974,925
2030	5,105,000	2,860,325	7,965,325
2031 - 2035	29,260,000	10,592,100	39,852,100
2036 - 2040	35,025,000	4,837,450	39,862,450
2041	7,780,000	155,600	7,935,600
Total	<u>\$ 95,400,000</u>	<u>\$ 32,173,575</u>	<u>\$ 127,573,575</u>

**2. Compensated Absences**

The District's policy is to pay out accrued vacation upon termination at the employee's rate of pay. This liability along with the related employment taxes and benefits has been accrued on the District's government wide financial statement. Payments which are anticipated to be paid out from current available resources are accrued on the District's funds.

**3. Financed Purchase**

On March 13, 2018, the District entered into a financed purchase agreement with All American Investment Group, LLC for an energy performance contract in the amount of \$1,998,368. Principal payments are due quarterly starting on December 16, 2018 until September 16, 2033 and the interest rate is 3.5%. The property secured by the lease is made up of energy improvements.

Annual debt service requirement to maturity for financed purchases is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 135,189	\$ 46,242	\$ 181,431
2027	145,182	41,381	186,563
2028	155,773	36,163	191,936
2029	166,993	30,565	197,558
2030	178,880	24,566	203,446
2031 - 2034	589,051	34,174	623,225
Total	<u>\$ 1,371,068</u>	<u>\$ 213,091</u>	<u>\$ 1,584,159</u>

The net book value of the leased assets is \$1,066,330 as of June 30, 2025.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**V. Detailed Notes on All Funds (continued)**

**F. Long-Term Debt (continued)**

**4. Subscription-Based Information Technology Arrangements (SBITA) Liabilities**

The District has entered into a subscription-based information technology arrangement with RingCentral. The arrangement expires in 2028.

As of June 30, 2025, SBITA assets and the related accumulated amortization totaled \$212,490 and \$95,621, respectively.

The future subscription payments under SBITA agreements are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 45,500	\$ 5,507	\$ 51,007
2027	47,828	3,179	51,007
2028	37,471	785	38,256
Total	<u>\$ 130,799</u>	<u>\$ 9,471</u>	<u>\$ 140,270</u>

**5. Changes in General Long-Term Liabilities.** Long-term liability activity for the year ended June 30, 2025, was as follows:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance June 30, 2025</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Series 2012 Refunding Bonds	\$ 4,475,000	\$ -	\$ (2,200,000)	\$ 2,275,000	\$ 2,275,000
Series 2016 Refunding Bonds	4,430,000	-	(820,000)	3,610,000	850,000
Series 2021 GO Bonds	90,615,000	-	(1,100,000)	89,515,000	1,150,000
Bond premium	15,342,527	-	(1,597,913)	13,744,614	-
Financed purchase	1,496,826	-	(125,758)	1,371,068	135,189
SBITA liabilities	174,085	-	(43,286)	130,799	45,500
Net OPEB liability	1,375,292	-	(497,226)	878,066	-
Net pension liability	56,957,437	-	(7,461,290)	49,496,147	-
Accrued compensated absences	415,110	81,667	-	496,777	248,388
Total governmental activities	<u>175,281,277</u>	<u>81,667</u>	<u>(13,845,473)</u>	<u>161,517,471</u>	<u>4,704,077</u>
<b>Total long-term debt</b>	<u>\$ 175,281,277</u>	<u>\$ 81,667</u>	<u>\$ (13,845,473)</u>	<u>\$ 161,517,471</u>	<u>\$ 4,704,077</u>

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**G. Fund Balance Disclosure**

The District classifies governmental fund balances as follows:

*Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

*Spendable Fund Balance:*

*Restricted* – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

*Committed* – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is Board of Education. The District’s original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Board of Education platform to review, and/or make changes to each department’s budget. The Budget is then formally presented to Board of Education via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after Board of Education approval, must be presented via a public process and again approval by Board of Education.

*Assigned* – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Education or its management designee.

*Unassigned* - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The District does not have a formal minimum fund balance policy. However, the District’s budget includes a calculation of a targeted reserve positions and the Administration calculates targets and report them annually to Board of Education.

At June 30, 2025, the District had fund balances restricted for the following purposes:

Debt service on G.O. Debt	\$ 8,045,699
Capital projects	10,181,791
Tabor reserve	1,807,000
	<u>\$ 20,034,490</u>

At June 30, 2025, the District had fund balances committed for the following purposes:

Housing	\$ 166,238
	<u>\$ 166,238</u>

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources**

*Plan Description:* Eligible employees of the District 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 annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

*Benefits provided as of December 31, 2024:* 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.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and 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% or 100% 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.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, 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 the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% 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.

*Contribution provisions as of June 30, 2025:* Eligible employees of, the District 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 11 percent of their PERA-includable salary during the period of July 1, 2024 through June 30, 2025. Employer contribution requirements are summarized in the table below:

	<b>July 1, 2024 Through June 30, 2025</b>
Employer Contribution Rate	11.40%
Amount of the 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	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as presented in C.R.S. 24-51-411	5.50%
Total Employer Contribution Rate to the SCHDTF	20.38%

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

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$3,083,741 for the year ended June 30, 2025.

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. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. For 2024, 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.

*Pension Liabilities:* The net pension liability for the SCHDTF was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the total pension liability to December 31, 2024. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2025 relative to the total contributions of participating employers and the State as a non-employer contributing entity.

At June 30, 2025, the District reported a liability of \$49,496,147 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District 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 the District were as follows:

:	
District's proportionate share of the net pension liability	\$49,496,147
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	4,079,166
Total	\$53,575,313

At December 31, 2024, the District proportionate share was 0.2869%, as compared to its proportionate share of 0.3221% at December 31, 2023.

*Pension Expense (Revenue):* For the year ended June 30, 2025, the District recognized pension expense (revenue) of \$805,956 and revenue (expense) of \$468,818 for support from the State as a nonemployer contributing entity.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Deferred Outflows of Resources and Deferred Inflows of Resources:* At June 30, 2025, the District 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	\$ 2,802,892	\$ -
Changes of assumptions or other inputs	371,078	-
Net difference between projected and actual earnings on pension plan investments	933,854	-
Changes in proportionate share of contribution	4,604,316	4,426,646
Contributions subsequent to the measurement date	2,310,009	-
Total	\$ 11,022,149	\$ 4,426,646

\$2,310,009 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	<u>Amortization</u>
2026	\$ 3,979,831
2027	3,030,509
2028	(2,058,821)
2029	(666,025)
	\$ 4,285,494

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial assumptions.* The December 31, 2023, actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.40 - 11.00 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00 percent
PERA benefit structure hired after 12/31/06 <sub>1</sub>	Financed by the Annual Increase Reserve ("AIR")

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

All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019.

	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	<b>Males:</b> 112% of the rates prior to age 80/ 94% of the rates age 80 and older <b>Females:</b> 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Post-Retirement (Beneficiary), Non-Disabled	Pub-2010 Contingent Survivor	<b>Males:</b> 97% of the rates for all ages <b>Females:</b> 105% of the rates for all ages
Disabled	PubNS-2010 Disabled Retiree	99% of the rates for all ages

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial assumptions (continued):* The actuarial assumptions used in the December 31, 2023, valuation were 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 the PERA Board on November 20, 2020.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA’s Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024

Salary increases, including wage inflation: 4.00%-13.40%

Salary scale assumptions were altered to better reflect actual experience.

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

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale

	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	<b>Males:</b> 106% of the rates for all ages <b>Females:</b> 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Post-Retirement (Beneficiary), Non- Disabled	Pub-2010 Contingent Survivor	<b>Males:</b> 92% of the rates for all ages <b>Females:</b> 100% of the rates for all ages
Disabled	PubNS-2010 Disabled Retiree	95% of the rates for all ages

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial assumptions (continued):* The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

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.

The PERA Board first adopted the 7.25% 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 November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. 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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.60%
Real Estate	10.00%	4.10%
Alternatives	6.00%	5.20%
Total	100.00%	

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

*Discount rate.* The discount rate used to measure TPL was 7.25%. 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%.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Discount Rate (continued)*

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (“SB”) 18-200, required adjustments resulting from the 2018 and 2020 AAP assessments. 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, required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions 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.
- 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.
- 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 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% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

**Aspen School District No. 1 (RE)  
Notes to the Basic Financial Statements  
June 30, 2025  
(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**H. Defined Benefit Pension – Plan, Liabilities, Expense, Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Sensitivity of the District's 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:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Collective net pension liability	\$ 23,393,644,000	17,254,899,000	12,112,842,000
Proportionate share of net pension liability	\$ 67,105,303	49,496,147	34,746,016

*Pension plan fiduciary net position.* Detailed information about the SCHDTF's fiduciary net position is available in PERA's annual comprehensive financial report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

*Plan description.* Eligible employees of the District's 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 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 annual comprehensive financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

*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 DPS Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund ("DPS HCTF"). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

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

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

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

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

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

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% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. For the year ended June 30, 2025, the District's contributions to HCTF were approximately \$164,145 for the year ended June 30, 2025.

*Liabilities.* At June 30, 2025, the District reported a liability for OPEB of \$878,066 for its proportionate share of the net OPEB. The net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2024. The District proportion of the net OPEB liability was based on District contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

At December 31, 2024, the District proportion was 0.1836%, as compared to its proportion of 0.1927% measured as of December 31, 2023.

*Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2025, the District recognized OPEB credit of (\$327,908). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 193,683
Changes of assumptions or other inputs	10,069	280,674
Net difference between projected and actual earnings on pension plan investments	2,977	-
Changes in proportionate share of contribution	62,857	78,061
Contributions subsequent to the measurement date	115,614	-
	\$ 191,517	\$ 552,418

\$115,614 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of June 30, 2025 will be recognized as a reduction of the net OPEB benefits liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ended June 30,</b>	<b>Amortization</b>
2025	\$ (138,905)
2026	(76,361)
2027	(105,285)
2028	(69,206)
2029	(54,414)
Thereafter	(32,344)
	\$ (476,515)

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial assumptions.* The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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 OPEB plan investment expenses, including price	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA Benefit Structure:	
Service based premium subsidy	0.00%
PERACare Medicare plans <sub>1</sub>	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2033
DPS benefit structure:	
Service-base premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial assumptions (continued):* Each year the per capita health care costs are developed by plan option. As of the December 31, 2023, actuarial valuation, costs are based on 2024 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors were then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure

<b>Age-Related Morbidity Assumptions</b>		
<b>Participant Age</b>	<b>Annual Increase (Male)</b>	<b>Annual Increase (Female)</b>
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

**Aspen School District No. 1 (RE)  
Notes to the Basic Financial Statements  
June 30, 2025  
(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued)*

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,710	\$1,420	\$585	\$486	\$1,897	\$1,575
70	\$1,921	\$1,589	\$657	\$544	\$2,130	\$1,763
75	\$2,122	\$1,670	\$726	\$571	\$2,353	\$1,853

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,536	\$5,429	\$4,241	\$3,523	\$7,063	\$5,866
70	\$7,341	\$6,073	\$4,764	\$3,941	\$7,933	\$6,563
75	\$8,110	\$6,385	\$5,262	\$4,143	\$8,763	\$6,900

The 2024 Medicare Part A premium is \$505 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.

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. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued):* The PERA benefit structure health care cost trend rates used to measure the total OPEB liability are summarized in the table below:

Year Ending	PERACare Medicare Plans (1)	MAPD PPO #2	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.85%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

<sup>1</sup> Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A

**Aspen School District No. 1 (RE)  
Notes to the Basic Financial Statements  
June 30, 2025  
(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued)*

<b>Post-Retirement (Retiree), Non-Disabled</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	<b>Males:</b> 94% of the rates prior to age 80/ 90% of the rates age 80 and older <b>Females:</b> 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	<b>Males:</b> 112% of the rates prior to age 80/ 94% of the rates age 80 and older <b>Females:</b> 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
<b>Post-Retirement (Beneficiary), Non-Disabled</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
All Beneficiaries	Pub-2010 Contingent Survivor	<b>Males:</b> 97% of the rates for all ages <b>Females:</b> 105% of the rates for all ages
<b>Disabled</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

The following health care costs assumptions were updated and used in the roll-forward calculation for the HCTF:

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued)*

- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.
- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

The actuarial assumptions used in the December 31, 2023, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 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.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total OPEB liability from December 31, 2023, to December 31, 2024.

	State Division	School Division	Local Government Division	Judicial Division
Salary increases, including wage inflation:				
Members other than Safety Officers	2.70%-13.30%	4.00%-13.40%	3.40%-13.00%	2.30%-4.70%
Safety Officers	3.20%-16.30%	N/A	3.20%-16.30%	N/A

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued).*

The following health care costs assumptions were used in the roll forward calculation for the HCTF:

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

Plan	With Medicare Part A	Without Medicare Part A
MAPD PPO #1	\$1,824	\$6,972
MAPD PPO #2	624	4,524
MAPD HMO (Kaiser)	2,040	7,596

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued).*

<b>Pre-Retirement</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A
<b>Post-Retirement (Retiree), Non-Disabled</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	<b>Males:</b> 90% of the rates for all ages <b>Females:</b> 85% of the rates prior to age 85/ 105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	<b>Males:</b> 106% of the rates for all ages <b>Females:</b> 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
<b>Post-Retirement (Beneficiary), Non-Disabled</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
All Beneficiaries	Pub-2010 Contingent Survivor	<b>Males:</b> 92% of the rates for all ages <b>Females:</b> 100% of the rates for all ages
<b>Disabled</b>	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

The actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed annually and updated, as appropriate, by the PERA Board's actuary.

The long-term expected return on plan assets is monitored on an ongoing basis and reviewed as part of periodic experience studies prepared every four years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the 2024 Experience Study report dated January 3, 2025.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

*Actuarial Assumptions (continued).*

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.

The PERA Board first adopted the 7.25% 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 November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. 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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
Global Equity	51.00%	5.00%
Fixed Income	23.00%	2.60%
Private Equity	10.00%	7.60%
Real Estate	10.00%	4.10%
Alternatives	6.00%	5.20%
Total	<u>100.00%</u>	

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

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

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

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERA Care Medicare Trend Rate <sub>1</sub>	5.75%	6.75%	7.75%
Ultimate PERA Care Medicare Trend Rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 Trend Rate	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend	3.50%	4.50%	5.50%
Collective Net OPEB Liability	465,284,000	478,167,000	492,747,000
Proportionate Share of Net OPEB Liability	854,409	878,066	904,800

*Discount rate.* The discount rate used to measure the total OPEB liability was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the HCTF as of the current measurement date (December 31, 2024). 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, 2024, 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%.
- 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.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**IV. Detailed Notes on All Funds (continued)**

**I. Other Postemployment Benefits – Plan, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)**

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% 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%. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, 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%) or 1-percentage-point higher (8.25%) than the current rate:

	<b>1% Decrease</b>	<b>Current Discount</b>	<b>1% Increase</b>
	<b>6.25%</b>	<b>7.25%</b>	<b>8.25%</b>
Collective Net OPEB Liability	586,001,000	478,167,000	385,201,000
Proportionate Share of Net OPEB Liability	1,076,083	878,066	707,351

*OPEB plan fiduciary net position.* Detailed information about the HCTF’s fiduciary net position is available in PERA’s annual comprehensive financial report which can be obtained [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**V. Other Information**

**A. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and distortion of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. The District participates in the Colorado School Districts Self Insurance Pool. The Pool covers all insurance risks except for Worker’s Compensation. The District pays annual premiums which are adjusted for any dividends during the year. Claim levels of the Pool may affect the District’s premiums in future years. The District did not receive dividends during the year ended June 30, 2025. The District funds its pool contributions, outside insurance purchases, deductibles, and uninsured losses through the General Fund. The District is fully self-insured for unemployment compensation and has a \$10,000 deductible property insurance and a \$10,000,000 annual aggregate liability limit. The district paid unemployment claims totaling \$0 in fiscal year 2025. The District continues to carry commercial insurance for all other risks of loss, including errors and omissions. Settled claims resulting from these risks have not exceeded commercial coverage in the past four years.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**V. Other Information (continued)**

**A. Risk Management (continued)**

*Pupil Counts:* Each year the District submits data regarding pupil counts to the Colorado Department of Education (CDE). The purpose of this data collection is to obtain required student level data as provided for by state statute (s), including information regarding students' funding eligibility as outlined in the Public School Finance Act of 1994 (22-54-101, C.R.S.).

The Student October Count is based on a one (1) day membership count in which districts are asked to report all students who are actively enrolled and attending classes through their district on that date. In an effort to ensure accurate reporting of those data fields associated with student funding, CDE conducts periodic compliance audits of each district's student October count data. This data not only determine per pupil funding, but also at risk and English Language Proficiency Act (ELPA) funding. CDE audits districts every one to four years, the frequency of which is determined by a number of factors including, but not limited to, the size and location of the district, as well as issues or concerns that might have arisen from prior audits. The School believes its pupil count information is accurate and any adjustment would not be material.

**B. Contingencies**

**Claims.** During the normal course of business, the District incurs claims and other assertions against it from various agencies and individuals. Management of the District and their legal representatives feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at June 30, 2025.

The District receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowability by the respective grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**Tabor Amendment - Revenue and Spending Limitation Amendment.** In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% of adjusted revenue. The District has reserved a portion of its June 30, 2025 year-end fund balance in the General Fund for emergencies as required under Tabor in the amount of \$1,807,000, which is approximately 3% of the fiscal year spending at June 30, 2025.

**Aspen School District No. 1 (RE)**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**  
**(Continued)**

**V. Other Information (continued)**

**B. Contingencies (continued)**

The initial base for local government spending and revenue limits is June 30, 1993 fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

**Arbitrage Rebate.** Investment of bond reserves and bond proceeds at net interest rates in excess of the net interest rate being paid on the bonds may cause the District to be subject to an arbitrage penalty on the difference between the net interest earned and net interest paid. This arbitrage penalty would be payable to the U.S. Treasury on the five-year anniversary date of the bonds. Final arbitrage rebate cannot be determined until the bond proceeds are expended.

**C. Voluntary Investment Program (PERAPlus 401(k) Plan)**

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

*Funding Policy.* Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions and investment earnings. There were no 401(k) Plan member contributions from the District for the year ended June 30, 2025, 2024 and 2023.

**D. Construction Commitments**

At June 30, 2025, the District had approximately \$5,994,405 of commitments for construction, which are expected to be mostly incurred in fiscal year 2026.

Aspen School District No. 1 (RE)  
Required Supplemental Information



**Aspen School District No. 1 (RE)**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	2025			Variance with Final Budget- Positive (Negative)	2024
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Taxes					
Property taxes	\$ 28,352,000	\$ 27,855,000	\$ 28,060,176	\$ 205,176	\$ 27,793,488
Specific ownership taxes	1,179,000	1,179,000	1,146,920	(32,080)	1,107,978
State income	2,511,300	2,561,300	971,109	(1,590,191)	769,678
Federal income	1,240,000	1,240,000	998,548	(241,452)	1,120,930
Investment Income	150,000	150,000	311,319	161,319	359,615
Other	2,538,700	2,488,700	2,474,316	(14,384)	1,770,891
Total revenues	<u>35,971,000</u>	<u>35,474,000</u>	<u>33,962,388</u>	<u>(1,511,612)</u>	<u>32,922,580</u>
<b>EXPENDITURES</b>					
Current:					
Direct instruction	19,211,900	19,291,900	20,439,519	(1,147,619)	18,492,466
Indirect instruction	2,912,150	2,912,150	4,073,546	(1,161,396)	3,258,833
Transportation	1,603,000	1,603,000	1,723,885	(120,885)	1,477,114
Custodial and maintenance	4,083,250	4,103,250	4,046,796	56,454	4,312,270
Support services	2,512,500	2,712,500	3,033,710	(321,210)	3,072,365
General administration	2,692,000	2,692,000	2,933,734	(241,734)	3,619,380
Community service	147,200	147,200	152,036	(4,836)	41,604
Food service	1,100,000	1,300,000	1,168,925	131,075	1,167,449
Debt Service:					
Principal	-	-	43,286	(43,286)	41,179
Interest	-	-	7,721	(7,721)	9,828
Capital outlay	287,000	287,000	871,156	(584,156)	164,845
Total expenditures	<u>34,549,000</u>	<u>35,049,000</u>	<u>38,494,314</u>	<u>(3,445,314)</u>	<u>35,657,333</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>1,422,000</u>	<u>425,000</u>	<u>(4,531,926)</u>	<u>(4,956,926)</u>	<u>(2,734,753)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	4,507,500	4,507,500	3,657,000
Transfers (out)	-	-	287,500	287,500	(547,488)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,795,000</u>	<u>4,795,000</u>	<u>3,109,512</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)</b>	<u>1,422,000</u>	<u>425,000</u>	<u>263,074</u>	<u>(161,926)</u>	<u>374,759</u>
<b>RECONCILIATION TO GAAP BASIS:</b>					
Pension direct distribution - Special funding			405,745		95,154
Pension expense - Special funding			(405,745)		(95,154)
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - GAAP BASIS</b>			<u>263,074</u>		<u>374,759</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,422,000	425,000	263,074	(161,926)	374,759
<b>FUND BALANCES, BEGINNING</b>	<u>2,251,125</u>	<u>2,251,125</u>	<u>2,429,007</u>	<u>177,882</u>	<u>2,054,248</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 3,673,125</u>	<u>\$ 2,676,125</u>	<u>\$ 2,692,081</u>	<u>\$ 15,956</u>	<u>\$ 2,429,007</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Schedule of District's Proportionate Share of the Net Pension Liability**  
**Colorado Public Employees' Retirement Association School Division Trust Fund**  
**Last 10 Fiscal Years**

<b>Fiscal year-ended June 30,</b>	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
District's portion of the net pension liability	0.2869%	0.3221%	0.2466%	0.2810%	0.3168%
District's proportionate share of the net pension liability	49,496,147	56,957,437	44,903,090	32,704,124	47,886,839
State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	4,079,166	1,222,110	13,085,212	3,749,110	-
Total proportionate share of the net pension liability associated with the District	<u>53,575,313</u>	<u>58,179,547</u>	<u>57,988,302</u>	<u>36,453,234</u>	<u>47,886,839</u>
District's covered payroll	22,163,004	21,306,197	19,016,540	17,558,893	16,944,700
District's proportionate share of the net pension liability as a percentage of its covered payroll	223.33%	267.33%	236.13%	186.25%	282.61%
Plan fiduciary net position as a percentage of the total pension liability	67.17%	64.52%	61.80%	74.90%	67.00%
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
District's portion of the net pension liability	0.2860%	0.2851%	0.3257%	0.3305%	0.3297%
District's proportionate share of the net pension liability	42,722,132	50,486,951	105,321,037	98,393,360	50,419,922
State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	10,350,615	13,245,009	-	-	-
Total proportionate share of the net pension liability associated with the District	<u>53,072,747</u>	<u>63,731,960</u>	<u>105,321,037</u>	<u>98,393,360</u>	<u>50,419,922</u>
District's covered payroll	16,926,225	16,327,944	15,018,695	14,761,014	14,728,524
District's proportionate share of the net pension liability as a percentage of its covered payroll	252.40%	309.21%	701.27%	666.58%	342.33%
Plan fiduciary net position as a percentage of the total pension liability	64.50%	57.00%	44.00%	43.10%	59.20%

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Schedule of District Contributions**  
**Colorado Public Employees' Retirement Association School Division Trust Fund**  
**Last 10 Fiscal Years**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	4,615,583	4,410,169	4,190,660	3,522,839	3,415,345
Contributions in relation to the contractually required contribution	<u>(4,615,583)</u>	<u>(4,410,169)</u>	<u>(4,190,660)</u>	<u>(3,522,839)</u>	<u>(3,415,345)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	22,647,611	21,639,690	20,562,609	17,720,516	17,179,796
Contributions as a percentage of covered payroll	20.38%	20.38%	20.38%	19.88%	19.88%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	3,322,790	3,209,421	2,887,668	2,689,048	2,489,753
Contributions in relation to the contractually required contribution	<u>(3,322,790)</u>	<u>(3,209,421)</u>	<u>(2,887,668)</u>	<u>(2,689,048)</u>	<u>(2,489,753)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	17,145,460	16,327,944	15,291,644	14,898,253	14,728,524
Contributions as a percentage of covered payroll	19.38%	19.66%	18.88%	18.05%	16.90%

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Schedule of District's Proportionate Share of the Net OPEB Liability**  
**Colorado Public Employees' Retirement Association Health Care Trust Fund**  
**Last 10 Fiscal Years \***

<b>Fiscal year-ended June 30,</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
District's proportion of the net OPEB liability	0.1836%	0.1927%	0.1873%	0.1835%	0.1832%
District's proportionate share of the net OPEB liability	878,066	1,375,292	1,529,466	1,582,226	1,741,157
District's covered payroll	22,163,004	21,306,197	19,016,540	17,558,893	16,944,700
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	3.96%	6.45%	8.04%	9.01%	10.28%
Plan fiduciary net position as a percentage of the total OPEB liability	59.83%	46.16%	38.57%	39.40%	32.78%
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	
District's proportion of the net OPEB liability	0.1869%	0.1853%	0.1850%	0.1878%	
District's proportionate share of the net OPEB liability	2,100,634	2,521,520	2,404,185	2,435,513	
District's covered payroll	16,926,225	16,327,944	15,018,695	14,761,014	
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	12.41%	15.44%	16.01%	16.50%	
Plan fiduciary net position as a percentage of the total OPEB liability	24.49%	17.03%	17.53%	16.72%	

\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within fiscal year. Information is only available beginning in fiscal year 2017.

**Aspen School District No. 1 (RE)**  
**Schedule of District OPEB Contributions**  
**Colorado Public Employees' Retirement Association Health Care Trust Fund**  
**Last 10 Fiscal Years \***

<b>Fiscal year-ended June 30,</b>	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
Contractually required contribution	231,005	220,725	209,739	180,749	175,234
Contributions in relation to the contractually required contribution	<u>(231,005)</u>	<u>(220,725)</u>	<u>(209,739)</u>	<u>(180,749)</u>	<u>(175,234)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	22,647,611	21,639,690	20,562,609	17,720,516	17,179,796
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	
Contractually required contribution	174,884	166,545	155,975	151,962	
Contributions in relation to the contractually required contribution	<u>(174,884)</u>	<u>(166,545)</u>	<u>(155,975)</u>	<u>(151,962)</u>	
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
District's covered payroll	17,145,460	16,327,944	15,291,644	14,898,253	
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	

\* Information is only available beginning in fiscal year 2017.

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information**  
**June 30, 2025**

**I. Notes to the Required Supplementary Information – PERA**

**A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information**

**1. Changes since the December 31, 2024 actuarial valuation:**

- As of the December 31, 2024, measurement date, the fiduciary net position (FNP) and related disclosure components for the Local Government Division reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the Local Government Division Trust Fund and Health Care Trust Fund (HCTF) were \$486,000 and \$20,000, respectively.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

**2. Changes since the December 31, 2023 actuarial valuation:**

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24,000,000 payment received on December 4, 2023 and a \$2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and HCTF were \$24,967,000 and \$1,033,000, respectively.
- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225,000,000 direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in C.R.S. § 24-51-416, plus \$10,000,000 from the General Fund, totaling \$14,561,000.
- SB 23-163, enacted and effective June 6, 2023, states beginning July 1, 2023, a wildlife officer and a parks and recreation officer employed by the Division of Parks and Wildlife in the Department of Natural Resources, is classified as a "State Trooper" for the purpose of determining their service retirement eligibility.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**

**I. Notes to the Required Supplementary Information – PERA (continued)**

**A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (continued)**

**3. Changes since the December 31, 2022 actuarial valuation:**

- HB 22-1029, effective upon enactment in 2022, required the State Treasurer to issue, in addition to the regularly scheduled \$225,000,000 direct distribution, a warrant to PERA in the amount of \$380,000,000 with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190,000,000 to \$35,000,000. The July 1, 2024, direct distribution will not be reduced from \$225,000,000 due to a negative investment return in 2022.
- The TPL for the Local Government Division, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**4. Changes since the December 31, 2021 actuarial valuation:**

- The following changes reflect the anticipated adjustments resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effective July 1, 2022:
  - Member contribution rates increase by 0.50%.
  - Employer contribution rates increase by 0.50%.
  - Annual increase (AI) cap is lowered from 1.25% per year to 1.00% per year.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**5. Changes since the December 31, 2020 actuarial valuation:**

- HB 20-1379, enacted on June 29, 2020, suspended the \$225,000 direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.
- HB 20-1394, enacted on June 29, 2020, requires 5.0% of the Judicial Division base employer contributions rate to be paid by the members of the Judicial Division for the State's 2020-21 and 2021-22 fiscal years. This does not apply to the employer or member contribution rates for judges employed by the Denver County Court.
- SB 18-200 and SB 20-057, enacted in 2018 and 2020, respectively expanded the definition of "State Trooper" under Colorado law as follows: ▪ Beginning July 1, 2020, new or existing employees of the Division of Fire Prevention and Control in the Department of Public Safety classified as firefighter I through firefighter VII;
- New members hired on or after January 1, 2020, as a county sheriff, undersheriff, deputy sheriff, noncertified deputy sheriff, or detention officer by a Local Government Division employer; and
- New members hired on or after January 1, 2020, as a corrections officer classified as I through IV by a State Division employer.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**

**I. Notes to the Required Supplementary Information – PERA (continued)**

**A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (continued)**

**6. Changes since the December 31, 2019 actuarial valuation:**

- SB 18-200 was enacted on June 4, 2018, which included the adoption of the AAP. The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:
  - Member contribution rates increase by 0.50%.
  - Employer contribution rates increase by 0.50%.
  - AI cap is lowered from 1.50% per year to 1.25% per year.
- HB 19-1217, enacted May 20, 2019, repealed the member contribution increases scheduled for the Local Government Division pursuant to SB 18-200.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**7. Changes since the December 31, 2018 actuarial valuation:**

- The following changes were made to the plan provisions as part of SB 18-200:
  - Member contribution rates increase by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020, and an additional 0.50% effective July 1, 2021.
  - Employer contribution rates increase by 0.25% effective July 1, 2019 for State, School, Judicial, and DPS Divisions.
  - An annual direct distribution of \$225,000,000 from the State of Colorado, recognized as a nonemployer contributing entity, is distributed between the State, School, Judicial, and DPS Divisions proportionally based on payroll.
  - AI cap is lowered from 2.00% per year to 1.50% per year. ▪ Initial AI waiting period is extended from one year after retirement to three years after retirement.
  - AI payments are suspended for 2018 and 2019.
  - The number of years used in the highest average salary calculation for non-vested members as of January 1, 2020, increases from three to five years for the State, School, Local Government, and DPS Divisions and increases from one to three years for the Judicial Division.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**8. Changes since the December 31, 2017 actuarial valuation:**

- The Cunningham Fire Protection District (CFPD) disaffiliated from the Local Government Division on December 2, 2017. For the purpose of the December 31, 2017, measurement date, liabilities were determined assuming no additional benefit accruals for the disaffiliated membership of the CFPD that had not refunded their PERA member contribution accounts. The total disaffiliation payment of \$1,159,000 was allocated to the Local Government Division Trust Fund and the HCTF in the amount of \$1,063,000 and \$96,000, respectively.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**

**I. Notes to the Required Supplementary Information – PERA (continued)**

**A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (continued)**

**8. Changes since the December 31, 2017 actuarial valuation (continued):**

- Pursuant to HB 17-1265, the amortization equalization disbursement (AED) and supplemental amortization equalization disbursement (SAED) contribution rates are adjusted for employers in the Judicial Division as follows:
  - For the calendar year beginning in 2019, C.R.S. § 24-51-411(4.5) increased the AED payment to 3.40% of PERA-includable salary and requires the AED payment to increase by 0.40% at the start of each of the following four calendar years through 2023 at which time the AED payment will be 5.00% of PERA-includable salary.
  - For the calendar year beginning in 2019, C.R.S. § 24-51-411(7.5) increased the SAED payment to 3.40% of PERA-includable salary and requires the SAED payment to increase by 0.40% at the start of each of the following four calendar years through 2023 at which time the SAED payment will be 5.00% of PERA-includable salary.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**9. Changes since the December 31, 2016 actuarial valuation:**

- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.

**10. Changes since the December 31, 2015 actuarial valuation:**

- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.
- As required under C.R.S. § 24-51-401(1.7)(e), PERA calculated and provided to the Colorado General Assembly an adjustment to the DPS Division's employer contribution rate to assure the equalization of the School Division's and the DPS Division's ratios of unfunded actuarial accrued liability to payroll as of December 31, 2039. Subsequently, the Colorado General Assembly passed HB 15-1391, reducing the employer contribution rate of the DPS Division from 13.75% to 10.15%, effective January 1, 2015.

**B. Changes to assumptions or other inputs**

**1. Changes since the December 31, 2024 actuarial valuation:**

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**

**I. Notes to the Required Supplementary Information – PERA (continued)**

**B. Changes to assumptions or other inputs (continued)**

**2. Changes since the December 31, 2023 actuarial valuation:**

- There were no changes made to the actuarial methods or assumptions.

**3. Changes since the December 31, 2022 actuarial valuation:**

- There were no changes made to the actuarial methods or assumptions.

**4. Changes since the December 31, 2021 actuarial valuation:**

- There were no changes made to the actuarial methods or assumptions.

**5. Changes since the December 31, 2020 actuarial valuation:**

- The assumption used to value the AI cap benefit provision was changed from 1.25% to 1.00%.

**6. Changes since the December 31, 2019 actuarial valuation:**

- The price inflation assumption was lowered from 2.4 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.5 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follow:
  - 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.
- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2019 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.
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to 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 head-count weighted basis.

**7. Changes since the December 31, 2018 actuarial valuation:**

- The assumption used to value the AI cap benefit provision was changed from 1.50 percent to 1.25 percent.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**  
**(Continued)**

**I. Notes to the Required Supplementary Information – PERA (continued)**

**B. Changes to assumptions or other inputs (continued)**

**8. Changes since the December 31, 2017 actuarial valuation:**

- The single equivalent interest rate (“SEIR”) was increased from 4.78 percent to 7.25 percent to reflect the changes to the projection’s valuation basis, which no longer resulted in a projected year of depletion of the FNP, thereby eliminating the need to apply the municipal bond index rate.

**9. Changes since the December 31, 2016 actuarial valuation:**

- The SEIR was lowered from 5.26% to 4.78% to reflect the changes to the projection’s valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.
- The municipal bond index rate used in the determination of the SEIR changed from 3.86% on the prior measurement date to 3.43% on the measurement date.

**10. Changes Since the December 31, 2015 Actuarial Valuation:**

- The investment return assumption was lowered from 7.5% to 7.25%
- The wage inflation assumption was lowered from 3.90% to 3.50%
- The post-retirement mortality assumption for healthy lives for the School and Denver Public School (“DPS”) Divisions was changed to the RP-2014 White Collar Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 93% factor applied to ages below 80 and a 113% factor applied to age 80 and above, projected to 2018, or males, and a 68% factor applied to ages below 80 and a 106% factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90% of RP-2014 Disabled Retiree Mortality Table.
- The mortality assumption for active members was changed to 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% factor applied to male rates and a 55% factor applied to female rates.
- The rates of retirement, withdrawal, and disability were revised to reflect more closely actual experience.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.35% to 0.40%.
- The SEIR for the School Division Trust Fund was lowered from 7.50% to 5.26% to reflect the changes to the projection’s valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.

**II. Notes to the Required Supplementary Information – OPEB**

**A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information**

**1. Changes since the December 31, 2024 actuarial valuation:**

- As of the December 31, 2024, measurement date, the fiduciary net position (FNP) and related disclosure components for the Health Care Trust Fund (HCTF) reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$20,000 and \$486,000, respectively.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**  
**(Continued)**

**II. Notes to the Required Supplementary Information – OPEB (continued)**

**A. Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (continued)**

**2. Changes since the December 31, 2023 actuarial valuation:**

- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24,000,000 payment received on December 4, 2023 and a \$2,000,000 receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1,033,000 and \$24,967,000, respectively.

**3. Changes since the December 31, 2022 actuarial valuation:**

- The total OPEB liability for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

**4. Changes since the December 31, 2021 actuarial valuation:**

- There were no change made to the plan provisions.

**5. Changes since the December 31, 2020 actuarial valuation:**

- There were no change made to the plan provisions.

**6. Changes since the December 31, 2019 actuarial valuation:**

- There were no change made to the plan provisions.

**7. Changes since the December 31, 2018 actuarial valuation:**

- There were no change made to the plan provisions.

**8. Changes since the December 31, 2017 actuarial valuation:**

- The Cunningham Fire Protection District (CFPD) disaffiliated from the Local Government Division, thereby ending participation in the HCTF on December 2, 2017. For the purpose of disclosure as of the December 31, 2017, measurement date, liabilities were determined assuming no additional service accruals impacting possible future premium subsidies for the disaffiliated membership of the CFPD that had not refunded their PERA member contribution accounts. The total disaffiliation payment of \$1,159,000 was allocated to the Local Government Division Trust Fund and the HCTF in the amount of \$1,063,000 and \$96,000, respectively.

**Aspen School District No. 1 (RE)**  
**Notes to Required Supplementary Information (continued)**  
**June 30, 2025**  
**(Continued)**

**II. Notes to the Required Supplementary Information – OPEB (continued)**

**B. Changes to assumptions or other inputs**

**1. Changes since the December 31, 2024 actuarial valuation:**

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

**2. Changes since the December 31, 2023 actuarial valuation:**

- There were no change made to the actuarial methods or assumptions.

**3. Changes since the December 31, 2022 actuarial valuation:**

- The timing of the retirement decrement was adjusted to middle-of-year.

**4. Changes since the December 31, 2021 actuarial valuation:**

- There were no change made to the actuarial methods or assumption

**5. Changes since the December 31, 2020 actuarial valuation:**

- Changes since the December 31, 2019 to the HCTF actuarial valuation are the same as the changes to the SCHDTF noted in Note I.B.6. above.

**6. Changes since the December 31, 2019 actuarial valuation:**

- There were no change made to the actuarial methods or assumptions.

**7. Changes since the December 31, 2018 actuarial valuation:**

- There were no change made to the actuarial methods or assumptions.

**8. Changes since the December 31, 2017 actuarial valuation:**

- There were no change made to the actuarial methods or assumptions.

Aspen School District No. 1 (RE)

Supplemental Information



**Aspen School District No. 1 (RE)**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	2025			Variance with Final Budget- Positive (Negative)	2024
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Taxes					
Property taxes	\$ 7,998,000	\$ 8,194,000	\$ 8,001,922	\$ (192,078)	\$ 7,939,928
Total revenues	<u>7,998,000</u>	<u>8,194,000</u>	<u>8,001,922</u>	<u>(192,078)</u>	<u>7,939,928</u>
<b>EXPENDITURES</b>					
Debt Service:					
Principal	4,120,000	4,120,000	4,120,000	-	3,990,000
Interest	3,894,750	3,894,750	3,894,750	-	4,038,050
Bond issue costs	-	-	16,050	(16,050)	15,794
Total expenditures	<u>8,014,750</u>	<u>8,014,750</u>	<u>8,030,800</u>	<u>(16,050)</u>	<u>8,043,844</u>
<b>NET CHANGE IN FUND BALANCES</b>	(16,750)	179,250	(28,878)	(208,128)	(103,916)
<b>FUND BALANCES, BEGINNING</b>	<u>8,188,000</u>	<u>8,188,000</u>	<u>8,074,577</u>	<u>(113,423)</u>	<u>8,178,493</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ 8,171,250</u></u>	<u><u>\$ 8,367,250</u></u>	<u><u>\$ 8,045,699</u></u>	<u><u>\$ (321,551)</u></u>	<u><u>\$ 8,074,577</u></u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Building Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	<u>2025</u>			<b>Variance with Final Budget- Positive (Negative)</b>	<u>2024</u>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>		<b>Actual Amounts</b>
	<u>Original</u>	<u>Final</u>			
<b>REVENUES</b>					
Investment income	\$ 50,000	\$ 50,000	\$ 570,770	\$ 520,770	\$ 1,586,508
Other	-	-	-	-	1,362,812
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>570,770</u>	<u>520,770</u>	<u>2,949,320</u>
<b>EXPENDITURES</b>					
Direct instruction	-	-	-	-	11,690
Custodial and maintenance	1,952,700	1,952,700	140,004	1,812,696	208,715
Support services	97,300	97,300	174,987	(77,687)	90,945
Food service	-	-	38,041	(38,041)	71,870
Debt Service:					
Arbitrage expense/contingency	-	-	1,379,965	(1,379,965)	-
Capital outlay	<u>6,000,000</u>	<u>16,000,000</u>	<u>16,654,886</u>	<u>(654,886)</u>	<u>19,699,693</u>
Total expenditures	<u>8,050,000</u>	<u>18,050,000</u>	<u>18,387,883</u>	<u>(337,883)</u>	<u>20,082,913</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(8,000,000)</u>	<u>(18,000,000)</u>	<u>(17,817,113)</u>	<u>182,887</u>	<u>(17,133,593)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	5,354,360	5,354,360	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,354,360</u>	<u>5,354,360</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(8,000,000)	(18,000,000)	(12,462,753)	5,537,247	(17,133,593)
<b>FUND BALANCES, BEGINNING</b>	<u>1,405,000</u>	<u>1,405,000</u>	<u>20,251,471</u>	<u>18,846,471</u>	<u>37,385,064</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ (6,595,000)</u>	<u>\$ (16,595,000)</u>	<u>\$ 7,788,718</u>	<u>\$ 24,383,718</u>	<u>\$ 20,251,471</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Capital Reserve Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	2025			Variance with Final Budget- Positive (Negative)	2024
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Other	\$ 500,000	\$ 500,000	\$ 608,002	\$ 108,002	\$ 402,095
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>608,002</u>	<u>108,002</u>	<u>402,095</u>
<b>EXPENDITURES</b>					
Debt Service:					
Principal	167,000	167,000	125,758	41,242	116,860
Interest	-	-	50,766	(50,766)	54,971
Capital outlay	100,000	100,000	10,000	90,000	78,254
Total expenditures	<u>267,000</u>	<u>267,000</u>	<u>186,524</u>	<u>80,476</u>	<u>250,085</u>
<b>NET CHANGE IN FUND BALANCES</b>	233,000	233,000	421,478	188,478	152,010
<b>FUND BALANCES, BEGINNING</b>	<u>1,405,000</u>	<u>1,405,000</u>	<u>1,971,595</u>	<u>566,595</u>	<u>1,819,585</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 1,638,000</u>	<u>\$ 1,638,000</u>	<u>\$ 2,393,073</u>	<u>\$ 755,073</u>	<u>\$ 1,971,595</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Aspen Educational Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	<u>2025</u>			<b>Variance with Final Budget- Positive (Negative)</b>	<u>2024</u>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>		<b>Actual Amounts</b>
	<u>Original</u>	<u>Final</u>			
<b>REVENUES</b>					
Other	\$ 4,560,000	\$ 4,560,000	\$ 5,809,352	\$ 1,249,352	\$ 6,277,507
Total revenues	<u>4,560,000</u>	<u>4,560,000</u>	<u>5,809,352</u>	<u>1,249,352</u>	<u>6,277,507</u>
<b>EXPENDITURES</b>					
Current:					
Direct instruction	4,560,000	4,560,000	1,059,641	3,500,359	591,677
Indirect instruction	-	-	9,620	(9,620)	10,381
Support services	-	-	22,709	(22,709)	-
General administration	-	-	-	-	322,073
Total expenditures	<u>4,560,000</u>	<u>4,560,000</u>	<u>1,091,970</u>	<u>3,468,030</u>	<u>924,131</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>4,717,382</u>	<u>4,717,382</u>	<u>5,353,376</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	-	-	(4,934,830)	(4,934,830)	(3,973,988)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,934,830)</u>	<u>(4,934,830)</u>	<u>(3,973,988)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(217,448)	(217,448)	1,379,388
<b>FUND BALANCES, BEGINNING</b>	309,604	306,604	1,688,992	1,382,388	309,604
<b>FUND BALANCES, ENDING</b>	<u>\$ 309,604</u>	<u>\$ 306,604</u>	<u>\$ 1,471,544</u>	<u>\$ 1,164,940</u>	<u>\$ 1,688,992</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Combining Balance Sheet**  
**Non-Major Funds**  
**June 30, 2025**

	<b>Student Athletics Fund</b>	<b>Aspen Family Connections Fund</b>	<b>Total Non-Major Funds</b>
<b>ASSETS AND OTHER DEBITS</b>			
Assets:			
Cash and cash equivalents	\$ -	\$ 259,011	\$ 259,011
Prepaid expenses	153,693	-	153,693
Other receivable	85,519	28,167	113,686
Due from other governments	-	10,971	10,971
Due from other funds	200,498	595,970	796,468
	439,710	894,119	1,333,829
Total assets and other debits	439,710	894,119	1,333,829
 <b>FUND BALANCES</b>			
Liabilities:			
Accounts and other current payables	149,060	7,902	156,962
Due to other funds	1,934,342	-	1,934,342
Accrued expenses	2,700	-	2,700
	2,086,102	7,902	2,094,004
Total liabilities	2,086,102	7,902	2,094,004
 Fund balances:			
Non-spendable:			
Prepaid expenses	153,693	-	153,693
Spendable:			
Assigned	-	886,217	886,217
Unassigned	(1,800,085)	-	(1,800,085)
	(1,646,392)	886,217	(760,175)
Total fund balances	(1,646,392)	886,217	(760,175)
Total liabilities and fund balances	\$ 439,710	\$ 894,119	\$ 1,333,829

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-Major Funds**  
**For the Year Ended June 30, 2025**

	<b>Student Athletics Fund</b>	<b>Aspen Family Connections Fund</b>	<b>Total Non-Major Funds</b>
<b>REVENUES</b>			
State income	\$ (98,440)	\$ -	\$ (98,440)
Federal income	-	82,250	82,250
Investment Income	-	8,499	8,499
Other	1,441,372	1,024,883	2,466,255
Total revenues	<u>1,342,932</u>	<u>1,115,632</u>	<u>2,458,564</u>
<b>EXPENDITURES</b>			
Current:			
Indirect instruction	-	758,799	758,799
Support services	-	3,059	3,059
Community service	-	63,098	63,098
Student activities	1,914,874	-	1,914,874
Total expenditures	<u>1,914,874</u>	<u>824,956</u>	<u>2,739,830</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(571,942)</u>	<u>290,676</u>	<u>(281,266)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	89,830	-	89,830
Transfers (out)	-	100,000	100,000
Total other financing sources (uses)	<u>89,830</u>	<u>100,000</u>	<u>189,830</u>
<b>NET CHANGE IN FUND BALANCES</b>	(482,112)	390,676	(91,436)
<b>FUND BALANCES, BEGINNING</b>	<u>(1,164,280)</u>	<u>495,541</u>	<u>(668,739)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ (1,646,392)</u>	<u>\$ 886,217</u>	<u>\$ (760,175)</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Student Athletics Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	<u>2025</u>			<b>Variance with Final Budget- Positive (Negative)</b>	<u>2024</u>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>		<b>Actual Amounts</b>
	<u>Original</u>	<u>Final</u>			
<b>REVENUES</b>					
State income	\$ -	\$ -	\$ (98,440)	\$ (98,440)	\$ -
Other	853,000	1,043,000	1,441,372	398,372	1,312,824
Total revenues	<u>853,000</u>	<u>1,043,000</u>	<u>1,342,932</u>	<u>299,932</u>	<u>1,312,824</u>
<b>EXPENDITURES</b>					
Current:					
Student activities	1,058,000	1,058,000	1,914,874	(856,874)	2,822,387
Total expenditures	<u>1,058,000</u>	<u>1,058,000</u>	<u>1,914,874</u>	<u>(856,874)</u>	<u>2,822,387</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(205,000)</u>	<u>(15,000)</u>	<u>(571,942)</u>	<u>(556,942)</u>	<u>(1,509,563)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	89,830	89,830	764,476
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>89,830</u>	<u>89,830</u>	<u>764,476</u>
<b>NET CHANGE IN FUND BALANCES</b>	(205,000)	(15,000)	(482,112)	(467,112)	(745,087)
<b>FUND BALANCES, BEGINNING</b>	<u>(393,293)</u>	<u>(393,293)</u>	<u>(1,164,280)</u>	<u>(770,987)</u>	<u>(419,193)</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ (598,293)</u>	<u>\$ (408,293)</u>	<u>\$ (1,646,392)</u>	<u>\$ (1,238,099)</u>	<u>\$ (1,164,280)</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Aspen Family Connections Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual (GAAP Basis)**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	<b>2025</b>			<b>Variance with Final Budget- Positive (Negative)</b>	<b>2024</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>			
<b>REVENUES</b>					
Federal income	\$ -	\$ -	\$ 82,250	\$ 82,250	\$ -
Investment Income	-	-	8,499	8,499	-
Other	745,000	745,000	1,024,883	279,883	757,530
Total revenues	<u>745,000</u>	<u>745,000</u>	<u>1,115,632</u>	<u>370,632</u>	<u>757,530</u>
<b>EXPENDITURES</b>					
Current:					
Indirect instruction	579,000	579,000	758,799	(179,799)	666,298
Custodial and maintenance	-	-	-	-	19,030
Support services	4,000	4,000	3,059	941	3,325
Community service	107,000	107,000	63,098	43,902	94,832
Total expenditures	<u>690,000</u>	<u>690,000</u>	<u>824,956</u>	<u>(134,956)</u>	<u>783,485</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>55,000</u>	<u>55,000</u>	<u>290,676</u>	<u>235,676</u>	<u>(25,955)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	-	-	100,000	100,000	100,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	55,000	55,000	390,676	335,676	74,045
<b>FUND BALANCES, BEGINNING</b>	<u>422,875</u>	<u>422,875</u>	<u>495,541</u>	<u>72,666</u>	<u>421,496</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 477,875</u>	<u>\$ 477,875</u>	<u>\$ 886,217</u>	<u>\$ 408,342</u>	<u>\$ 495,541</u>

The notes to the financial statements are an integral part of this statement.

**Aspen School District No. 1 (RE)**  
**Employee Housing Fund**  
**Schedule of Revenues, Expenditures and Changes in Net**  
**Assets - Budget (Non-GAAP Basis) and Actual with**  
**Reconciliation to GAAP Basis**  
**For the Year Ended June 30, 2025**  
**With Comparative Actual Amounts for 2024**

	<u>2025</u>			<b>Variance with Final Budget- Positive (Negative)</b>	<u>2024</u>
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>			
<b>OPERATING REVENUES</b>					
Charges for services	\$ 1,200,000	\$ 1,700,000	\$ 1,684,520	\$ (15,480)	\$ 1,639,166
Other income	-	-	12,055	12,055	12,981
Total operating revenues	<u>1,200,000</u>	<u>1,700,000</u>	<u>1,696,575</u>	<u>(3,425)</u>	<u>1,652,147</u>
<b>OPERATING EXPENSES</b>					
Purchased professional and technical services	-	320,000	40,913	279,087	5,144
Employee benefits	-	-	89,660	(89,660)	77,937
Salaries	285,000	285,000	239,059	45,941	214,837
Repairs and maintenance	-	-	569,489	(569,489)	455,615
Purchased services	320,000	420,000	137,938	282,062	196,067
Operating supplies	375,000	375,000	326,372	48,628	374,314
Property	-	-	2,160	(2,160)	14,424
Other objects	200,000	200,000	188,676	11,324	213,696
Total operating expenses	<u>1,180,000</u>	<u>1,600,000</u>	<u>1,594,267</u>	<u>5,733</u>	<u>1,552,034</u>
<b>INCOME (LOSS) FROM OPERATIONS</b>	<u>20,000</u>	<u>100,000</u>	<u>102,308</u>	<u>2,308</u>	<u>100,113</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Cash proceeds from sale of capital assets	-	-	5,354,360	5,354,360	-
Investment income	10,000	10,000	-	(10,000)	178
Total nonoperating revenues (expenses)	<u>10,000</u>	<u>10,000</u>	<u>5,354,360</u>	<u>5,344,360</u>	<u>178</u>
Transfers in (out)	-	-	(5,404,360)	(5,404,360)	-
<b>CHANGE IN NET POSITION - NON-GAAP BASIS</b>	<u>\$ 30,000</u>	<u>\$ 110,000</u>	52,308	<u>\$ (57,692)</u>	100,291
<b>RECONCILIATION TO GAAP BASIS</b>					
Capital contributions			4,853,354		4,091,149
Carrying value of capital assets disposed			(5,227,323)		-
Depreciation			(2,064,453)		(2,086,732)
<b>CHANGE IN NET POSITION - GAAP BASIS</b>			<u>\$ (2,386,114)</u>		<u>\$ 2,104,708</u>

The notes to the financial statements are an integral part of this statement.

Aspen School District No. 1 (RE)

STATE COMPLIANCE SECTION





**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 2640 - Aspen 1  
 Fiscal Year 2024-25  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

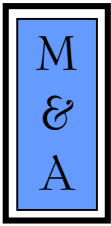
Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	2,429,002	39,163,133	38,900,059	2,692,076
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
<b>Sub- Total</b>	<b>2,429,002</b>	<b>39,163,133</b>	<b>38,900,059</b>	<b>2,692,076</b>
11 Charter School Fund	2,969,307	4,050,285	3,533,057	3,486,536
20,26-29 Special Revenue Fund	2,184,534	2,090,153	1,916,925	2,357,762
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	0	0	0	0
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	-1,164,279	1,432,763	1,914,874	-1,646,390
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	8,074,577	8,001,922	8,030,801	8,045,697
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	20,251,472	5,925,130	18,387,883	7,788,719
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	1,971,594	608,002	186,524	2,393,073
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
<b>Totals</b>	<b>36,716,207</b>	<b>61,271,388</b>	<b>72,870,122</b>	<b>25,117,473</b>
<b>Proprietary</b>				
50 Other Enterprise Funds	52,627,267	1,145,569	3,531,683	50,241,152
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
<b>Totals</b>	<b>52,627,267</b>	<b>1,145,569</b>	<b>3,531,683</b>	<b>50,241,152</b>
<b>Fiduciary</b>				
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
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FINAL

Aspen School District No. 1 (RE)

SINGLE AUDIT SECTION





# McMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

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## **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  
Aspen School District No. 1 (RE)  
Aspen, CO**

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Aspen School District No. 1 (RE) (the "District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated .

### ***Internal Control Over Financial Reporting***

In planning and performing our audit on the financial statements, we considered the District'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 the District's internal control. Accordingly, we do not express an opinion of the effectiveness of the District'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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. 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 the District's financial statements are free of 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*.

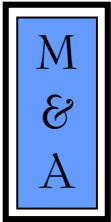
*Member: American Institute of Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT  
To the Board of Education  
Aspen School District No. 1 (RE)  
Aspen, CO**

***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 District's internal control on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*McMahan and Associates, L.L.C.*  
**McMahan and Associates, L.L.C.  
Avon, Colorado  
December 5, 2025**



# McMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

**To the Board of Education  
Aspen School District No. 1 (RE)  
Aspen, CO**

### ***Report on Compliance for Each Major Program***

We have audited the compliance of the Aspen School District No. 1 (RE) (the "District") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District 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, 2025.

### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS); 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* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

*Member: American Institute of Certified Public Accountants*

**INDEPENDENT AUDITOR'S REPORT  
To the Board of Education  
Aspen School District No. 1 (RE)  
Aspen, CO**

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Report on 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 or on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 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 the 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. 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.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

**INDEPENDENT AUDITOR'S REPORT**  
**To the Board of Education**  
**Aspen School District No. 1 (RE)**  
**Aspen, CO**

***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 Uniform Guidance and the Guide. Accordingly, this report is not suitable for any other purpose.

*McMahan and Associates, L.L.C.*  
**McMahan and Associates, L.L.C.**  
**Avon, Colorado**  
**December 5, 2025**

**Aspen School District No. 1 (RE)**  
**SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2025**

**Part I: Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

*Federal Awards*

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200	None noted
Major programs – Schools and Roads – Grants to States	ALN 10.665
Dollar threshold used to identify Type A from Type B programs	\$750,000
Identified as low-risk auditee	Yes

**Part II: Findings Related to Financial Statements**

Findings related to financial statements as required by Government Auditing Standards	No
Auditor-assigned reference number	Not applicable

**Part III: Findings Related to Federal Awards**

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

**Aspen School District No. 1 (RE)**  
**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2025**

There were no findings for the fiscal year ended June 30, 2024.

**Aspen School District No. 1 (RE)**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2025**

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Grant Project Code</u>	<u>Expenditures</u>
<b>United States Department of Agriculture:</b>			
<b>Passed through Pitkin County Colorado</b>			
Schools and Roads - Grants to States	10.665	7665	\$ 613,043 <b>A</b>
<b>Total United States Department of Agriculture</b>			<u>613,043</u>
<b>United States Department of Education:</b>			
<b>Passed through Colorado Department of Education:</b>			
Title I Grants to Local Education Agencies	84.010	4010	80,002
Special Education - Grants to States	84.027	4027	284,162 <b>B</b>
Special Education - Preschool Grants	84.173	4173	5,918 <b>B</b>
Title III, Part A - English Language Acquisition	84.365	4365	12,909
Supporting Effective Instruction State Grants	84.367	4367	25,690
<b>Total United States Department of Education</b>			<u>408,681</u>
<b>United States Department of Health and Human Services:</b>			
Drug-Free Communities Support Program Grants	93.276	7276	95,779
<b>Total United States Department of Health and Human Services</b>			<u>95,779</u>
<b>Total Federal Expenditures</b>			<u>\$ 1,117,503</u>
<b>Additional Information for Clusters:</b>			
<b>A</b> Forest Service Schools and Roads Cluster			\$ 613,043
<b>B</b> Special Education Cluster (IDEA)			290,080

**Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2025:**

**Note 1. Basis of Presentation:**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Aspen School District No.1 (RE) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the general purpose financial statements.

**Note 2. Sub recipients:**

The District had no sub-recipients as of June 30, 2025.

**Note 3. Indirect Facilities and Administration Costs:**

The District has elected to not use the 10% de minimis cost rate allowed in § 200.414, Indirect (F&A) Costs, of the Uniform Guidance.