Bennett School District 29J

BENNETT SCHOOL DISTRICT 29J
BENNETT, COLORADO

FINANCIAL STATEMENTS
AND THE INDEPENDENT AUDITOR'S REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Bennett School District 29J
Bennett, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of the Bennett School District 29J (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District, 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, discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit, Sky Ranch Academy (the Academy), which is both a major fund and represents 100% percent of the assets, net position, and revenues of the discretely presented component unit as of June 30, 2025. 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 the Academy, is based solely on the report of the other auditors.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 generally accepted auditing standards 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents 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 information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Education
Bennett School District 29J

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 combining and individual fund statements and budgetary comparison schedules, and the auditor's integrity report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

DMC Auditing and Consulting, LLC

December 24, 2025
Bailey, Colorado

Bennett School District No.29J
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

As management of the Bennett School District, we offer readers of the Bennett School District's financial statements this narrative overview and analysis of the financial activities of the Bennett School District for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the District's financial statements, which follows this section.

Financial Highlights

- Total net position increased 31.8 percent.
- General revenues, primarily property taxes and state equalization payments, account for $14,030,573 or 74 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions, accounted for $4,139,106 or 22 percent of total revenues of $18,849,288. The District had $16,831,597 in expenses related to governmental activities; of which $4,139,106 of these expenses were offset by program specific charges for services, grants and contributions. General revenues of $14,710,182 were adequate to provide for these programs, excluding pension expense, leading to an overall increase in net position.
- The District reduced its outstanding long-term debt by $531,695 due primarily to the prescribed redemption of financed purchase obligations and leases.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as instruction were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements, and includes a comparison to the District's budget for the year.

District-wide Financial Statements

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

The statement of net position presents information on all of the Bennett School District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Bennett School District is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave.)

Both of the district-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. Included in governmental activities are most of the District's basic services such as regular and special education, transportation and administration.

The district-wide financial statements can be found following management's discussion and analysis.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds; not the District as a whole. Funds are accounting devices the District uses to track specific sources of funding and spending on particular programs. The Bennett School District, like other local governments, uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. The District's funds are divided into one category, "Governmental Funds".

Governmental Funds: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out, and, (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

Bennett School District maintains **five** individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the bond redemption fund because they are considered major funds. Data from other governmental funds are combined into a single, aggregated presentation. Also included in the other information section is budget-to-actual information for the debt service fund, the capital reserve capital projects fund, and the food service and pupil activity special revenue funds as required by state law.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The District does not have any Fiduciary Funds as of June 30, 2024.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 10 through 35.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information. Supplementary information includes combining statements mentioned earlier in connection with non-major governmental funds as well as budget-to-actual information for all funds as dictated by state law.

District-wide Financial Analysis

Table 1 provides a summary of the District's net position at June 30, 2024, and 2025.

	Governmental Activities	
	2025	2024
ASSETS		
Current and Other Assets	10,723,462	8,295,666
Capital Assets, Net	21,992,403	21,978,584
Total Assets	32,715,865	30,274,250
Deferred Outflows of Resources	3,839,544	5,990,454
LIABILITIES		
Current and Other Liabilities	1,761,775	1,244,396
Long-Term Liabilities	24,095,692	28,099,008
Total Liabilities	25,857,467	29,343,404
Deferred Inflows of Resources	2,194,788	353,333
NET POSITION		
Net Investment in Capital Assets	15,863,089	15,221,949
Restricted for:		
Emergencies	545,000	625,000
Grants	122,003	122,003
Food Service	120,327	118,766
Unrestricted	(8,147,265)	(9,519,751)
Total Net Position	8,503,154	6,567,967

Table 2 provides a summary of the changes in net position for fiscal years 2024 and 2025. Following table 2 is a specific discussion related to overall revenues and expenditures.

	Governmental Activities	
	2025	2024
REVENUES		
Charges for Services	646,724	509,014
Operating Grants and Contributions	3,350,583	2,741,195
Capital Grants and Contributions	141,799	478,723
Property Taxes	8,325,788	10,092,163
Specific Ownership Taxes	445,117	444,271
State Equalization	5,704,785	2,705,981
Investment Income	198,654	122,425
Insurance Proceeds	-	2,164,633
Other	35,838	123,408
Total Revenues	18,849,288	19,381,813
EXPENSES		
Instruction	8,420,191	11,067,074
Supporting Services	7,496,651	6,493,552
Food Services	516,144	498,985
Interest on Long-Term Debt	250,849	264,324
Total Expenses	16,683,835	18,323,935
Change in Net Position	2,165,453	1,057,878
Net Position, Beginning	6,567,967	5,510,089
Restatement - Correction of an Error	(230,266)	-
Net Position, Ending	8,503,154	6,567,967

Property taxes and per pupil state formula revenue (state equalization) account for most of the District's revenue.

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

Governmental Activities

The primary source of operating revenue for school districts comes from the School Finance Act of 1994. Funding for the school finance act comes from property taxes, specific ownership taxes and state equalization. The district received approximately 30 percent of this funding from state equalization while the remaining amounts come from property taxes, specific ownership tax and other revenues.

The statement of activities provides the cost of program services and related charges for services and grants offsetting those costs.

Some of the cost was financed by the users of the District's programs $509,014. Revenues in this category include items such as athletic fees.

- Federal and State government subsidized certain programs with grants and contributions amounting to $8,285,536.
- District's expenses of $16,831,597 were financed by District and State taxpayers.
- Expenses of $16,831,597 were locally financed by $8,325,788 in property taxes and $5,704,785 in state aid (equalization) based on the statewide formula for per pupil funding.

Financial Analysis of the District's Funds

Information about the District's funds starts on page 6. These funds are accounted for using a modified accrual basis of accounting. All governmental funds have total revenues $18,719,618, and expenditures of $16,729,015, with a net change in fund balances of $2,164,597.

General Fund Budgetary Highlights

The District approves a budget in June based on enrollment projections for the following school year. In January 2025, the District revised the annual operating budget approved by the District's Board of Education in June 2024. The primary reason for the issuance of a supplemental budget was addressing an insurance settlement and related costs.

The actual general fund expenditures were $739,674 under budget, primarily because of appropriated reserves not being fully utilized.

The fund balance as of June 30, 2025 (actual basis) was $8,111,253 compared to $6,367,463 as of June 30, 2024.

Capital Assets

By the end of the fiscal year 2025, the District had invested $38.2 million in a broad range of capital assets, including land, buildings, site improvements, vehicles, and other equipment.

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
Governmental Activities				
Land	$ 1,248,637	$ -	$ -	$ 1,248,637
Construction in Progress	2,164,633	-	2,164,633	-
Land Improvements	2,000,043	7,500	-	2,007,543
Buildings and Improvements	27,977,103	2,793,459	39,800	30,730,762
Vehicles and Equipment	3,358,698	235,424	-	3,594,122
Food Service Equipment	164,061	-	-	164,061
Right-to-Use Leases and SBITAs	267,449	173,994	-	441,443
Total Capital Assets (Gross)	37,180,624	3,210,377	2,204,433	38,186,568
Total Accumulated Depreciation	(15,202,040)	(1,007,324)	(15,199)	(16,194,165)
Capital Assets, Governmental Activities, Net	$21,978,584	$ 2,203,053	$2,189,234	$21,992,403

Long-Term Debt

Detail information about the District's long-term liabilities is presented on pages 16 through 17 in the notes to the financial statements.

During the 2025 fiscal year, the District continued to pay down its debt. Colorado Revised Statue 22-42-104 states that a school district shall have a limit of bonded indebtedness determined by a specific formula. The District's outstanding debt is below the statutory limit.

	Balance 6/30/2024	Additions	Reductions	Balance 6/30/2025	Due Within One Year
Governmental Activities					
Lease Copiers	$ 214,510	$ 12,799	$ 64,811	$ 162,498	$ 48,191
Financed Purchases	6,272,505	-	417,896	5,854,609	437,248
SBITA	-	161,195	48,988	112,207	45,012
Compensated Absences	269,620	26,986	-	296,606	296,606
Total Long-Term Debt	$ 6,756,635	$ 200,980	$ 531,695	$ 6,425,920	$ 827,057

Factors Bearing on the District's Future

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

- Information from the 2024-2025 student enrollment "October Count" shows that Bennett School District has a slightly decreased student count in 2025-2026, which still provides stabilized revenue for the District.
- Starting in fiscal year 2023-2024 the district has included a component unit, Sky Ranch Academy. Of the total count of 1,710 that the district is funded, 495 of those students attend Sky Ranch Academy in 2024-2025
- Based on historical trends, and an analysis of our current population, student enrollment for fall 2025-2026 school year will likely show increased enrollment from 2024-2025 school year.
- The United States and the State of Colorado have experienced stable economic conditions in the past couple years. We are, however, anticipating changes in the state funding calculation going forward and this will impact on how the district is funded.

Contacting the District's Financial Management

This financial report is designed to provide the district's citizens, taxpayers, customers, and investors and creditors with a general overview of the district's finances and to demonstrate the district's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer's office, Bennett School District 29J, 805 Washington Way, Bennett, CO., 80102.

BASIC FINANCIAL STATEMENTS

BENNETT SCHOOL DISTRICT 29J
STATEMENT OF NET POSITION
June 30, 2025

	PRIMARY GOVERNMENT	COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	SKY RANCH ACADEMY
ASSETS		
Cash and Investments	$ 10,127,182	$ 1,046,580
Accounts Receivable	181,035	-
Grants Receivable	114,648	155,945
Taxes Receivable	290,642	-
Inventories	9,955	-
Capital Assets, *Not Being Depreciated*	1,248,637	-
Capital Assets, *Net of Accumulated Depreciation*	20,743,766	24,475
TOTAL ASSETS	32,715,865	1,227,000
DEFERRED OUTFLOWS OF RESOURCES		
Pensions, *Net of Accumulated Amortization*	3,711,637	-
OPEB, *Net of Accumulated Amortization*	127,907	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,839,544	-
LIABILITIES		
Accounts Payable	215,651	17,276
Contracted Services Fee Payable	-	914,600
Accrued Salaries and Benefits	948,059	-
Accrued Interest Payable	112,653	-
Unearned Revenue	94,982	10,970
Insurance Claims Payable	390,430	-
Noncurrent Liabilities		
Due Within One Year	827,057	-
Due in More Than One Year	5,598,863	-
Net Pension Liability	17,361,726	-
Net OPEB Liability	308,046	-
TOTAL LIABILITIES	25,857,467	942,846
DEFERRED INFLOWS OF RESOURCES		
Pensions, *Net of Accumulated Amortization*	1,937,226	-
OPEB, *Net of Accumulated Amortization*	257,562	-
TOTAL DEFERRED INFLOWS OF RESOURCES	2,194,788	-
NET POSITION		
Net Investment in Capital Assets	15,863,089	24,475
Restricted for:		
Emergencies	545,000	225,842
Grants	122,003	-
Food Service	120,327	-
Unrestricted	(8,147,265)	33,837
TOTAL NET POSITION	$ 8,503,154	$ 284,154

See Notes to the Financial Statements.

BENNETT SCHOOL DISTRICT 29J
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION	
					PRIMARY GOVERNMENT	COMPONENT UNIT
FUNCTIONS / PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	SKY RANCH ACADEMY
PRIMARY GOVERNMENT						
Governmental Activities						
Instruction	$ 8,420,191	$ 320,004	$ 2,293,432	$ -	$ (5,806,755)	$ -
Supporting Services	7,496,651	321,615	596,724	141,799	(6,436,513)	-
Food Services	516,144	5,105	460,427	-	(50,612)	-
Interest on Long-Term Debt	250,849	-	-	-	(250,849)	-
TOTAL PRIMARY GOVERNMENT	$ 16,683,835	$ 646,724	$ 3,350,583	$ 141,799	(12,544,729)	-
COMPONENT UNIT	$ 7,528,081	$ 256	$ 555,328	-	-	(6,972,497)
	GENERAL REVENUES					
	Local Property Taxes				8,325,788	-
	Specific Ownership Taxes				445,117	-
	State Equalization				5,704,785	-
	Per Pupil Revenue				-	5,840,040
	Other State Sources				-	132,792
	Private Sources				-	13,403
	Private Sources - NHA				-	1,008,691
	Investment Income				198,654	-
	Other				35,838	-
	TOTAL GENERAL REVENUES				14,710,182	6,994,926
	CHANGE IN NET POSITION				2,165,453	22,429
	NET POSITION, Beginning, as Originally Stated				6,567,967	261,725
	Restatement - Correction of Error				(230,266)	-
	NET POSITION, Beginning, as Restated				6,337,701	261,725
	NET POSITION, Ending				$ 8,503,154	$ 284,154

BENNETT SCHOOL DISTRICT 29J
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
ASSETS			
Cash and Investments	$ 9,002,003	$ 1,125,179	$ 10,127,182
Accounts Receivable	179,833	1,202	181,035
Grants Receivable	43,436	71,212	114,648
Taxes Receivable	290,642	-	290,642
Interfund Receivable	-	612	612
Inventory	-	9,955	9,955
TOTAL ASSETS	$ 9,515,914	$ 1,208,160	$ 10,724,074
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 204,116	$ 11,535	$ 215,651
Accrued Salaries and Benefits	899,442	48,617	948,059
Unearned Revenue	27,167	67,815	94,982
Interfund Payable	612	-	612
TOTAL LIABILITIES	1,131,337	127,967	1,259,304
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	273,324	-	273,324
FUND BALANCES			
Nonspendable Inventory	-	9,955	9,955
Restricted for:			
Emergencies	545,000	-	545,000
Grants	122,003	-	122,003
Food Services	-	120,327	120,327
Assigned to:			
Pupil Activities	-	185,662	185,662
Capital Projects	-	765,907	765,907
Unassigned	7,444,250	(1,658)	7,442,592
TOTAL FUND BALANCES	8,111,253	1,080,193	9,191,446
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 9,515,914	$ 1,208,160	$ 10,724,074

BENNETT SCHOOL DISTRICT 29J
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2025

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:

Total Fund Balances of Governmental Funds	$ 9,191,446
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	21,992,403
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in governmental funds. This amount represents property taxes earned but not available as current financial resources.	273,324
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Accrued Interest Payable	(112,653)
Debt Payable	(6,129,314)
Accrued Compensated Absences	(296,606)
Claims Payable Liability	(390,430)
Net Pension Liability	(17,361,726)
Pension-Related Deferred Outflows of Resources	3,711,637
Pension-Related Deferred Inflows of Resources	(1,937,226)
Net OPEB Liability	(308,046)
OPEB-Related Deferred Outflows of Resources	127,907
OPEB-Related Deferred Inflows of Resources	(257,562)
Total Net Position of Governmental Activities	$ 8,503,154

BENNETT SCHOOL DISTRICT 29J
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	GENERAL	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
REVENUES			
Local Sources	$ 9,295,265	$ 283,599	$ 9,578,864
County Sources	253,343	-	253,343
State Sources	7,817,131	468,405	8,285,536
Federal Sources	112,300	489,575	601,875
TOTAL REVENUES	17,478,039	1,241,579	18,719,618
EXPENDITURES			
Current			
Instruction	7,418,538	609,809	8,028,347
Supporting Services	6,979,775	199,994	7,179,769
Food Services	-	506,111	506,111
Capital Outlay	-	225,664	225,664
Debt Service			
Principal	113,799	417,896	531,695
Interest	12,235	245,194	257,429
TOTAL EXPENDITURES	14,524,347	2,204,668	16,729,015
EXCESS REVENUES OVER (UNDER) EXPENDITURES	2,953,692	(963,089)	1,990,603
OTHER FINANCING SOURCES (USES)			
Lease Proceeds	12,799	-	12,799
SBITA Proceeds	161,195	-	161,195
Transfers In	-	1,383,896	1,383,896
Transfers Out	(1,383,896)	-	(1,383,896)
TOTAL OTHER FINANCING SOURCES (USES)	(1,209,902)	1,383,896	173,994
CHANGES IN FUND BALANCES	1,743,790	420,807	2,164,597
FUND BALANCES, Beginning	6,367,463	659,386	7,026,849
FUND BALANCES, Ending	$ 8,111,253	$ 1,080,193	$ 9,191,446

BENNETT SCHOOL DISTRICT 29J
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

Net Change in Fund Balances of Governmental Funds	$	2,164,597
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 and amortization expense		(1,007,324)
Loss on Disposal of Capital Assets		(24,601)
Capital outlay		1,045,744
Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements. This amount represents the change in deferred property taxes.		129,670
The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		531,695
Debt / lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This is the effect of these differences in the treatment of long-term debt and related items:		(173,994)
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. This includes the changes in the following:		
Accrued Interest Payable		6,580
Accrued Compensated Absences		(26,986)
Insurance Claims Payable		(160,164)
Net Pension Liability		3,477,465
Pension-Related Deferred Outflows of Resources		(2,101,733)
Pension-Related Deferred Inflows of Resources		(1,758,321)
Net OPEB Liability		195,136
OPEB-Related Deferred Outflows of Resources		(49,177)
OPEB-Related Deferred Inflows of Resources		(83,134)
Change in Net Position of Governmental Activities	$	2,165,453

NOTE 1: Summary of Significant Accounting Policies

The accounting policies of the Bennett School District 29J (the District) conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the District's more significant policies.

Reporting Entity

The financial reporting entity consists of the District, organizations for which the District is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the District. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the District. Legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the District.

Sky Ranch Academy (the Academy) is a legally separate entity from the District that was formed to provide education. Sky Ranch Academy is within the District's reporting entity, because the District is financially accountable for the Academy. The Academy is authorized by the District and legally obligated to provide a significant amount of the Academy's revenues. Therefore, the Academy is reported as a discretely presented component unit on the District's financial statements. The Academy issues separate financial statements, which can be obtained by contacting the Academy via phone at (720)-574-9548 or via mail at 849 North Carrie Street, Watkins, Colorado 80137.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these financial statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which are supported by taxes and intergovernmental revenues, are reported in a single column.

The statement of activities demonstrates the degree to which the direct expenses of the 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 students or other customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment 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.*

Separate financial statements are provided for the governmental funds. Major individual governmental funds and other significant funds identified by management are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In the fund financial statements, 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 accounted for in another fund.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers property tax revenues to be available if they are collected within 60 days of the end of the current year. The District considers all other revenues to be available if they are collected within 60 days of the end of the current year, except federal and state revenues.

Taxes, intergovernmental revenues, grants, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the District.

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, are recorded only when payment is due.

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balances / Net Position

Cash and Investments – The District utilizes the pooled cash concept whereby cash balances of each of the District's funds are pooled and invested by the District. Investments are reported at fair value.

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied for the current year but not received at year end are reported as taxes receivable and are presented net of an allowance for uncollectible taxes.

Inventories - Food Service Fund inventories are recorded as an asset when individual items are purchased and as an expenditure when consumed. Inventories are stated at cost on a first-in, first-out (FIFO) basis, and consist of purchased and donated commodities. Purchased inventories are recorded at cost. Donated inventories, received at no cost under a program supported by the federal government, are valued at the cost furnished by the federal government.

Interfund Receivables and Payables – Certain transactions between individual funds result in receivables and payables, which are classified on the balance sheet as *interfund receivables* and *interfund payables*.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balances / Net Position (Continued)

Capital Assets - Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Land Improvements	20 years
Buildings and Improvements	7 - 50 years
Furniture and Equipment	7 - 20 years
Vehicles	7 - 12 years

Deferred Outflows of Resources - This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources until then.

Accrued Salaries and Benefits - Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August to July but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, are reported as a liability in the financial statements.

Unearned Revenues – Unearned revenues include grants that have been collected but the corresponding expenditures have not been incurred and the eligibility criteria have not been met.

Deferred Inflows of Resources - This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an inflow of resources until then. Deferred inflows of resources in the governmental fund financial statements include property taxes earned but not available as current financial resources.

Long-Term Debt - In the government-wide financial statements, long-term debt, financed purchase agreements, and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the effective interest method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Compensated Absences – Twelve-month and nine-month personnel accrue up to 12 and 9 days of annual leave, respectively. Unused annual leave and related benefits are paid upon termination at the certified substitute rate or 60% of the daily pay rate not to exceed $25 per hour. These compensated absences are recognized as expenditures in the governmental funds when due. A long-term liability is reported in the government-wide financial statements for the accrued compensated absences when earned.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balances / Net Position (Continued)

Pensions - The District participates in the School Division Trust Fund (SDTF), 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, and additions to and deductions from the SDTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the SDTF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) - The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position, and additions to and deductions from the HCTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees. Investments are reported at fair value.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. In the fund financial statements, governmental funds report committed fund balances when the Board of Education formally commits resources for a specific purpose through passage of a resolution. The Board of Education has delegated to the Superintendent and his designee the authority to assign fund balances to be used for specific purposes.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications, District policy requires restricted fund balance to be used first, followed by committed, assigned, and unassigned balances.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the District on a monthly basis. When taxes become delinquent, the property is sold on the tax sale date.

NOTE 2: Cash and Investments

At June 30, 2025, the District had the following cash and investments:

Deposits	$ 2,833,494
Investments	7,293,688
Total	$ 10,127,182

NOTE 2: Cash and Investments (Continued)

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2025, the District had bank deposits of $2,778,437 collateralized with securities held by the financial institution's agent but not in the District's name.

Investments

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

Fair Value Measurements - At June 30, 2025, the District's investments in the local government investment pool reported at the net asset value per share.

The fair value measurements are categorized by the fair value hierarchy. Valuation inputs are used to measure the fair value of the asset to determine the appropriate category. The categories range from Level 1, which is the highest priority, to Level 3, which is the lower priority and are based on the following criteria:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in the active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are observable.

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations (NRSROs).

NOTE 2: Cash and Investments (Continued)

Investments (Continued)

Concentration of Credit Risk - State statutes do not limit the amount the District may invest in a single issuer of investment securities, except for corporate securities.

Local Government Investment Pool - At June 30, 2025, the District had $7,293,688 invested in the Colorado Local Government Liquid Asset Trust Plus (ColoTrust). ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating ColoTrust. ColoTrust operates in conformity with the Securities and Exchange Commission's Rule 2a-7. ColoTrust is measured at the net asset value per share, with each share valued at $1. ColoTrust is rated AAAm by Standard and Poor's. Investments of ColoTrust is limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

NOTE 3: Capital Assets

Capital asset activity for the year ended June 30, 2025, is summarized below.

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 1,248,637	$ -	$ -	$ 1,248,637
Construction in Progress	2,164,633	-	(2,164,633)	-
Total Capital Assets, Not Being Depreciated	3,413,270	-	(2,164,633)	1,248,637
Capital Assets, Being Depreciated / Amortized:				
Land Improvements	2,000,043	7,500	-	2,007,543
Buildings and Improvements	27,977,103	2,793,459	(39,800)	30,730,762
Vehicles and Equipment	3,358,698	235,424	-	3,594,122
Food Service Equipment	164,061	-	-	164,061
Right-to-Use Lease Assets	267,449	12,799	-	280,248
Right-to-Use SBITA Assets	-	161,195	-	161,195
Total Capital Assets, Being Depreciated / Amortized	33,767,354	3,210,377	(39,800)	36,937,931
Less Accumulated Depreciation / Amortization:				
Land Improvements	(1,152,369)	(65,985)	-	(1,218,354)
Buildings and Improvements	(11,677,678)	(626,448)	15,199	(12,288,927)
Vehicles and Equipment	(2,206,216)	(230,254)	-	(2,436,470)
Food Service Equipment	(108,079)	(3,904)	-	(111,983)
Right-to-Use Lease Assets	(57,698)	(67,300)	-	(124,998)
Right-to-Use SBITA Assets	-	(13,433)	-	(13,433)
Total Accumulated Depreciation / Amortization	(15,202,040)	(1,007,324)	15,199	(16,194,165)
Capital Assets, Being Depreciated / Amortized, Net	18,565,314	2,203,053	(24,601)	20,743,766
Capital Assets, Governmental Activities, Net	$ 21,978,584	$ 2,203,053	$ (2,189,234)	$ 21,992,403

NOTE 3: Capital Assets (Continued)

Depreciation expense of the governmental activities was charged to programs of the District as follows:

Instruction	$ 87,333
Supporting Services	919,991
Total	$ 1,007,324

NOTE 4: Interfund Balances and Transfers

At June 30, 2025, the General Fund owed $612 to the Pupil Activity Fund, which was reimbursed after year-end.

At June 30, 2025, the General Fund transferred $50,000 and $1,333,896 to the Food Service Fund to subsidize the food service operations and the Capital Reserve Fund to finance capital projects, respectively.

NOTE 5: Long-Term Debt

Following is a summary of long-term debt transactions for the year ended June 30, 2025.

	Balance 6/30/2024	Additions	Reductions	Balance 6/30/2025	Due Within One Year
Governmental Activities					
Lease Copiers	$ 214,510	$ 12,799	$ 64,811	$ 162,498	$ 48,191
Financed Purchases	6,272,505	-	417,896	5,854,609	437,248
SBITA	-	161,195	48,988	112,207	45,012
Compensated Absences	269,620	26,986	-	296,606	296,606
Total Long-Term Debt	$ 6,756,635	$ 200,980	$ 531,695	$ 6,425,920	$ 827,057

In September 2012, the District entered into a financed purchase agreement with Capital One Public Funding, LLC in the amount of $1,431,428 to provide funding for energy savings improvements at various schools throughout the District. The District exercised the option of purchasing the equipment. Payments ranging from $23,069 to $36,426 are due quarterly on the 1st of each quarter, through August 2027. Interest accrues at a rate of 3.179% per annum. At June 30, 2025, the net book value of the energy improvements were $688,216 with a depreciation expense of $40,483.

In June 2018, the District entered into a financed purchase agreement with Capital One Public Funding, LLC in the amount of $7,152,082 to provide funding for acquiring, constructing, equipping, and installing school classrooms, cafeteria, offices, and conference rooms. Annual payments of $525,657 are due on the 1st of the year, through January 2039. Interest accrues at a rate of 3.987% per annum. At June 30, 2025, the net book value of the building improvements were $6,293,760 with a depreciation expense of $143,040.

NOTE 5: Long-Term Debt (Continued)

Financed purchase payments to maturity are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 437,248	$ 229,455	$ 666,703
2027	457,420	213,003	670,423
2028	351,704	197,022	548,726
2029	341,927	183,730	525,657
2030	355,559	170,098	525,657
2031-2035	2,002,086	626,199	2,628,285
2036-2039	1,908,665	193,963	2,102,628
Total	$ 5,854,609	$ 1,813,470	$ 7,668,079

The District has entered into multiple lease agreements for the right-to-use copier equipment. The timing of payments and interest rates varies depending on the lease agreement. Lease initial dates vary from July 1, 2021, (GASB 87 implementation period) to October 2024 for a term of five years. The monthly payment varies from $321 to $2,246. During the fiscal year ended June 30, 2025, the District paid $75,085, including $64,811 and $10,275 in principal and interest, respectively. At June 30, 2025, the total right-to-use lease assets cost was $280,248 with an accumulated amortization of $124,998. Right-to-use lease payments to maturity are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 48,191	$ 7,781	$ 55,972
2027	49,368	5,129	54,497
2028	50,117	2,328	52,445
2029	13,858	298	14,156
2030	964	11	975
Total	$ 162,498	$ 15,547	$ 178,045

In March 2025, the District entered into a SBITA with Alma for the right-to-use student information software valued at $161,195. Payments are made annually in amounts ranging from $37,975 to $50,948 for a period of three years, with an implied interest rate at 4.00% per annum. In 2025, the District made an initial payment of $50,948 consisting of $48,988 in principal and $1,960 in interest. The right-to-use asset had an estimated useful life of three years. At June 30, 2024, the SBITA had a net book value of the right-to-use asset of $147,762, which included an amortization expense in the amount of $13,432 in 2025. SBITA Payments to maturity are as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 45,012	$ 3,673	$ 48,685
2027	33,760	4,215	37,975
2028	33,435	5,679	39,114
Total	$ 112,207	$ 13,567	$ 125,774

NOTE 5: Long-Term Debt (Continued)

Interest-Free Loan Program

The District participates in the State Treasurer's Interest-Free Loan Program for Colorado School Districts. This short-term loan program is utilized for cash flow purposes and is to be repaid before the end of the fiscal year. For fiscal year 2025, the District was authorized to draw up to $5,000,000. The District utilized $1,878,456 of the available funds, which was fully repaid as of June 30, 2025.

NOTE 6: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District participates in the Colorado School Districts Self Insurance Pool for all risks of loss except workers' compensation, for which it utilizes a commercial insurance carrier.

The Colorado School Districts Self Insurance Pool (CSDSIP) operates as a self-insurance pool comprised of various school districts and other related public educational entities within the State of Colorado. The CSDSIP is administered by a governing board. The District pays an annual premium to the CSDSIP for various types of property and liability insurance coverage. The CSDSIP's agreement provides that the CSDSIP will be self-sustaining through member premiums and will reinsure through a duly authorized insurer. The reinsurance covers claims against the CSDSIP in excess of specific claim amounts and in the aggregate in an amount and at limits determined by the CSDSIP to be adequate to protect the solvency of the CSDSIP.

Self-Insured Medical Plan

The District manages a health insurance plan that provides medical benefits to eligible employees and dependents reported in the General Fund. The District maintains stop-loss insurance for losses in excess of $55,000 per claim per person and $1,000,000 in maximum aggregate benefit in excess of the deductible. The District pays a portion of the insurance premiums as determined periodically by the District. The remainder of the insurance premiums are paid by the employees through payroll deductions. The District contracts with an administrator to manage the District's medical insurance claims.

Claim liabilities, including incurred but not reported (IBNR) claims, are based on the estimated cost of claims, including the effects of inflation and other societal and economic factors, using past experience adjusted for current trends, and any other factors that would modify past experience. Expenses and liabilities are estimated through a case-by-case review of claims and application of historical experience for outstanding claims. At June 30, 2025, summary of claims activity is as follows:

Claims Payable at June 30, 2024	230,266
Claims Incurred and Adjustments	648,470
Cliams Paid	(488,306)
Claims Payable at June 30, 2025	390,430

NOTE 7: Defined Benefit Pension Plan

General Information

Plan Description - The District contributes to the School Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). All employees of the District participate in the SDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS), administrative rules set at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code assign the authority to establish and amend plan provisions to the State Legislature. PERA issues a publicly available annual comprehensive financial report, that includes information on the SDTF, which may be obtained at https://www.copera.org/forms-resources/financial-reports-and-studies.

Benefits Provided as of December 31, 2024 - The SDTF provides retirement, disability, and survivor benefits to plan participants or their beneficiaries. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure in place, the benefit option selected at retirement, and age at retirement. The retirement benefit is the greater of the a) highest average salary over five years multiplied by 2.5% and then multiplied by years of service credit, or b) the value of the participant's contribution account plus an equal match on the retirement date, annualized into a monthly amount based on life expectancy and other actuarial factors. In all cases, the benefit amount may not exceed the highest average salary, or the amount allowed by applicable federal regulations.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers, while 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 of employment was terminated, whether five years of service credit has been obtained and the benefit structure under which contributions were made.

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 CRS Subject to the automatic adjustment provision (AAP) under CRS § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, will receive the maximum annual increase (AI) or AI cap of 1% 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% 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). The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in CRS § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and meet the definition of a disability. The disability benefit amount is based on the retirement benefit formula described previously, considering a minimum of 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 in place, and the qualified survivor receiving the benefits.

NOTE 7: Defined Benefit Pension Plan (Continued)

General Information (Continued)

Contributions provisions as of June 30, 2025 - The District, State, and eligible employees are required to contribute to the SDTF at rates established by Title 24, Article 51, Part 4 of the CRS. These contribution requirements are established and may be amended by the State Legislature. The contribution rate for employees was 11% for the period from July 1, 2024, through June 30, 2025. The District's contribution rate for the fiscal year was 21.40% of covered salaries. However, a portion of the District's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (Note 8). The District's contributions to the SDTF for the year ended June 30, 2025, were $1,619,152, equal to the required contributions at a contribution rate of 20.38%.

For the purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SDTF and is considered to meet the definition of a special funding situation. As specified in CRS § 24-51-414, the State of Colorado is required to contribute a $225 million direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF.

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

The net pension liability was measured at 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 SDTF for the calendar year ended December 31, 2024, relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At December 31, 2024, the District's proportion was 0.1006191091%, which was a decrease of 0.0172268104% from its proportion measured at December 31, 2023.

At June 30, 2025, the District reported a liability for its proportionate share of the net pension liability that reflected an increase for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, 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	$ 17,361,726
State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	1,559,359
Total	$ 18,921,085

For the year ended June 30, 2025, the District recognized pension expense of $2,000,742 and a revenue of ($142,323) for support from the State as a nonemployer contributing entity. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 7: Defined Benefit Pension Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 983,170	$ -
Changes of assumptions and other inputs	130,163	-
Net difference between projected and actual earnings on plan investments	327,569	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,455,237	1,937,226
Contributions subsequent to the measurement date	815,498	-
Total	$ 3,711,637	$ 1,937,226

District contributions subsequent to the measurement date of $815,498 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	
2026	$ 1,209,851
2027	803,701
2028	(821,021)
2029	(233,618)
Total	$ 958,913

Actuarial Assumptions - The actuarial valuation as of December 31, 2023, determined the total pension liability using the following 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 plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
Hired prior to 1/1/07 thereafter, compounded annually	1.00%
Hired after 12/31/06	Financed by the AIR

NOTE 7: Defined Benefit Pension Plan (Continued)

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

Post-retirement benefit increases are provided by the annual increase reserve, accounted for separately in SDTF, and subject to resources being available. Therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Mortality assumptions were developed on a benefit-weighted basis and apply generational mortality, as follows. All categories of the mortality tables are generationally projected using scale MP-2019.

- Pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table.
- Post-retirement (retiree) non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows: 1) males: 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, and 2) females: 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older.
- Post-retirement (beneficiary) non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows: 1) males: 97% of the rates for all ages, and 2) females: 105% of the rates for all ages.
- Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages.

The actuarial assumptions used in the December 31, 2023, valuation were based on the results of 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 of Directors at their November 20, 2020, meeting.

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 of Directors 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 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. All of the following categories for the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

- Pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table.
- Post-retirement (retiree) non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows: 1) males: 106% of the rates for all ages, and 2) females: 86% of the rates prior to age 85 and 115% of the rates for ages 85 and older.
- Post-retirement (beneficiary) non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows: 1) males: 92% of the rates for all ages, and 2) females: 100% of the rates for all ages.

NOTE 7: Defined Benefit Pension Plan (Continued)

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

- Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 95% of the rates for all ages.

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 weighing 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, PERA's Board of Directors reaffirmed the assumed rate of return at the PERA Board of Director's 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:

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

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 exptected nominal rate of return assumption of 7.25%.

Discount Rate - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied to 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%.

NOTE 7: Defined Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (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 participants were used to reduce the estimated amount of total service costs for future plan members.

- District 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. District 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 District contributions reflect reductions for the funding of the annual increase reserve and retiree health care benefits. For future plan members, District 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, commencing July 1, 2018, that is proportioned between the PERA Division Trust Funds, including SDTF, based upon the covered payroll. The annual direct distribution ceases when all PERA Division Trust Funds are fully funded.

- District contributions and the amount of total service costs for future plan participants were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The annual increase reserve balance was excluded from the initial fund net position, as, per statute, annual increase reserve amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. Annual increase reserve transfers to the fiduciary net position and the subsequent annual increase reserve 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 SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current participants. 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 total pension 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 Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as the District's proportionate share of the net pension liability if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, as follows:

NOTE 7: Defined Benefit Pension Plan (Continued)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 23,538,476	$ 17,361,726	$ 12,187,834

Pension Plan Fiduciary Net Position - Detailed information about the SDTF's fiduciary net position is available in PERA's separately issued annual comprehensive financial report, which may be obtained at https://www.copera.org/forms-resources/financial-reports-and-studies.

NOTE 8: Postemployment Healthcare Benefits

General Information

Plan Description - All employees of the District are eligible to receive postemployment benefits other than pensions (OPEB) through the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees' Retirement Association of Colorado (PERA). Title 24, Article 51, Part 12 of the Colorado Revised Statutes (CRS), 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. CRS provisions may be amended by the Colorado General Assembly. PERA issues a publicly available financial report, that includes information on the HCTF, which may be obtained at https://www.copera.org/forms-resources/financial-reports-and-studies.

Benefits Provided - The HCTF provides a healthcare premium subsidy to eligible participating benefit recipients and retirees who choose to enroll in one of the PERA health care plans. However, the subsidy is not available if benefit recipients or retirees are only enrolled in the dental and/or vision plan(s). Eligibility to enroll is voluntary and includes benefit recipients, their eligible dependents and surviving spouses, among others. Eligible benefit recipients may enroll in the HCTF upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period. The health care premium subsidy is based on the benefit structure under which the member retires and the member's years of service credit. The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contributions account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

CRS § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

Enrollment in the PERACare health benefits program is voluntary and 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.

NOTE 8: Postemployment Healthcare Benefits (Continued)

General Information (Continued)

PERA Benefit Structure - The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare, and $115 per month for benefit recipients who are over 65 years of age or who are under 65 years of age and entitled to Medicare. The maximum subsidy is based on 20 or more years of service. The subsidy is reduced by 5% for each year of service less than 20 years. The benefit recipient pays the remaining portion of the premium not covered by the subsidy.

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, CRS § 24-51-1206(4) provides an additional subsidy. According to the State 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 on behalf of recipients not covered by Medicare Part A.

Contributions - As established by Title 24, Article 51, Section 208(1)(f) of the CRS, as amended, 1.02% of the District's contributions to the School Division Trust Fund (SDTF) (Note 7) are apportioned to the HCTF. No employee contributions are required. These contribution requirements are established and may be amended by the State Legislature. The District's apportionment to the HCTF for the year ended June 30, 2025, was $81,037, equal to the required amount.

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

At June 30, 2025, the District reported a net OPEB liability of $308,046, representing its proportionate share of the net OPEB liability of the HCTF. The net OPEB liability was measured at 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's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year ended December 31, 2024, relative to the contributions of all participating employers.

At December 31, 2024, the District's proportion was 0.0644221815%, which was a decrease of 0.0.0060785071% from its proportion measured at December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of ($11,276). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 67,951
Changes of assumptions and other inputs	3,531	98,465
Net difference between projected and actual earnings on plan investments	1,046	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	82,515	91,146
Contributions subsequent to the measurement date	40,815	-
Total	$ 127,907	$ 257,562

District contributions subsequent to the measurement date of $40,815 will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	
2026	$ (32,453)
2027	(18,786)
2028	(38,300)
2029	(37,782)
2030	(29,451)
2031	(13,698)
Total	$ (170,470)

Actuarial Assumptions - The actuarial valuation as of December 31, 2023, determined the total OPEB liability using the following actuarial cost method, actuarial assumptions, and other inputs, applied to all periods included in the measurement.

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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 inflation	7.25%
Discount rate	7.25%
Heath care cost trend rates:	
Service-based premium subsidy	0.0%
PERACare Medicare plans	
16% in 2024, then 6.75% in 2025, gradually decreasing to 4.5% in 2034	
MAPD PPO #2	
105% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034	
Medicare Part A premiums:	
3.5% in 2024, gradually increasing to 4.5% in 2033	

The total OPEB liability for the HCTF, as of the December 31, 2024, measurement date, was adjusted to reflect the disaffiliation of Tri-County Health Department (Tri-County Health), effective December 31, 2022. The additional employer disaffiliation payment allocation to the HCTF and the Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

Annually, the per capita health care costs are developed by plan option. At December 31, 2023, actuarial valuation and 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 are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies to all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
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%

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2023, valuation, the following monthly costs/premium are assumed for 2024 for the PERA Benefit Structure:

Sample Age	MAPD PPO #1 with Medicare Part A for Retiree / Spouse		MAPD PPO #2 with Medicare Part A for Retiree / Spouse		MAPD HMO (Kaiser) with Medicare Part A for 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 for Retiree / Spouse		MAPD PPO #2 without Medicare Part A for Retiree / Spouse		APD HMO (Kaiser) without Medica Part A for 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.

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. 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 reflect the estimated impact of the Inflation Reduction Act for that plan option.

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

Measurement Year	PERACare Medicare Plans *	PERACare Medicare Plans *	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%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

*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 determination of the total pension liability, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. SDTF participates in the HCTF (Note 7). All categories of the mortality tables are generationally projected using scale MP-2019. Mortality assumptions used were as follows:

- The pre-retirement mortality assumptions for the SDTF were based upon the PubT-2010 Employee Table.
- Post-retirement non-disabled mortality assumptions for the SDTF were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows: 1) males: 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, and 2) females: 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older.
- Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages.

The health care costs assumptions were updated and used in the roll-forward calculation for the HCTF. Per capita health care costs as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect the costs for the 2024 plan year. The healthcare cost trend rates applicable to health care premiums were revised to reflect the then-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 rate based on an experience analysis of recent data.

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

The actuarial assumptions used in the December 31, 2023, valuations were based on the results of the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board of Directors at their November 20, 2020, meeting.

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 of Directors 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.

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

- Salary increases, including wage inflation for the SDTF were 4% - 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.
- 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. All categories in 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 SDTF participate in the HCTF (Note 7).

- The pre-retirement mortality assumptions for the SDTF were based upon the PubT-2010 Employee Table.
- Post-retirement non-disabled mortality assumptions for the SDTF were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows: 1) males: 106% of the rates for all ages, and 2) females: 86% of the rates prior to age 85 and 115% of the rates for ages 85 and older.
- Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 95% of the rates for all ages.

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 of Director's actuary.

NOTE 8: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (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 weighing 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 PERA Board of Director's meetings on November 15, 2019, and the September 20, 2024.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

Discount rate - The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions. 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%.

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of December 31, 2024, measurement date, the fiduciary net position, and related disclosure components for the HCTF reflect payments related to disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

Based on the above assumptions and methods, the HCTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% 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 Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate**	5.75%	6.75%	7.75%
Ultimate PERACare 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 rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 299,746	$ 308,046	$ 317,438

** For the January 1, 2025, plan year.

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 377,515	$ 308,046	$ 248,155

OPEB Plan Fiduciary Net Position - Detailed information about the HCTF's fiduciary net position is available in PERA's separately issued annual comprehensive financial report, which may be obtained at https://www.copera.org/forms-resources/financial-reports-and-studies.

NOTE 9: Commitments and Contingencies

Claims and Judgments

The District participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. At June 30, 2025, significant amounts of grant expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

Tabor Amendment

In November 1992, Colorado voters passed Article X, Section 20 (the Amendment) to the State Constitution which limits state and local government taxing powers and imposes spending limits. The District is subject to the Amendment.

In November 1997, voters within the District authorized the District to collect and to expend the full revenues received by the District from any source in the current fiscal year and in each fiscal year thereafter, notwithstanding the limits of the Amendment effective January 1, 1998. The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The Amendment requires the District to establish a reserve for emergencies, representing 3% of qualifying expenditures. At June 30, 2025, the District's emergency reserve was reported as restricted fund balance in the General Fund, in the amount of $545,000.

Litigation

The District from time to time is involved in various legal matters. In the opinion of the District's counsel, there are no pending legal issues that would have a material adverse effect on the financial condition of the District.

NOTE 10: Joint Venture

The District, in conjunction with other surrounding districts, participates in the East Central Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The BOCES board is comprised of one member from each participating district. During the year ended June 30, 2025, the District contributed $307,342 to the BOCES. Separate financial statements for the BOCES are available at 820 2nd Street, Limon, Colorado 80828, or online at https://www.ecboces.org/.

NOTE 11: Restatement - Correction of an Error

The District identified and corrected an error affecting the beginning net position of governmental activities as of June 30, 2024. The correction relates to a self-insurance medical policy and estimated claims that were not incurred but not reported (IBNR). At June 30, 2024, the District did not properly disclose the estimated claims and IBNR liability. A summary of the correction as of June 30, 2024, is presented as follows:

	Governmental Activities
Net Position/Fund Balance, Beginning, as Originally Stated	$ 6,567,967
Insurance Claims Payable	(230,266)
Net Position/Fund Balance, Beginning, as Restated	$ 6,337,701

REQUIRED SUPPLEMENTARY INFORMATION

BENNETT SCHOOL DISTRICT 29J
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Local Sources	$ 9,644,830	$ 8,978,559	$ 9,295,265	$ 316,706
County Sources	-	159,668	253,343	93,675
State Grants	288,635	6,995,129	7,817,131	822,002
Federal Grants	732,000	112,300	112,300	-
TOTAL REVENUES	10,665,465	16,245,656	17,478,039	915,677
EXPENDITURES				
Current				
Instruction	7,220,720	5,138,631	7,418,538	(2,279,907)
Supporting Services				
Student Support	1,820,883	2,192,433	1,688,481	503,952
General Administration	2,740,621	5,465,565	2,624,473	2,841,092
Operations and Maintenance	1,495,004	1,382,591	1,388,944	(6,353)
Student Transportation	578,432	596,856	627,334	(30,478)
Central Support	541,304	487,945	610,330	(122,385)
Facilities	-	-	40,213	(40,213)
Total Supporting Services	7,176,244	10,125,390	6,979,775	3,145,615
Debt Service				
Principal	-	-	113,799	(113,799)
Interest	-	-	12,235	(12,235)
Total Debt Service	-	-	126,034	(126,034)
TOTAL EXPENDITURES	14,396,964	15,264,021	14,524,347	739,674
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,731,499)	981,635	2,953,692	1,972,057
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	12,799	12,799
SBITA Proceeds	-	-	161,195	161,195
Transfers In	-	139,055	-	(139,055)
Transfers Out	(818,500)	(986,010)	(1,383,896)	(397,886)
TOTAL OTHER FINANCING SOURCES (USES)	(818,500)	(846,955)	(1,209,902)	(362,947)
CHANGE IN FUND BALANCE	(4,549,999)	134,680	1,743,790	1,609,110
FUND BALANCE, Beginning	6,315,000	6,315,000	6,367,463	52,463
FUND BALANCE, Ending	$ 1,765,001	$ 6,449,680	$ 8,111,253	$ 1,661,573

BENNETT SCHOOL DISTRICT 29J
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO SCHOOL DIVISION TRUST FUND
June 30, 2025

MEASUREMENT YEAR	12/31/24	12/31/23	12/31/22	12/31/21
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY				
District's Proportion of the Net Pension Liability	0.1006191091%	0.1178459195%	0.0939824645%	0.0960414084%
District's Proportionate Share of the Net Pension Liability	$ 17,361,726	$ 20,839,191	$ 17,113,704	$ 11,176,690
State's Proportionate Share of the Net Pension Liability Associated with the District	1,559,359	456,942	4,987,105	1,281,265
Total Proportionate Share of the Net Pension Liability	$ 18,921,085	$ 21,296,133	$ 22,100,809	$ 12,457,955
District's Covered Payroll	$ 7,775,289	$ 7,790,662	$ 7,242,711	$ 6,002,271
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	223%	267%	236%	186%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67%	65%	62%	75%
FISCAL YEAR	6/30/25	6/30/24	6/30/23	6/30/22
DISTRICT CONTRIBUTIONS				
Statutorily Required Contribution	$ 1,619,152	$ 1,611,965	$ 1,580,720	$ 1,292,471
Contributions in Relation to the Statutorily Required Contribution	(1,619,152)	(1,611,965)	(1,580,720)	(1,292,471)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 7,944,781	$ 7,908,469	$ 7,566,410	$ 6,501,351
Contributions as a Percentage of Covered Payroll	20.38%	20.38%	20.89%	19.88%

12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15
0.0992097618%	0.0829511822%	0.0910852567%	0.0975226159%	0.0956894999%	0.0929571156%
$ 14,998,515	$ 12,392,727	$ 16,128,516	$ 31,535,348	$ 28,490,464	$ 14,217,135
-	1,571,860	2,205,351	-	-	-
$ 14,998,515	$ 13,964,587	$ 18,333,867	$ 31,535,348	$ 28,490,464	$ 14,217,135
$ 5,501,873	$ 5,254,541	$ 4,918,719	$ 4,534,425	$ 4,372,756	$ 4,426,311
273%	236%	328%	695%	652%	321%
67%	65%	57%	44%	43%	59%

6/30/21	06/30/20	06/30/19	06/30/18	06/30/17	06/30/16
$ 1,093,775	$ 1,018,332	$ 940,952	$ 868,493	$ 803,912	$ 784,597
(1,093,775)	(1,018,332)	(940,952)	(868,493)	(803,912)	(784,597)
$ -	$ -	$ -	$ -	$ -	$ -
$ 5,501,873	$ 5,254,541	$ 4,918,719	$ 4,534,425	$ 4,372,756	$ 4,426,311
19.88%	19.38%	19.13%	19.15%	18.38%	17.73%

BENNETT SCHOOL DISTRICT 29J
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO HEALTH CARE TRUST FUND
June 30, 2025

MEASUREMENT YEAR	12/31/24	12/31/23	12/31/22	12/31/21
PROPORTIONATE SHARE OF THE NET OPEB LIABILITY				
District's Proportion of the Net OPEB Liability	0.0644221815%	0.0705006886%	0.0713732774%	0.0627076136%
District's Proportionate Share of the Net OPEB Liability	$ 308,046	$ 503,182	$ 582,748	$ 540,731
District's Covered Payroll	$ 7,775,289	$ 7,790,662	$ 7,242,711	$ 6,002,271
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	4%	6%	8%	9%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	60%	46%	39%	39%
FISCAL YEAR	6/30/25	6/30/24	6/30/23	6/30/22
DISTRICT CONTRIBUTIONS				
Statutorily Required Contribution	$ 81,037	$ 80,666	$ 77,177	$ 66,314
Contributions in Relation to the Statutorily Required Contribution	(81,037)	(80,666)	(77,177)	(66,314)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 7,944,781	$ 7,908,469	$ 7,566,410	$ 6,501,351
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

This schedule is presented to show information for 10 years.
Information will be presented for the full 10 years when available.

	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
	0.0573702279%	0.0541865182%	0.0592059181%	0.0554119656%	0.0542000000%
	$ 545,146	$ 609,055	$ 805,521	$ 720,134	$ 702,341
	$ 5,501,873	$ 5,254,541	$ 4,918,719	$ 4,534,425	$ 4,372,756
	10%	12%	16%	16%	16%
	33%	24%	17%	18%	17%
	6/30/21	6/30/20	6/30/19	6/30/18	6/30/17
	$ 56,119	$ 53,596	$ 50,171	$ 46,251	$ 44,602
	(56,119)	(53,596)	(50,171)	(46,251)	(44,602)
	$ -	$ -	$ -	$ -	$ -
	$ 5,501,873	$ 5,254,541	$ 4,918,719	$ 4,534,425	$ 4,372,756
	1.02%	1.02%	1.02%	1.02%	1.02%

NOTE 1: Stewardship, Compliance, and Accountability

Budgetary Information

Budgets are adopted for all funds on a basis consistent with generally accepted accounting principles. The District adheres to the following procedures to establish the budgetary information reflected in the financial statements.

- Management submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the District's Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget 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. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- All budget appropriations lapse at fiscal year-end.

Budget Compliance and Accountability

At June 30, 2025, the District's Food Service Fund exceeded budgeted appropriations by $26,857. In addition, the Grants Fund had a negative fund balance of $1,658. These may be violations of state statutes.

NOTE 2: Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

STDF Plan - Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the $225 million 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 §24-51-416, plus $10 million from the General Fund, totaling $14.561 million.

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.

HCTF Plan - As of the December 31, 2023, measurement date, the fiduciary net position (FNP), and related disclosure components for the Health Care Trust Fund (HCTF) reflect payments related to the disaffiliation of Tri-County Health Department (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 million payment received on December 4, 2023, and a $2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were $1.033 million and $24.967 million, respectively.

NOTE 2: Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (Continued)

As of the December 31, 2024, measurement date, the fiduciary net position, and related disclosure components for HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department 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.

For RSI disclosures reported in previous years, refer to the PERA's annual comprehensive financial report (ACFR) notes to the required supplementary information at the following link: https://www.copera.org/forms-resources/financial-reports-and-studies.

NOTE 3: Changes in Assumptions and Other Inputs

STDF Plan – 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%.

SB 25-310 was enacted on June 2, 2025, and effective immediately, allows PERA to accept a series of warrants from the State Treasurer totaling $500 million on or after July 1, 2025, and before October 1, 2025. These dollars will be proportioned over time to replace reductions to the future direct distributions intended to fund the Peace Officer Training and Support Fund and, at that time, will be allocated to the appropriate Division Trust Fund(s) within PERA. SB 25-310 also allows for an alternative actuarial method to allocate the direct distribution if the allocation, based on the reported payroll of each participating division, results in an AAP assessment ratio below the 98% benchmark.

HCTF Plan – 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.

For RSI disclosures reported in previous years to the PERA's annual comprehensive financial report (ACFR) notes to the required supplementary information may be obtained as follows: https://www.copera.org/forms-resources/financial-reports-and-studies.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND BUDGETARY COMPARISON SCHEDULES

BENNETT SCHOOL DISTRICT 29J
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	GRANTS	FOOD SERVICE	PUPIL ACTIVITY
ASSETS			
Cash and Investments	$ 68,845	$ 106,579	$ 183,848
Accounts Receivable	-	-	1,202
Grants Receivable	35,480	35,732	-
Interfund Receivables	-	-	612
Inventory	-	9,955	-
TOTAL ASSETS	$ 104,325	$ 152,266	$ 185,662
LIABLITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ 10,081	$ 1,454	$ -
Accrued Salaries and Benefits	28,087	20,530	-
Unearned Revenue	67,815	-	-
TOTAL LIABILITIES	105,983	21,984	-
FUND BALANCES			
Nonspendable Inventory	-	9,955	-
Restricted for:			
Food Services	-	120,327	-
Assigned to:			
Pupil Activities	-	-	185,662
Capital Projects	-	-	-
Unassigned	(1,658)	-	-
TOTAL FUND BALANCES	(1,658)	130,282	185,662
TOTAL LIABILITIES AND FUND BALANCES	$ 104,325	$ 152,266	$ 185,662

CAPITAL RESERVE	TOTAL
$ 765,907	$ 1,125,179
-	1,202
-	71,212
-	612
-	9,955
$ 765,907	$ 1,208,160
$ -	$ 11,535
-	48,617
-	67,815
-	127,967
-	9,955
-	120,327
-	185,662
765,907	765,907
-	(1,658)
765,907	1,080,193
$ 765,907	$ 1,208,160

BENNETT SCHOOL DISTRICT 29J
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	GRANTS	FOOD SERVICE	PUPIL ACTIVITY
REVENUES			
Local Sources	$ -	$ 5,105	$ 277,486
State Sources	250,761	217,644	-
Federal Sources	246,792	242,783	-
TOTAL REVENUES	497,553	465,532	277,486
EXPENDITURES			
Current			
Instruction	299,217	-	310,592
Supporting Services	199,994	-	-
Food Services	-	506,111	-
Capital Outlay	-	5,926	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	499,211	512,037	310,592
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,658)	(46,505)	(33,106)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	50,000	-
CHANGES IN FUND BALANCES	(1,658)	3,495	(33,106)
FUND BALANCES, Beginning	-	126,787	218,768
FUND BALANCES, Ending	$ (1,658)	$ 130,282	$ 185,662

CAPITAL RESERVE	TOTAL
$ 1,008	$ 283,599
-	468,405
-	489,575
1,008	1,241,579
-	609,809
-	199,994
-	506,111
219,738	225,664
417,896	417,896
245,194	245,194
882,828	2,204,668
(881,820)	(963,089)
1,333,896	1,383,896
452,076	420,807
313,831	659,386
$ 765,907	$ 1,080,193

BENNETT SCHOOL DISTRICT 29J
BUDGETARY COMPARISON SCHEDULE
GRANTS FUND
Year Ended June 30, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Local Grants	$ 5,000	$ 5,000	$ -	$ (5,000)
State Grants	175,000	271,093	250,761	(20,332)
Federal Grants	631,500	243,094	246,792	3,698
TOTAL REVENUES	811,500	519,187	497,553	(21,634)
EXPENDITURES				
Current				
Instruction	811,500	297,018	299,217	(2,199)
Supporting Services	-	222,169	199,994	22,175
TOTAL EXPENDITURES	811,500	519,187	499,211	19,976
CHANGE IN FUND BALANCE	-	-	(1,658)	(1,658)
FUND BALANCE, Beginning	-	-	-	-
FUND BALANCE, Ending	$ -	$ -	$ (1,658)	$ (1,658)

BENNETT SCHOOL DISTRICT 29J
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE FUND
Year Ended June 30, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Local Sources	$ -	$ 150	$ 5,105	$ 4,955
State Grants	537,900	750	217,644	216,894
Federal Grants	-	434,280	242,783	(191,497)
TOTAL REVENUES	537,900	435,180	465,532	30,352
EXPENDITURES				
Food Service				
Salaries	216,090	161,400	160,303	1,097
Benefits	-	42,880	46,466	(3,586)
Purchased Services	50,491	3,700	2,075	1,625
Supplies and Materials	256,319	264,000	290,014	(26,014)
Other	2,000	8,700	7,253	1,447
Capital Outlay	3,000	4,500	5,926	(1,426)
TOTAL EXPENDITURES	527,900	485,180	512,037	(26,857)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,000	(50,000)	(46,505)	3,495
OTHER FINANCING SOURCES				
Transfers In	-	50,000	50,000	-
CHANGE IN FUND BALANCE	10,000	-	3,495	3,495
FUND BALANCE, Beginning	35,000	35,000	126,787	91,787
FUND BALANCE, Ending	$ 45,000	$ 35,000	$ 130,282	$ 95,282

BENNETT SCHOOL DISTRICT 29J
BUDGETARY COMPARISON SCHEDULE
PUPIL ACTIVITY FUND
Year Ended June 30, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Local Sources				
Contributions	$ 400,000	$ 400,000	$ 277,486	$ (122,514)
EXPENDITURES				
Current				
Instruction	425,210	425,210	310,592	114,618
CHANGE IN FUND BALANCE	(25,210)	(25,210)	(33,106)	(7,896)
FUND BALANCE, Beginning	159,866	159,866	218,768	58,902
FUND BALANCE, Ending	$ 134,656	$ 134,656	$ 185,662	$ 51,006

BENNETT SCHOOL DISTRICT 29J
BUDGETARY COMPARISON SCHEDULE
CAPITAL RESERVE FUND
Year Ended June 30, 2025

	BUDGET ORIGINAL	BUDGET FINAL	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Local Sources	$ -	$ -	$ 1,008	$ 1,008
EXPENDITURES				
Capital Outlay	877,900	936,010	219,738	716,272
Debt Service				
Principal	-	-	417,896	(417,896)
Interest	-	-	245,194	(245,194)
TOTAL EXPENDITURES	877,900	936,010	882,828	53,182
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(877,900)	(936,010)	(881,820)	54,190
OTHER FINANCING SOURCES				
Transfers In	818,500	936,010	1,333,896	397,886
CHANGE IN FUND BALANCE	(59,400)	-	452,076	452,076
FUND BALANCE, Beginning	301,990	301,990	313,831	11,841
FUND BALANCE, Ending	$ 242,590	$ 301,990	$ 765,907	$ 463,917

COMPLIANCE SECTION

STATE COMPLIANCE

Colorado Department of Education

Auditors Integrity Report

District: 0050 - Bennett 29J
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	6,367,463	16,106,940	14,363,151	8,111,252
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	6,367,463	16,106,940	14,363,151	8,111,252
11 Charter School Fund	261,725	7,550,511	7,528,082	284,155
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	126,787	515,532	512,038	130,281
22 Govt Designated-Purpose Grants Fund	0	497,553	499,212	-1,659
23 Pupil Activity Special Revenue Fund	218,768	277,486	310,592	185,662
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	313,831	1,334,904	882,828	765,907
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	7,288,574	26,282,928	24,095,903	9,475,599
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0

FINAL