

**BYERS SCHOOL DISTRICT 32-J**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2025**



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## **INTRODUCTORY SECTION**

**BYERS SCHOOL DISTRICT 32-J  
ROSTER OF SCHOOL OFFICIALS  
JUNE 30, 2025**

**BOARD OF EDUCATION**

Donna Sauer  
Eve Pugh  
Matt Eymann  
Allison Harris  
Dennis Messer  
Kres Ebert  
Jennifer Borders

President  
Vice President  
Secretary  
Treasurer  
Member  
Member  
Member

**SCHOOL OFFICIAL**

Tom Turrell

Superintendent

## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Board of Education  
Byers School District 32-J  
Byers, Colorado

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Byers School District 32-J, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Byers School District 32-J's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Byers School District 32-J, 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.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Byers School District 32-J 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 the 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 Byers School District 32-J'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.

***Auditors' 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 auditors' 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 GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Byers School District 32-J'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 Byers School District 32-J'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, the budgetary comparison schedule – general fund, the budgetary comparison schedule – grants fund, and the GASB required pension and other postemployment benefits schedules as 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 required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Byers School District 32-J's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the Colorado Department of Education Auditor's Integrity Report 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 such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2025, on our consideration of the Byers School District 32-J's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Byers School District 32-J's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Byers School District 32-J's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Denver, Colorado  
October 28, 2025

**BYERS SCHOOL DISTRICT 32-J**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**  
**(UNAUDITED)**

Management of Byers School District 32-J offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. The focus of the information is on the primary government.

***Financial Highlights***

- At the end of the fiscal year, the District's governmental funds reported combined ending fund balances of \$7,048,153.
- The District's long-term debt decreased by \$313,753.
- The District had adequate resources available for all appropriations.
- The District's assets including land, buildings, and equipment and deferred outflows of resources less the total liabilities and deferred inflows of resources of the Primary Government at the close of the fiscal year June 30, 2025 was \$7,956,835 for the primary reporting entity. This represented a decrease in net position of \$1,137,383. The District participates in the School Division Trust Fund, a cost-sharing multiple employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA).

***Overview of the Financial Statements***

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Comparison to the prior year's activity is also provided in this document. The Byers School District's basic financial statements are comprised of three components: 1) District-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

***District-Wide Financial Statements***

The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities, are one way to measure the District's financial health or position. The difference between assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**BYERS SCHOOL DISTRICT 32-J**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**  
**(UNAUDITED)**

**Fund Financial Statements**

The fund financial statements provide detailed information about the District's funds, focusing on its most significant funds or "major" funds, not the District as a whole. Fund financial statements are designed to demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Byers School District, like other governments, uses fund accounting to ensure and demonstrate compliance.

All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

*Governmental Funds:* Most of the District's basic services are reported in governmental funds, which generally focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

*Fiduciary Funds:* The District is the agent, or *fiduciary*, for assets that belong to others. 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. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations. The District uses fiduciary funds to account for its endowment fund.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

In addition to the financial statements and accompanying notes, this report also contains other supplemental information concerning the District's non-major governmental funds. The combining statements of the non-major governmental funds are presented after the notes to the financial statements.

**BYERS SCHOOL DISTRICT 32-J  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025  
(UNAUDITED)**

**Financial Analysis of the District as a Whole**

The District's total net position on June 30, 2025 was \$7,956,835. Of the District's \$18,910,821 in assets, \$10,933,680 (58%) reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). The District uses capital assets to provide services to students; consequently, these assets are not available for future spending.

Table 1 provides a summary of the District's net position for 2025 compared to 2024.

	<u>2025</u>	<u>2024</u>
Current and Other Assets	\$ 7,972,141	\$ 9,056,750
Capital Assets	<u>10,938,680</u>	<u>11,138,166</u>
Total Assets	18,910,821	20,194,916
 Deferred Outflows of Resources	 2,311,753	 3,507,579
Current Liabilities	1,385,640	1,226,167
Net Pension and OPEB Obligation	10,800,082	12,033,414
Long-Term Liabilities	<u>308,200</u>	<u>776,128</u>
Total Liabilities	12,493,922	14,035,709
 Deferred Inflows of Resources	 <u>771,817</u>	 <u>572,568</u>
Net Investment in Capital Assets	10,419,129	10,304,862
Restricted		
Food Service	87,086	116,755
Multi-Year Obligation	151,978	182,528
Tabor Reserve	2,370,538	2,154,712
Unrestricted	<u>(5,071,896)</u>	<u>(3,664,639)</u>
Total Net Position	<u>\$ 7,956,835</u>	<u>\$ 9,094,218</u>

**BYERS SCHOOL DISTRICT 32-J  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025  
(UNAUDITED)**

Table 2 shows the changes in net position for fiscal year 2025 compared to 2024.

	Governmental Activities	
	2025	2024
<b>REVENUES</b>		
Program Revenues:		
Charges for Services	\$ 405,566	\$ 420,683
Operating Grants and Contributions	8,146,065	9,572,174
Capital Grants and Contributions	-	-
General Revenues:		
Property Taxes	2,211,652	2,696,343
Specific Ownership Taxes	115,745	118,438
State Equalization	70,508,954	60,561,129
Investment Income	216,002	129,632
Other	201,400	121,386
Total Revenues	<u>81,805,384</u>	<u>73,619,785</u>
<b>EXPENSES</b>		
Instruction	75,917,192	62,250,652
Support	6,961,032	5,548,892
Interest on Long-Term Debt	64,543	119,126
Total Expenses	<u>82,942,767</u>	<u>67,918,670</u>
<b>CHANGE IN NET POSITION</b>	(1,137,383)	5,701,115
Net Position - Beginning	<u>9,094,218</u>	<u>3,393,103</u>
<b>NET POSITION - ENDING</b>	<u>\$ 7,956,835</u>	<u>\$ 9,094,218</u>

***Financial Analysis of the District's Funds***

**General Fund Budgetary Highlights**

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

- Actual revenues in the General Fund were \$906,898 higher than anticipated.
- Total expenditures of the General Fund were \$5,937,460 lower than budget.
- The District must maintain a 3% emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). At June 30, 2025, District's TABOR reserve amounted to \$2,370,538.

**BYERS SCHOOL DISTRICT 32-J  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025  
(UNAUDITED)**

***Capital Assets and Debt Administration***

**Capital Assets**

The District's capital assets as of June 30, 2025 amounts to \$10,933,699.

Table 4  
Byers School District Capital Assets  
(Net of Depreciation)

	2025	2024
Land and Sites	\$ 173,215	\$ 173,215
Buildings and Improvements	10,392,656	10,501,708
Equipment and Vehicles	372,809	398,847
Construction in Progress	-	64,396
Total Capital Assets	\$ 10,938,680	\$ 11,138,166

**Long-Term Debt**

At year-end, the District's long-term debt was \$519,551, which was due to the BEST loan and QZAB Loan.

Table 5  
Byers School District  
Long-Term Debt  
Governmental Activities

	2025	2024
BEST Loan	\$ 246,057	\$ 489,221
QZAB Loan	273,494	344,083
Total	\$ 519,551	\$ 833,304

***Economic Factors***

Each year Byers School District 32J prepares a budget plan with the focus on utilizing available resources to best support educational success. The budget plan encompasses instruction at each school, transportation, food services, maintenance, administration and more.

The district follows a multi-step budgeting process which includes input and values from staff, parents and community members. The District leadership prepares a budget plan that balances priorities of the community with federal, state and local mandates. The budget plan for fiscal year 2025-2026 supports the educational commitments of student learning, professional practice, and collective responsibility.

Funding will continue to be in flux due in part to political decisions at the federal and state levels that are very difficult to predict. We are able to get accurate projections to build a budget, however the volatility can change those projections mid-way through the budget year.

**BYERS SCHOOL DISTRICT 32-J**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2025**  
***(UNAUDITED)***

After a number of years of reduced funding resulting in budget reductions for school districts across the state, the State of Colorado restored some funding for public education that had previously been cut.

The budget stabilization factor decreased dramatically, by the end of the fiscal year the BS factor was eliminated through the state's finance act. In addition, the legislature passed a new finance act that will be implemented in the 2025-26 school year. Full implementation will be phased in over the next six fiscal years.

For fiscal year 2025-2026, the statewide base per pupil funding was increased for inflation. The statewide average per pupil base funding for fiscal year 2025-26 is \$8,691; the Byers 32J School District per pupil revenue is \$11,377. The increase in state funding enabled investments for programs and services with high priority needs, and an increase in Cost of Living (COLA).

Planned budgetary expenditure increases for fiscal year 2024-2025 consist of compensation increases of 1.5% to all district staff, 5% increase in health insurance, 12% increase in property insurance. With teachers and administration receiving 1.5% increase year over year, the board believes this is a step in the right direction to be competitive for recruiting and retaining educational staffing.

The starting salary for a teacher is \$50,218 for the 2025-26 school year.

The online schools moved into contract schools. The funding remains as a flow through to the online schools.

**Contacting the District's Financial Management**

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

Superintendent of Schools  
Byers School District  
444 E. Front Street  
Byers, Colorado 80103

**BYERS SCHOOL DISTRICT 32-J**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 6,033,961
Accounts Receivable	1,882,309
Property Taxes Receivable	50,064
Inventories	5,807
Capital Assets	22,755,891
Accumulated Depreciation and Amortization	(11,817,211)
Total Assets	18,910,821
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pensions	2,263,621
Other Post Employment Benefits	48,132
Total Deferred Outflows of Resources	2,311,753
<b>LIABILITIES</b>	
Accounts Payable	169,056
Accrued Salaries	735,363
Unearned Revenue	1,229
Noncurrent Liabilities:	
Due in Less Than One Year	479,992
Due in More Than One Year	308,200
Net Pension Liability	10,611,799
Net OPEB Liability	188,283
Total Liabilities	12,493,922
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pensions	667,126
Other Post Employment Benefits	104,691
Total Deferred Inflows of Resources	771,817
<b>NET POSITION</b>	
Net Investment in Capital Assets	10,419,129
Restricted for:	
Tabor Reserve	2,370,538
Multi Year Obligation	151,978
Food Service	87,086
Unrestricted	(5,071,896)
Total Net Position	\$ 7,956,835

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2025**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
<b>Primary Government</b>					
Government Activities					
Instruction	\$ 75,917,192	\$ 230,252	\$ 5,475,042	\$ -	\$ (70,211,898)
Supporting Services	6,961,032	175,314	2,671,023	-	(4,114,695)
Interest on Long-Term Debt	64,543	-	-	-	(64,543)
Total Government Activities	\$ 82,942,767	\$ 405,566	\$ 8,146,065	\$ -	(74,391,136)
		<b>GENERAL REVENUES</b>			
					2,211,652
					115,745
					70,508,954
					216,002
					201,400
					73,253,753
					<b>CHANGE IN NET POSITION</b>
					(1,137,383)
					Net Position - Beginning of Year
					9,094,218
					<b>NET POSITION - END OF YEAR</b>
					\$ 7,956,835

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

<b>ASSETS</b>	General	Designated Purpose Grants	Nonmajor Governmental Funds	Total
Cash and Investments	\$ 5,822,897	\$ 16,280	\$ 194,784	\$ 6,033,961
Accounts Receivable	1,827,967	31,151	23,191	1,882,309
Property Taxes Receivable	50,064	-	-	50,064
Due from Other Funds	19,113	-	-	19,113
Inventories	-	-	5,807	5,807
Total Assets	<u>\$ 7,720,041</u>	<u>\$ 47,431</u>	<u>\$ 223,782</u>	<u>\$ 7,991,254</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 164,031	\$ 5,025	\$ -	\$ 169,056
Accrued Salaries	689,309	23,519	22,535	735,363
Due to Other Funds	-	18,887	226	19,113
Unearned Revenues	-	-	1,229	1,229
Total Liabilities	<u>853,340</u>	<u>47,431</u>	<u>23,990</u>	<u>924,761</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Property Tax Revenues	18,340	-	-	18,340
Total Deferred Inflows of Resources	<u>18,340</u>	<u>-</u>	<u>-</u>	<u>18,340</u>
 <b>FUND BALANCES</b>				
Nonspendable				
Inventory	-	-	5,807	5,807
Restricted for:				
Emergencies	2,370,538	-	-	2,370,538
Multi-Year Obligations	151,978	-	-	151,978
Food Service	-	-	81,279	81,279
Committed to:				
Capital Outlay	588,102	-	-	588,102
Rental Properties	8,434	-	-	8,434
Day Care	126,129	-	-	126,129
Pupil Activities	-	-	112,706	112,706
Unassigned	3,603,180	-	-	3,603,180
Total Fund Balances	<u>6,848,361</u>	<u>-</u>	<u>199,792</u>	<u>7,048,153</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,720,041</u>	<u>\$ 47,431</u>	<u>\$ 223,782</u>	<u>\$ 7,991,254</u>

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J**  
**RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

Total Governmental Fund Balance	\$ 7,048,153
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	10,938,680
Property taxes and other revenues - Revenues that do not provided current financial resources are unavailable on the governmental fund financial statements but recognized on the government-wide financial statements.	18,340
Long-term liabilities, including bonds payable, certification of participation, compensated absences, other postemployment benefits, and accrued interest are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds Payable	(273,494)
Loan Payable	(246,057)
Compensated Absences	(268,641)
Net Pension Liability	(10,611,799)
Net OPEB Liability	(188,283)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Related to Pension	2,263,621
Related to OPEB	48,132
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Related to Pension	(667,126)
Related to OPEB	(104,691)
Net Position of Governmental Activities	<u><u>\$ 7,956,835</u></u>

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2025**

	General	Designated Purpose Grants	Other Governmental Funds	Total
<b>REVENUES</b>				
Property Taxes	\$ 2,204,797	\$ -	\$ -	\$ 2,204,797
Specific Ownership Taxes	115,745	-	-	115,745
Earnings on Investments	215,845	-	157	216,002
Other Local Sources	5,411,431	-	227,218	5,638,649
State Aid	70,894,725	84,168	108,903	71,087,796
Federal Aid	945,713	1,382,729	207,098	2,535,540
Total Revenues	<u>79,788,256</u>	<u>1,466,897</u>	<u>543,376</u>	<u>81,798,529</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	75,143,215	277,299	-	75,420,514
Supporting Services:				
Students	371,065	979,343	206,877	1,557,285
Instructional Staff	60,512	-	-	60,512
District Administration	1,222,920	-	-	1,222,920
School Administration	427,938	-	-	427,938
Business	605,494	-	-	605,494
Operation and Maintenance of Facilities	542,831	-	-	542,831
Transportation	487,570	-	-	487,570
Central	124,172	-	-	124,172
Food Service	-	-	353,713	353,713
Capital Outlay	1,479,966	210,255	11,761	1,701,982
Debt Service:				
Principal	313,753	-	-	313,753
Interest and Fiscal Charges	64,543	-	-	64,543
Total Expenditures	<u>80,843,979</u>	<u>1,466,897</u>	<u>572,351</u>	<u>82,883,227</u>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>				
	<u>(1,055,723)</u>	<u>-</u>	<u>(28,975)</u>	<u>(1,084,698)</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	(1,055,723)	-	(28,975)	(1,084,698)
Fund Balances - Beginning of Year	<u>7,904,084</u>	<u>-</u>	<u>228,767</u>	<u>8,132,851</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,848,361</u>	<u>\$ -</u>	<u>\$ 199,792</u>	<u>\$ 7,048,153</u>

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J**  
**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 \$ (1,084,698)

Capital outlays to purchase or construct capital assets or right-use-leased assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlay exceeded depreciation and amortization expense in the current year.

Capital Outlay	1,318,772
Depreciation and Amortization Expense	(1,518,259)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:

Payment of Principal Includes:	
Debt Payments	313,753

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in government funds.

Earned but Unavailable Revenue	6,855
--------------------------------	-------

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. The (increase) decrease in these activities consist of the following:

Accrued Compensated Absences	(12,064)
OPEB Expense	61,855
Pension Expense	<u>(223,597)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (1,137,383)</u></u>
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**BYERS SCHOOL DISTRICT 32-J**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**JUNE 30, 2025**

	Endowment Fund
<b>ASSETS</b>	
Cash and Investments	\$ 1,925
Total Assets	<u>1,925</u>
<b>LIABILITIES</b>	
Other	-
Total Liabilities	<u>-</u>
<b>NET POSITION</b>	
Restricted	1,925
Total Net Position	<u><u>\$ 1,925</u></u>

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2025**

	<u>Endowment Fund</u>
<b>ADDITIONS</b>	
Earnings on Investments	\$ -
Donations	-
Total Additions	<u>-</u>
 <b>DEDUCTIONS</b>	
Other Expense	35
Total Deductions	<u>35</u>
 <b>NET DECREASE</b>	 (35)
 Net Position - Beginning of Year	 <u>1,960</u>
 <b>NET POSITION - END OF YEAR</b>	 <u><u>\$ 1,925</u></u>

See accompanying Notes to Financial Statements.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Byers School District Number 32-J (the District) conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The District operates under an elected Board of Education with seven members.

The District is the lowest level of government, which is considered to be financially accountable over all activities related to public school education in Byers School District Number 32-J. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The Board of Education members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

**Reporting Entity**

Governmental Accounting Standards board (GASB) Statement No. 14 (as amended by Statements No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASE No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does include another component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units.

**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 of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds (General Fund and Designated Purpose Grants) and individual enterprise funds are reported as separate columns in the fund financial statements.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund 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.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

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

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end.

Property taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred, with the exception of general obligation and loan payable debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

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

**Fund Accounting**

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred flows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

- Major Governmental Funds
  1. General Fund – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.
  2. Designated Purpose Grants – Special Revenue Fund – used to account for restricted state and federal grants including, but not limited to, Every Student Succeeds Act programs which must be expended as designated by the grantor.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Accounting (Continued)**

Additionally, the District reports on the following fund type:

The Endowment Fund – this custodial fund is used to account for donations to the District that are to be used for specific purposes. These funds are held in a fiduciary capacity by the District.

**Cash and Investments**

Cash represents amounts on deposit with financial institutions or held by the District. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. The District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

**Receivables**

Property taxes levied in 2024 but uncollected in 2025 are identified as property taxes receivable. Amounts of property taxes that are not available at June 30, 2025 are recorded as deferred inflow of resources. Program grants are recorded as receivables and revenues at the time reimbursable project costs are incurred.

**Inventories**

Materials and supplies inventories are stated at cost. Inventories recorded in the Food Services Fund consist of purchased and donated commodities. Purchased inventories are stated at cost. Donated inventories, received at no cost under a program supported by the Federal Government, are recorded at their estimated fair value at the date of receipt.

The cost of all inventories is recorded as an asset when the individual inventory items are purchased, and as an expenditure or expense when consumed.

**Capital Assets**

Capital assets, which include property, vehicles and equipment, are utilized for general District operations and are capitalized at actual or estimated cost. Donations of such assets are recorded at estimated acquisition value at the time of donation. Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Maintenance, repairs, and minor renovations are recorded as expenditures when incurred. Major additions and improvements are capitalized. When assets used in the operation of the governmental fund types are sold, the proceeds of the sale are recorded as revenues in the appropriate fund. The District does not capitalize interest on the construction of capital assets in governmental funds. However, the District does capitalize interest on the construction of capital assets in business-type activities.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets (Continued)**

The monetary threshold for capitalization of assets is \$5,000. The District's capital assets are depreciated/amortized using the straight-line method over the estimated useful lives of the fixed assets (5-40 years). Depreciation/Amortization of all capital assets is charged as an expense against their operations. Depreciation/Amortization is recorded in the year of acquisition and any remaining depreciation/amortization is recorded in the year of disposition.

**Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. The District records long-term debt of governmental funds at the face value. The District's general obligation bonds are serviced from property taxes and other revenues of the Debt Service Fund.

The long-term accumulated unpaid accrued sick leave is serviced from property taxes and other revenues by the respective fund type from future appropriations.

*On-Behalf Payments*

GAAP requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. Beginning on July 1, 2018, the State of Colorado is required to make a payment to PERA each year equal to \$225 million. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division Trust Funds of PERA, as proportionate to the annual payroll of each division. This annual payment is required on July 1st of each year thereafter until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution.

*Pensions*

The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Long-Term Obligations (Continued)**

*OPEB*

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**Constitutional Amendment**

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

In November 4, 1997 the registered voters approved a ballot resolution authorizing Byers School District Number 32-J to collect, retain and expend all revenues from any source provided that no property tax mill levy be increased without the consent of the voters.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future years. TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be three percent or more of fiscal year spending (excluding bonded debt service). As of June 30, 2025, the District reserved \$2,370,538 for this purpose.

Spending and revenue limits are determined based on the prior fiscal year's spending adjusted for inflation in the prior calendar year plus annual increases in funded student enrollment. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Taxes**

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2025 property tax calendar for Arapahoe and Adams County was as follows:

Levy Date	December 15, 2024
Lien Date	January 1, 2025
Tax Bills Mailed	January 1, 2025
First Installment Due	February 28, 2025
Second Installment Due	June 15, 2025
If Paid in Full, Due	April 30, 2025
Tax Sale, Delinquent Property Taxes	October 25, 2025

**Compensated Absences:**

Compensated absences are made up of accumulated sick leave and vacation leave reported as non-current liabilities in the government-wide financial statements. As of June 30, 2025, the District has recorded an estimated liability of \$268,641 related to accrued sick and vacation leave payable for governmental activities. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**GASB Statement No. 54**

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**GASB Statement No. 54 (Continued)**

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School District Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**Fund Balance Classification Policies and Procedures**

*Committed Fund Balance Policy*

The District's Committed Fund Balance is fund balance reporting required by the School Board, either because of a School Board Policy in the School Board Policy Manual, or because of motions that passed at School Board meetings.

*Assigned Fund Balance Policy*

The District's Assigned Fund Balance is fund balance reporting occurring by School Board Administration authority, under the direction of the Chief Business Officer.

**Order of Fund Balance Spending Policy**

The District's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Order of Fund Balance Spending Policy**

*Fund Balance Classification by Fund*

	General Fund	Grants Fund	Special Revenue (Nonmajor)		Total
			Food Service	Pupil Activity	
<b>Nonspendable</b>					
Inventory	\$ -	\$ -	\$ 5,807	\$ -	\$ 5,807
<b>Restricted</b>					
Emergencies	2,370,538	-	-	-	2,370,538
Multi-Year Obligations	151,978	-	-	-	151,978
Food Service	-	-	81,279	-	81,279
<b>Committed</b>					
Capital Outlay	588,102	-	-	-	588,102
Rental Properties	8,434	-	-	-	8,434
Day Care	126,129	-	-	-	126,129
<b>Assigned</b>					
Pupil Activities	-	-	-	112,706	112,706
<b>Unassigned</b>	3,603,180	-	-	-	3,603,180
<b>Total Fund Balances</b>	<u>\$ 6,848,361</u>	<u>\$ -</u>	<u>\$ 87,086</u>	<u>\$ 112,706</u>	<u>\$ 7,048,153</u>

**Deferred Outflows/Inflows of Resources**

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

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

**Budgetary Information**

Revenues and expenditures are controlled by budgetary accounting systems in accordance with various legal requirements. The budgeted revenues and expenditures represent the original adopted budget as subsequently adjusted by the Board of Education in accordance with Colorado School Laws. Budgets are generally prepared on the same basis as that used for accounting purposes.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgetary Information (Continued)**

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the Business Manager submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public notices are released to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The Business Manager is authorized to transfer budgeted amounts between categories within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education.
5. Formal budgetary integration should be employed as a management control device during the year for the General Fund and Special Revenue Funds.
6. Budgets for the General, Special Revenue, and Fiduciary Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

Budgetary amounts reported in the accompanying basic financial statements are as originally adopted and amended by the Superintendent and/or the Board of Education throughout the year.

**NOTE 2 CASH AND INVESTMENTS**

A summary of cash and investments as of June 30, 2025 follows:

Deposits	\$ 2,108,541
Investments	3,927,345
Total	<u>\$ 6,035,886</u>

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

Cash and investments are reported in the government-wide statement of net position:

Cash and Investments	\$ 6,033,961
Cash and Investments Fiduciary	<u>1,925</u>
Total	<u><u>\$ 6,035,886</u></u>

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires all 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 fair value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2025, the District deposits are with eligible public depositories and are considered to be held in the name of the District.

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

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices; Level 3 inputs are significant unobservable inputs. The District currently does not have any investments that are subject to fair value measurements.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

As of June 30, 2025, the District had the following investments:

Investment Type	S&P Rating	Fair Value	Investment Maturity (in Years) Less than 1
ColoTrust Plus+ Fund	AAAm	\$ 3,927,345	\$ 3,927,345

At June 30, 2025, the District had \$3,927,345 invested in the Colorado Local Government Liquid Asset Trust (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 is rated AAAm by Standard and Poor's. Investments of ColoTrust are limited to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (NAV) of \$1.00. 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. ColoTrust records investments at fair value and the District at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

**Interest Rate Risk**

State statutes generally limit investments to an original maturity of five years unless the governing Board authorizes the investment for a period in excess of five years.

**Credit Risk**

State statutes limit investments to those with specified ratings, as provided by nationally recognized statistical rating organizations, depending on the investment type.

**NOTE 3 INTERFUND BALANCES AND TRANSFERS**

Fund	Due From	Due To
General Fund	\$ 19,113	\$ -
Designated Purpose Grants	-	18,887
Nonmajor	-	226
Total	\$ 19,113	\$ 19,113

Due to and due from balances are the result of operating expenditures being paid on behalf of other funds. These amounts are expected to be repaid within the year.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4 CAPITAL ASSETS**

A summary of changes in capital assets is as follows:

	Balances June 30, 2024	Additions	Transfers	Deletions	Balances June 30, 2025
<b>GOVERNMENTAL ACTIVITIES</b>					
Capital Assets Not Being Depreciated:					
Land	\$ 173,215	\$ -	\$ -	\$ -	\$ 173,215
Construction in Process	64,396	-	(49,087)	(15,309)	-
Total Capital Assets Not Being Depreciated	237,611	-	(49,087)	(15,309)	173,215
Capital Assets Being Depreciated:					
Buildings and Improvements	18,529,187	1,026,474	49,087	-	19,604,748
Equipment and Vehicles	2,630,170	305,377	-	-	2,935,547
Total Capital Assets Being Depreciated	21,159,357	1,331,851	49,087	-	22,540,295
Lease Assets Being Amortized					
Equipment and Vehicles	42,381	-	-	-	42,381
Total Lease Assets Being Amortized	42,381	-	-	-	42,381
Less Accumulated Depreciation for:					
Buildings and Improvements	8,027,479	1,184,613	-	-	9,212,092
Equipment and Vehicles	2,229,092	333,646	-	-	2,562,738
Total Accumulated Depreciation	10,256,571	1,518,259	-	-	11,774,830
Less Lease Amortization for:					
Equipment and Vehicles	44,612	-	-	(2,231)	42,381
Total Lease Amortization	44,612	-	-	(2,231)	42,381
Total Capital Assets, Being Depreciated and Amortized, Net	10,900,555	(186,408)	49,087	-	10,765,465
Governmental Activities Capital Assets, Net	<u>\$ 11,138,166</u>	<u>\$ (186,408)</u>	<u>\$ -</u>	<u>\$ (15,309)</u>	<u>\$ 10,938,680</u>

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

Governmental Activities:	
Instructional Support	\$ 333,646
Supporting Services	1,184,613
Total Depreciation and Amortization Expense	<u>\$ 1,518,259</u>

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 5 LONG-TERM DEBT**

**Changes In Long-Term Debt**

Following is a summary of long-term debt transactions during the fiscal year 2025.

	Balance at June 30, 2024	Additions	Payments	Balance at June 30, 2025	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
QZAB Bond	\$ 344,083	\$ -	\$ 70,589	\$ 273,494	\$ 70,589
BEST Grant Loan	489,221	-	243,164	246,057	246,057
Compensated Absences	256,577	12,064 *	-	268,641	163,346
Total	<u>\$ 1,089,881</u>	<u>\$ 12,064</u>	<u>\$ 313,753</u>	<u>\$ 788,192</u>	<u>\$ 479,992</u>

\* The change in the compensated absences is presented as a net change.

**QZAB Bonds**

During the year ended June 30, 2012, the District issued \$1,200,000 in Qualified Zone Academy Bonds (QZABs). These bonds were created by Section 226 (a) of the Taxpayer Relief Act of 1997. The act allowed the issuance of debt by public schools within empowerment enterprise zones to be interest free. There must be an education program designed in cooperation with the businesses and receive a private business contribution that is not less than 10% of the net present value of the bond proceeds. Payments are made annually to advance fund the required payments in June 2029 of \$1,200,000. The original agreement allowed for debt payments to be interest free, however, in 2014, the federal subsidy payments were reduced by an annual sequestration rate which required the District to assist with the interest payments. That rate for 2022-2023 is 5.70% which required the District to pay \$3,338 into the sinking fund to be applied toward the interest portion of the debt. The remaining interest of \$55,222 reimbursed by the IRS was recognized as interest expense and local revenue in the basic financial statements. The District's current portion of interest revenue will be at a rate of 0.25%.

**Best Grant Loan**

On February 4, 2021, the District issued \$1,204,167 of BEST (Building Excellent Schools Today) matching money loan. The loan has a 1.190% interest rate. Principal payments are due annually on December 1 beginning in 2021 and running through 2025. The loan will serve as a portion of the District's match on the BEST grant program where the District was awarded approximately \$1 million of BEST grant funds to construct a new HVAC for the District building. The money placed into escrow is the collateral for the loan. In the event of a default, the interest rate would increase to 5% for late payments on the loan.

Bond payment, to maturity, are as follows for QZAB Bond:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 70,589	\$ 58,560	\$ 129,149
2027	70,589	58,560	129,149
2028	70,589	58,560	129,149
2029	61,727	58,560	120,287
Total	<u>\$ 273,494</u>	<u>\$ 234,240</u>	<u>\$ 507,734</u>

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 5 LONG-TERM DEBT (CONTINUED)**

Loan payment, to maturity, are as follows for BEST Grant Loan:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 246,057	\$ 2,929	\$ 248,986

**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 accounts for and finances its risk activities in the General Fund.

The District purchases commercial insurance for its workers compensation risks. For its general liability risks and risk of property loss or damage, the District participates in the Colorado School Districts Self-Insurance Pool (CSDSIP). There have been no significant changes in the insurance programs from the prior year. For the prior three years, the amount of claims payments for property and liability insurance has not exceeded the amount of insurance coverage.

The CSDSIP is a public entity risk pool currently operating as a common risk management and insurance program with member school districts, Board of Cooperative Educational Services, and charter schools. The District pays an annual premium to the CSDSIP for its property, casualty, and liability insurances. The CSDSIP retains liability losses up to \$750,000 per occurrence and purchases reinsurance coverage of \$9,250,000 per occurrence in excess of the Pool retention. The CSDSIP property insurance policy provides limits up to \$1,000,000,000 per occurrence subject to the Pool retention of \$1,000,000 per occurrence. Flood and earthquake coverage is provided by the CSDSIP has limits of \$100,000,000 per occurrence/aggregate for the entire pool.

**NOTE 7 JOINTLY GOVERNED ORGANIZATION**

The District, in conjunction with other surrounding districts, created 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. The BOCES Board is comprised of one member from each participating district. During the year ended June 30, 2025, the District contributed \$476,484 to the BOCES. The BOCES financial statements can be obtained from the Office of the Colorado State Auditor.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 8 PENSION PLAN**

The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information About the Pension Plan**

*Plan Description*

Eligible employees of the District are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits Provided as of December 31, 2024*

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

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

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

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Benefits Provided as of December 31, 2024 (Continued)*

In all cases the service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 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 C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions Provisions as of June 30, 2025*

Eligible employees of the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Contributions Provisions as of June 30, 2025 (Continued)*

Employer contribution requirements are summarized in the table below:

	July 1, 2024 Through June 30, 2025
Employer Contribution Rate <sup>1</sup>	11.40 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f) <sup>1</sup>	(1.02)%
Amount Apportioned to the SCHDTF <sup>1</sup>	10.38 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 <sup>1</sup>	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 <sup>1</sup>	5.50 %
Total Employer Contribution Rate to the SCHDTF <sup>1</sup>	20.38 %

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$972,889 for the year ended June 30, 2025.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. For 2024, a portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund.

The net pension liability for the SCHDTF was measured as of December 31, 2024, and the total pension liability (TPL) 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 TPL to December 31, 2024. The District's proportion of the net pension liability was based on the District's contributions to the SCHDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Contributions Provisions as of June 30, 2025 (Continued)*

At June 30, 2025, the District reported a liability of \$10,611,799 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate Share of the Net Pension Liability	\$ 10,611,799
State's Proportionate Share of the Net Pension Liability Associated with the District	953,108
Total	<u><u>\$ 11,564,907</u></u>

At December 31, 2024, the District's proportion was 0.06150020909% which was a decrease of 0.00494454081 % from its proportion measured as of December 31, 2024.

For the year ended June 30, 2025, the District recognized pension expense of \$(223,597) 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 600,930	\$ -
Changes of Assumptions or Other Inputs	79,558	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	200,215	-
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	877,393	667,126
Contributions Subsequent to the Measurement Date	505,525	-
Total	<u><u>\$ 2,263,621</u></u>	<u><u>\$ 667,126</u></u>

\$505,525 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2026.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Contributions Provisions as of June 30, 2025 (Continued)*

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2026	\$ 881,709
2027	740,402
2028	(388,347)
2029	(142,793)

*Actuarial Assumptions*

The TPL in the December 31, 2023 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.40 - 11.00%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount Rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007; and DPS Benefit Structure (Automatic)	1.00% Compounded Annually
PERA Benefit Structure hired after December 31, 2006 (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Actuarial Assumptions (Continued)*

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

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

The actuarial assumptions used in the December 31, 2023 valuation were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016 through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

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

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

Salary scale assumptions were altered to better reflect actual experience.

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

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

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Actuarial Assumptions (Continued)*

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	Males: 106% of the rates for all ages Females: 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Post-Retirement (Beneficiary), Non-Disabled	Pub-2010 Contingent Survivor	Males: 92% of the rates for all ages Females: 100% of the rates for all ages
Disabled	PubNS-2010 Disabled Retiree	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 weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the November 15, 2019 meeting, and again at the Board's September 20, 2024 meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Gemoetric 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
<b>Total</b>	<b>100.00</b>	

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

**General Information About the Pension Plan (Continued)**

*Actuarial Assumptions (Continued)*

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

*Discount Rate*

The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 8 PENSION PLAN (CONTINUED)**

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

*Discount Rate (Continued)*

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension 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 Pension Liability	\$ 14,387,140	\$ 10,611,799	\$ 7,449,423

*Pension Plan Fiduciary Net Position*

Detailed information about the SCHDTF's FNP is available in PERA's ACFR, which can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

*Events Subsequent to Measurement Date*

SB 25-310, enacted 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 are to be proportioned over time to replace reductions to 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.

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the OPEB Plan**

*Plan Description*

Eligible employees of the District are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

*Benefits Provided*

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

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

**BYERS SCHOOL DISTRICT 32-J**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**General Information about the OPEB Plan (Continued)**

*Benefits Provided*

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

*PERA Benefit Structure*

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

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

*DPS Benefit Structure*

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

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**General Information about the OPEB Plan (Continued)**

*Contributions*

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$48,692 for the year ended June 30, 2025.

**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 liability of \$188,283 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) 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 TOL 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 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the District's proportion was 0.03937608095%, which was a decrease of 0.00037419809% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of \$61,855. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 41,532
Changes of Assumptions or Other Inputs	2,159	60,185
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	638	-
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share Share of Contributions	21,458	2,974
Contributions Subsequent to the Measurement Date	23,877	-
Total	\$ 48,132	\$ 104,691

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

\$23,877 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2026	\$ (20,242)
2027	(8,595)
2028	(21,249)
2029	(14,394)
2030	(10,289)
Thereafter	(5,664)

*Actuarial Assumptions*

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

	Trust Fund			
	State Division	School Division	Government Division	Judicial Division
Actuarial Cost Method	Entry Age			
Price Inflation	2.30%			
Real Wage Growth	0.70%			
Wage Inflation	3.00%			
Salary Increases, Including Wage Inflation				
Members other than State Troopers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
State Troopers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-Term Investment Rate of Return, Net of OPEB Plan Investment				
Expenses, Including Price Inflation	7.25%			
Discount rate	7.25%			
Health Care Cost Trend Rates				
Service-based Premium Subsidy	0.00%			
PERACare Medicare Plans	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034			
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034			
Medicare Part A Premiums	3.50% in 2024, gradually increasing to 4.50% in 2033			

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Actuarial Assumptions (Continued)*

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

Age-Related Morbidity Assumptions		
Participant	Annual Increase	Annual Increase
Age	(Male)	(Female)
65-68	2.20%	2.30%
69	2.80%	2.20%
70	2.70%	1.60%
71	3.10%	0.50%
72	2.30%	0.70%
73	1.20%	0.80%
74	0.90%	1.50%
75-85	0.90%	1.30%
86 and older	0.00%	0.00%

Sample	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Male	Female	Male	Female	Male	Female
Age						
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	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Male	Female	Male	Female	Male	Female
Age						
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.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Actuarial Assumptions (Continued)*

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

The PERA benefit structure health care cost trend rates used to measure the TOL are summarized in the following table:

Year	PERACare Medicare Plans	MAPD PPO #2 <sup>1</sup>	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%

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Actuarial Assumptions (Continued)*

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

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

Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 94% of the rates prior to age 80/ 90% of the rates age 80 and older
		Females: 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	Males: 112% of the rates prior to age 80/ 94% of the rates age 80 and older
		Females: 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A

Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages
		Females: 105% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Actuarial Assumptions (Continued)*

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

- Per capita health care costs in effect as of the December 31, 2023 valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.
- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.
- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023 valuation date based on an experience analysis of recent data.

The actuarial assumptions used in the December 31, 2023 valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016 through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

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

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

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

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Actuarial Assumptions (Continued)*

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

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

Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 90% of the rates for all ages Females: 85% of the rates prior to age 80 / 105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	Males: 106% of the rates for all ages Females: 86% of the rates prior to age 85 / 115% of the rates age 85 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A

Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 92% of the rates for all ages Females: 100% of the rates for all ages

Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Actuarial Assumptions (Continued)*

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

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

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the November 15, 2019 meeting, and again at the Board's September 20, 2024 meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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	<u>100.00 %</u>	

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

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (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 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 1	5.75%	6.75%	7.75%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 Trend Rate 1	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate 1	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$ 183,211	\$ 188,283	\$ 194,024

*Discount Rate*

The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023 and the financial status of the HCTF as of the current measurement date (December 31, 2024). In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 9 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

*Discount Rate (Continued)*

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

Based on the above assumptions and methods, the FNP for the HCTF 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 TOL. The discount rate determination did not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate*

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 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	\$ 230,744	\$ 188,283	\$ 151,677

*OPEB Plan Fiduciary Net Position*

Detailed information about the HCTF's FNP is available in PERA's ACFR which can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

**BYERS SCHOOL DISTRICT 32-J  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025**

**NOTE 10 COMMITMENTS AND CONTINGENCIES**

**Claims and Judgments**

The District participates in a number of federal and state 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 the District believes that disallowed expenditures, if any, will not have a material effect on the overall financial position of the District.

**TABOR Amendment**

In November 1992, Colorado voters passed an amendment to Article X, Section 20 of the State Constitution (the Amendment) which limits state and local government taxing powers and imposes spending limitations. In November 2000, voters within the District authorized the District to collect, retain, and expend all revenues received in 2000 and any year thereafter. 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 revenue. At June 30, 2025, the District's reserve of \$2,370,538 was reported as restricted fund balance in the General Fund.

**Litigation**

The District is involved in various pending or threatened litigation. The outcome of these matters cannot be predicted at this time.

**NOTE 11 COMPLIANCE**

The following fund may be in violation of state statutes as the expenditures exceed the appropriated budget.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
<b>Total Expenditures</b>				
Grants Fund	\$ 1,405,951	\$ 1,462,321	\$ 1,466,897	\$ (4,576)

**REQUIRED SUPPLEMENTARY INFORMATION**

**BYERS SCHOOL DISTRICT 32-J  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2025**

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

Designated Purpose Grant Fund

This fund is provided to maintain a separate accounting for federal and state grant funded programs which normally have a different fiscal period than that of the District.

Pension Trend Data

Other Post-Employment Benefits

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 2,116,342	\$ 2,146,342	\$ 2,204,797	\$ 58,455
Specific Ownership Taxes	104,826	104,826	115,745	10,919
Earnings on Investments	150,390	186,390	215,845	29,455
Charges for Services	2,099,294	2,349,294	2,354,447	5,153
Other	2,821,336	2,846,836	3,056,984	210,148
Total Local Sources	<u>7,292,188</u>	<u>7,633,688</u>	<u>7,947,818</u>	<u>314,130</u>
State Sources:				
State Equalization	69,856,113	69,856,113	70,508,954	652,841
Transportation	88,210	88,210	95,368	7,158
Vocational Education	35,000	47,000	29,763	(17,237)
Special Education	102,284	152,284	102,897	(49,387)
Other	112,351	158,351	157,743	(608)
Total State Sources	<u>70,193,958</u>	<u>70,301,958</u>	<u>70,894,725</u>	<u>592,767</u>
Federal Sources:				
Other	945,712	945,712	945,713	1
Total Revenues	<u>78,431,858</u>	<u>78,881,358</u>	<u>79,788,256</u>	<u>906,898</u>
<b>EXPENDITURES</b>				
Instruction:				
Salaries	3,048,022	3,048,022	2,942,134	105,888
Employee Benefits	1,041,874	1,041,874	947,871	94,003
Purchased Services	657,240	657,240	783,666	(126,426)
Supplies and Materials	206,310	206,310	170,583	35,727
Other	72,301,549	72,750,049	70,298,961	2,451,088
Total Instruction	<u>77,254,995</u>	<u>77,703,495</u>	<u>75,143,215</u>	<u>2,560,280</u>
Supporting Services:				
Students:				
Salaries	200,423	200,423	211,437	(11,014)
Employee Benefits	63,543	63,543	60,643	2,900
Purchased Services	160,200	160,200	94,006	66,194
Supplies and Materials	3,300	3,300	3,479	(179)
Other	1,800	1,800	1,500	300
Total Students	<u>429,266</u>	<u>429,266</u>	<u>371,065</u>	<u>58,201</u>

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES (CONTINUED)</b>				
Supporting Services (Continued):				
Instructional Staff:				
Salaries	\$ 36,909	\$ 36,909	\$ 37,359	\$ (450)
Employee Benefits	16,898	16,898	15,182	1,716
Supplies and Materials	7,100	7,100	7,971	(871)
Other	50	50	-	50
Total Instructional Staff	<u>60,957</u>	<u>60,957</u>	<u>60,512</u>	<u>445</u>
General Administration:				
Salaries	456,787	456,787	307,206	149,581
Employee Benefits	187,204	187,204	77,922	109,282
Purchased Services	627,750	627,750	571,760	55,990
Supplies and Materials	309,000	309,000	249,746	59,254
Debt Service - Principal	325,684	325,684	313,753	11,931
Debt Service - Interest	-	-	64,543	(64,543)
Other	17,600	17,600	16,286	1,314
Total General Administration	<u>1,924,025</u>	<u>1,924,025</u>	<u>1,601,216</u>	<u>322,809</u>
School Administration:				
Salaries	289,545	289,545	294,280	(4,735)
Employee Benefits	123,664	123,664	117,929	5,735
Purchased Services	2,800	2,800	365	2,435
Supplies and Materials	12,300	12,300	14,718	(2,418)
Other	4,300	4,300	646	3,654
Total School Administration	<u>432,609</u>	<u>432,609</u>	<u>427,938</u>	<u>4,671</u>
Business Services:				
Salaries	305,834	305,834	333,573	(27,739)
Employee Benefits	101,349	101,349	104,519	(3,170)
Purchased Services	3,424,834	3,424,834	163,429	3,261,405
Supplies and Materials	2,500	2,500	2,317	183
Capital Outlay	1,155,225	1,154,725	1,479,966	(325,241)
Other	-	-	1,656	(1,656)
Total Business Services	<u>4,989,742</u>	<u>4,989,242</u>	<u>2,085,460</u>	<u>2,903,782</u>

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND (CONTINUED)  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES (CONTINUED)</b>				
Supporting Services (Continued):				
Operations and Maintenance:				
Salaries	\$ 393,000	\$ 393,000	\$ 394,019	\$ (1,019)
Employee Benefits	135,860	135,860	38,765	97,095
Purchased Services	70,000	70,500	77,181	(6,681)
Supplies and Materials	33,500	33,500	30,677	2,823
Other	3,500	3,500	2,189	1,311
Total Operations and Maintenance	<u>635,860</u>	<u>636,360</u>	<u>542,831</u>	<u>93,529</u>
Student Transportation:				
Salaries	224,340	224,340	223,871	469
Employee Benefits	94,130	94,130	86,216	7,914
Purchased Services	109,000	109,000	142,023	(33,023)
Supplies and Materials	50,000	50,000	35,460	14,540
Total Student Transportation	<u>477,470</u>	<u>477,470</u>	<u>487,570</u>	<u>(10,100)</u>
Central Support:				
Salaries	60,876	60,876	61,648	(772)
Employee Benefits	22,614	22,614	21,011	1,603
Purchased Services	44,025	44,025	41,378	2,647
Supplies and Materials	500	500	135	365
Total Central Support	<u>128,015</u>	<u>128,015</u>	<u>124,172</u>	<u>3,843</u>
Total Support Services	<u>9,077,944</u>	<u>9,077,944</u>	<u>5,700,764</u>	<u>3,377,180</u>
Total Expenditures	<u>86,332,939</u>	<u>86,781,439</u>	<u>80,843,979</u>	<u>5,937,460</u>
<b>NET CHANGE IN FUND BALANCE</b>	(7,901,081)	(7,900,081)	(1,055,723)	6,844,358
Fund Balance - Beginning of Year	<u>(24,073,492)</u>	<u>(27,121,354)</u>	<u>7,904,084</u>	<u>(35,025,438)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (31,974,573)</u>	<u>\$ (35,021,435)</u>	<u>\$ 6,848,361</u>	<u>\$ 41,869,796</u>

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
GRANTS FUND  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
State Sources	\$ 61,972	\$ 91,642	\$ 84,168	\$ (7,474)
Federal Sources	1,343,979	1,370,679	1,382,729	12,050
Total Revenues	1,405,951	1,462,321	1,466,897	4,576
<b>EXPENDITURES</b>				
Instruction:				
Salaries	90,289	93,959	96,858	(2,899)
Employee Benefits	23,500	23,500	25,501	(2,001)
Supplies and Materials	11,889	58,589	149,136	(90,547)
Total Instruction	125,678	176,048	277,299	(101,251)
Supporting Services:				
Supplies and Materials	61,972	67,972	-	67,972
Captial Outlay	250,000	250,000	210,255	39,745
Other	968,301	968,301	979,343	(11,042)
Total Supporting Services	1,280,273	1,286,273	1,189,598	96,675
Total Expenditures	1,405,951	1,462,321	1,466,897	(4,576)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ -	\$ -

**BYERS SCHOOL DISTRICT 32-J  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
LAST TEN FISCAL YEARS**

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Plan Measurement Date	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
District's Proportion of the Net Pension Liability	0.061500209%	0.066444750%	0.052056964%	0.059891793%	0.060951177%	0.053674910%	0.055134057%	0.062007821%	0.058656692%	0.059904959%
District's Proportionate Share of the Net Pension Liability	10,611,799	11,749,706	9,479,295	6,969,827	9,214,589	8,018,915	9,762,617	20,051,126	17,464,365	9,162,041
State's Proportionate Share of the Net Pension Liability Associated with the (District)**	953,108	257,636	2,762,361	-	(9,214,589)	1,017,097	-	-	-	-
<b>Total</b>	<b>\$ 11,564,907</b>	<b>\$ 12,007,342</b>	<b>\$ 12,241,656</b>	<b>\$ 6,969,827</b>	<b>\$ -</b>	<b>\$ 9,036,012</b>	<b>\$ 9,762,617</b>	<b>\$ 20,051,126</b>	<b>\$ 17,464,365</b>	<b>\$ 9,162,041</b>
District's Covered Payroll	4,767,861	4,392,595	4,015,167	3,742,778	3,246,509	3,146,623	3,031,014	2,860,642	2,718,885	2,610,644
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	222.6%	267.5%	236.1%	186.2%	283.8%	254.8%	322.1%	700.9%	642.3%	350.9%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.2%	64.7%	61.8%	74.9%	67.0%	64.5%	57.0%	44.0%	43.1%	59.2%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2014 was not available.

\*\* HB 20-1379 suspended the direct distribution scheduled for July 1, 2020 in fiscal year 2021.

**BYERS SCHOOL DISTRICT 32-J  
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS  
LAST TEN FISCAL YEARS  
YEARS ENDED JUNE 30**

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	\$ 972,889	\$ 949,220	\$ 861,613	\$ 761,697	\$ 711,342	\$ 618,769	\$ 594,929	\$ 548,301	\$ 515,602	\$ 471,903
Contributions in Relation to the Contractually Required Contribution	<u>972,889</u>	<u>949,220</u>	<u>861,613</u>	<u>761,697</u>	<u>711,342</u>	<u>618,769</u>	<u>594,929</u>	<u>548,301</u>	<u>515,602</u>	<u>471,903</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
(District)'s Covered Payroll	\$ 4,773,737	\$ 4,657,595	\$ 4,227,722	\$ 3,831,465	\$ 3,577,887	\$ 3,192,823	\$ 3,109,927	\$ 2,903,805	\$ 2,804,717	\$ 2,661,386
Contributions as a Percentage of Covered Payroll	20.40%	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%

The amounts presented for each fiscal year were determined as of June 30.

This schedule is presented to illustrate the requirement to show information for 10 years.

**BYERS SCHOOL DISTRICT 32-J  
SCHEDULES OF THE DISTRICT'S PROPORTIONATE  
SHARE OF OPEB LIABILITY  
LAST TEN FISCAL YEARS**

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018
Plan Measurement Date	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
(District)'s Proportion (Percentage) of the Collective Net OPEB Liability	0.0393760810%	0.0397502790%	0.0395674511%	0.0391048032%	0.0352373155%	0.0350754305%	0.0358374204%	0.0352363578%
(District)'s Proportionate Share of the Collective Net OPEB Liability	\$ 188,283	\$ 283,708	\$ 323,060	\$ 337,203	\$ 334,834	\$ 394,247	\$ 487,583	\$ 457,932
Covered Payroll	\$ 4,767,861	\$ 4,392,595	\$ 4,015,167	\$ 3,742,778	\$ 3,246,509	\$ 3,146,623	\$ 3,031,014	\$ 2,860,642
(District)'s Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	3.90%	6.46%	8.05%	9.01%	10.31%	12.53%	16.09%	16.01%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	59.80%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

\* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

The amounts presented for each fiscal year were determined as of December 31.

This schedule is presented to illustrate the requirement to show information for 10 years. Since years prior to 2017 were not reported in accordance with the current GASB standards, the information is not available.

**BYERS SCHOOL DISTRICT 32-J  
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS  
LAST TEN FISCAL YEARS  
YEARS ENDED JUNE 30**

Fiscal Year	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 48,692	\$ 47,507	\$ 43,123	\$ 39,081	\$ 36,494	\$ 32,567	\$ 31,721	\$ 29,619
Contributions in Relation to the Contractually Required Contribution	<u>48,692</u>	<u>47,507</u>	<u>43,123</u>	<u>39,081</u>	<u>36,494</u>	<u>32,567</u>	<u>31,721</u>	<u>29,619</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
(District)'s Covered Payroll	\$ 4,773,737	\$ 4,657,595	\$ 4,227,722	\$ 3,831,465	\$ 3,577,887	\$ 3,192,823	\$ 3,109,327	\$ 2,903,805
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

The amounts presented for each fiscal year were determined as of June 30.

This schedule is presented to illustrate the requirement to show information for 10 years.

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

**BYERS SCHOOL DISTRICT 32-J  
JUNE 30, 2025**

**NONMAJOR GOVERNMENTAL FUNDS**

**Special Revenue Funds**

Special revenue funds account for revenues that are legally restricted to expenditures for specified purposes.

Pupil Activity Fund – This fund accounts for financial transactions of all schools in the District through individual school activity accounts.

Food Service Fund – This fund accounts for all financial activities associated with the District's school breakfast and lunch programs.

**FIDUCIARY FUND TYPES**

**Endowment Fund**

This custodial fund accounts for revenues and expenditures associated with various special projects not reported in other funds. Revenues are provided through alumni donations and fund raisers.

**BYERS SCHOOL DISTRICT 32-J  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2025**

	Special Revenue		
	Food Service	Pupil Activity	Total
<b>ASSETS</b>			
Cash and Investments	\$ 81,852	\$ 112,932	\$ 194,784
Accounts Receivable	23,191	-	23,191
Inventory	5,807	-	5,807
Total Assets	\$ 110,850	\$ 112,932	\$ 223,782
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accrued Salaries	\$ 22,535	\$ -	\$ 22,535
Unearned Revenues	1,229	-	1,229
Due to Other Funds	-	226	226
Total Liabilities	23,764	226	23,990
<b>FUND BALANCES</b>			
Nonspendable Inventories			
Inventory	5,807	-	5,807
Restricted for:			
Food Services	81,279	-	81,279
Committed to:			
Pupil Activities	-	112,706	112,706
Total Fund Balances	87,086	112,706	199,792
Total Liabilities and Fund Balances	\$ 110,850	\$ 112,932	\$ 223,782

**BYERS SCHOOL DISTRICT 32-J  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2025**

	Special Revenue		Total
	Food Service	Pupil Activity	
<b>REVENUES</b>			
Other Local Sources	\$ 19,647	\$ 209,035	\$ 228,682
State Aid	108,903	-	108,903
Federal Aid	207,098	-	207,098
Earnings on Investments	157	-	157
Total Revenues	335,805	209,035	544,840
<b>EXPENDITURES</b>			
Current:			
Supporting Services			
Students	-	208,341	208,341
Food Service	353,713	-	353,713
Capital Outlay	11,761	-	11,761
Total Expenditures	365,474	208,341	573,815
<b>NET CHANGE IN FUND BALANCES</b>	(29,669)	694	(28,975)
Fund Balances - Beginning of Year	116,755	112,012	228,767
<b>FUND BALANCES - END OF YEAR</b>	\$ 87,086	\$ 112,706	\$ 199,792

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
PUPIL ACTIVITY FUND  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Local Sources	\$ 323,400	\$ 323,400	\$ 209,035	\$ (114,365)
Total Revenues	<u>323,400</u>	<u>323,400</u>	<u>209,035</u>	<u>(114,365)</u>
<b>EXPENDITURES</b>				
Instructional Services	308,400	308,400	208,341	100,059
Operational Reserve	112,012	112,012	-	112,012
Co-curricular Activities-Nonathletic	15,000	15,000	-	15,000
Total Expenditures	<u>435,412</u>	<u>435,412</u>	<u>208,341</u>	<u>227,071</u>
<b>NET CHANGE IN FUND BALANCE</b>	(112,012)	(112,012)	694	112,706
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>112,012</u>	<u>109,249</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (112,012)</u>	<u>\$ (112,012)</u>	<u>\$ 112,706</u>	<u>\$ 221,955</u>

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
FOOD SERVICE FUND  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Local Sources:				
Food Sales	\$ 31,200	\$ 31,200	\$ 19,425	\$ (11,775)
Earnings on Investments	50	50	157	107
Other	1,300	1,300	222	(1,078)
State Sources:				
School Lunches	131,900	131,900	108,903	(22,997)
Federal Sources:				
School Lunches	200,246	200,246	189,173	(11,073)
Commodities	20,000	20,000	17,925	(2,075)
Total Revenues	<u>384,696</u>	<u>384,696</u>	<u>335,805</u>	<u>(48,891)</u>
<b>EXPENDITURES</b>				
Salaries	150,162	150,162	155,157	(4,995)
Employee Benefits	41,900	41,900	43,668	(1,768)
Purchased Services	-	-	5,115	(5,115)
Supplies and Materials	174,100	174,100	149,773	24,327
Capital Outlay	32,000	32,000	11,761	20,239
Other	3,500	1,700	-	1,700
Total Expenditures	<u>401,662</u>	<u>399,862</u>	<u>365,474</u>	<u>34,388</u>
<b>NET CHANGE IN FUND BALANCE</b>	(16,966)	(15,166)	(29,669)	(14,503)
Fund Balance - Beginning of Year	<u>379,246</u>	<u>379,246</u>	<u>116,755</u>	<u>34,388</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 362,280</u>	<u>\$ 364,080</u>	<u>\$ 87,086</u>	<u>\$ 19,885</u>

**BYERS SCHOOL DISTRICT 32-J  
BUDGETARY COMPARISON SCHEDULE  
ENDOWMENT FUND  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
Other Local Sources	1,000	1,000	-	(1,000)
<b>Total Revenues</b>	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
<b>EXPENDITURES</b>				
Other Expenditures	2,960	2,960	35	2,925
<b>Total Expenditures</b>	<u>2,960</u>	<u>2,960</u>	<u>35</u>	<u>2,925</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,960)	(1,960)	(35)	1,925
Fund Balance - Beginning of Year	<u>(1,000)</u>	<u>-</u>	<u>1,960</u>	<u>1,980</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (2,960)</u>	<u>\$ (1,960)</u>	<u>\$ 1,925</u>	<u>\$ 3,905</u>

## **COMPLIANCE SECTION**

# BYERS SCHOOL DISTRICT 32-J AUDITORS' INTEGRITY REPORT YEAR ENDED JUNE 30, 2025



Colorado Department of Education  
Auditors Integrity Report  
District: 0190 - Byers 32J  
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
	+		-	=
<b>Governmental</b>				
10 General Fund	7,904,082	79,788,253	80,843,979	6,848,355
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
<b>Sub- Total</b>	<b>7,904,082</b>	<b>79,788,253</b>	<b>80,843,979</b>	<b>6,848,355</b>
11 Charter School Fund	0	0	0	0
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	116,754	335,805	365,473	87,087
22 Govt Designated-Purpose Grants Fund	0	1,466,897	1,466,897	0
23 Pupil Activity Special Revenue Fund	112,012	209,035	208,340	112,707
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	0	0	0	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
<b>Totals</b>	<b>8,132,848</b>	<b>81,799,991</b>	<b>82,884,689</b>	<b>7,048,149</b>
<b>Proprietary</b>				
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
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	1,960	0	35	1,925
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>1,960</b>	<b>0</b>	<b>35</b>	<b>1,925</b>

FINAL

11/14/25



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

Board of Education  
Byers School District 32-J  
Byers, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Byers School District 32-J, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Byers School District 32-J's basic financial statements, and have issued our report thereon dated October 28, 2025.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Byers School District 32-J's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Byers School District 32-J's internal control. Accordingly, we do not express an opinion on the effectiveness of Byers School District 32-J's internal control.

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

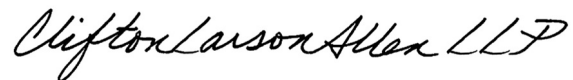
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Byers School District 32-J's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

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



**CliftonLarsonAllen LLP**

Denver, Colorado  
October 28, 2025



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