

2024-2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2025



SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND
THE STATE OF COLORADO

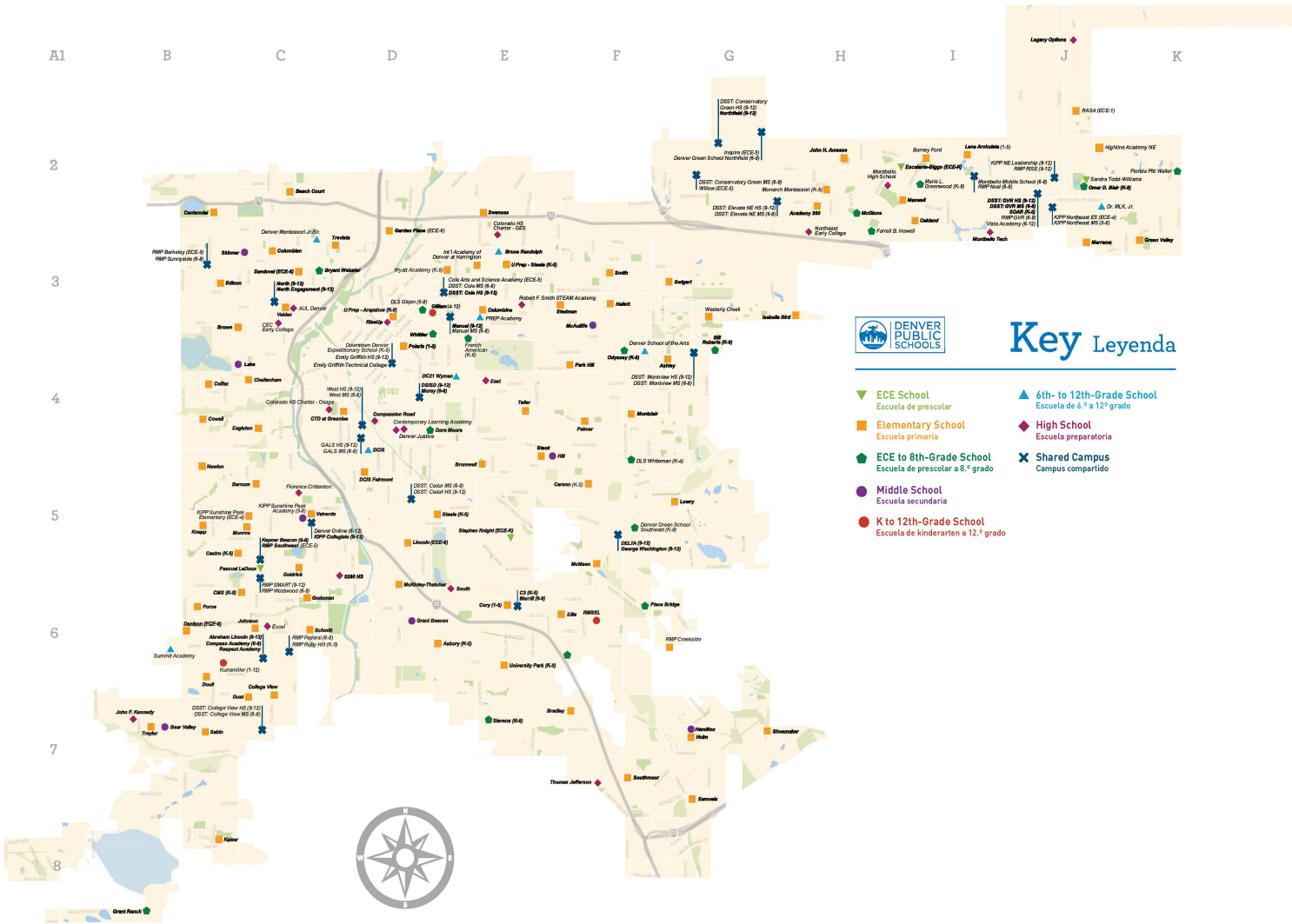
DENVER
PUBLIC
SCHOOLS



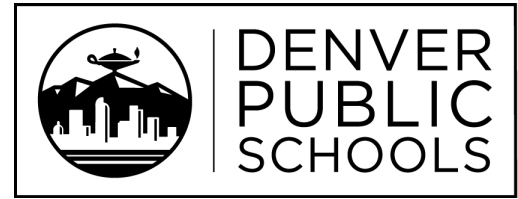
Denver Public Schools

The District's financial operations support Denver Public Schools' vision of Every Learner Thrives.

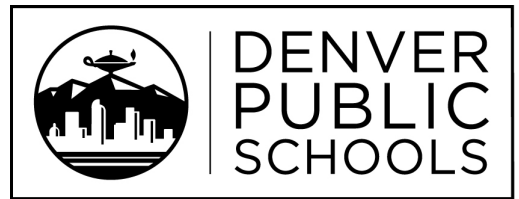
Denver Public Schools serves more than 89,000 students in 207 schools in the City and County of Denver and is the largest district in the State of Colorado.



School District No. 1 in the City and County of Denver
For the year ended June 30, 2025



ANNUAL COMPREHENSIVE FINANCIAL REPORT



Stephen Clawson, Controller
Anna Schmid, Assistant Controller
Jordan Eaglin, Interim Senior Manager
Juan Martinez, Accounting Supervisor
Jerre Fleming, Senior Financial Accountant
Duncan Zelkin, Senior Financial Accountant
Kaylee Gardner, Senior Financial Accountant
Reuben Sanford, Senior Financial Accountant
Jason Reasa, Senior Financial Accountant
Nere Sanchez-Gutierrez, Senior Financial Accountant
Wyatt Kahle, Senior Financial Analyst
Daniella Hernandez, Financial Accountant
Xiomara Sifuentes, Financial Services Executive Assistant

Denver Public Schools
Emily Griffith Campus
Office of the Controller
1860 Lincoln St 11th Floor
Denver, CO 80203
720.423.3440

OFFICE OF THE CONTROLLER

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

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IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

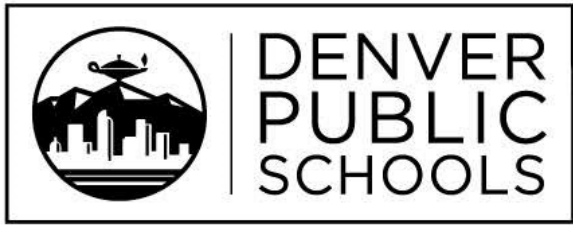
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INTRODUCTORY SECTION



Denver Public Schools
Department of Financial Services
Tel 720-423-3225
www.dpsk12.org

November 13, 2025

Board of Education and Citizens of
School District No. 1 in the
City and County of Denver and
State of Colorado

On behalf of the Denver Public Schools, we are proud to present the Annual Comprehensive Financial Report (ACFR) of School District No. 1 in the City and County of Denver for the fiscal year ending June 30, 2025. Denver Public Schools enrolls the largest number of ECE to 12th grade students in the state of Colorado. The mission of Denver Public Schools is clear: Educational equity is our collective responsibility. We prepare students for career, college and life. We create conditions and partnerships where students, families and team members belong and thrive.

What follows in this document is but one part of the essential work to help our students gain the skills necessary to succeed in life. Our responsibility in this and other financial documents produced by the district is to operate with the highest standards of financial accountability, integrity, and transparency. Nearly all of the funding provided to Denver Public Schools (DPS) is public funding from taxpayers. All of our transactions are subject to public review and public scrutiny. Because we operate with these high standards, our community can have confidence we are spending their resources wisely and reporting back to them on our financial health annually.

FINANCIAL STATE OF THE DISTRICT

At the end of fiscal year 2024-25, the DPS is in strong financial health. The ending General Fund balance grew by \$18.0 million to a total of \$187.4 million which is 12.7% of General Fund revenue. During this year, the district achieved Aaa credit rating for General Obligation bonds. This rating from Moody's Investor Services is a notable accomplishment and speaks to solid financial management which was maintained through the transition of both district leaders and governance board. Achieving an Aaa rating as a Colorado school district should be celebrated by DPS stakeholders for many reasons: this rating helps reduce the cost of capital in bond issuances, but it also provides assurances to the tax paying public of the responsible use of their resources. While the credit rating is not the only metric of financial health, and while external factors unrelated to management and uncontrollable by the district can result in a negative outlook or downgrade in the future, the achievement of Aaa is worthwhile to celebrate.

In fiscal year 2024-25, other items of note have put the district on strong financial footing for what could be a challenging path forward in coming years. DPS voters authorized through a November 2024 ballot initiative, a \$975M no tax increases bond initiative with 75% supporting and 25% opposing. The proceeds from the bond sale will serve a number of the District's critical needs, including maintenance, installation of air conditioning in 29 DPS facilities, the building of a new school in the Far Northeast region of Denver, school safety, technology, and enhancements to athletics, activities spaces and other school learning environments. The impact of this investment is hard to overstate. Without this funding and support from Denver voters, the capital funds for absolutely necessary projects like roofs and heating systems would come out of the operating fund and limit the ability to pay competitive wages, and areas experiencing growth in the city would likely face over-crowded classrooms. With the support of Denver voters, DPS will continue to lead the state in capital investments in school facilities, making DPS an even more attractive place for families to send their students. Concurrently, the Board of Education made the hard decision to close 10 school programs at the end of 2024-2025 because of enrollment declines after closing three the previous year. The decision to close a school is a gut-wrenching decision that impacts the entire community. However, the decision to do so puts the district on more sound footing by creating an enrollment eco-system where families have choice, but not so many choices that no school can achieve the enrollment needed to offer the robust programming demanded by families in 2024-2025. These

two key operational items together, the passage of the bond, and the closure of 13 school programs in two years, are key operational decisions that keep DPS on strong financial footing in the years ahead. Of the 13 school programs closed most of the school buildings have been repurposed for other school programs or are still being utilized due to other existing programs already at those schools. Only 3 school buildings remain empty with no current plans for repurposing. The District continues to engage with the school community to help determine the future use of the remaining 3 empty buildings.

While we maintain strong fiscal health today, the decisions we make in the coming years will determine whether the organization continues on that path. There are many challenges and headwinds including fewer school aged children because of lower birth rates, strained state government funding with an aging population, and rapidly rising costs in core business expenses like wages and health benefits. All of this is occurring while there continues to be an increase in services demanded of DPS by our community. Even with our challenges, we have reasons for optimism. Our community has demonstrated strong support for DPS through voter authorization of additional resources. Our tax base from assessed property values of the City and County of Denver is strong and resilient. Most of the families residing in Denver choose to send their students to DPS as do many families in neighboring districts who affirmatively choose DPS. We have outstanding educators all through our system who want to help students learn and thrive. We have a strong history of balancing our budgets, gaining efficiencies in appropriate ways, and always keeping our students top of mind in those decisions. Our goal is to continue to maintain our strong financial position with wise decisions and execution in the future. Our students, educators, and the city of Denver are depending on it.

ECONOMIC CONDITION AND OUTLOOK

Students graduating in 2025, likely entered school as Kindergarteners in the Fall of 2012, following the heart of the great recession. Those same students experienced COVID in their 7th grade year. Both the great recession and COVID brought unprecedented federal funds to K-12 education in two separate stimulus packages. Conversely, students enrolled today are also facing economic headwinds with little likelihood of support coming from Washington, D.C. The ARRA funds (American Recovery and Reinvestment Act) from the great recession and the ESSER funds (Elementary and Secondary School Emergency Relief) from the COVID pandemic have ended. The economic conditions of today are bringing multi-front challenges. The declining birthrates of the past decade have reduced the number of school aged children and brought a decline in enrollment to many school districts across the country. This has put downward pressure on school district revenues since most funding is tied to enrollment.

DPS anticipates a decline of 5,000 school aged students living in the City and Country of Denver over the next 5 years. At the same time, tax policy changes at the federal level have reduced state of Colorado revenues, putting even greater pressure on the state of Colorado's general fund, of which K-12 education is about 30% of the budget. On the positive side, the state economy has been resilient with growth in real incomes hovering around historical averages and inflation, as measured by the Consumer Price Index, normalizing. Property values have remained steady with modest growth and since property taxes are roughly 45% of the funding for state K-12 in Colorado, that diversification should prove beneficial, even if only by limiting the downside risk and mostly out of sight to the public at large.

Finally, federal grants that have been relied upon by school districts for decades for teacher training (Title II), English Language Acquisition (Title III), and after school programming (Title IV) are at risk and likely will be reduced or dramatically changed in the coming years. All three of these challenges enrollment, state funding, and federal grants put K-12 leaders in the challenging position of facing multiple uncertainties over the next several years. Balancing these risks, and doing so in a way that is most beneficial to our main stakeholders -- students and educators will be the work of future DPS Boards of Education and DPS Leadership. Extreme positions that are either too conservative or too aggressive put the organization's credibility at risk. A too conservative approach will limit resources to school programming and wages when students only have only one chance at their current grade. Too aggressive of an approach could put the organization in a position to face volatile swings and draconian future cuts, diminishing public trust and hurting students and educators alike.

Our long term forecasts rely heavily on the non-partisan Colorado Legislative Council which publishes economic forecasts quarterly. The Legislative Council forecast for the state of Colorado, at the time of writing of this letter, anticipates lower inflation, stabilizing revenues, but unbalanced budgets in the coming years. Though pressures on the state budget remain significant. Our assumptions align to this outlook, and it means future per student base funding increases will likely not exceed 2.7%-3.4%. Positively, in the spring of 2024, the General Assembly passed and the Governor signed HB24-1448 on May 23, 2024, which rewrote the school finance act in Colorado

for the first time since 1994. The law focuses additional funding to districts with high levels of students in poverty, English Language Learners, and students requiring special education services. This is an important update to School Finance in Colorado, focusing resources on our students who need them the most. Should the General Assembly fully fund the new finance act in coming years, this is forecasted to provide DPS with an additional \$9 million a year for 6 years. Should this phase in of funding occur at the planned schedule, it will be a welcome increase in funding for the students who deserve our focused resources. Current law would have 30% of the new school finance act implemented in 2026-27, and those funds will be a welcome relief to other pressures facing K-12.

As with all local government institutions, DPS must pursue its mission with a balance between prioritizing budgets to serve currently enrolled students and the long-term fiscal health of the district. DPS has lived up to this challenge over recent years and is poised to continue to meet these challenges into the future.

PER PUPIL REVENUES

Colorado uses a public school funding formula that provides resources to school districts on a per pupil basis. While there are many nuances, to oversimplify, the per pupil amount is multiplied by the number of students in the district to calculate the state determined allocation called "Total Program." The state calculates each district's individual per pupil revenue based on a number of factors including poverty, students learning English, size of the district, and cost of living. The Total Program amount is funded from three sources. Local Property taxes is the first source, the second source is "Specific Ownership Tax" which are local taxes from car registrations and other local fees, and whatever is not generated by those two sources is funded through a state funded allocation called "State Equalization". This combined state equalization and local property tax funding amount is termed "Total Program".

Local property tax revenue makes up almost 45% of public school funding in the state in 2024-25. Given that K-12 funding makes up nearly 30% of the State of Colorado's operating budget, the state is forced to make a choice between fully funding K-12 education or continuing to fund other vital public services such as Corrections, Healthcare/Medicaid, Higher Education and Human Services.

State statute allows school districts to levy general fund property taxes at a general or special Override Election. These additional resources for Denver Public Schools were raised through local property taxes. In 2024-25, the revenues from those authorized elections totaled over \$370 million for Denver Public School Students for both programmatic and capital expenditures.

CAPITAL IMPROVEMENTS

In November of 2024, DPS voters approved the issuance of General Obligation Bonds with a par amount of \$975 million to make capital investments including the acquisition, construction and improvement of capital assets within the District. Priorities for the bond projects were selected in collaboration with the Community Planning and Advisory Committee (CPAC) - a group of 72 DPS community stakeholders. Projects include providing air conditioning at 29 schools, critical maintenance, a new school in a growing region of the city, safety infrastructure, additional career and technical education classrooms, and technology. This authorization is the most recent in a string of successes with voters in Denver passing capital bonds. Since 1990 over a 35 year period, DPS passed 8 bond elections totaling over \$4 billion of par authorization. During this time DPS has not failed to pass a bond, and those investments have supported almost 3 generations of students in their time attending DPS. The capital program is included in the Financial Statements in the Bond Redemption Fund (which details the repayment of long term obligations from bond issuances) and in the Building Fund (which details the project expenses from bond and other capital projects).

CREATION OF THE ACFR

This Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025, was prepared by the Financial Services Department and includes the report of the independent auditors, Forvis Mazars, LLP. The responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, remains with the District. Accordingly, the District has established and continues to refine a comprehensive framework of controls to protect the District's assets and to compile sufficiently reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles (GAAP). As management, to the best of our knowledge and belief, we assert that the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the

financial position and results of operations of the District as measured by the financial activity of its various funds. The District received an unmodified opinion on the financial statements for the year ended June 30, 2025, as the independent auditors concluded that there was reasonable assurance the financial statements are free of material misstatement. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A.

The Annual Comprehensive Financial Report is presented in three sections: introductory, financial and statistical.

- The introductory section includes this letter of transmittal, the District's organizational chart, a list of District officials, a reproduction of the 2024 Government Finance Officers Association (GFOA) Certificate of Achievement and the 2024 Association of School Business Officials (ASBO) Certificate of Excellence.
- The financial section includes the MD&A, the basic financial statements, required supplementary information and other supplementary information, as well as the independent auditors' report on the financial statements and schedules.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

FINANCIAL INFORMATION

Internal Controls

The management team of the District is responsible for establishing and maintaining effective internal control to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The District's system of internal control is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accounting and Budgetary Controls

The District maintains its records on the full accrual basis for fiduciary fund types and modified accrual basis for all other funds. For financial statement presentation purposes, the modified accrual basis of accounting is followed for all governmental funds. The management's discussion and analysis and the notes to financial statements expand upon this and other accounting policies. The financial statements are prepared in accordance with the standards of the Governmental Accounting Standards Board. All of the District's funds are presented in this report and all opinion units consisting of those funds have been audited by the District's independent auditors, Forvis Mazars, LLP, except for the discretely presented component units, which are audited separately. Forvis Mazars, LLP also audits three separately presented component units (DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools). The Local Government Audit Law requires Colorado local governments to have an annual audit of their financial statements. The law states that the audit must be performed by an independent Certified Public Accountant and be in accordance with generally accepted auditing standards. The auditor's role is to conduct an independent audit and render to outside parties an opinion on the fair presentation of the financial statements. Budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is maintained at the total fund level for each fund.

PERA Merger

As defined in Senate Bill 09-282, the Denver Public Schools Retirement System (DPSRS) merged with Colorado's Public Employee Retirement Association (PERA) on January 1, 2010. The entire DPSRS membership along with existing Denver Public Schools hourly employees and all future employees were placed into a new DPS division of PERA.

Financial Policies

Per Colorado Constitution Article X, section 20(5), the District maintains an emergency reserve of three percent of fiscal year spending and does so by designation of real property. The District establishes an emergency cash reserve as restricted fund balance equal to three percent of the amount of revenue budgeted to the general fund. The Board of Education seeks to maintain a fund balance reserve at a floor of 10% of annual expenditures on the General Fund, established in administrative policy.

Long-term Financial Planning

The District continually develops and refines forward-looking financial projections as part of its budgetary process and considers it to be a critical component to successfully managing the finances of the District. This is especially true in the current environment as the District will continue to face funding challenges related to enrollment, federal grants, and state funding. The District reviews its projected financial position to ensure that appropriate re-balancing and budget setting occurs proactively to mitigate and prepare for future financial pressures.

OTHER INFORMATION

GOVERNANCE PROFILE OF THE DISTRICT

The District is a fiscally and politically independent subdivision operating under the applicable laws of the State of Colorado, governed by a seven-member Board of Education (the Board). The Board is empowered to establish annual operating and capital budgets; determine the ECE-12 educational programs and services to be carried on in the schools of the District; employ all personnel necessary to maintain District operations; determine staffing levels and compensation thereof; and to prescribe the curriculum of any course of instruction or study through the District's educational programs and services. The District receives funding from local, state and federal government sources and other sources. It must comply with the requirements of such funding sources.

Independent Audit

The laws of the State of Colorado require that the District's annual financial report be audited by independent Certified Public Accountants. The accounting firm Forvis Mazars, LLP was selected by the District's Board of Education and performed the audit of this report which is included in the financial section.

Awards

The District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the fortieth consecutive year that the District received this award. This award requires that a government publish an easily readable and efficiently organized Annual Comprehensive Financial Report which must satisfy both generally accepted accounting principles and applicable legal requirements. Although the award is applicable only to the June 30, 2024 report, we believe that this report continues to meet the requirements for this award and will be submitted to the GFOA to determine its eligibility for this certificate of achievement for excellence.

The District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBO) for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This was the twenty-fifth consecutive year that the District received this award. An expert ASBO review panel consisting of Certified Public Accountants and practicing school business officials grants the award after review of the Annual Comprehensive Financial Report. The award recognizes that the District met standards of excellence in school financial reporting. Although this award is applicable only to the June 30, 2024 report, we believe this report continues to meet the requirements for this award and will be submitted to the ASBO to determine its eligibility for this certificate of excellence.

Acknowledgement

The preparation of this report requires contribution from and the work of many people throughout the District. We would like to thank all those who played a part in the preparation of this report. Additionally, we express our appreciation to the Board of Education and the Finance and Audit Committee for their oversight of the financial aspects of the District during the year.

Respectfully submitted,



Chuck Carpenter
Chief Financial Officer



Stephen A. Clawson, CPA
Controller



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District No. 1 in the City and County of Denver
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Denver Public Schools
for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'. The signature is written in a cursive style and is positioned above a horizontal line.

Ryan S. Stechschulte
CAE, SFO
President
Director

A handwritten signature in black ink, reading 'James M. Rowan'. The signature is written in a cursive style and is positioned above a horizontal line.

James M. Rowan,
CEO/Executive

DISTRICT OFFICIALS

BOARD OF EDUCATION

Dr. Carrie A. Olson	President
Marlene De La Rosa	Vice President
Kimberlee Sia	Treasurer
John Youngquist	Secretary
Xochitl Gaytan	Member
Michelle Quattlebaum	Member
Scott Esserman	Member

SUPERINTENDENT

Dr. Alex Marrero

CHIEF FINANCIAL OFFICER

Chuck Carpenter

CONTROLLER

Stephen A. Clawson, CPA

Denver Public Schools Organization Chart District Leadership Team as of June 30, 2025

Board of Education

**Superintendent
Dr. Alex Marrero**

DPS Leadership Team

**Deputy Superintendent of Schools
Dr. Anthony Smith**

**Chief of Operations
Trena Marsal**

**Deputy Chief of Staff
Deborah Staten**

**Interim Chief of Student and Family Empowerment
Solicia E. Lopez**

**Chief of Communications
Bill Good**

**Chief of Finance
Chuck Carpenter**

**Chief of Talent
Edwin Hudson**

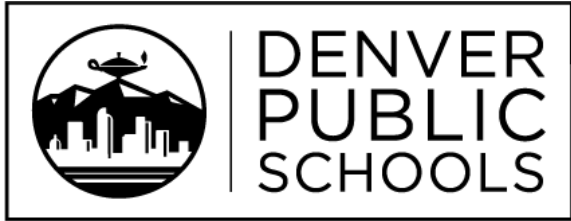
**General Counsel
Aaron Thompson**



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FINANCIAL SECTION



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Independent Auditor's Report

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District No. 1 in the City and County of Denver and State of Colorado (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District No. 1 in the City and County of Denver and State of Colorado, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Denver Public Schools Professional Compensation System for Teachers Trust (ProComp), which represent 10.5%, 10.6%, and 12.9%, respectively, of the assets, revenue, and net position of the aggregate remaining fund information as of June 30, 2025. With the exception of DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools, we also did not audit the financial statements, which represent 42.1%, 35.0%, and 37.1% of assets, revenues, and net position of the aggregate discretely presented component units, respectively, as of and for the year ended June 30, 2025. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the ProComp fund and various discretely presented component units, is based solely on the reports of the other auditors.

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The component units included in the financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, except for DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools.

Emphasis of a Matter – Accounting Changes

As discussed in Note 15 to the financial statements, the beginning net position of aggregate discretely presented component units has been restated to correct misstatements and for the implementation of GASB Statement Number 101, *Compensated Absences*. Our opinions are not modified with respect to these matters.

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 District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 District's basic financial statements. The supplementary information including the combining fund statements – nonmajor funds, the budgetary comparison 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, combining fund statements – nonmajor funds, the budgetary comparison schedules, and the Colorado Department of Education Auditor's Integrity Report, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 District'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 the District's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Denver, Colorado
November 13, 2025**



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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025

Management of School District No. 1 in the City and County of Denver and State of Colorado (the District), provides readers of the District's Annual Comprehensive Financial Report this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that is presented in the letter of transmittal, which starts on page 10 of this report.

Financial Highlights

On the statement of net position, as of June 30, 2025, the District's net position for governmental activities is a deficit of \$188.2 million. The entire negative net position can be attributed to the net pension liability, and there is a strong likelihood this will decline in coming years. As a result of greater retirement contributions than normal costs, the District's PERA division is 89.34% funded compared to the PERA School division of 67.17% as of December 31, 2024.

Long-term liabilities increased to \$4,072.3 million from \$3,652.1 million in FY 2024 primarily due to the issuance of new debt for the voter approved 2024 General Obligation Bonds offset by debt service on Bonds and Certificates of Participation.

On the statement of activities, net position grew by \$169.2 million in the current fiscal year. The total revenues increased to \$2,157.8 million from \$2,085.6 million, or 3.5% when compared to prior year. State share revenue increased by \$66.4 million and property taxes increased by \$15.4 million, offset by a decrease in program revenues of \$(28) million. General revenues accounted for \$1,667.5 million or 77% of total revenues and program revenues were \$507 million or 23% of the total revenues of the primary government. The 6% increase in total general revenues is primarily driven by the inflationary increase to the Total Program funding provided by the state of Colorado. Total expenses increased by \$124 million compared to last year.

Overview of the Financial Statements

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

Government-wide Statements

The government-wide financial statements are designed to provide readers with information about the District as a whole using accounting methods similar to those used by private-sector businesses.

The statement of net position includes District assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with differences reported as net position to the exclusion of fiduciary funds. The statement of activities presents information on how the District's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and retiree sick leave payable).

In the government-wide financial statements the District's activities are shown as:

Governmental activities: Most of the District's basic services are included here, such as instruction, transportation, operations and maintenance and administration. Taxes and state funding principally support these activities. The government-wide financial statements encompass not only the District itself (the Primary Government) but also 23 legally-separate entities. The primary government includes 2 blended component units: the ProComp Special Revenue Fund and the Denver School Facilities Leasing Corporation. There are 21 discretely presented component units including the charter schools and the Denver Public Schools Foundation.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide more detailed information about the District's operations, focusing on its most significant or major funds, not the District as a whole. The District has two types of funds: governmental funds and fiduciary funds.

Governmental funds: Most of the District's services are included in governmental funds, which generally focus on how cash and other financial assets that can readily be converted to cash flows and the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the status of financial resources that can be spent in the near future to finance the District's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Thus, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to the government-wide financial statements in order to facilitate this comparison between governmental funds and governmental activities. The District maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Bond Redemption (debt service), and Building, all of which are considered to be major funds. Data for the other six governmental funds (Pupil Activity Special Revenue, Food Services Special Revenue, Grants Special Revenue (changed to nonmajor fund in FY25), ProComp Special Revenue, Mill Levy Technology Maintenance and Permanent) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements included in this report.

Fiduciary fund: The District has one Fiduciary fund which includes the Private Purpose Trust Fund. The Fiduciary fund is used to account for resources held by the District in a fiduciary capacity and can only be used for specified purposes. The Fiduciary fund is not reflected in the government-wide financial statement because the resources of this fund are not available to support the District's programs.

Notes to the basic financial statements: The notes provide additional information essential to a full understanding of the data provided in the financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and other supplementary information. The required supplemental information includes the District's annual appropriated budgets with comparison schedules that demonstrate compliance with budgets for the General Fund and Special Revenue Funds. The

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025

schedule of changes in the collective net pension liability and OPEB liability are provided next, followed by notes to required supplementary information. The other supplementary information includes the combining statements in connection with nonmajor governmental funds and budgetary comparison schedules. In addition, fiduciary fund information is presented.

Financial Analysis of the District

Increases or decreases in net position may serve as a useful indicator of the District's overall financial position. The District's net position increased \$169.2 million primarily due to continued revenue growth and prudent management of expenses. Additionally, there are several other measures that indicate a sustainable financial position, including:

- The District has the largest and most diverse tax base in the State of Colorado with \$25.3 billion of net assessed value.
- Continued growth of general fund balance including an increase of \$18 million in FY 2025, with ending fund balance of \$187.4 million.
- Building fund balance of \$1,052.8 million including remaining funds from the 2020 bond, 2024 bond and other capital reserves.

A significant portion of the District's assets are its investment in capital assets (e.g., land, buildings, equipment, lease of tangible assets and software-based information technology arrangement assets). The District uses these assets to provide instruction and related services to its students. Capital, lease and software assets (net) increased to \$1,995.5 million in FY 2025 from \$1,936.6 million in FY 2024. The increase is primarily a result of capital spending from the District's general obligation bonds. The District's capital assets will continue to increase as planned projects are completed in the Building Fund. Though the district's assets are mostly land and buildings, the value of those assets for the purposes of this calculation are not "market rate" or the value if the properties were to be acquired on the open market. They are valued based on the original purchase price plus improvements less depreciation.

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
 YEAR ENDED JUNE 30, 2025

Current and other assets increased to \$1,790.6 million from \$1,216.2 million primarily due to the continued spend of general obligation bond funds.

The following table provides a summary of the District's net position as of June 30, 2025 and 2024, respectively (in millions):

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Current and other assets	\$ 1,790.6	\$ 1,216.2
Capital assets, net	1,995.5	1,936.6
Total assets	<u>3,786.1</u>	<u>3,152.8</u>
Deferred outflows of resources	<u>348.3</u>	<u>452.6</u>
Other liabilities	175.7	222.9
Long-term liabilities	4,072.3	3,652.1
Total liabilities	<u>4,248.0</u>	<u>3,875.0</u>
Deferred inflows of resources	<u>74.5</u>	<u>87.8</u>
Net position (deficit):		
Net investment in capital assets	97.9	36.5
Restricted	388.5	354.7
Unrestricted	<u>(674.6)</u>	<u>(748.7)</u>
Total net position (deficit)	<u>\$ (188.2)</u>	<u>\$ (357.5)</u>

To calculate net investment in capital assets, the original long-term debt was evaluated to ascertain the amount of proceeds spent on capital improvement versus non-capital expenditures. The percentage was then applied to the outstanding long-term debt to determine the amount applicable to capital assets.

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
 YEAR ENDED JUNE 30, 2025

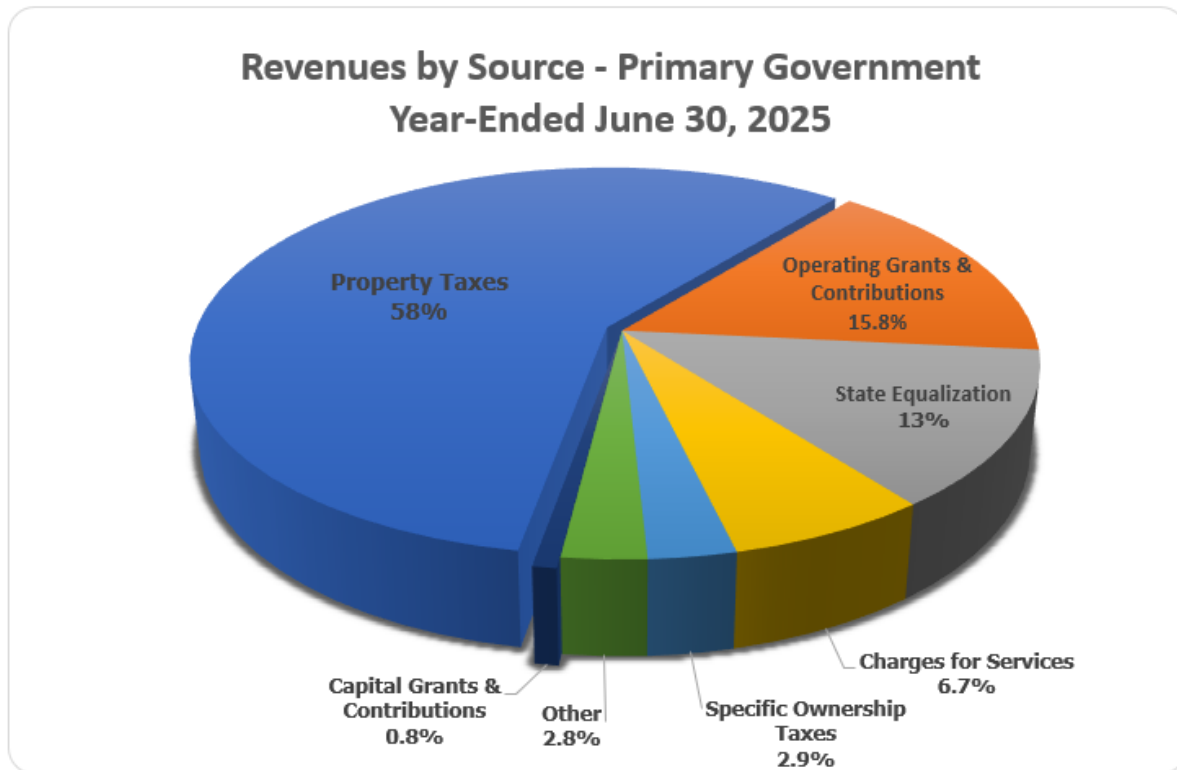
The following table provides a summary of the District's activities for the fiscal years ended June 30, 2025 and 2024, respectively (in millions).

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
REVENUES		
Program revenues		
Charges for services	\$ 146.0	\$ 95.2
Operating grants and contributions	344.3	422.8
Capital grants and contributions	16.7	-
General revenues		
Taxes	1,328.7	1,310.4
State equalization	282.6	216.2
Investment income	39.7	31.9
Other	16.6	9.2
Total revenues	<u>2,174.6</u>	<u>2,085.6</u>
EXPENSES		
Instruction	1,014.2	944.5
Support services	848.7	815.2
Interest on long-term debt	142.4	121.9
Total expenses	<u>2,005.3</u>	<u>1,881.6</u>
Change in net position	<u>169.3</u>	<u>204.0</u>
Net position - beginning	<u>(357.5)</u>	<u>(561.5)</u>
Net position - ending	<u>\$ (188.2)</u>	<u>\$ (357.5)</u>

Most revenues to Colorado's school districts are provided through the Public School Finance Act of 1994 (as amended). The District's adjusted total program funding for FY 2025 was \$1,002.6 million reflected as a combination of state equalization and a portion of property and specific ownership tax revenues in the Statement of Activities. This was based on a funded pupil count of 85,191 and per pupil total program funding of \$11,769 compared to total program funding of \$931.5 million funded pupil count of 84,848 and per pupil total program funding of \$10,979 in FY 2024. Of the adjusted total program funding, \$282.6 million was funded through state share compared to \$216.2 million in FY 2024. The remainder was funded through a combination of local property and specific ownership taxes. Local property taxes raised to contribute to the total program funding did not change much for FY 2025 because it was not a reassessment year. This caused the state share to increase more from the previous year to reach the total formula funding amount.

The District generated \$1,262.2 million in property tax revenues in FY 2025 compared to \$1,246.8 million in FY 2024. Total property tax revenues include School Finance Act mills, override election mills, Tax Abatement mills and Bond Redemption Fund mills. Property tax revenues increased by \$15.4 million based on a relatively small increase in net assessed value in a non reassessment year, mostly attributable to the additional of new construction. The District also recognized an increase in state equalization of \$66.4 million. District grants operating revenue decreased by \$(78.5) million year over year due to the ending of funds from Elementary and Secondary School Emergency Relief Fund. Total expenses for the primary government in FY 2025 were \$2,005.3 million compared to \$1,881.6 million in FY 2024. Total expenses increased by \$123.7 million primarily due to increased funding of instruction and student support services programs. Most of this increase was for salary and benefits for the District's employees.

The following chart illustrates the District's revenues by source.



Financial Analysis of the District's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending.

Fund balance of all governmental funds is \$1,574.4 million in FY 2025 compared to \$948.0 million in FY 2024.

The General Fund is the primary operating fund of the District. Fund balance of the General Fund at June 30, 2025 was \$187.4 million, compared to \$169.4 million as of June 30, 2024. The growth in fund balance is achieved when revenues exceed expenses and transfers. In this case, the growth in fund balance is primarily attributed to an increase in state revenues offset by an increase in expenditures mainly in regular instruction, other instruction and pupil support services. Constraints on use of the General Fund balance include a restricted emergency reserve of \$43.2 million as required by the Taxpayer Bill of Rights (TABOR) and state statute. The District targets at least a fund balance of 10% of revenue in the General Fund as a matter of policy.

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IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025

Assigned fund balance includes \$4.4 million budgeted for subsequent year expenditure and \$13.0 million for special projects.

The Bond Redemption Fund balance as of June 30, 2025 was \$286.3 million compared to \$274.2 million as of June 30, 2024. The Bond Redemption Fund is restricted for payment of the District's General Obligation Bond debt service as authorized by Denver voters. The Bond Redemption Fund increased by \$12.1 million due to timing of upcoming debt service payments. The Bond Redemption Fund maintains a fund balance in anticipation of principal and interest payments in December of the subsequent year because property tax collections are not collected until after January 2026.

The Building Fund as of June 30, 2025 was \$1,052.8 million compared to \$459.5 million as of June 30, 2024. The Building Fund consists of unspent proceeds from issuance of voter approved general obligation bonds and is restricted for financing projects as described in the respective ballot language. The Building Fund also consists of unspent Certificates of Participation (COPs) restricted for financing capital projects and for debt service. Additionally, a portion of these funds is restricted for capital projects by Board authorization and assigned to debt service by Board adoption of the annual budget. The Building Fund increased by \$593.3 million primarily as a result of proceeds received from the issuance of the voter approved 2024 general obligation bonds.

General Fund Budgetary Highlights

In accordance with state law, the District's budget is prepared on a GAAP basis. The most significant budgeted fund is the General Fund.

The difference between the General Fund original and final budget for expenditures, excluding reserves, increased by \$11.7 million due to additional allocation of funds to schools and school support services.

The actual change to fund balance for the general fund was a \$18.0 million increase. The main factor driving the increase compared to the final budgeted revenue amount is in receiving \$36.0 million in additional total revenues.

Capital and Lease/Software Assets

The District's investment in capital assets and lease/software assets, net of accumulated depreciation for its governmental activities as of June 30, 2025 amounted to \$1,995.5 million. Investment in capital assets includes land, buildings and improvements, equipment, right to use lease tangible assets and software-based information technology (SBITA) intangible assets, and construction in progress with an original cost greater than or equal to \$25,000 and an estimated useful life longer than one year.

The major capital event during the current fiscal year within the Building Fund included the completion of the new Ceylon Campus also known as RASA. Capital projects are used to make improvements and critical upgrades.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025

The District's total capital assets at June 30, 2025 and 2024, respectively, net of accumulated depreciation, were as follows (in millions).

	June 30, 2025	June 30, 2024
Buildings and improvements	\$ 1,712.5	\$ 1,536.3
Construction in progress	62.7	195.2
Land	121.1	121.1
Equipment	79.4	59.3
Leases	10.1	13.7
SBITA/Software	9.7	11.0
Total	\$ 1,995.5	\$ 1,936.6

(Please see additional details in Note 5 and 6 to the financial statements)

Long-Term Debt

At June 30, 2025 and 2024, respectively, the District's long-term debt consisted of the following (in millions).

	June 30, 2025	June 30, 2024
General obligation bonds	\$ 2,809.4	\$ 2,186.4
Certificates of participation	784.6	870.0
Net pension liability	419.4	537.8
Net OPEB liability (asset)	(20.2)	(3.8)
Compensated absences	20.2	20.3
Accrued claims liability	12.6	12.6
Lease liability	10.8	14.5
SBITA/software liability	9.5	10.5
Arbitrage rebate liability	5.8	-
Total	\$ 4,052.1	\$ 3,648.3

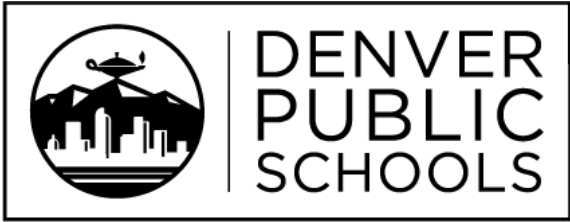
(Please see additional details in Note 7 to the financial statements)

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Department, Denver Public School District, 1860 Lincoln Street, Denver, Colorado 80203.



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BASIC FINANCIAL STATEMENTS

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	Primary Government Governmental Activities	Component Units
ASSETS		
Cash and cash equivalents	\$ 331,475,048	\$ 122,649,643
Investments	3,982	9,582,217
Receivables (net of allowance):		
Taxes	54,219,800	-
Intergovernmental	17,613,707	-
Leases receivable	3,774,325	-
Other	63,634,841	49,633,143
Inventory	4,731,071	80,839
Prepaid items	724,706	1,755,676
Held by fiscal agents	3,466,535	-
Restricted cash and cash equivalents	990,063,005	4,050,053
Restricted investments	300,666,553	-
OPEB Asset	20,190,922	2,971,104
Capital assets:		
Land and construction in progress	183,742,954	8,293,807
Building, net of accumulated depreciation	1,712,508,939	65,085,506
Equipment, net of accumulated depreciation	79,371,082	-
Leases and Software, net of accumulated depreciation	19,836,978	11,496,625
Total assets	<u>3,786,024,448</u>	<u>275,598,613</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refundings	106,192,964	367,828
Related to pensions	237,099,563	35,950,759
Related to OPEB	4,969,612	1,057,510
Total deferred outflows of resources	<u>348,262,139</u>	<u>37,376,097</u>
LIABILITIES		
Accounts and interest payable	70,513,168	10,715,887
Accrued payroll and benefits	85,785,335	11,762,777
Claims payable	7,702,335	-
Unearned revenue	11,688,301	1,160,387
Due to fiduciary funds	1,900	-
Long-term liabilities:		
Due within one year	205,320,809	4,823,862
Due in more than one year	3,866,986,625	114,225,534
Total liabilities	<u>4,247,998,473</u>	<u>142,688,447</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred gain on refundings	12,848,923	-
Related to leases	3,883,814	923,903
Related to pensions	44,876,070	6,582,818
Related to OPEB	12,916,659	2,121,500
Total deferred inflows of resources	<u>74,525,466</u>	<u>9,628,221</u>
NET POSITION (deficit)		
Net investment in capital assets	97,847,250	27,878,397
Restricted for:		
OPEB Asset	20,190,922	144,336
Debt service	287,324,202	2,633,625
Performance-based teacher compensation	6,334,673	-
Higher education	27,175,739	-
Non-governmental grantor-designated purposes	4,216,356	-
Permanent fund and nonexpendable	76,828	-
Capital projects	-	3,697,227
Donor-designated purposes	-	5,156,026
TABOR Multi Year Obligations	-	232,839
Emergency reserve	43,212,750	11,536,680
Unrestricted (deficit)	(674,616,072)	109,378,912
Total net position (deficit)	<u>\$ (188,237,352)</u>	<u>\$ 160,658,042</u>

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

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities:					
Instruction:					
Regular Instruction	\$ 765,316,273	\$ 44,602,675	\$ 151,239,032	\$ -	\$ (569,474,566)
Special education	165,773,763	15,299,628	31,582,360	-	(118,891,775)
Vocational	70,411	6,486	13,413	-	(50,512)
Other instruction	83,043,217	7,650,303	15,820,962	-	(59,571,952)
Total instruction	<u>1,014,203,664</u>	<u>67,559,092</u>	<u>198,655,767</u>	<u>-</u>	<u>(747,988,805)</u>
Support services:					
Pupil support	141,322,723	13,018,901	26,924,074	-	(101,379,748)
Instructional support	165,648,183	15,259,805	31,558,434	-	(118,829,944)
General administration	19,543,488	1,800,381	3,723,325	-	(14,019,782)
School administration	108,730,447	10,016,442	20,781,866	-	(77,932,139)
Business services	13,705,550	1,262,579	2,611,110	-	(9,831,861)
Operations and maintenance	121,031,200	11,419,804	6,927,342	16,681,452	(86,002,602)
Pupil transportation	44,461,225	4,095,847	8,470,523	-	(31,894,855)
Central services	97,445,939	8,975,047	18,561,079	-	(69,909,813)
Other support services	72,358,240	6,665,770	13,785,317	-	(51,907,153)
Community services	29,452,648	2,715,075	5,614,981	-	(21,122,592)
Education for adults	35,004,290	3,224,657	6,668,835	-	(25,110,798)
Interest and fiscal charges	142,376,507	-	-	-	(142,376,507)
Total support services	<u>991,080,440</u>	<u>78,454,308</u>	<u>145,626,886</u>	<u>16,681,452</u>	<u>(750,317,794)</u>
Total governmental activities	<u>2,005,284,104</u>	<u>146,013,400</u>	<u>344,282,653</u>	<u>16,681,452</u>	<u>(1,498,306,599)</u>
Component units					
Charter Schools	370,657,343	3,267,323	20,588,399	1,387,522	(345,414,099)
DPS Foundation	7,465,948	-	19,110,540	-	11,644,592
Total component units	<u>\$ 378,123,291</u>	<u>\$ 3,267,323</u>	<u>\$ 39,698,939</u>	<u>\$ 1,387,522</u>	<u>\$ (333,769,507)</u>
	Primary Governmental Activities	Component Units			
Net (expense) revenue	\$ (1,498,306,599)	\$ (333,769,507)			
General revenues:					
Property taxes	1,262,174,635	76,715,260			
Specific ownership taxes	62,219,712	-			
Payment in lieu of taxes	4,292,732	-			
State equalization	282,554,271	241,220,066			
Interest and investment income	39,682,922	5,597,560			
Other	16,605,858	26,741,435			
Total general revenues	<u>1,667,530,130</u>	<u>350,274,321</u>			
Changes in net position	<u>169,223,531</u>	<u>16,504,814</u>			
Net position (deficit) - beginning	(357,460,883)	145,086,937			
Restatements	-	(933,709)			
Net position (deficit) - beginning, as restated	<u>(357,460,883)</u>	<u>144,153,228</u>			
Net position (deficit) - ending	<u>\$ (188,237,352)</u>	<u>\$ 160,658,042</u>			

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

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2025

	General	Formerly Major Grants Special Revenue	Bond Redemption
ASSETS			
Assets:			
Cash and cash equivalents	\$ 331,202,083	\$ -	\$ -
Investments	-	-	-
Receivables (net of allowance):			
Taxes receivable	39,483,991	-	9,343,740
Intergovernmental	-	-	-
Leases receivable	-	-	-
Other	11,550,931	-	-
Due from other funds	12,495,831	-	-
Inventory	1,755,449	-	-
Prepaid items	724,706	-	-
Cash with fiscal agents	3,466,535	-	-
Restricted cash and cash equivalents	1,586,204	-	-
Restricted investments	-	-	279,643,880
Total assets	<u>\$ 402,265,730</u>	<u>\$ -</u>	<u>\$ 288,987,620</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 57,198,937	\$ -	\$ -
Claims Liability	7,702,335	-	-
Accrued payroll and benefits	85,785,335	-	-
Due to other funds	54,836,674	-	-
Unearned revenue	-	-	-
Total liabilities	<u>205,523,281</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Property taxes	9,337,934	-	2,656,489
Lease related	-	-	-
Unavailable revenues - long-term receivables	-	-	-
Total deferred inflows of resources	<u>9,337,934</u>	<u>-</u>	<u>2,656,489</u>
FUND BALANCES:			
Nonspendable:			
Inventory	1,755,449	-	-
Prepaid items	724,706	-	-
Permanent fund	-	-	-
Restricted for:			
Higher education	-	-	-
Non-governmental grantor-designated purposes	-	-	-
Performance-based teacher compensation	-	-	-
Debt service	-	-	286,331,131
Capital projects	-	-	-
Emergency reserve	43,212,750	-	-
Committed to:			
Pupil activities	-	-	-
Food service	-	-	-
Assigned to:			
Subsequent year expenditures	4,368,000	-	-
Special projects	12,950,858	-	-
Capital Projects	-	-	-
Unassigned	124,392,752	-	-
Total fund balances	<u>187,404,515</u>	<u>-</u>	<u>286,331,131</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 402,265,730</u>	<u>\$ -</u>	<u>\$ 288,987,620</u>

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

Continued next page

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2025

	Building	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Assets:			
Cash and cash equivalents	\$ -	\$ 272,965	\$ 331,475,048
Investments	-	3,982	3,982
Receivables (net of allowance):			
Taxes receivable	-	5,392,069	54,219,800
Intergovernmental	-	17,613,707	17,613,707
Leases receivable	3,774,325	-	3,774,325
Other	17,286,814	34,797,096	63,634,841
Due from other funds	47,485,430	7,349,344	67,330,605
Inventory	-	2,975,622	4,731,071
Prepaid items	-	-	724,706
Cash with fiscal agents	-	-	3,466,535
Restricted cash and cash equivalents	982,141,367	6,335,434	990,063,005
Restricted investments	21,022,673	-	300,666,553
Total assets	<u>\$ 1,071,710,609</u>	<u>\$ 74,740,219</u>	<u>\$ 1,837,704,178</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 1,136,445	\$ 58,335,382
Claims Liability	-	-	7,702,335
Accrued payroll and benefits	-	-	85,785,335
Due to other funds	-	12,495,831	67,332,505
Unearned revenue	-	11,688,301	11,688,301
Total liabilities	<u>-</u>	<u>25,320,577</u>	<u>230,843,858</u>
Deferred inflows of resources:			
Property taxes	-	1,445,857	13,440,280
Lease related	3,793,479	90,335	3,883,814
Unavailable revenues - long-term receivables	15,088,228	-	15,088,228
Total deferred inflows of resources	<u>18,881,707</u>	<u>1,536,192</u>	<u>32,412,322</u>
FUND BALANCES:			
Nonspendable:			
Inventory	-	482,549	2,237,998
Prepaid items	-	-	724,706
Permanent fund	-	76,828	76,828
Restricted for:			
Higher education	-	27,175,739	27,175,739
Non-governmental grantor-designated purposes	-	4,216,356	4,216,356
Performance-based teacher compensation	-	6,334,673	6,334,673
Debt service	993,071	-	287,324,202
Capital projects	1,003,164,040	-	1,003,164,040
Emergency reserve	-	-	43,212,750
Committed to:			
Pupil activities	-	4,436,139	4,436,139
Food service	-	5,161,166	5,161,166
Assigned to:			
Subsequent year expenditures	-	-	4,368,000
Special projects	-	-	12,950,858
Capital Projects	48,671,791	-	48,671,791
Unassigned	-	-	124,392,752
Total fund balances	<u>1,052,828,902</u>	<u>47,883,450</u>	<u>1,574,447,998</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,071,710,609</u>	<u>\$ 74,740,219</u>	<u>\$ 1,837,704,178</u>

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



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SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 AS OF JUNE 30, 2025

Total fund balances for governmental funds	\$ 1,574,447,998
Capital assets including donated land used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,975,622,975
Leases and Software assets are not financial resources and, therefore, are not reported in the funds.	19,836,978
Deferred outflows of resources related to loss on refundings are not financial resources and therefore, are not reported in the funds.	106,192,964
Deferred outflows of resources related to pensions are not included in the funds.	237,099,563
Deferred outflows of resources related to OPEB are not included in the funds.	4,969,612
Accrued interest payable, is not due and payable in the current period and, therefore is not reported in the funds.	(12,177,786)
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(4,072,307,434)
OPEB Asset is not available to pay current period expenditures and, therefore, is not recorded in the funds.	20,190,922
Deferred inflows of resources related to gain on refundings are not financial resources and, therefore are not reported in the funds.	(12,848,923)
Deferred inflows of resources related to pensions are not financial resources and, therefore are not reported in the funds.	(44,876,070)
Deferred inflows of resources related to OPEB are not financial resources and, therefore are not reported in the funds.	(12,916,659)
Deferred inflows of resources related to property taxes and long-term receivables are economic resources and, therefore are recognized in governmental activities.	<u>28,528,508</u>
Net position (deficit) of governmental activities	<u>\$ (188,237,352)</u>

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

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General	Formerly Major Grants Special Revenue	Bond Redemption
REVENUES			
Taxes	\$ 962,691,923	\$ -	\$ 240,812,850
Intergovernmental:			
Revenue from state sources	404,866,359	-	-
Revenue from federal sources	1,384,279	-	-
Charges for services	78,146,292	-	-
Investment income	9,064,572	-	9,718,794
Other local sources	20,286,208	-	-
Total revenues	<u>1,476,439,633</u>	<u>-</u>	<u>250,531,644</u>
EXPENDITURES			
Current:			
Instruction:			
Regular instruction	655,531,239	-	-
Special education	128,104,051	-	-
Vocational education	66,943	-	-
Other instruction	69,924,440	-	-
Total instruction	<u>853,626,673</u>	<u>-</u>	<u>-</u>
Support services:			
Pupil supporting services	113,601,133	-	-
Instructional support	125,851,621	-	-
General administration	14,933,679	-	-
School administration	103,416,418	-	-
Business services	12,828,307	-	-
Operations and maintenance	2,975,287	-	-
Pupil transportation	38,025,368	-	-
Central services	79,210,519	-	-
Other support services	5,873	-	-
Total support services	<u>490,848,205</u>	<u>-</u>	<u>-</u>
Community services	23,938,262	-	-
Education for adults	-	-	-
Capital outlay	1,461,857	-	-
Debt service:			
Principal payments	34,441,859	-	139,247,000
Interest and fiscal charges	39,046,890	-	100,474,904
Total debt service	<u>73,488,749</u>	<u>-</u>	<u>239,721,904</u>
Total expenditures	<u>1,443,363,746</u>	<u>-</u>	<u>239,721,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>33,075,887</u>	<u>-</u>	<u>10,809,740</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(15,163,295)	-	-
Issuance of bond principal	-	-	-
Premium on issuance of debt	-	-	4,093,351
Issuance of leases and software	129,857	-	-
Refunding bonds	-	-	108,485,000
Payment to bond escrow agent	-	-	(111,225,000)
Total other financing sources (uses)	<u>(15,033,438)</u>	<u>-</u>	<u>1,353,351</u>
Net change in fund balances	18,042,449	-	12,163,091
Fund balance - beginning, as previously reported	169,362,066	28,527,637	274,168,040
Change within financial reporting entity (major to nonmajor fund)	-	(28,527,637)	-
Fund balance - beginning, as restated	169,362,066	-	274,168,040
Fund balance - ending	<u>\$ 187,404,515</u>	<u>\$ -</u>	<u>\$ 286,331,131</u>

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

Continued next page

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	Building	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ -	\$ 139,181,536	\$ 1,342,686,309
Intergovernmental:			
Revenue from state sources	-	41,060,151	445,926,510
Revenue from federal sources	5,476,847	178,604,441	185,465,567
Charges for services	718,384	13,724,337	92,589,013
Investment income	26,413,526	115,710	45,312,602
Other local sources	37,765,711	18,248,507	76,300,426
Total revenues	<u>70,374,468</u>	<u>390,934,682</u>	<u>2,188,280,427</u>
EXPENDITURES			
Current:			
Instruction:			
Regular instruction	-	72,047,792	727,579,031
Special education	-	29,789,264	157,893,315
Vocational education	-	119	67,062
Other instruction	-	9,171,119	79,095,559
Total instruction	<u>-</u>	<u>111,008,294</u>	<u>964,634,967</u>
Support services:			
Pupil supporting services	-	21,003,479	134,604,612
Instructional support	-	31,922,082	157,773,703
General administration	-	3,680,763	18,614,442
School administration	-	145,270	103,561,688
Business services	-	225,717	13,054,024
Operations and maintenance	17,797,499	97,592,851	118,365,637
Pupil transportation	-	4,322,287	42,347,655
Central services	10,028,000	3,556,018	92,794,537
Other support services	-	68,912,647	68,918,520
Total support services	<u>27,825,499</u>	<u>231,361,114</u>	<u>750,034,818</u>
Community services	-	4,133,361	28,071,623
Education for adults	-	33,340,278	33,340,278
Capital outlay	183,396,823	17,450,990	202,309,670
Debt service:			
Principal payments	51,971,775	1,792,133	227,452,767
Interest and fiscal charges	8,238,321	314,629	148,074,744
Total debt service	<u>60,210,096</u>	<u>2,106,762</u>	<u>375,527,511</u>
Total expenditures	<u>271,432,418</u>	<u>399,400,799</u>	<u>2,353,918,867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(201,057,950)</u>	<u>(8,466,117)</u>	<u>(165,638,440)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,000,000	9,163,295	15,163,295
Transfers out	-	-	(15,163,295)
Issuance of bond principal	700,000,000	-	700,000,000
Premium on issuance of debt	86,018,151	-	90,111,502
Issuance of leases and software	2,417,601	2,158,111	4,705,569
Refunding bonds	-	-	108,485,000
Payment to bond escrow agent	-	-	(111,225,000)
Total other financing sources (uses)	<u>794,435,752</u>	<u>11,321,406</u>	<u>792,077,071</u>
Net change in fund balances	593,377,802	2,855,289	626,438,631
Fund balance - beginning, as previously reported	459,451,100	16,500,524	948,009,367
Change within financial reporting entity (major to nonmajor fund)	-	28,527,637	-
Fund balance - beginning, as restated	459,451,100	45,028,161	948,009,367
Fund balance - ending	<u>\$ 1,052,828,902</u>	<u>\$ 47,883,450</u>	<u>\$ 1,574,447,998</u>

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



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SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO
 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

Net change in fund balance - governmental funds	\$ 626,438,631
<p>Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of capitalized assets is allocated over the estimated useful lives and reported as depreciation expense.</p>	
Capital, leases and software asset additions	205,518,959
Capital, leases and software asset depreciation	(138,533,940)
Capital, leases and software asset loss on disposal	(8,102,341)
<p>Issuance of debt - The issuance of debt and related premium provides current financial resources to the governmental funds, but has no effect on the change in net position of the governmental activities.</p>	
	(898,596,502)
<p>Principal retirements - Retirements of principal outstanding on the School District's debt result in a reduction of accumulated resources on the fund financial statements. The government-wide statements show these as reductions against the long-term liability.</p>	
	333,992,000
<p>Amortization of premium on debt has no effect on the governmental funds, but increases the change in net position of governmental activities.</p>	
	26,947,719
<p>Amortization of deferred loss on refundings are not reported on the governmental fund statements while on the government-wide net position they are amortized over the life of the debt as an adjustment to interest expense.</p>	
	(10,335,603)
<p>Amortization of deferred gain on refundings are not reported on the governmental fund statements while on the government-wide net position they are amortized over the life of the debt as an adjustment to interest expense. Current year deferred gain on refunding less amortization - gain on refunding</p>	
	(8,379,153)
<p>Some expenses reported in the statement of activities do /(do not) require the use of current financial resources and, therefore, are/(are not) reported as expenditures in governmental funds:</p>	
Change in compensated absences	170,759
Change in leases liability	3,724,679
Change in SBITA liability	998,888
Change in accrued claims liability	(43,885)
Change in arbitrage liability	(5,794,382)
Change in interest payable related to long-term liabilities	(2,479,816)
Net Pension Credit	49,116,133
Net OPEB Credit	12,873,347
<p>Change in deferred property tax and other revenues - revenues that do not provide current financial resources are deferred on the governmental fund financial statements but are recognized on the government-wide financial statements.</p>	
	(18,291,962)
Change in net position of governmental activities	<u>\$ 169,223,531</u>

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

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2025

	<u>Private Purpose Trust Fund</u>
Assets	
Cash and investments	\$ 1,179,033
Due from other funds	<u>1,900</u>
Total Assets	<u>1,180,933</u>
Net Position	
Restricted for	
Net position held in trust	<u>1,180,933</u>
Total Net Position	<u>\$ 1,180,933</u>

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

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

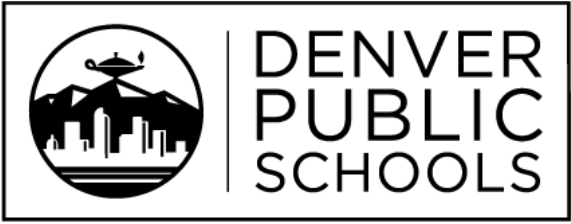
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Private Purpose Trust Fund
Additions	
Interest income	\$ 57,849
Total Additions	<u>57,849</u>
Net increase in fiduciary net position	57,849
Net position - beginning	<u>1,123,084</u>
Net position - ending	<u><u>\$ 1,180,933</u></u>

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



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NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of School District No. 1 in the City and County of Denver and State of Colorado (the District) is presented to assist in understanding the District's financial statements. A summary of the significant accounting policies applied in the preparation of the basic financial statements is described below.

Financial Reporting Entity

The District was created for the purpose of supervising and governing the public schools and public school property within the boundaries of the City and County of Denver.

The financial statements of the District include all of the integral parts of the District's operations. The District applied various criteria to determine if it is financially accountable for any legally separate organizations, which would require that organization to be included in the District's reporting entity. These criteria include fiscal dependency, financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

This report contains financial statements of the District (the primary government) and its component units. Refer to Note 15 and the basic financial statements for additional information on component units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) display the information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds which are reported separately. Governmental activities are normally supported by taxes and intergovernmental revenues and reported in this manner. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for major governmental funds and fiduciary funds. Fiduciary activities are not reflected in the government-wide financial statements because those resources are not available to support the district's own programs. General Fund, Bond Redemption and Building are major governmental funds and are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal 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.

The effect of interfund activity has generally been eliminated from the government-wide financial statements. Exceptions to this are charges between the District's governmental activities and component units. 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. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers grant and state revenues to be available if they are collected within 180 days of the fiscal year-end. Property tax and other revenues are considered available if collected within 60 days of the year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, pension and OPEB are recorded only when payment is due.

The District's fiduciary funds apply the accrual basis of accounting and the economic resources measurement focus.

The accounts of the District are organized on the basis of funds, each of which is considered 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 inflows of resources, fund equity, revenue and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

For governmental activities, 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.

Governmental Funds

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds as detailed below. Primary revenue sources for the general fund include property taxes, state equalization, tuition billing for early childhood education and revenue and expenditures of sponsoring athletic events at District middle and high schools.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

The Bond Redemption Fund (debt service fund) accounts for and reports financial resources that are restricted for the payment of principal and interest on long-term general obligation debt of the District as a result of the issuance of general obligation bonds.

The Building Fund is a capital projects fund and accounts for ongoing capital outlay needs of the District such as construction, renovation projects, repairs and maintenance funded by the sale of general obligation bonds, proceeds from the issuance of certificates of participation (COPs), other external revenue sources and interfund transfers. Debt payments on certain COPs are also accounted for here.

The District reports the following nonmajor governmental funds:

The Food Services Special Revenue Fund accounts for the revenue and expenses related to providing students with healthy and nutritious meals. Revenue sources for this fund include federal and state grants and private sources.

The Pupil Activity Special Revenue Fund represents school sponsored student activities managed at the school level.

The Grants Special Revenue Fund is used for the revenues and expenditures related to federal, state, and local grants. Special Revenue funds are used to account for proceeds of special revenue sources that are legally or otherwise restricted to expenditures for specified purposes. Revenue restrictions in this fund are imposed by the grantor for the specific purposes of the grant.

The Mill Levy Technology Maintenance Special Revenue Fund accounts for the proceeds of voter approved taxes from the 2020 mill levy override. The investments and expenditures are dedicated to maintenance operations and technology improvements.

The ProComp Special Revenue Fund is a blended component unit used to account for the proceeds of voter approved taxes from the 2005 mill levy override. The investments and expenditures are the professional compensation system of the teachers.

The Permanent Fund is used to account for and report resources that are restricted to the extent that only earnings and not principal may be used for purposes that support the District's programs.

Fiduciary Funds

The District has a Fiduciary Fund which is Private Purpose Trust Fund. The Private Purpose Trust Fund is used to report all fiduciary activities that are not required to be reported in pension and other employee benefit trust funds or investment trust funds and are held in trust

Budgets and Budgetary Accounting

The District adopts an annual budget for all funds, following these procedures in establishing the budgetary data reflected in the accompanying financial statements:

1. Late in April, but no later than June 1, the Superintendent presents 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 projected revenue.
2. A public hearing is conducted at the administration building to obtain taxpayer comments.
3. A balanced budget and appropriation resolution must be adopted by June 30. The District cannot expend monies in excess of the amount appropriated for an individual fund unless an amended or supplemental budget is approved by resolution.
4. The District's Board of Education or management can modify the budget by line item within the total fund's appropriation.
5. Mill levies must be certified to the City and County of Denver by December 15.
6. Formal budgetary integration is employed as a management control device during the year for all funds.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Revenues are on the modified accrual basis.
8. Total appropriations are as amended.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Deposits and Investments

For the purposes of the government-wide financial statements and the fund financial statements, the District's cash and cash equivalents are considered to be cash on hand, demand deposits held in banks and other securities with original maturities of less than three months.

Investments are reported at fair value in accordance with GASB Statement 72. Investments excluded from fair value measurement are:

1. Investments in the external investment pool Colorado Surplus Asset Fund Trust (CSAFE) and Colorado Statewide Investment Program (CSIP) Liquid Portfolio are reported at \$1 net asset value per share or amortized cost.
2. Investments in the external investment pool Colorado Local Government Liquid Asset Trust (COLOTRUST) and CSIP Term Investments are reported at \$1 net asset value per share.
3. Stocks held by trust which are reported at cost.
4. Restricted cash is a result of unspent bond proceeds, COP's, and ProComp.

Unearned Revenue

Unearned revenue consists of funds that have been received but the corresponding revenue recognition criteria have not been met and primarily consists of grants.

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased.

Inventories of governmental funds, except the Food Services Fund, are associated with nonspendable fund balance. In accordance with GASB Statement 54, nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, including items that are not expected to be converted to cash.

Food Services inventory consists of food items, including commodities donated by the federal government and cafeteria supplies held at the central warehouse for distribution to school lunchrooms. General Fund inventory consists of transportation and building maintenance parts and fuel. Expendable supplies issued to schools or other locations are not included in inventory.

The cost of inventory items is recorded as expenditures when consumed. Donated government commodities are recorded as inventory at the acquisition value at the time of donation.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The District records prepaid items using the consumption method.

Capital, Leases and Software Assets

Capital and leases/software assets are real, personal and intangible property that have a cost equal to or greater than an established capitalization threshold of \$25,000 and have an estimated useful life extending beyond one year. For additional information, refer to Note 5, Note 6 and Note 7.

Due From and Due to Other Funds

A general disbursing account within the General Fund is used on an impress basis to make expenditures on behalf of all funds. This account is periodically reimbursed by the applicable funds. Interfund balances at June 30, 2025 represent reimbursements and adjustments due but not transferred as of that date.

Indirect Costs

Indirect costs are allocated to grants in the Grant Special Revenue Fund based on an indirect cost rate established by the Colorado Department of Education. The indirect cost expenditure in the Grant Special Revenue Fund is offset against expenditures in the General Fund.

Accrued Payroll

The accrued payroll represents payment in arrears earned as of June 30 as well as the liability to teachers and certain other employees who earn their salaries over the school year but are paid over a twelve-month period from August 1 to July 31. Changes in the accrual are reflected in expenditures or expenses on the applicable fund's statement of revenues, expenditures and changes in fund balances. Certain payroll benefits and part-time salaries which are payable at June 30 are also included.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all funds.

Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest method. The appropriate obligations are reported net of the applicable debt premium or discount.

In the fund financial statements, governmental fund types recognize debt premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. In accordance with Section 22-45-103, CRS, the District's bond redemption fund custodian is U.S. Bank.

Deferred Outflows of Resources and Deferred Inflows of Resources

In accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* and GASB Statement No. 87 *Leases* the government-wide statements include deferred outflows of resources representing the deferred loss on refunding of the District's certificates of participation and bond obligations and items relating to the District's pension and OPEB obligations. Deferred inflows of resources relate to deferred gain on refunding, pension, OPEB obligations and leases. Additionally, the governmental fund financial statements include deferred inflows of resources for property taxes receivable and long-term receivables that have not met modified accrual revenue recognition criteria.

Net Position

In the government-wide statements, net position consists of net investment in capital assets, restricted and unrestricted net positions. Restricted net position includes amounts for debt service, performance-based teacher compensation, emergency reserve, higher education, non-governmental grantor-designated purposes, and capital projects.

Fund Balances

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. For the classification of fund balances, the District considers amounts to have been spent when expenditure is incurred for purposes for which fund balance is both available and can be used. In accordance with GASB Statement 54, the fund balances of the District are classified into the following categories: nonspendable, restricted, committed, assigned or unassigned.

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, including items that are not expected to be converted to cash.

Restricted fund balance includes amounts where constraints have been placed on the use of resources by either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of formal action (for example, resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Education adopted a fund balance policy and as part of the policy delegated the authority to the Superintendent or designee to assign amounts to be used for specific purposes.

Unassigned fund balance represents residual fund balance that has not been restricted, committed or assigned. Positive unassigned fund balance can only be reported in the general fund while negative unassigned fund balance may be reported in any governmental fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

Changes within the Financial Reporting Entity

Grants Special Revenue was previously reported as an entity designated Major fund. However, in fiscal year 2025, Denver Public Schools removed it as an entity designated Major fund because it did not meet the 10% requirement to be included as a Major fund. The Grants Special Revenue is shown as a Non-Major fund for the fiscal year ended June 30, 2025. The effects of that change within the financial reporting entity are shown in the table below.

Revisions

Certain immaterial revisions have been made to the medical and dental table within Footnote 11 – Risk Management. These revisions did not have a significant impact on the financial statement line items impacted.

Reporting Units Affected by Adjustments to and Restatement of Beginning Balances

	Funds		Total Governmental Funds
	Major	Nonmajor	
7/1/2024 as previously Reported	\$ 931,508,843	\$ 16,500,524	\$ 948,009,367
Change within Financial Reporting Entity (major to nonmajor fund)	(28,527,637)	28,527,637	-
7/1/2024, as restated	<u>\$ 902,981,206</u>	<u>\$ 45,028,161</u>	<u>\$ 948,009,367</u>

Future Changes in Accounting Principles

The GASB also issued Statement No. 103, Financial Reporting Model Improvements. This statement's objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The District first expects to apply GASB 103 during the year ending June 30, 2026, using the facts and circumstances in place at the time of adoption. The impact of applying the Statement has not been determined.

The GASB also issued Statement No. 104, Disclosure of Certain Capital Assets. This statement will provide users of government financial statements with essential information about certain types of capital assets. The District first expects to apply GASB 104 during the year ending June 30, 2026, using the facts and circumstances in place at the time of adoption. The impact of applying the Statement has not been determined.

2. CASH AND INVESTMENTS

Investments Authorized by the Colorado Statutes and District’s Investment Policy

The table below identifies the investment types that are authorized by the District’s investment policy or Colorado Revised Statutes (CRS), where more restrictive. The table also identifies certain provisions of the District’s investment policy that address interest rate risk, credit risk and concentration of credit risk. The table does not address the investments of (a) debt proceeds that are governed by the provisions of the debt agreements of the District, or (b) Special Revenue ProComp Trust assets that are governed by the Trust’s Investment Policy Statement rather than the general provisions of the District’s investment policy.

Authorized Investment Type	Maximum Maturity	Maximum % of Portfolio	Maximum Investment in One Issuer
U.S Treasury Obligations	5 years	100%	N/A
Federal Agency and instrumentality Securities	5 years	100%	50%
Local Government Investment Pools	13 months	100%	50%
Money Market Mutual funds	13 months	100%	50%
Repurchase Agreements*	5 years	100%	N/A
Commercial Paper	9 months	50%	5%
Corporate Bonds	3 years	50%	5%
Municipal Bonds	5 years	25%	5%
Non-negotiable Certificates of Deposit	1 year	5%	2%
Negotiable Certificates of Deposit	3 years	35%	5%
Flexible Repurchase Agreements	5 years	100%	N/A
Guaranteed Investment Contracts	C.R.S. 24-75-601	N/A	N/A

*Other than repurchase agreements for investment of general obligation bond proceeds and certificates of deposit.

As of June 30, 2025, the District investments are in compliance with the investment policy.

Investments Authorized by Debt Agreements

The District invests in various investment securities that are exposed to interest rate risk and credit risk. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The valuation is based on the 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 inputs other than those within Level 1 that are directly or indirectly observable; and Level 3 inputs are significant unobservable inputs.

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The District has the following recurring fair value measurements as of June 30, 2025:

- Corporate Notes of \$12,729,309 are valued using quoted market price or other observable inputs (Level 1 and 2 inputs).
- U.S. Treasury securities of \$396,574,401 are valued using quoted price in active markets for identical assets (Level 1 and 2 inputs).
- Repurchase Agreements of \$22,180,000 are valued using pricing models (Level 2 inputs).

Custodial Credit Risk

Colorado law requires the District to use eligible public depositories as defined by the Public Deposit Protection Act of 1989 (the Act). Under the Act, the depository is required to pledge eligible collateral having a market value at all times equal to 102% of the aggregate public depositories not insured by the Federal Deposit Insurance Corporation. Eligible collateral as defined by the Act primarily includes obligations of, or guarantees by, the U.S. government, the State of Colorado or any political subdivision thereof and obligations evidenced by notes secured by first lien mortgages of trust on real property.

Custodial credit risk is the risk that in the event of a bank failure, the District will not be able to recover its deposits nor the collateral securities that are in the possession of an outside party.

The District's deposits are with eligible public depositories and are considered to be held in the name of the District. These deposits have bank balances of \$14,071,508 and related carrying amount of \$8,576,363.

Interest Rate Risk

Interest rate risk is the risk that an investment's value will change due to a change in interest rates. The District's investment policy addresses interest rate risk by requiring adherence to the Colorado Revised Statutes. The District manages its exposure to interest rate risk by purchasing a combination of shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is either maturing or close to maturing as necessary to provide the cash flow and liquidity needed by operations and debt service requirements.

The following table shows the distribution of the District's cash and cash equivalents and investments by maturity, which displays the sensitivity of the fair values of the District's investments, including investments held by bond trustee, to market rate fluctuations:

Type of Security	Fair Value	Maturity			
		30 days or less	12 months or less	1 to 2 years	2 to 7 years
US Treasury Notes	\$ 396,574,401	\$ -	\$ 396,574,401	\$ -	\$ -
Corporate Note	12,729,309	-	12,729,309	-	-
External Investment Pools	622,177,004	622,177,004	-	-	-
Money Market Funds	564,613,097	564,613,097	-	-	-
Repurchase Agreements	22,180,000	-	-	-	22,180,000
Total	\$ 1,618,273,811	\$ 1,186,790,101	\$ 409,303,710	\$ -	\$ 22,180,000

Stocks with an amount of \$3,982 are the only securities without maturity.

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Reconciliation

The following is a reconciliation of cash and investments per this note to the basic financial statements:

Cash and investments per footnote presentation:	
Cash in bank - carrying amount	\$ 8,576,363
Investments	1,618,273,811
Stocks	3,982
Total	<u>\$ 1,626,854,156</u>
Cash and investments per government-wide statements of net position:	
Cash and cash equivalents	\$ 331,475,048
Investments	3,982
Restricted cash and cash equivalents	990,063,005
Held by fiscal agents	3,466,535
Restricted investments	300,666,553
Cash and investments per the fiduciary statements of net position:	
Private purpose trust	1,179,033
Total	<u>\$ 1,626,854,156</u>

Foreign Currency Rate Risk

Foreign currency rate risk is the risk that changes in monetary exchange rates will adversely affect the fair value of an investment or a deposit in terms of U.S. dollars. The District has no formal policy relating to foreign currency risk, nor are any deposits or investments exposed to foreign currency risk.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSROs). State law limits investments for school districts to U.S. Treasury instruments, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in Rule 2a-7, as amended, as long as such rule does not increase the remaining maturities beyond a maximum of three years. The District's investment policy requires money market funds and local government investment pools to have a rating of AAAm or equivalent by one or more NRSROs. Corporate bonds must have a rating of at least AA- or equivalent by at least two NRSROs. General obligations must be rated at the time of purchase at least AA or the equivalent by two or more NRSROs, and revenue obligations at least AAA or the equivalent at the time of purchase. Commercial paper must have a rating of at least A-1 or the equivalent at the time of purchase by at least two NRSROs.

As of June 30, 2025, the money market funds that the District participated in were rated as follows by Standard and Poor's:

<u>Financial Institution</u>	<u>Fund</u>	<u>Rating as of June 30, 2025</u>
Wells Fargo	Government Money Market Fund	AAAm
Wells Fargo	Treasury Plus Money Market Fund	AAAm

Standard and Poor's rates all U.S. Agency Obligations as AA+.

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The District utilizes government investment pools for investment, when a high degree of liquidity is prudent. The pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE) cash account and the Colorado Statewide Investment Program (CSIP) collectively, the Trusts. COLOTRUST and CSIP Term Investment are local government investment pools with a stable net asset value. CSAFE and CSIP Liquid Portfolio are considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The District invests \$79,766,362 in the CSAFE-Cash account, \$157,116,309 in COLOTRUST, and \$385,294,333 in CSIP. The Colorado Division of Securities regulates these local government investment pools. The District's position is that these pools are the same as the value of pool shares. Standard and Poor's rates COLOTRUST as AAAm and CSIP as AAAm. Fitch Ratings Financial Services Company rates CSAFE-Cash as AAAmmf.

The District has \$3,466,535 in the State of Colorado Treasury ("T-Pool") as required by the Colorado Workers' Compensation Act for self-insurance security. T-Pool is held by fiscal agents and considered a money market fund. The pool is not rated.

District utilizes government investment pools for investment, when a high degree of liquidity is prudent. The pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Statewide Investment Program (CSIP) collectively, the Trusts. COLOTRUST and CSIP Term Investment are local government investment pools with a stable net asset value. CSAFE and CSIP Liquid Portfolio are considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The State Securities Commissioner administers and enforces all State statutes governing the Trusts. The Trusts operate similarly to a money market fund and each share is equal in value to \$1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The Trusts may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and at least A-1 or equivalent commercial paper.

A designated custodial bank serves as custodian for the Trusts' portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trusts. The Trusts do not have any limitations or restrictions on participant withdrawals.

The District's investment policy requires that repurchase agreements and flexible repurchase agreements are collateralized as required by state law at a minimum of 102% of the purchase price plus accrued interest. For repurchase agreements, the collateral is to be delivered and held in a third party safekeeping account and the market value of the collateral securities marked-to-market daily.

Concentration of Credit Risk

Concentration of credit risk as defined by the Government Accounting Standards Board (GASB) is any investment that represents 5% or more of the total investments to any one issuer. The District's investments in includable investment types of corporate notes, repurchase agreements and stocks do not contain more than a 5% concentration as of June 30, 2025.

3. REVENUE AND RECEIVABLES

Property Taxes

Property taxes are levied on December 15 and attach an enforceable lien on property as of January 1 of the following year. Taxes are payable in either one installment on or before April 30, or in two equal payments on or before February 28 and June 15 of each year. The mill levy is determined by the District in accordance with state laws and finance formulas. The assessments and collections are made by the City and County of Denver and remitted upon receipt to the District.

Property taxes levied for the General Fund totaled \$930,708,228 and for ProComp totaled \$42,873,218 in 2025. The Mill Levy Technology Maintenance Fund, which was created in fiscal year 2021, levied property taxes of \$101,235,463. In 1988, 1998, 2003, 2005, 2012 and 2016 the voters of Denver approved mill levy overrides. The 1988, 1998 and 2003 override election mill levies are fixed amounts of \$12.1 million, \$17.0 million and \$20.0 million, respectively. The 2005 override election mill levy initially set at \$25.0 million is adjusted annually for inflation as measured by the Denver-Boulder-Greeley consumer price index. The 2005 override election mill levy amount for the 2025 collection year was approximately \$42.9 million. The 2012 override will generate \$95.9 million for the 2025 property tax collection year which results in a levy of 3.788 mills. The 2016 override election mill levy is variable at 3.379 mills and will generate \$85.5 million for the 2025 property tax collection year.

Deferred inflow of resources of property taxes at June 30, 2025, included General Fund \$9,337,934, ProComp Special Revenue Fund \$430,153 and Mill Levy Technology Maintenance Fund \$1,015,704. In addition, property taxes levied for the Bond Redemption Fund totaled \$249,115,165 in 2025 and accounted for the entire deferred inflow of resources of \$2,656,489 at June 30, 2025. Property tax revenue is recorded in the General Fund, the ProComp Special Revenue Fund, the Mill Levy Technology Maintenance Fund and the Bond Redemption Fund. The taxes receivable are recorded net of an estimated uncollectible amount of \$3,594,822 in the governmental activities, \$2,898,972 in the General Fund and \$695,850 in the Bond Redemption Fund.

Collection fees by the City and County of Denver amount to one-quarter of one percent of property taxes collected for the General Fund and no collection fees are charged for the Bond Redemption Fund. Collection fees are recorded as expenditures.

DURA

The District and the Denver Urban Renewal Authority (Authority) are parties to the Amended and Restated Central Park School Funding Agreement (Funding Agreement). The Funding Agreement provides funding of various projects in the Central Park Urban Redevelopment Area.

The Central Park School Redevelopment Plan and Cooperation Agreement (Redevelopment Plan) authorize the Authority to receive and use certain incremental increases in sales and property tax revenues generated within the Central Park Urban Redevelopment Area. The Authority and the District entered into the Funding Agreement which provides for the payment of the actual development costs of certain schools and other property identified therein from proceeds of obligations issued by the Authority.

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In accordance with the Funding Agreement, the District has performed work and is eligible for reimbursement with respect to an elementary school, a K-8 school and the acquisition and construction of a District high school and sports field. The District entered into a supplemental agreement with the Authority which included land for an elementary school and construction of a new fire station to accommodate the needs of the growing area. Per the supplemental agreement, the District also received donated land for a second school site. Reimbursement to the District is in accordance with the Redevelopment Plan and Funding Agreement including amendments. Payments are expected each year through 2026. The following table summarizes the projects and outstanding reimbursable amounts as of June 30, 2025. The remaining balances are reflected as accounts receivable and deferred inflow of resources in the Building Fund.

Project	Beginning Balance	Earned	Received	Receivable at June 30, 2025
Central Park Redevelopment Plan	\$ 30,037,458	\$ -	\$ 14,949,230	\$ 15,088,228

The District has entered into an agreement with DURA for the 27th and Larimer urban redevelopment area. Payments are expected each year through 2047. The current year installment to DPS is outstanding and is outlined below. The remaining balance is reflected as other receivable in the Building Fund.

Project	Beginning Balance	Earned	Received	Receivable at June 30, 2025
27th & Larimer Redevelopment	\$ -	\$ 35,000	\$ -	\$ 35,000

Other Revenue

The District holds bond issuances comprised of 2009C Build America Bond, 2010A Qualified School Construction Bond, 2010B Build America Bond and 2012C Qualified Zone Academy Bond which credits payments to issuers. The 2009C Build America Bond, 2010A Qualified School Construction Bond, 2010B Build America Bond and 2012C Qualified Zone Academy Bond payments are outstanding for the current fiscal year but the District is expecting credits that will be paid the following fiscal year as outlined below. The remaining balance is reflected as other receivable in the Building Fund.

Project	Beginning Balance	Earned	Received	Receivable at June 30, 2025
U.S. Treasury Subsidy	\$ 3,354,749	\$ 5,450,100	\$ 6,641,263	\$ 2,163,586

Other Receivables

Other Receivables for the District include the receivables mentioned above for Central Park Redevelopment, 27th and Larimer Redevelopment, the U.S. Treasury and other receivables that are expected to be paid in the following fiscal year. General Fund receivables of \$11.6 million consists of other state and local revenues. Grants Special Revenue receivables of \$34.8 million consists of private grants and higher education student tuition.

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4. INTERFUND BALANCES AND TRANSFERS

Balances of interfund receivables, payables and transfers at June 30, 2025 are as follows:

	Due From	Due To	Transfer In	Transfer Out
Major Funds				
General Fund - Due to Other Funds	\$ 12,495,831	\$ 54,836,674	\$ -	\$ 15,163,295
Bond Redemption	-	-	-	-
Building	47,485,430	-	6,000,000	-
Subtotal	<u>\$ 59,981,261</u>	<u>\$ 54,836,674</u>	<u>\$ 6,000,000</u>	<u>\$ 15,163,295</u>
Nonmajor Funds				
Food Service	-	1,656,068	8,514,387	-
Pupil Activity Fund	7,349,344	-	-	-
Grants Special Revenue	-	6,983,125	648,908	-
ProComp	-	1,174,782	-	-
Mill Levy Technology Maintenance	-	2,681,856	-	-
Permanent	-	-	-	-
Subtotal	<u>\$ 7,349,344</u>	<u>\$ 12,495,831</u>	<u>\$ 9,163,295</u>	<u>\$ -</u>
Fiduciary Funds				
Private Purpose Trust	1,900	-	-	-
Total	<u>\$ 67,332,505</u>	<u>\$ 67,332,505</u>	<u>\$ 15,163,295</u>	<u>\$ 15,163,295</u>

The majority of the District transfers are from the General Fund to sustain the capital project fund, additional funding support for food services and to finance various programs accounted for in other funds in accordance with budgetary authorizations. All interfund receivables and payables are the result of normal business and are expected to be paid in the current fiscal year.



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5. CAPITAL, LEASES AND SOFTWARE ASSETS

Capital, lease and software-based information technology arrangements (SBITA) assets resulting from expenditures in the governmental funds are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital and lease/software assets are capitalized at cost, or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are recorded at acquisition value as of the date received. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital and lease/software assets except land and construction in progress are depreciated.

Depreciation/Amortization is computed using the straight-line method over the following useful lives.

Description	Estimated Lives
Buildings and improvements	5-39 years
Furniture and equipment	5 years
Computer equipment	3-5 years
Buses	7 years
Other vehicles	5 years
Leases/software assets*	Varies

* The shorter of the lease/software term or useful life of the underlying asset.

Following is a detail by function of depreciation/amortization expense for governmental activities reported in the government-wide statement of activities:

Instruction:	
Regular	\$ 56,750,986
Special education	12,315,640
Vocational	5,231
Other Instruction	6,169,434
Supporting services:	
Pupil support	10,499,127
Instructional support	12,306,311
General administration	1,451,922
School administration	8,077,787
Business services	1,018,211
Operations and maintenance	9,232,491
Pupil transportation	3,303,107
Central services	7,237,951
Other support services	5,375,628
Community services	2,189,580
Education for adults	2,600,534
Total Depreciation/Amortization Expense	\$ 138,533,940

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A summary of changes in governmental capital, lease and software assets are as follows:

	July 1, 2024	Additions	Transfers	Retirements	June 30, 2025
Land	\$ 121,068,127	\$ 31,044	\$ -	\$ (18,400)	\$ 121,080,771
Buildings and Improvements	\$ 2,639,590,821	\$ -	\$ 283,787,099	\$ (48,030)	\$ 2,923,329,890
Less accumulated depreciation	<u>1,103,262,877</u>	<u>107,558,074</u>	<u>-</u>	<u>-</u>	<u>1,210,820,951</u>
Net	<u>\$ 1,536,327,944</u>	<u>\$ (107,558,074)</u>	<u>\$ 283,787,099</u>	<u>\$ (48,030)</u>	<u>\$ 1,712,508,939</u>
Equipment	\$ 378,265,369	\$ 5,255,897	\$ 42,653,568	\$ (2,591,274)	\$ 423,583,560
Less accumulated depreciation	<u>319,006,208</u>	<u>25,206,270</u>	<u>-</u>	<u>-</u>	<u>344,212,478</u>
Net	<u>\$ 59,259,161</u>	<u>\$ (19,950,373)</u>	<u>\$ 42,653,568</u>	<u>\$ (2,591,274)</u>	<u>\$ 79,371,082</u>
Construction in progress	<u>\$ 195,169,230</u>	<u>\$ 193,933,620</u>	<u>\$ (326,440,667)</u>	<u>\$ -</u>	<u>\$ 62,662,183</u>
Lease Assets:					
Land	\$ 947,402	\$ 1,511,976	\$ -	\$ (1,433,347)	\$ 1,026,031
Less amortization expense	<u>207,868</u>	<u>591,586</u>	<u>-</u>	<u>(498,450)</u>	<u>301,004</u>
Net	<u>\$ 739,534</u>	<u>\$ 920,390</u>	<u>\$ -</u>	<u>\$ (934,897)</u>	<u>\$ 725,027</u>
Building	\$ 14,390,694	\$ 3,038,848	\$ -	\$ (6,234,865)	\$ 11,194,677
Less amortization expense	<u>4,216,395</u>	<u>1,562,852</u>	<u>-</u>	<u>(1,725,125)</u>	<u>4,054,122</u>
Net	<u>\$ 10,174,299</u>	<u>\$ 1,475,996</u>	<u>\$ -</u>	<u>\$ (4,509,740)</u>	<u>\$ 7,140,555</u>
Equipment	\$ 3,628,812	\$ 129,857	\$ -	\$ (2,483)	\$ 3,756,186
Less amortization expense	<u>847,006</u>	<u>705,877</u>	<u>-</u>	<u>(2,483)</u>	<u>1,550,400</u>
Net	<u>\$ 2,781,806</u>	<u>\$ (576,020)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,205,786</u>
Software Assets	\$ 15,182,480	\$ 1,617,717	\$ -	\$ -	\$ 16,800,197
Less amortization expense	<u>4,125,306</u>	<u>2,909,281</u>	<u>-</u>	<u>-</u>	<u>7,034,587</u>
Net	<u>\$ 11,057,174</u>	<u>\$ (1,291,564)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,765,610</u>
Total Capital Assets (Net)	<u>\$ 1,936,577,275</u>	<u>\$ 66,985,019</u>	<u>\$ -</u>	<u>\$ (8,102,341)</u>	<u>\$ 1,995,459,953</u>

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Net investment in capital assets is estimated by first comparing the total building fund expenditures since 2016 to the capital outlay from the building fund for the same time frame which is 86.18% as of June 30, 2025. The calculation of net investment in capital assets is below and results in a positive net investment in capital assets net of related debt.

Capital assets (net)	\$	1,995,459,953
Outstanding bonds payable	\$	2,809,418,290
Less unspent bond proceeds		(982,007,682)
Less capital related deferred loss on refunding		(10,609,234)
Plus capital related deferred gain on refunding		12,848,923
Adjusted bonds payable	\$	1,829,650,297
Percent of capitalized assets		86.18%
Bonds payable related to capital assets	\$	<u>1,576,792,626</u>
Related Debt:		
Certificates of participation		268,065,700
Lease assets liability		10,798,031
SBITA/software assets liability		9,532,078
Accounts payable capital related		26,154,993
Retainage payable		6,269,275
Total related debt	\$	<u>1,897,612,703</u>
Net investment in capital assets	\$	<u>97,847,250</u>

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6. LEASES AND SOFTWARE BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Lessee

The following is the lease and software liability payment schedule as of June 30, 2025:

	Fiscal Year	Principal	Interest	Total Expenditures
Equipment	2026	\$ 606,270	\$ 96,994	\$ 703,264
	2027	639,333	61,687	701,020
	2028	676,674	24,345	701,019
	2029	58,143	276	58,419
		<u>\$ 1,980,420</u>	<u>\$ 183,302</u>	<u>\$ 2,163,722</u>
Buildings	2026	\$ 1,371,721	\$ 332,417	\$ 1,704,138
	2027	1,284,654	271,725	1,556,379
	2028	1,331,478	212,672	1,544,150
	2029	1,004,350	158,236	1,162,586
	2030	559,456	118,370	677,826
	2031-2035	2,499,749	262,391	2,762,140
	<u>\$ 8,051,408</u>	<u>\$ 1,355,811</u>	<u>\$ 9,407,219</u>	
Land	2026	\$ 193,299	\$ 39,063	\$ 232,362
	2027	211,809	27,480	239,289
	2028	231,624	14,800	246,424
	2029	129,471	3,145	132,616
		<u>\$ 766,203</u>	<u>\$ 84,488</u>	<u>\$ 850,691</u>
Total Lease Liability		<u>\$ 10,798,031</u>	<u>\$ 1,623,601</u>	<u>\$ 12,421,632</u>
Software	2026	\$ 2,010,771	\$ 260,363	\$ 2,271,134
	2027	1,921,065	190,140	2,111,205
	2028	1,836,731	122,567	1,959,298
	2029	1,609,752	74,930	1,684,682
	2030	1,427,090	39,560	1,466,650
	2031	726,669	6,656	733,325
	Total Software Liability		<u>\$ 9,532,078</u>	<u>\$ 694,216</u>
Total Lease and Software Liability		<u>\$ 20,330,109</u>	<u>\$ 2,317,817</u>	<u>\$ 22,647,926</u>

Lessor

Denver Public Schools recognized a lease receivable for twenty-five Cell Towers, and two Building Leases during fiscal year 2025.

Total lease revenue recognized during the fiscal year ending June 2025 is as follows:

	Revenue	Interest	Total Revenue
Cell Towers	\$ 701,539	\$ 90,702	\$ 792,241
Buildings	16,846	141,466	158,312
	<u>\$ 718,385</u>	<u>\$ 232,168</u>	<u>\$ 950,553</u>

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7. LONG-TERM LIABILITIES

A summary of changes in long-term liabilities is as follows:

	Balance June 30, 2024	Additions	Refunded/ Reductions	Balance June 30, 2025	Due Within One Year
Bonds payable	\$ 1,960,152,000	\$ 808,485,000	\$ (250,472,000)	\$ 2,518,165,000	\$ 132,055,000
Premiums	226,231,604	90,111,502	(25,089,816)	291,253,290	-
Total bonds payable	2,186,383,604	898,596,502	(275,561,816)	2,809,418,290	132,055,000
Certificates of participation	855,670,000	-	(83,520,000)	772,150,000	61,280,000
Premiums	14,336,070	-	(1,857,903)	12,478,167	-
Total certificates of participation	870,006,070	-	(85,377,903)	784,628,167	61,280,000
Other long-term liabilities:					
Compensated absences*	20,340,256	-	(170,759)	20,169,497	3,466,620
Lease Liability	14,522,710	3,087,853	(6,812,532)	10,798,031	2,171,290
SBITA Liability	10,530,966	1,617,716	(2,616,604)	9,532,078	2,010,771
Accrued Claims Liability	12,552,770	7,894,400	(7,850,515)	12,596,655	4,337,128
Net OPEB obligation(asset)*	(3,806,512)	-	(16,384,410)	(20,190,922)	-
Net Pension Liability*	537,715,849	-	(118,345,515)	419,370,334	-
Arbitrage Rebate Liability	-	5,794,382	-	5,794,382	-
Total other long-term liabilities	591,856,039	18,394,351	(152,180,335)	458,070,055	11,985,809
Total long-term liabilities	\$ 3,648,245,713	\$ 916,990,853	\$ (513,120,054)	\$ 4,052,116,512	\$ 205,320,809

* In prior years the General Fund has been used to liquidate pension, OPEB liabilities and compensated absences. The change in compensated absences is presented as the net change in accordance with GASB 101.

Bonds payable and certificates of participation at June 30, 2025 are comprised of the following:

Bonds:	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
2009C GO Taxable Build America New Money bonds	250,000,000	244,000,000	5.664%	12/1/2033
2010A GO Qualified School Construction Bonds	29,260,000	29,260,000	4.73%	9/1/2027
2010B GO Taxable Build America New Money Bonds	1,545,000	1,545,000	4.93%	12/1/2028
2012B GO Tax-Exempt Bonds	428,600,000	77,340,000	3.00% - 5.00%	12/1/2032
2012C GO Taxable Qualified Zone Academy Bonds	16,000,000	16,000,000	3.773%	12/1/2035
2012D GO Taxable Refunding Bonds	67,220,000	1,630,000	1.680% - 3.154%	12/1/2028
2016A GO Refunding Bonds	143,280,000	111,885,000	1.75% - 5.00%	12/1/2031
2017 GO Bonds	466,675,000	389,935,000	4.00% - 5.00%	12/1/2041
2018A GO Bonds	105,325,000	76,405,000	5.00% - 5.50%	12/1/2041
2018B GO Refunding Bonds	106,130,000	22,530,000	2.297% - 3.587%	12/1/2032
2021 GO Bonds	450,000,000	364,515,000	3.00% - 5.00%	12/1/2045
2021A GO Refunding Bonds	52,890,000	52,890,000	4.00%	12/1/2028
2022A GO Bonds	345,000,000	321,745,000	5.00%	12/1/2045
2025A GO Bonds	389,850,000	389,850,000	5.00% - 5.50%	12/1/2044
2025B GO Refunding Bonds	108,485,000	108,485,000	5.00%	12/1/2028
2025C GO Bonds	310,150,000	310,150,000	5.50%	12/1/2049
Premium	-	291,253,290	-	-
Total bonds payable		\$ 2,809,418,290		

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Certificates of Participation:	Amount Issued	Amount Outstanding	Interest Rate	Final Maturity
2011B Taxable	\$ 396,235,000	\$ 322,240,000	6.22% - 7.017%	12/15/2037
2013B Taxable	536,855,000	380,170,000	2.018% - 4.242%	12/31/2037
2015B Tax-exempt	8,570,000	7,315,000	2.50% - 5.00%	12/15/2045
2017A	32,080,000	13,105,000	2.00% - 5.00%	12/1/2030
2017B	14,095,000	3,900,000	4.00% - 5.00%	12/1/2025
2017C	10,000,000	6,945,000	2.94%	12/1/2036
2018	7,710,000	5,790,000	3.000% - 5.000%	12/1/2037
2020A	35,225,000	32,685,000	5.000%	12/1/2041
Premium	-	12,478,167	-	-
Total certificates of participation		<u>\$ 784,628,167</u>		

In prior years, the registered voters of Denver authorized the School District to issue general obligation bonds. As of June 30, 2025, all previously authorized bonds had been issued.

In April of 2011, as authorized by the Board resolution, the District issued \$396 million Refunding Certificate of Participation, Series 2011B. The proceeds for the issuance together with other available funds, were used for the refunding of \$750 million of 2008A and 2008B Certificate of Participation.

In April of 2013, as authorized by the Board resolution, the District issued \$536 million Refunding Certificate of Participation, Series 2013B. The proceeds for the issuance were used for the refunding of \$536 million of 2011A Certificate of Participation.

In September of 2015, as authorized by Board resolution, the District executed \$8.6 million Certificates of Participation, Series 2015B. The proceeds were used for the purchase of the parking garage located at 1855 Lincoln Street in downtown Denver and the land upon which it is located. The primary purpose is to provide affordable and long-term parking for the users of the Emily Griffith Campus. The Certificates explain undivided interests in the right to receive certain revenues payable by the District under an annually renewed Lease Purchase Agreement dated on October 5, 2015.

In May of 2017, as authorized by Board resolution, the District issued \$32 million Certificates of Participation, Series 2017A and \$14 million of Certificates of Participation, Series 2017B. The purpose of the 2017A issuance was to construct the Central Park Street School, an elementary school located in the Central Park neighborhood of Denver. The proceeds from 2017B issuance were used to purchase a school site for the Central Park Street School and to help fund the design and construction cost of a fire station near the school site to meet safety standards for DPS schools within Central Park.

In November of 2017, as authorized by the Board resolution, the District issued \$10 million Refunding Certificate of Participation, Series 2017C. The proceeds for the issuance in combination with the proceeds received from the sale of Emily Griffith Opportunity School properties were used for the refunding of \$35.2 million of 2013A Certificate of Participation.

In February of 2018, as authorized by Board resolution, the District issued \$7.7 million Certificates of Participation, Series 2018. The proceeds were used to purchase a building located at 1617 South Acoma Street in Denver and the site upon which it is located. The Acoma building currently houses 150 District employees in the Planning, Design and Construction, Library Services, JROTC, Extended Learning and Community Schools departments.

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In December of 2019, as authorized by Board resolution, the District issued \$35.2 million Certificates of Participation, Series 2020A. The proceeds from the 2020A Certificate financed the Kepner Shared Campus improvements and expansion and the Energy Performance Contract Project (EPC).

In February of 2022, as authorized by Board resolution, the District issued \$345 million general obligation bonds, Series 2022A. The proceeds will finance investments in critical maintenance, the Montbello campus, air conditioning, 2020A COP payback of Kepner portion, upgrading quality learning environments for students, District capacity needs, upgraded technology and safety, general fund relief, a greenhouse for food and nutrition services, master planning, and the prepayment of the District's obligations under the 2018B issuance.

In January of 2025, as authorized by board resolution, the District issued \$700 million general obligation bonds, Series 2025A and 2025C. The proceeds will finance capital projects such as improving school security, maintaining and renovating school buildings, providing cooling systems for schools, building new and expanding existing schools, upgrading technology, and improving spaces for workforce and career readiness courses.

In January of 2025, as authorized by board resolution, the District issued \$108.5 million Refunding general obligation bonds, Series 2025B. The proceeds were used for the refunding of \$97.9 million of 2014A and \$13.4 million of 2014B general obligation bonds. This results in a deferred gain on refunding of \$11.4 million. The District completed the refunding to reduce its total debt service payments over the next 10 years by \$8.8 million and to obtain an economic gain between the present values of the old and new debt service payments of \$5,736,035.

Annual requirements to maturity are as follows:

Year Ending	General Obligation Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest
June 30,				
2026	132,055,000	119,858,698	61,280,000	39,715,232
2027	130,210,000	113,539,628	39,390,000	37,402,555
2028	121,580,000	108,404,800	42,040,000	35,449,710
2029	91,080,000	102,487,891	44,935,000	33,248,503
2030	92,165,000	98,952,097	48,085,000	30,802,211
2031-2035	529,810,000	412,393,394	295,340,000	109,353,999
2036-2040	520,120,000	287,790,928	234,025,000	22,456,842
2041-2045	522,435,000	162,448,194	7,055,000	463,125
2046-2050	378,710,000	53,891,750	-	-
Total	<u>\$ 2,518,165,000</u>	<u>\$ 1,459,767,380</u>	<u>\$ 772,150,000</u>	<u>\$ 308,892,177</u>

The bonds are general obligations of the District. The full faith and credit of the District are pledged for the payment of the principal of and interest on the bonds. The Board annually determines and certifies, to the City and County of Denver a rate of levy for general ad valorem taxes, on all of the taxable property in the District, sufficient to pay debt service on bonds when due. The COPs are secured by schools and administrative properties owned and operated by the District.

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All bond obligations will be paid from the Bond Redemption Fund. The 2017A, 2017B, 2017C, 2018 and 2020A COPs are to be paid from the Building Capital Fund; whereas the 2011B and 2013B taxable COPs are attributable to pension obligations and are paid from the General Fund. The 2015B tax-exempt COPs are paid from General Fund.

The Building Fund ending fund balance of \$1,052,828,902 is from the issuance of Series 2017, 2018, 2021, 2022, and 2025 general obligation bonds and related interest earnings. At June 30, 2025, the Building Fund had capital expenditure purchase commitments outstanding of \$98,820,749.

Leases and Software Liability

The District has multiple agreements for leasing of buildings, equipment, land and software arrangements. In accordance with generally accepted accounting principles, the agreements have been capitalized at the present value of future minimum payments. The assets are reflected in the government-wide financial statements as of June 30, 2025 as follows:

Type	Original Amount	Amount Outstanding	Interest Rate	Final Maturity
Building	\$ 11,194,634	\$ 8,051,408	Variable	06/01/2035
Equipment	3,317,511	1,980,420	Variable	07/01/2028
Land	1,026,070	766,203	Variable	02/01/2029
Software	15,842,295	9,532,078	Variable	12/23/2030
Total Lease and Software Liability	\$ 31,380,510	\$ 20,330,109		

Annual debt service requirements to maturity for leases and software are as follows:

Year Ending June 30,	Total
2026	\$ 4,910,898
2027	4,607,893
2028	4,509,310
2029	2,979,884
2030	2,144,476
2031-2035	3,495,465
Total Minimum Lease and Software Payments	\$ 22,647,926
Less: Interest	2,317,817
Present Value of Future Minimum Lease and Software Payments	\$ 20,330,109

Defeasance of General Obligation Bonds

In prior years, the District advance refunded a portion of the District’s general obligation bonds with the proceeds from the issuance of new general obligation bonds. The defeased bonds are not considered a liability of the District. At June 30, 2025, all refunded bonds are considered fully defeased as the call dates for all bonds have passed.

Compensated Absences Liability

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. On the fund financial statements, compensated absence amounts are reported as expenditures or expenses when paid. The estimated cost for fiscal year 2026 is \$3,466,620. These expenditures are recognized in the General fund.

Arbitrage Liability

The District has issued tax-exempt debt that is subject to the arbitrage rebate and yield restriction provisions of Section 148 of the Internal Revenue Code. These provisions require the issuer to rebate the U.S. Treasury any excess investment earnings that exceed the bond yield. Under the full accrual basis of accounting, the estimated arbitrage rebate liability is recognized in the government-wide financial statements as of June 30, 2025. Based on calculations performed in accordance with applicable Treasury regulations, the liability is estimated at \$5,794,382 and is reported under Arbitrage Liability. This estimate reflects cumulative excess earnings from the 2021A and 2022A general obligation bonds. This calculation may be adjusted in future reporting periods based on updated investment performance, final rebate calculations, or changes in applicable regulations. The District continues to monitor compliance with arbitrage requirements and maintains procedures to ensure timely calculation and payments of any rebate obligations.

8. SHORT-TERM DEBT

The District participates in the State Treasurer’s Interest-Free Loan Program for Colorado School Districts authorized by Sections 29-15-112 and 22-54-110 of the Colorado Revised Statutes. The loan is secured by ad valorem taxes on real and personal property received by the District on and after March 1, 2025, to and including June 30, 2025. The District borrowed \$502,000,000 throughout the fiscal year to meet cash flow needs since the majority of property taxes are received starting in March. The loan was repaid during the months of March, May, and June. In June of 2025, the District's Board of Education authorized participation in the Fiscal Year 2026 State Interest Free Loan Program with a Maximum Principal Amount of \$610,000,000.

June 30, 2024 Balance	Borrowed	Repayment	June 30, 2025 Balance
<u>\$ 0</u>	<u>\$ 502,000,000</u>	<u>\$ 502,000,000</u>	<u>\$ 0</u>

9. PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The District participates in the Denver Public Schools Division Trust Fund (DPS Division), a single-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The District's discretely presented component units also participate in the DPS Division, except for the employees of the Denver Public Schools Foundation and Denver School of Science and Technology schools. All assumptions and information contained in this footnote apply to the District and its discretely presented component units that participate in the plan, unless otherwise noted. 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 DPS Division 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 DPS Division—a single-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

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 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.

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.

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

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

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 of the DPS benefit structure, and eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, will receive the maximum annual increase (AI) or AI cap of 1.00% 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 DPS Division. 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, the District's discretely presented component units, and the State are required to contribute to the DPS Division at a rate set by Colorado statute. The contribution requirements for the DPS Division 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, 2024 through June 30, 2025. Employer contribution requirements are summarized in the table below:

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	July 1, 2024 through December 31, 2024	January 1, 2025 through June 30, 2025
Employer Contribution Rate	11.40%	11.40%
Amount of Employer Contribution apportioned to the DPS HCTF as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%	(1.02)%
PCOP offset as specified in C.R.S. § 24-51-412	(9.78)%	(9.12)%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%	5.50%
Total employer contribution rate to the DPS Division	10.60%	11.26%

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

Employer contributions are recognized by the DPS Division in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the DPS Division. Employer contributions recognized by the DPS Division from the District and the discretely presented component units were \$97,492,198 and \$8,371,288 respectively, for the year ended June 30, 2025.

The DPS Division is permitted under C.R.S. § 24-51-412 to offset the contribution rate for Pension Certificates of Participation (PCOP). The offset, expressed as a percentage of covered payroll, is equal to the annual assumed payment obligations for PCOPs issued in 1997 and 2008, including subsequent refinancing, by the Denver Public Schools at a fixed effective annual interest rate of 8.50%. At a minimum, the DPS Division employer rate, after applying the PCOP offset, must be sufficient to fund the Denver Public Schools Health Care GTrust Fund (DPS HCTF) and the AIR contribution rates as it applies to the DPS Division.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the DPS Division 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 DPS Division based on the proportionate amount of annual payroll of the DPS Division to the total annual payroll of the DPS Division, State Division Trust Fund, School Division Trust fund, and Judicial Division Trust Fund.

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

The net pension liability for the DPS Division 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 DPS Division for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

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At June 30, 2025, the District and its discretely presented component units reported a liability of \$419,370,334 and \$61,710,641, respectively, for their 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 and the discretely presented component units as their proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District and its component units were as follows:

The District's proportionate share of the net pension liability	\$ 419,370,334
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with DPS	74,437,495
Discretely presented component units	61,710,641
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with discretely presented component units	10,953,530
Total	\$ 566,472,000

At December 31, 2024, the District's proportion was 74.03%, which was a decrease of 8.99% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District and its discretely presented component units recognized a pension expense of \$48,376,064 and \$9,833,121 respectively.

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
Net difference between projected and actual earnings on pension plan investments	\$ 32,922,754	\$ -
Contributions subsequent to the measurement date	50,848,267	-
Difference between expected and actual experience	53,189,743	-
Changes in proportion	66,651,181	(44,876,070)
Changes of assumptions or other inputs	33,487,618	
Total	<u>\$ 237,099,563</u>	<u>\$ (44,876,070)</u>

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At June 30, 2025, the District's discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 4,844,607	\$ -
Contributions subsequent to the measurement date	7,627,380	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	10,724,137	(6,582,818)
Difference between expected and actual experience	7,826,908	-
Changes of assumptions or other inputs	4,927,727	-
Total	<u>\$ 35,950,759</u>	<u>\$ (6,582,818)</u>

The District and the component units reported \$50,848,267 and \$7,627,380 respectively as deferred outflows of resources from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

District	
Year ended:	
2026	\$ 86,036,109
2027	127,210,546
2028	(48,838,605)
2029	(23,032,824)
Total	<u>\$ 141,375,226</u>

Component units	
Year ended:	
2026	\$ 11,993,421
2027	17,460,721
2028	(4,679,424)
2029	(2,885,700)
2030	\$ (148,457)
Total	<u>\$ 21,740,561</u>

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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	3.80% – 11.50%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

¹Post-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.

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 valuations 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: 3.90%-16.80%

Salary scale assumptions were altered to better reflect actual experience.

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

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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.

	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 Board's November 15, 2019, meeting, and again at the Board's September 20, 2024 meeting. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

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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 (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions for the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the DPS Division'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.

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	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2024	\$ 4,994,642,000	\$ 4,346,938,000	\$ 647,704,000
Changes for the year:			
Service cost	125,048,000	-	125,048,000
Interest	360,103,000	-	360,103,000
Changes of benefit terms	-	-	-
Differences between expected and actual experience	75,087,000	-	75,087,000
Changes of assumptions or other inputs	63,256,000	-	63,256,000
Contributions - employer	-	105,863,000	(105,863,000)
Contributions - nonemployer	-	18,791,000	(18,791,000)
Contributions - active member (includes purchased service)	-	113,591,000	(113,591,000)
Net investment income	-	468,220,000	(468,220,000)
Benefit payments, including refunds and disability premiums	(305,494,000)	(305,494,000)	-
Administrative expense	-	(3,702,000)	3,702,000
Other changes	-	1,963,000	(1,963,000)
Net changes	318,000,000	399,232,000	(81,232,000)
Balances at 6/30/2025	\$ 5,312,642,000	\$ 4,746,170,000	\$ 566,472,000

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

Sensitivity of proportionate share of the Net Pension Liability	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District	\$ 914,371,719	\$ 419,370,334	\$ 10,222,333
Component units	134,564,581	61,710,641	1,504,382

Pension plan fiduciary net position: Detailed information about the DPS Division's FNP is available in PERA's ACFR which can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

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Membership – Benefit recipients and members of PERA consisted of the following as of December 31, 2024. These numbers include all recipients and members for the DPS Division, including those from the District’s discretely presented component units.

Classification	Members
Retirees and beneficiaries	7,331
Inactive members eligible but not yet receiving benefits	3,436
Inactive members not eligible for benefits	18,010
Active members	
Vested general employees	8,602
Non-vested general employees	7,605
Total Actives	<u>16,207</u>
Total	<u><u>44,984</u></u>

Defined Contribution Pension Plan

Voluntary Investment Program

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

Funding Policy - The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, the District does not match employee contributions. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2025, program members contributed \$3,505,141 for the PERAPlus 401(k) Plan.

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Denver Public Schools provides the following other postemployment benefit plans through Colorado PERA’s Denver Public Schools Health Care Trust Fund (DPS HCTF)

Aggregate OPEB items for the plan is as follows for the District and its discretely presented component units (DPCU):

	Net OPEB Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Credit)
DPS HCTF				
District	(20,190,922)	4,969,612	(12,916,659)	(3,761,092)
DPCU	(2,971,104)	1,057,510	(2,121,500)	(541,700)
Plan Total	\$ (23,162,026)	\$ 6,027,122	\$ (15,038,159)	\$ (4,302,792)

Colorado PERA’s Denver Public Schools Health Care Trust Fund (DPS HCTF)

Summary of Significant Accounting Policies

OPEB. – The District participates in the Denver Public Schools Health Care Trust Fund (DPS HCTF), a single-employer defined benefit OPEB fund administered by the Public Employees’ Retirement Association of Colorado (PERA). The District’s discretely presented component units also participate in the DPS HCTF, except for the employees of the Denver Public Schools Foundation and Denver School of Science and Technology schools. The net OPEB liability/(asset), 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 DPS 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 and the District’s discretely presented component units, as described above, are provided with OPEB through the DPS HCTF—a single-employer defined benefit OPEB plan administered by PERA. The DPS 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

Benefits provided. The DPS 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 DPS HCTF and the Health Care Trust Fund (HCTF). The

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basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

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

Enrollment in the PERACare 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.

Membership. Benefit recipients and members of PERA consisted of the following as of December 31, 2024. These numbers include all recipients and members for the DPS Division, including those from the District’s discretely presented component units.

Classification	Members
Retirees and beneficiaries	7,331
Inactive members eligible but not yet receiving benefits	3,436
Inactive members not eligible for benefits	18,010
Active members	
Vested general employees	8,602
Non-vested general employees	7,605
Total active members	<u>16,207</u>
Total	<u><u>44,984</u></u>

PERA Benefit Structure - HCTF

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 DPS HCTF or the HCTF on behalf of benefit recipients not covered by Medicare Part A.

DPS Benefit Structure - HCTF

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 DPS HCTF or the HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the DPS HCTF. PERA reporting agencies of the DPS Division are required to contribute at a rate of 1.02% of PERA-includable salary into the DPS HCTF.

Employer contributions are recognized by the DPS 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 DPS HCTF from the District and its discretely presented component units were \$9,112,255 and \$1,074,595 for the year ended June 30, 2025.

OPEB Liabilities (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - HCTF

At June 30, 2025, the District reported an asset of \$20,190,922 for its proportionate share of the net OPEB asset and the discretely presented component units reported an aggregate asset of \$2,971,104. The net OPEB asset for the DPS HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB asset 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 proportion of the net OPEB asset was based on District contributions to the DPS HCTF for the calendar year 2024 relative to the total contributions of participating employers to the DPS HCTF.

At December 31, 2024, the District's proportion was 87.1%, which is an increase of 0.23% from its proportion measured as of December 31, 2023, and the discretely presented component units proportion was 12.9%, which is a decrease of 0.23% from the proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB credit of \$(3,761,092) and the discretely presented component units recognized OPEB credit of \$(541,700). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ (6,172,693)
Changes of assumptions or other inputs	81,942	(6,500,463)
Net difference between projected and actual earnings on OPEB plan investments	55,790	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	77,735	(243,503)
Contributions subsequent to the measurement date	4,754,145	-
Total	<u>\$ 4,969,612</u>	<u>\$ (12,916,659)</u>

At June 30, 2025, the District's discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ -	\$ (908,314)
Changes of assumptions or other inputs	12,058	(956,545)
Net difference between projected and actual earnings on OPEB plan investments	8,210	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	357,930	(256,641)
Contributions subsequent to the measurement date	679,312	-
Total	<u>\$ 1,057,510</u>	<u>\$ (2,121,500)</u>

The District and its component units reported \$4,754,145 and \$679,312, respectively, as deferred outflow of resources from contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the year ended 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:

District	
Year Ended June 30:	
2026	\$ (3,153,646)
2027	(2,111,807)
2028	(3,403,003)
2029	(2,256,567)
2030	(1,086,354)
Thereafter	(689,815)
Total	<u>\$ (12,701,192)</u>

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Discretely Presented Component Units		
Year Ended June 30:		
2026	\$	(407,426)
2027		(287,879)
2028		(443,676)
2029		(308,667)
2030		(147,848)
Thereafter		(147,806)
Total	\$	<u>(1,743,302)</u>

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.80% - 11.50%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2033
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Each year the per capita health care costs are developed by plan option. As of December 31, 2023, actuarial valuation, costs are based on 2024 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the United Healthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies 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 Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

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

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

The 2024 Medicare Part A premium is \$505 per month.

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

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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 table below:

Year	PERACare Medicare Plans ¹	MAPD PPO #2 ¹	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%

¹Increase in 2024 trend rates due to the effect of the Inflation Reduction Act

Mortality assumptions used in the December 31, 2023, valuation for the DPS Division Trust fund as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the DPS 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. Reporting agencies of the DPS Division participate in the DPS HCTF.

	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

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The following health care costs assumptions were updated and used in the roll-forward calculation for the DPS 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 have been 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 of 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.

Salary increases, including wage inflation:

Members 3.90%-16.80%

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

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

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

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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 DPS Division Trust Fund, were also applied in the roll forward calculations for the DPS HCTF using a headcount-weighted basis. Reporting agencies of the DPS Division participate in the DPS HCTF.

	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 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	100.00%	

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

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Sensitivity of the District’s proportionate share of the net OPEB liability (asset) 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%
Net OPEB Liability (Asset)	\$ (23,165,000)	\$ (23,162,026)	\$ (23,160,000)
District Portion	\$ (20,193,537)	\$ (20,190,922)	\$ (20,189,179)
Discretely Presented Component Units	\$ (2,971,463)	\$ (2,971,104)	\$ (2,970,821)

¹For the January 1, 2024, plan year.

Discount rate. The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the DPS 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 actuarial determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the DPS HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the FNP for the DPS 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 does not use the municipal bond index

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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 (asset) to changes in the discount rate. The following presents the proportionate share of the net OPEB asset calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability (Asset)	\$ (15,751,221)	\$ (20,190,922)	\$ (24,001,237)
Discretely Presented Component Units	\$ (2,317,779)	\$ (2,971,104)	\$ (3,531,763)

Schedule of Changes in Net OPEB Liability - HCTF

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balances as of June 30, 2024	\$ 60,343,000	\$ 64,721,000	\$ (4,378,000)
Changes for the year:			
Service cost	1,030,000	-	1,030,000
Interest	4,299,000	-	4,299,000
Differences between expected and actual experience	(1,228,000)	-	(1,228,000)
Changes of assumptions or other inputs	(5,649,000)	-	(5,649,000)
Benefit payments	(4,150,000)	(4,010,000)	(140,000)
Contributions - employer	-	10,187,000	(10,187,000)
Purchased service transfers	-	169,000	(169,000)
Net investment income (loss)	-	7,216,000	(7,216,000)
Administrative expense	-	(475,000)	475,000
Other additions and deductions	-	(1,000)	1,000
Balances as of June 30, 2025	<u>\$ 54,645,000</u>	<u>\$ 77,807,000</u>	<u>\$ (23,162,000)</u>

OPEB plan fiduciary net position. Detailed information about the DPS HCTF's FNP is available in PERA's ACFR which can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

11. RISK MANAGEMENT

The District's risk management program deals with the efficient operations of the commercial insurance programs that provide financial protection to the District. These programs include property insurance, several lines of liability insurance, workers' compensation insurance, Cyber, medical, and dental. For the prior three years the amount of claim payments for property and liability insurance has not exceeded the amount of insurance coverage.

Property and Liability Insurance

The District has the normal exposures to loss that are part of any large organization. The District is a public facility that teaches and supervises over 89,000 students, employs approximately 16,000 people to accomplish these functions and provides these services in over 207 facilities located throughout the City and County of Denver. Exposures to loss includes damages and theft of property, tort claims, errors and omissions on the part of District employees or Board members, on the job injuries and automobile liability claims.

The District retains a certain level of all liability losses. For the year ended June 30, 2025 the District retained \$250,000 of each school entity liability loss and \$250,000 for each automobile liability loss. For the same period the retention level for each property claim was \$100,000. These deductible levels were arrived at after reviewing the average historical losses and determining the amount of each loss the District could pay directly.

Fiscal Year ended June 30	2025	2024
Claims Liability, Beginning of Fiscal Year	\$ 2,431,414	\$ 1,964,624
IBNR Adjustment	43,885	(19,134)
Claims incurred	2,063,434	564,809
Claims Paid	(1,929,250)	(78,885)
Claims Liability, End of Fiscal Year	<u>\$ 2,609,483</u>	<u>\$ 2,431,414</u>

Workmen's Compensation

The workers' compensation insurance program is a self-financed program, for the first \$550,000 of each loss. Risk Management funds for the workers' compensation program to pay expenses and claims costs, as well as premiums for excess insurance to cover losses above the \$550,000 self-insured retention. The District uses a third party claims administrator to process claims. Claim liabilities for automobile liability, school entity and workers' compensation, including incurred but not reported (IBNR) claims, were determined by Aon Global Risk Consulting (AGRC) at the request of the District.

Fiscal Year Ended June 30	2025	2024
Claims Liability, Beginning of Fiscal Year	\$ 10,121,356	\$ 10,471,185
Claims Incurred	5,787,081	6,237,674
Claims Paid	(5,921,265)	(6,587,503)
Claims Liability, End of Fiscal Year	<u>\$ 9,987,172</u>	<u>\$ 10,121,356</u>

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Medical and Dental

The District began self-insuring for employee medical and dental benefits on July 1, 2020. Premiums are paid into the Medical, Dental and Vision account in the General Fund by all participating employees and operating departments to pay claims, claim reserves, and administrative costs. Sun Life Provides Stop Loss Insurance for the District's medical plans. Sun Life covers claims that are in excess of \$500,000 and this insurance helps DPS limit our exposure/risk to high medical claims. All claims are reviewed and approved for payment by Kaiser Motiv and Aetna in accordance with their administrative services agreement with the District.

Fiscal Year ended June 30	2025	2024
Claims Liability, Beginning of Fiscal Year	\$ 7,302,448	\$ 6,382,979
Claims Incurred	52,431,312	51,395,113
Claims Paid	(52,031,425)	(50,475,644)
Claims Liability, end of Fiscal Year	<u>\$ 7,702,335</u>	<u>\$ 7,302,448</u>

Medical and dental claims liability are reflected in the fund financial statements as the claims are generally settled utilizing current financial resources.



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12. RELATED PARTIES

The District currently has an intergovernmental agreement with Arapahoe County School District No. 6 (Littleton Public Schools) and Aurora Public Schools to create a board of cooperative educational services (BOCES) for the purpose of operating an expeditionary learning school. The Rocky Mountain School of Expeditionary Learning (RMSEL), is a kindergarten through 12th grade school. RMSEL is a self-governing organization with its own Board of Education. The Board members consist of one school Board member from each of the participating districts and one member appointed by the sponsoring districts from the public at large. As of FY25, Douglas County School District RE-1 and Cherry Creek School District No. 5 are no longer members of the agreement but may still participate in the admission lottery as non-member districts. Per the current Intergovernmental Agreement 2022 – 2027, the BOCES is continuing to operate under the updated structure.

By contract, the maximum number of students the RMSEL may serve is 400. All students at RMSEL are included in the District's enrollment number that is reported to the Colorado Department of Education for funding purposes. The District receives the funding related to the RMSEL students and passes 100% of that funding on to RMSEL along with a portion of state and federal categorical aid as appropriate. That funding was \$4,524,807 for FY 2025. RMSEL purchased services from the District for \$265,010 for the same year.

RMSEL is located at 1700 South Holly St., Denver, CO 80222 in one of the District's buildings. RMSEL leases the facility from the District for \$153,015 per year and is included as part of GASB 87 lease reporting requirements in our government wide statements and lease note to the financials.

13. COMMITMENTS AND CONTINGENCIES

The District is a party to pending or potential lawsuits under which it may be required to pay certain amounts upon final disposition of these matters. After consulting with counsel, the District's management has concluded that no significant adverse effect on the June 30, 2025 financial statements should result upon final disposition of these proceedings.

The District has a potential liability relating to the "Asbestos Hazard Emergency Response Act" (the Act), which is a federally-funded hazardous material/asbestos management program administered by the State Health Department. It is not possible to estimate the costs associated with the Act, therefore no liability has been accrued. It is expected that these expenditures will not have a significant impact on the financial position of the District.

Under terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The District's management believes a disallowance, if any, will be immaterial.

For the year ended June 30, 2025, the District reported a deficit net position of \$188,237,352 in the government-wide statements. This deficit can be primarily attributed to the implementation of GASB 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* requiring the recognition of a long-term liability for pensions. The deficit net position can also be attributed to liabilities related to the District's Certificates of Participation and General Obligation bonds to fund retirement and necessary capital and maintenance projects of the District's facilities.

Encumbrances represent a contractual obligation and expenditures are recognized when the goods and services are delivered and/or received. As of June 30, 2025 encumbrances for the governmental funds were:

Fund	Encumbrances
General	66,922,210
Building Fund	98,820,749
Nonmajor Funds	11,241,131
Total	<u>\$ 176,984,091</u>

General Fund encumbrances include utilities, commitments to the District's health care plans as well as districtwide and school level operations.

Building Fund encumbrances include commitments towards major capital maintenance and construction projects such as but not limited to construction of the future phases of Montbello and Ceylon campus, DSA South Remodel, John F. Kennedy electrical upgrades and Loretto Heights soccer field. Other major commitments for heating ventilation and cooling projects at Thomas Jefferson, Stedman, Columbine and Sabin. Also included are commitments towards the District Wide Long Term Safety Plan, District Wide Student My Tech and Enterprise Management.

Nonmajor Fund encumbrances include commitments for food services and Grant Special Revenue. Grant Special Revenue Fund comprises commitments for literacy professional services, summer school tuition assistance and student technology devices.

14. CERTAIN CONSTITUTIONAL LIMITATIONS

At the general election held November 1992, voters approved the TABOR amendment to the Colorado Constitution limiting the ability of the state and local governments such as the District to increase revenues, debt and spending and restricting property, income and other taxes. In November 1999 the Denver voters gave the District approval to exceed the spending limits established in TABOR beginning with the 1999 fiscal year. The amendment also requires that the state and local governments obtain voter approval to create any "multiple fiscal year direct or indirect debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years." The amendment exempts from its restrictions the borrowings and fiscal operations of enterprises. Enterprises are defined to include government owned businesses authorized to issue their own revenue bonds and receiving under 10% of their grants from all state and local government sources combined. The amendment also requires the establishment of an emergency reserve equal to three percent of fiscal year spending excluding debt service.

In accordance with TABOR, the District maintains an emergency reserve of 3% of fiscal year spending by designating real property owned by the District in lieu of cash. For fiscal year 2025, spending was \$1,680,358,077 and the 3% emergency reserve was \$50,410,742, which excludes multi-year obligations of \$378,359. Additionally, in accordance with C.R.S. Section 22-44-105, the District established an emergency cash reserve as a restricted fund balance in the General Fund for \$43,212,750 equal to 3% of budgeted General Fund revenues. The remaining \$7.2 million of the emergency reserve is secured by physical property.

15. COMPONENT UNITS

The District has 24 component units consisting of 2 blended component units and 22 discretely presented component units. Charter schools are included in the component units as they are fiscally dependent upon revenues derived from the State per pupil revenue funding calculation.

Academy 360's current charter agreement with Denver Public Schools expired on June 30, 2025. At this time, Denver Public Schools Board of Education has not made a decision regarding the School's charter renewal.

Blended Component Units

Denver School Facilities Leasing Corporation

The DSFLC was formed in December 1985 as a not-for-profit corporation under Sections 501(c) (3) and 501(c) (4) of the Internal Revenue Code and exists solely to acquire real estate, buildings and equipment for schools for future lease to the District. The District is primarily responsible for the creation and continued management of the DSFLC, has influence over its operations and is ultimately responsible for any deficits or operating deficiencies. The certificates of participation issued by the DSFLC and its activities for the year are reflected in the accompanying government-wide financial statements of the District. An evaluation of the DSFLC using the above considerations results in its blended inclusion in the accompanying financial statements. There are no separate financial statements available for the DSFLC and the financial information of the DSFLC is blended with that of the primary government which is why DSFLC is not shown on the schedules in this note.

Denver Public Schools Professional Compensation System for Teachers

The Denver Public Schools Professional Compensation System (ProComp) was established following the approval of the 2005 Mill Levy Override as a groundbreaking compensation system that links teacher pay to the instructional mission of the District. Designed in a partnership between the Denver Classroom Teachers Association (DCTA) and the District, ProComp has received national attention because it rewards teachers for their professional accomplishments while linking pay to student achievement. The financial information of ProComp is blended with that of the primary government, which is why ProComp is not shown on the schedules in this note. ProComp is presented as a component unit because it is a separate legal entity and is financially accountable to the District.

Discretely Presented Component Units

Denver Public Schools Foundation

In 1984 the Denver Public Schools Foundation (the Foundation) was incorporated as a widely based not-for-profit charitable organization whose educational purposes are to support the mission, goals and objectives of the District. Programs administered by the foundation provide a financial benefit to the District in the form of grants, scholarships and special projects which support innovative classroom initiatives and enhance the educational opportunities of District students and staff. In addition, donations to the foundation support various educational programs within the District. Even though the foundation is a separate legal entity and the District is not financially accountable for the foundation, the foundation's financial statements are included as part of the District's financial reporting entity because of the nature and significance of the relationship between the primary government and the foundation. The foundation solicits donations and manages those funds for the benefit of the students and District. Complete financial

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statements for this component unit may be obtained from 1860 Lincoln St, Denver, CO 80203.

Charter Schools

In 1993, the State of Colorado Legislature enacted the "Charter School Act – Colorado Revised Statutes (CRS) Section 22-30.5-101," which permits the District to contract with individuals and organizations for the operation of charter schools within the District. The charter schools are financed by a portion of the District's School Finance Act Revenues (based on student enrollment), mill levy override property tax dollars and state and federal grants, as well as other revenues generated by the charter school. The District's Board of Education must approve all charter school applications; however, they have their own separate governing boards.

Separately issued financial statements for the District's 22 charter schools are available from the individual charter schools at the addresses noted below:

- 5280 High School, 899 Broadway, Denver, CO 80203
- Academy 360 Charter School, 12505 Elmendorf Place, Denver, CO 80239
- Academy of Urban Learning, 2417 W. 29th Avenue, Denver, CO 80211
- Colorado High School Charter, 1175 Osage Street, Suite #100, Denver, CO 80204
- Compass Academy, 2285 S. Federal Boulevard, Denver, CO 80219
- Denver Justice High School, 300 E. 9th Avenue, Denver, CO 80203
- Denver Language School, 451 Newport Street, Denver, CO 80220
- Downtown Denver Expeditionary School, 1860 Lincoln Street, Denver CO 80295
- DSST Public Schools, 3401 Quebec Street, Suite 7200, Denver, CO 80207
- French American School of Denver, 2350 N. Gaylord Street, Denver, CO 80205
- Girls Athletic Leadership Schools, 750 Galapago Street, Denver CO 80204
- Highline Academy Schools, 2170 S. Dahlia Street, Denver, CO 80222
- KIPP Colorado Schools, 1390 Lawrence Street, Suite 200, Denver, CO 80204
- Monarch Montessori of Denver Charter, 4895 Peoria Street, Denver, CO 80239
- Odyssey School of Denver, 6550 E. 21st Avenue, Denver, CO 80207
- Omar D. Blair Charter School, 4905 Cathay Street, Denver, CO 80249
- RiseUp Community School, 1801 Federal Boulevard, Denver, CO 80204
- SOAR Charter School, 4800 Telluride Street, #4, Denver, CO 80249
- STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools, 2480 W. 26th Avenue, B-360, Denver, CO 80280
- University Preparatory Schools, 2409 Arapahoe Street, Denver, CO 80205
- Wyatt Academy, 3620 Franklin Street, Denver, CO 80205

Pension Plan

Charter school employees participate in the Denver Public Schools Division Trust Fund (DPS Division), a single-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 68 and is administered by the Colorado Public Employees' Retirement Association (PERA). The employees at all Denver School of Science and Technology schools do not participate in the DPS Division pension plan.

OPEB Plan

Charter school employees participates in the Denver Public Schools Health Care Trust Fund (DPS HTCF), a single-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado as defined in Governmental Accounting Standards Board (GASB), except for the employees of the Denver School of Science and Technology schools.

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Correction of an Error:

During fiscal year 2025, the below described discretely presented component units reported an error correction, as follows:

- 5280 High School: During the fiscal year ending June 30, 2025, it was determined that the School incorrectly reported capital asset balances and incorrectly recorded a number of transactions in 2024 within cash, accrued liabilities, accounts payable, accounts receivable and revenue.
- Academy 360: During the fiscal year ending June 30, 2025, it was determined that the School received and recorded grant revenues in the amount of \$51,590 in error. This resulted in adjustments to and restatements of beginning net position. The auditor's report for fiscal year ending June 30, 2025 included a going concern emphasis of a matter.
- Colorado High School Charter: During the fiscal year ending June 30, 2025, it was determined there was required adjustments relate to a decrease of \$104,570 for student count adjustments identified by DPS and an increase of \$15,068 to properly record matching of expense and grant revenue reimbursements.
- University Preparatory Schools: In FY25, it was determined that one of the school's campuses was not a DPS school resulting in a restatement of beginning net position.

Adoption of New Accounting Standard:

- Girls Athletic Leadership Schools and Omar D. Blair Charter School implemented GASB Statement No. 101, *Compensated Absences*, effective July 1, 2024. This Statement establishes specific criteria for identifying activities that should be reported as compensated absences. As a result, net position was restated to reflect the cumulative effect of adopting this standard.

Beginning net position for all discretely-presented component units in the aggregate differs with ending net position from the prior report as follows:

	Beginning Net position as reported	Correction of error	Change in Accounting Principal	Beginning Net position as restated
Accounting changes and Correction of Errors				
5280 High School	\$ 1,745,400	\$ (1,448,197)	\$ -	\$ 297,203
Girls Athletic Leadership School	441,654	-	(62,672)	441,654
Academy 360 Charter School	820,291	(51,590)	-	768,701
Colorado High School Charter	12,370,609	(89,502)	-	12,281,107
Omar D Blair Charter School	5,604,778		(190,907)	5,413,871
University Preparatory Schools	\$ 2,562,874	\$ 909,159	\$ -	\$ 3,472,033
Ending net position for component units in the aggregate	<u>\$ 145,086,937</u>	<u>\$ (680,130)</u>	<u>\$ (253,579)</u>	<u>\$ 144,153,228</u>



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	Denver Public Schools Foundation	5280 High School	Academy 360 Charter School	Academy of Urban Learning	Colorado High School Charter
ASSETS					
Assets:					
Cash and cash equivalents	\$ 245,190	\$ 475,442	\$ 575,544	\$ 1,926,941	\$ 6,922,196
Investments	9,582,217	-	-	-	-
Deposits	-	-	-	-	-
Receivables:					
Accounts	-	274,288	104,337	72,827	39,347
Grants	-	-	-	-	-
Other	3,034,227	-	-	-	-
Inventory	-	-	-	-	-
Prepaid items	15,000	28,102	44,215	23,931	47,989
Restricted cash	101,471	-	-	-	-
Capital assets, net	-	1,716,203	528,775	28,001	4,408,789
Capital Assets, Not Depreciated	-	899,312	-	-	-
Leases and Software assets, net	-	872,017	2,211,887	-	-
OPEB Asset	-	45,486	53,648	41,996	89,241
Total assets	<u>12,978,105</u>	<u>4,310,850</u>	<u>3,518,406</u>	<u>2,093,696</u>	<u>11,507,562</u>
Deferred Outflows of Resources					
Related to pensions	-	568,752	632,694	538,102	943,001
Related to OPEB	-	24,117	23,616	22,975	32,800
Loss on deferred charges	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>592,869</u>	<u>656,310</u>	<u>561,077</u>	<u>975,801</u>
LIABILITIES					
Liabilities:					
Accounts payable	33,547	201,954	39,447	10,385	19,385
Grants payable	1,149,724	-	-	-	-
Accrued interest	-	17,759	-	-	4,705
Accrued payroll	-	113,440	222,929	161,527	327,351
Compensated absences	-	-	-	-	70,681
Other liabilities	416,073	-	-	-	-
Accrued liabilities	-	-	-	-	-
Unearned revenue	-	429,698	40,000	169,867	17,746
Noncurrent liabilities:					
Due within one year	-	1,966,867	358,329	-	44,890
Due in more than one year	-	891,681	1,792,311	-	1,330,591
Pension liabilities	-	944,758	1,113,816	872,238	1,853,560
Total liabilities	<u>1,599,344</u>	<u>4,566,157</u>	<u>3,566,832</u>	<u>1,214,017</u>	<u>3,668,909</u>
Deferred Inflows of Resources					
Related to pensions	-	-	19,480	91,483	123,338
Inflows Related to OPEB	-	28,811	33,686	65,897	56,095
Inflows Related to leases	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>28,811</u>	<u>53,166</u>	<u>157,380</u>	<u>179,433</u>
NET POSITION					
Net investment in capital assets	-	628,984	590,022	28,001	3,033,308
Restricted for:					
Debt service	-	-	-	-	-
Capital projects	-	-	-	-	-
Donor-designated purposes	5,156,026	-	-	-	-
Multi Year Obligations	-	-	-	-	129,633
Capital Construction	-	-	-	27,797	-
Emergency reserve	-	95,859	118,415	102,000	250,970
OPEB Asset	-	45,486	-	-	-
Unrestricted (deficit)	6,222,735	(461,578)	(153,719)	1,125,578	5,221,110
Total net position	<u>\$ 11,378,761</u>	<u>\$ 308,751</u>	<u>\$ 554,718</u>	<u>\$ 1,283,376</u>	<u>\$ 8,635,021</u>

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	Compass Academy	Denver Justice High School	Denver Language School	Downtown Denver Expeditionary School	DSST Public Schools
ASSETS					
Assets:					
Cash and cash equivalents	\$ 2,947,964	\$ 1,985,904	\$ 4,901,140	\$ 2,413,448	\$ 17,496,537
Investments	-	-	-	-	-
Deposits	-	-	-	-	-
Receivables:					
Accounts	44,923	-	20,429	57,983	43,458,561
Grants	-	87,260	-	-	-
Other	-	5,433	-	-	542,678
Inventory	-	-	-	-	-
Prepaid items	25,870	-	204,480	28,955	244,923
Restricted cash	-	-	-	-	1,898,185
Capital assets, net	65,410	179,154	982,347	166,265	34,069,505
Capital Assets, Not Depreciated	-	-	-	-	-
Leases and Software assets, net	-	-	173,546	-	4,300,837
OPEB Asset	53,241	27,732	145,141	60,607	-
Total assets	<u>3,137,408</u>	<u>2,285,483</u>	<u>6,427,083</u>	<u>2,727,258</u>	<u>102,011,226</u>
Deferred Outflows of Resources					
Related to pensions	720,112	315,013	1,809,813	732,231	-
Related to OPEB	13,155	11,708	50,482	15,699	-
Loss on deferred charges	-	-	-	-	-
Total deferred outflows of resources	<u>733,267</u>	<u>326,721</u>	<u>1,860,295</u>	<u>747,930</u>	<u>-</u>
LIABILITIES					
Liabilities:					
Accounts payable	25,211	54,890	65,133	3,238	1,132,783
Grants payable	-	-	-	-	-
Accrued interest	-	-	-	-	-
Accrued payroll	162,313	71,630	519,571	174,098	7,590,036
Compensated absences	-	-	-	-	-
Other liabilities	-	-	-	-	-
Accrued liabilities	1,289	-	-	-	-
Unearned revenue	30,000	-	56,690	-	-
Noncurrent liabilities:					
Due within one year	6,881	178,082	40,325	-	884,246
Due in more than one year	12,198	-	109,596	-	21,580,959
Pension liabilities	1,105,819	576,000	3,013,624	1,258,822	-
Total liabilities	<u>1,343,711</u>	<u>880,602</u>	<u>3,804,939</u>	<u>1,436,158</u>	<u>31,188,024</u>
Deferred Inflows of Resources					
Related to pensions	120,406	47,704	419,004	165,599	-
Inflows Related to OPEB	46,940	19,648	92,293	42,941	-
Inflows Related to leases	-	-	-	-	-
Total deferred inflows of resources	<u>167,346</u>	<u>67,352</u>	<u>511,297</u>	<u>208,540</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	46,331	1,072	1,005,972	166,265	15,905,137
Restricted for:					
Debt service	-	-	-	-	931,300
Capital projects	-	-	-	-	396,060
Donor-designated purposes	-	-	-	-	-
Multi Year Obligations	-	-	-	-	-
Capital Construction	-	-	59,944	50,710	-
Emergency reserve	124,600	71,144	450,917	137,000	3,858,161
OPEB Asset	53,241	-	-	-	-
Unrestricted (deficit)	2,135,446	1,592,034	2,454,309	1,476,515	49,732,544
Total net position	<u>\$ 2,359,618</u>	<u>\$ 1,664,250</u>	<u>\$ 3,971,142</u>	<u>\$ 1,830,490</u>	<u>\$ 70,823,202</u>

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	French American School	Girls Athletic Leadership Schools	Highline Academy Schools	KIPP Colorado Schools	Monarch Montessori of Denver Charter
ASSETS					
Assets:					
Cash and cash equivalents	\$ 614,087	\$ 1,663,545	\$ 8,253,684	\$ 18,804,019	\$ 1,990,435
Investments	-	-	-	-	-
Deposits	24,000	-	104,280	-	-
Receivables:					
Accounts	3,276	-	94,883	-	48,731
Grants	-	32,741	-	433,516	-
Other	-	-	-	-	-
Inventory	-	-	29,373	-	-
Prepaid items	49,239	6,293	60,202	41,054	67,520
Restricted cash	-	26,095	1,729,409	-	294,893
Capital assets, net	152,276	19,008	10,333,058	4,624	7,880,521
Capital Assets, Not Depreciated	-	-	2,300,000	-	1,135,000
Leases and Software assets, net	1,358,280	-	105,696	401,762	923,903
OPEB Asset	20,895	74,595	226,078	594,280	53,779
Total assets	<u>2,222,053</u>	<u>1,822,277</u>	<u>23,236,663</u>	<u>20,279,255</u>	<u>12,394,782</u>
Deferred Outflows of Resources					
Related to pensions	278,859	833,310	2,708,099	6,954,742	644,566
Related to OPEB	17,214	16,526	87,599	224,291	15,144
Loss on deferred charges	-	-	367,828	-	-
Total deferred outflows of resources	<u>296,073</u>	<u>849,836</u>	<u>3,163,526</u>	<u>7,179,033</u>	<u>659,710</u>
LIABILITIES					
Liabilities:					
Accounts payable	3,870	197,783	370,249	965,866	57,631
Grants payable	-	-	-	-	-
Accrued interest	-	-	68,723	-	-
Accrued payroll	112,120	167,067	628,065	-	223,843
Compensated absences	-	-	-	-	-
Other liabilities	-	-	-	-	-
Accrued liabilities	-	-	-	978,109	-
Unearned revenue	-	-	29,445	201,600	43,688
Noncurrent liabilities:					
Due within one year	223,985	2,174	174,495	149,876	100,817
Due in more than one year	1,397,088	73,015	15,574,303	238,308	8,059,951
Pension liabilities	433,981	1,549,365	4,695,684	12,344,877	1,117,012
Total liabilities	<u>2,171,044</u>	<u>1,989,404</u>	<u>21,540,964</u>	<u>14,878,636</u>	<u>9,602,942</u>
Deferred Inflows of Resources					
Related to pensions	5,069	175,480	410,259	812,921	60,633
Inflows Related to OPEB	13,115	66,843	142,602	382,953	36,401
Inflows Related to leases	-	-	-	-	923,903
Total deferred inflows of resources	<u>18,184</u>	<u>242,323</u>	<u>552,861</u>	<u>1,195,874</u>	<u>1,020,937</u>
NET POSITION					
Net investment in capital assets	(110,517)	231,764	(2,642,216)	18,202	854,753
Restricted for:					
Debt service	-	-	1,407,404	-	294,921
Capital projects	-	-	-	-	-
Donor-designated purposes	-	-	-	-	-
Multi Year Obligations	-	103,206	-	-	-
Capital Construction	-	-	131,266	729,194	-
Emergency reserve	97,399	167,383	615,747	1,420,328	161,880
OPEB Asset	-	-	-	-	-
Unrestricted (deficit)	342,016	(61,967)	4,794,163	9,216,054	1,119,059
Total net position	<u>\$ 328,898</u>	<u>\$ 440,386</u>	<u>\$ 4,306,364</u>	<u>\$ 11,383,778</u>	<u>\$ 2,430,613</u>

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	Odyssey School of Denver	Omar D. Blair Charter School	RiseUp Community School	SOAR Charter School	STRIVE Preparatory Schools dba Rocky Mountain Prep
ASSETS					
Assets:					
Cash and cash equivalents	\$ 1,656,711	\$ 8,700,264	\$ 875,536	\$ 6,435,730	\$ 28,041,259
Investments	-	-	-	-	-
Deposits	-	-	10,000	-	-
Receivables:					
Accounts	-	-	127,031	7,905	10,417
Grants	20,950	15,798	-	-	840,183
Other	1,323	-	-	-	175,238
Inventory	2,596	-	-	-	-
Prepaid items	6,768	42,881	16,682	39,301	714,575
Restricted cash	-	-	-	-	-
Capital assets, net	184,156	600,201	80,840	-	1,657,258
Capital Assets, Not Depreciated	-	-	-	-	3,959,495
Leases and Software assets, net	-	-	325,234	-	823,463
OPEB Asset	63,687	133,433	32,915	99,622	969,288
Total assets	<u>1,936,191</u>	<u>9,492,577</u>	<u>1,468,238</u>	<u>6,582,558</u>	<u>37,191,176</u>
Deferred Outflows of Resources					
Related to pensions	749,147	1,583,923	413,856	1,193,897	11,221,130
Related to OPEB	28,027	46,013	9,245	40,205	323,335
Loss on deferred charges	-	-	-	-	-
Total deferred outflows of resources	<u>777,174</u>	<u>1,629,936</u>	<u>423,101</u>	<u>1,234,102</u>	<u>11,544,465</u>
LIABILITIES					
Liabilities:					
Accounts payable	17,198	224,882	51,319	38,707	2,708,097
Grants payable	-	-	-	-	-
Accrued interest	-	-	-	-	-
Accrued payroll	-	684,589	-	413,233	-
Compensated absences	-	-	-	-	-
Other liabilities	-	-	-	-	-
Accrued liabilities	-	-	-	-	1,829,931
Unearned revenue	-	-	37,653	104,000	-
Noncurrent liabilities:					
Due within one year	11,972	19,698	231,515	-	408,601
Due in more than one year	21,226	220,960	253,255	-	483,978
Pension liabilities	1,322,798	2,771,437	683,650	2,069,184	20,132,382
Total liabilities	<u>1,373,194</u>	<u>3,921,566</u>	<u>1,257,392</u>	<u>2,625,124</u>	<u>25,562,989</u>
Deferred Inflows of Resources					
Related to pensions	33,654	158,528	91,592	102,646	3,694,408
Inflows Related to OPEB	39,974	83,793	48,082	63,067	730,730
Inflows Related to leases	-	-	-	-	-
Total deferred inflows of resources	<u>73,628</u>	<u>242,321</u>	<u>139,674</u>	<u>165,713</u>	<u>4,425,138</u>
NET POSITION					
Net investment in capital assets	150,958	552,814	(78,696)	-	5,547,637
Restricted for:					
Debt service	-	-	-	-	-
Capital projects	-	-	-	-	-
Donor-designated purposes	-	-	-	-	-
Multi Year Obligations	-	-	-	-	-
Capital Construction	64,414	-	-	-	1,968,353
Emergency reserve	158,000	406,000	58,000	251,000	2,470,946
OPEB Asset	-	-	-	-	-
Unrestricted (deficit)	893,171	5,999,812	514,969	4,774,823	8,760,578
Total net position	<u>\$ 1,266,543</u>	<u>\$ 6,958,626</u>	<u>\$ 494,273</u>	<u>\$ 5,025,823</u>	<u>\$ 18,747,514</u>

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	University Preparatory Schools	Wyatt Academy	Total
ASSETS			
Assets:			
Cash and cash equivalents	\$ 2,889,049	\$ 2,696,015	\$ 122,510,640
Investments	-	-	9,582,217
Deposits	723	-	139,003
Receivables:			
Accounts	9,660	-	44,374,598
Grants	9,905	39,744	1,480,097
Other	19,549	-	3,778,448
Inventory	48,870	-	80,839
Prepaid items	42,321	5,375	1,755,676
Restricted cash	-	-	4,050,053
Capital assets, net	705,545	1,323,570	65,085,506
Capital Assets, Not Depreciated	-	-	8,293,807
Leases and Software assets, net	-	-	11,496,625
OPEB Asset	139,831	45,609	2,971,104
Total assets	<u>3,865,453</u>	<u>4,110,313</u>	<u>275,598,613</u>
Deferred Outflows of Resources			
Related to pensions	2,522,978	586,534	35,950,759
Related to OPEB	40,076	15,283	1,057,510
Loss on deferred charges	-	-	367,828
Total deferred outflows of resources	<u>2,563,054</u>	<u>601,817</u>	<u>37,376,097</u>
LIABILITIES			
Liabilities:			
Accounts payable	125,023	116,225	6,462,823
Grants payable	-	-	1,149,724
Accrued interest	-	-	91,187
Accrued payroll	-	190,965	11,762,777
Compensated absences	-	-	70,681
Other liabilities	-	-	416,073
Accrued liabilities	66,361	65,782	2,941,472
Unearned revenue	-	-	1,160,387
Noncurrent liabilities:			
Due within one year	-	21,109	4,823,862
Due in more than one year	-	59,400	52,098,820
Pension liabilities	2,904,319	947,315	61,710,641
Total liabilities	<u>3,095,703</u>	<u>1,400,796</u>	<u>142,688,447</u>
Deferred Inflows of Resources			
Related to pensions	11,863	38,751	6,582,818
Inflows Related to OPEB	88,127	39,502	2,121,500
Inflows Related to leases	-	-	923,903
Total deferred inflows of resources	<u>99,990</u>	<u>78,253</u>	<u>9,628,221</u>
NET POSITION			
Net investment in capital assets	705,545	1,243,061	27,878,397
Restricted for:			
Debt service	-	-	2,633,625
Capital projects	-	-	396,060
Donor-designated purposes	-	-	5,156,026
Multi Year Obligations	-	-	232,839
Capital Construction	269,489	-	3,301,167
Emergency reserve	382,931	138,000	11,536,680
OPEB Asset	-	45,609	144,336
Unrestricted (deficit)	1,874,849	1,806,411	109,378,912
Total net position	<u>\$ 3,232,814</u>	<u>\$ 3,233,081</u>	<u>\$ 160,658,042</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2025

	Denver Public Schools Foundation	5280 High School	Academy 360 Charter School	Academy of Urban Learning	Colorado High School Charter
Expenses:					
Instruction	\$ -	\$ 2,318,459	\$ 2,516,511	\$ 2,016,326	\$ 3,268,618
Supporting services	-	982,676	1,594,484	1,614,375	4,147,277
Interest	-	228,265	26,026	-	58,622
Program services	5,602,106	-	-	-	-
Fundraising	831,150	-	-	-	-
Management and general	1,032,692	-	-	-	-
Total expenses	<u>7,465,948</u>	<u>3,529,400</u>	<u>4,137,021</u>	<u>3,630,701</u>	<u>7,474,517</u>
Program revenues:					
Operating grants and contributions	4,483,523	1,510,945	994,728	570,073	645,628
Capital grants and contributions	-	35,353	53,223	31,300	153,815
Charges for services	-	-	-	-	-
Total program revenues	<u>4,483,523</u>	<u>1,546,298</u>	<u>1,047,951</u>	<u>601,373</u>	<u>799,443</u>
Net program expense	<u>(2,982,425)</u>	<u>(1,983,102)</u>	<u>(3,089,070)</u>	<u>(3,029,328)</u>	<u>(6,675,074)</u>
General revenues:					
Per pupil revenue	-	1,218,987	1,962,860	1,870,077	4,836,916
Capital construction funding	-	-	-	-	-
Property tax mill levy override	-	664,010	677,307	1,069,951	2,814,673
Investment earnings	694,255	-	-	-	-
Interest income	-	15	19,686	47,277	288,299
Unrestricted grants and contributions	2,606,868	-	-	-	-
At-risk supplemental aid	-	-	-	-	-
Other	-	111,638	215,234	55,627	58,012
Transfers to/from Denver Public Schools	112,500	-	-	-	-
Total general revenues	<u>3,413,623</u>	<u>1,994,650</u>	<u>2,875,087</u>	<u>3,042,932</u>	<u>7,997,900</u>
Change in net position	431,198	11,548	(213,983)	13,604	1,322,826
Net position (deficit) - beginning	10,947,563	1,745,400	820,291	1,269,772	7,401,697
Restatements	-	(1,448,197)	(51,590)	-	(89,502)
Net position (deficit) - beginning, as restated	10,947,563	297,203	768,701	1,269,772	7,312,195
Net position (deficit) - ending	<u>\$ 11,378,761</u>	<u>\$ 308,751</u>	<u>\$ 554,718</u>	<u>\$ 1,283,376</u>	<u>\$ 8,635,021</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2025

	Compass Academy	Denver Justice High School	Denver Language School	Downtown Denver Expeditionary School	DSST Public Schools
Expenses:					
Instruction	\$ 1,822,759	\$ 884,922	\$ 8,219,808	\$ 2,346,059	\$ 63,779,054
Supporting services	2,206,260	1,433,279	5,281,125	2,311,749	55,062,494
Interest	-	-	-	-	-
Program services	-	-	-	-	-
Fundraising	-	-	-	-	-
Management and general	-	-	-	-	-
Total expenses	<u>4,029,019</u>	<u>2,318,201</u>	<u>13,500,933</u>	<u>4,657,808</u>	<u>118,841,548</u>
Program revenues:					
Operating grants and contributions	958,360	209,570	622,408	738,790	14,627,017
Capital grants and contributions	-	41,180	174,528	50,710	-
Charges for services	2,314	14,737	762,436	482,058	801,408
Total program revenues	<u>960,674</u>	<u>265,487</u>	<u>1,559,372</u>	<u>1,271,558</u>	<u>15,428,425</u>
Net program expense	<u>(3,068,345)</u>	<u>(2,052,714)</u>	<u>(11,941,561)</u>	<u>(3,386,250)</u>	<u>(103,413,123)</u>
General revenues:					
Per pupil revenue	2,424,599	1,278,582	10,293,958	2,938,653	78,441,006
Capital construction funding	38,849	-	-	-	-
Property tax mill levy override	747,180	735,677	2,525,606	765,191	24,174,902
Investment earnings	109,526	1,301	-	32,009	-
Interest income	-	-	174,985	-	842,681
Unrestricted grants and contributions	-	-	85,234	35,603	3,658,083
At-risk supplemental aid	2,311	-	-	-	-
Other	8,209	52,447	32,319	319,745	39,300
Transfers to/from Denver Public Schools	-	-	-	-	-
Total general revenues	<u>3,330,674</u>	<u>2,068,007</u>	<u>13,112,102</u>	<u>4,091,201</u>	<u>107,155,972</u>
Change in net position	<u>262,329</u>	<u>15,293</u>	<u>1,170,541</u>	<u>704,951</u>	<u>3,742,849</u>
Net position (deficit) - beginning	2,097,289	1,648,957	2,800,601	1,125,539	67,080,353
Restatements	-	-	-	-	-
Net position (deficit) - beginning, as restated	<u>2,097,289</u>	<u>1,648,957</u>	<u>2,800,601</u>	<u>1,125,539</u>	<u>67,080,353</u>
Net position (deficit) - ending	<u>\$ 2,359,618</u>	<u>\$ 1,664,250</u>	<u>\$ 3,971,142</u>	<u>\$ 1,830,490</u>	<u>\$ 70,823,202</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2025

	French American School	Girls Athletic Leadership Schools	Highline Academy Schools	KIPP Colorado Schools	Monarch Montessori of Denver Charter
Expenses:					
Instruction	\$ 1,734,932	\$ 2,961,777	\$ 12,948,084	\$ 25,629,228	\$ 2,851,468
Supporting services	1,672,572	2,697,494	7,159,158	20,880,381	2,353,139
Interest	86,331	208	888,612	-	404,046
Program services	-	-	-	-	-
Fundraising	-	-	-	-	-
Management and general	-	-	-	-	-
Total expenses	<u>3,493,835</u>	<u>5,659,479</u>	<u>20,995,854</u>	<u>46,509,609</u>	<u>5,608,653</u>
Program revenues:					
Operating grants and contributions	191,637	657,525	1,649,635	1,739,653	353,296
Capital grants and contributions	73,424	57,108	306,907	-	95,957
Charges for services	-	686,520	100,032	188,892	14,569
Total program revenues	<u>265,061</u>	<u>1,401,153</u>	<u>2,056,574</u>	<u>1,928,545</u>	<u>463,822</u>
Net program expense	<u>(3,228,774)</u>	<u>(4,258,326)</u>	<u>(18,939,280)</u>	<u>(44,581,064)</u>	<u>(5,144,831)</u>
General revenues:					
Per pupil revenue	2,540,885	3,157,118	12,987,071	27,919,840	3,327,587
Capital construction funding	-	-	-	-	-
Property tax mill levy override	624,184	844,221	4,036,070	9,149,673	1,052,538
Investment earnings	-	41,280	-	989,371	-
Interest income	4,897	-	390,012	-	622,023
Unrestricted grants and contributions	-	243,361	-	4,778,011	-
At-risk supplemental aid	-	-	-	-	-
Other	167,759	33,750	2,561,877	454,929	405,705
Transfers to/from Denver Public Schools	-	-	-	-	-
Total general revenues	<u>3,337,725</u>	<u>4,319,730</u>	<u>19,975,030</u>	<u>43,291,824</u>	<u>5,407,853</u>
Change in net position	<u>108,951</u>	<u>61,404</u>	<u>1,035,750</u>	<u>(1,289,240)</u>	<u>263,022</u>
Net position (deficit) - beginning	219,947	441,654	3,270,614	12,673,018	2,167,591
Restatements	-	(62,672)	-	-	-
Net position (deficit) - beginning, as restated	<u>219,947</u>	<u>378,982</u>	<u>3,270,614</u>	<u>12,673,018</u>	<u>2,167,591</u>
Net position (deficit) - ending	<u>\$ 328,898</u>	<u>\$ 440,386</u>	<u>\$ 4,306,364</u>	<u>\$ 11,383,778</u>	<u>\$ 2,430,613</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2025

	Odyssey School of Denver	Omar D. Blair Charter School	RiseUp Community School	SOAR Charter School	STRIVE Preparatory Schools dba Rocky Mountain Prep
Expenses:					
Instruction	\$ 3,142,240	\$ 7,224,446	\$ 1,092,261	\$ 4,593,198	\$ 46,444,583
Supporting services	1,896,573	5,194,191	2,158,155	3,850,644	35,649,302
Interest	2,230	3,307	-	-	70,137
Program services	-	-	-	-	-
Fundraising	-	-	-	-	-
Management and general	-	-	-	-	-
Total expenses	<u>5,041,043</u>	<u>12,421,944</u>	<u>3,250,416</u>	<u>8,443,842</u>	<u>82,164,022</u>
Program revenues:					
Operating grants and contributions	458,211	1,002,361	949,379	457,335	5,576,576
Capital grants and contributions	59,147	145,295	33,189	76,386	-
Charges for services	54,777	56,871	-	25,142	-
Total program revenues	<u>572,135</u>	<u>1,204,527</u>	<u>982,568</u>	<u>558,863</u>	<u>5,576,576</u>
Net program expense	<u>(4,468,908)</u>	<u>(11,217,417)</u>	<u>(2,267,848)</u>	<u>(7,884,979)</u>	<u>(76,587,446)</u>
General revenues:					
Per pupil revenue	3,742,485	9,203,217	1,169,415	5,877,419	55,445,254
Capital construction funding	-	-	-	-	-
Property tax mill levy override	876,703	2,818,223	673,242	1,749,628	17,129,790
Investment earnings	66,445	125,445	-	192,940	779,998
Interest income	-	-	-	-	-
Unrestricted grants and contributions	90	18,232	19,336	58,523	2,315,395
At-risk supplemental aid	-	-	-	-	-
Other	35,559	597,055	44,685	504,426	7,293,914
Transfers to/from Denver Public Schools	-	-	-	-	-
Total general revenues	<u>4,721,282</u>	<u>12,762,172</u>	<u>1,906,678</u>	<u>8,382,936</u>	<u>82,964,351</u>
Change in net position	<u>252,374</u>	<u>1,544,755</u>	<u>(361,170)</u>	<u>497,957</u>	<u>6,376,905</u>
Net position (deficit) - beginning	1,014,169	5,604,778	855,443	4,527,866	12,370,609
Restatements	-	(190,907)	-	-	-
Net position (deficit) - beginning, as restated	<u>1,014,169</u>	<u>5,413,871</u>	<u>855,443</u>	<u>4,527,866</u>	<u>12,370,609</u>
Net position (deficit) - ending	<u>\$ 1,266,543</u>	<u>\$ 6,958,626</u>	<u>\$ 494,273</u>	<u>\$ 5,025,823</u>	<u>\$ 18,747,514</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2025

	University Preparatory Schools	Wyatt Academy	Total
Expenses:			
Instruction	\$ 5,423,576	\$ 2,183,652	\$ 203,401,961
Supporting services	5,550,229	1,787,010	165,482,567
Interest	-	5,031	1,772,815
Program services	-	-	5,602,106
Fundraising	-	-	831,150
Management and general	-	-	1,032,692
Total expenses	<u>10,973,805</u>	<u>3,975,693</u>	<u>378,123,291</u>
Program revenues:			
Operating grants and contributions	954,472	347,817	39,698,939
Capital grants and contributions	-	-	1,387,522
Charges for services	77,062	505	3,267,323
Total program revenues	<u>1,031,534</u>	<u>348,322</u>	<u>44,353,784</u>
Net program expense	<u>(9,942,271)</u>	<u>(3,627,371)</u>	<u>(333,769,507)</u>
General revenues:			
Per pupil revenue	7,783,158	2,800,979	241,220,066
Capital construction funding	-	79,640	118,489
Property tax mill levy override	2,623,574	962,917	76,715,260
Investment earnings	-	-	3,032,570
Interest income	95,402	79,713	2,564,990
Unrestricted grants and contributions	-	52,096	13,870,832
At-risk supplemental aid	-	102,919	105,230
Other	165,150	341,276	13,498,616
Transfers to/from Denver Public Schools	<u>(964,232)</u>	<u>-</u>	<u>(851,732)</u>
Total general revenues	<u>9,703,052</u>	<u>4,419,540</u>	<u>350,274,321</u>
Change in net position	<u>(239,219)</u>	<u>792,169</u>	<u>16,504,814</u>
Net position (deficit) - beginning	2,562,874	2,440,912	145,086,937
Restatements	909,159	-	(933,709)
Net position (deficit) - beginning, as restated	<u>3,472,033</u>	<u>2,440,912</u>	<u>144,153,228</u>
Net position (deficit) - ending	<u>\$ 3,232,814</u>	<u>\$ 3,233,081</u>	<u>\$ 160,658,042</u>



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SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2025

16. Accounting Changes

Adoption of Accounting Principles

GASB Statement No. 101, Compensated Absences. This statement updates the recognition and measurement guidance for compensated absences under a unified model. Specifically, the new standard clarifies that a liability should be recorded for compensated absences that are more likely than not to be paid or otherwise settled. Additionally, it amends certain existing disclosure requirements. The District adopted this standard on June 30, 2025, and applied it retrospectively to the earliest period presented. There was no effect on beginning net position as of July 1, 2024.

Changes within the Financial Reporting Entity

Due to the decreased amount of federal funding, Denver Public Schools decided that the Grants Special Revenue Fund should be reported as a non-major governmental fund, as it does not meet the quantitative threshold required for such reporting. The Grants special revenue fund was previously reported as a major governmental fund. The effect of the change within the financial reporting entity is summarized below in the "Adjustment-Grants Special Revenue Fund as non-major fund" column in the following table.

	<u>Net Position/fund balance 6/30/2024 as previously reported</u>	<u>Adjustment - Grants Special Revenue Fund as Non-Major Fund</u>	<u>Net Position/fund balance 6/30/2024 as restated/adjusted</u>
Government Wide			
Governmental Activities	\$ (357,460,883)	\$ -	\$ (357,460,883)
Total Government Wide	\$ (357,460,883)	\$ -	\$ (357,460,883)
Governmental Funds			
Major Funds:			
General Fund	\$ 169,362,066	\$ -	\$ 169,362,066
Grants Special Revenue	28,527,637	(28,527,637)	-
Bond Redemption	274,168,040	-	274,168,040
Building Fund	459,451,100	-	459,451,100
Non-Major	16,500,524	28,527,637	45,028,161
Total Governmental Funds	\$ 948,009,367	\$ -	\$ 948,009,367
Fiduciary Funds			
Private Purpose Trust	\$ 1,123,084	\$ -	\$ 1,123,084
Total Fiduciary Funds	\$ 1,123,084	\$ -	\$ 1,123,084

17. Subsequent Events

On August 27, 2025 the District received approval from the DPS Board of Education to purchase two parking lots located at 1935 Sherman Street and 1963 Sherman Street.

On August 27, 2025 the District presented for approval, to the DPS Board of Education, a tentative 3-year agreement with the Colorado Federation of School Safety Professionals (CFSSP), Denver Federation for Paraprofessionals & Nutrition Service Employees (DFPNSE-FOOD), Denver Federation for Paraprofessionals & Nutrition Service Employees (DFPNSE-PARA/CSO), Amalgamated Transit Union (ATU), Communication Workers of America (CWA), Facility Managers Association (FMA), and Vocational Teachers Federation (VTF).

On September 4, 2025 the District presented for approval, to the DPS Board of Education, a tentative 2025-2028 agreement with the Denver Classroom Teachers Association (DCTA).

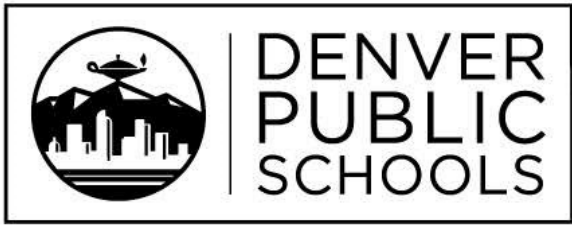
On September 18, 2025 the District presented for approval, to the DPS Board of Education, a tentative 3-year agreement with the Denver Association of Educational Office Professionals (DAEOP).

On October 6, 2025 the District purchased a building located at 10700 E 45th Ave, Denver 80239. The building will be utilized as food cold storage and administrative staff of the Food Services department will be headquartered here.

Recent changes in federal funding priorities and policies, as well as continued inflation, are expected to impact the economy and federally funded programs for school districts. The Board of Education, management, and Colorado Department of Education are monitoring and responding to these conditions, but the full effect on the District's financial position cannot be reasonably determined at this time.



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REQUIRED SUPPLEMENTARY INFORMATION

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 968,843	\$ 982,776	\$ 962,692	\$ (20,084)
State sources	372,498	395,291	404,866	9,575
Federal sources	1,042	1,294	1,384	90
Local sources	50,881	61,064	107,497	46,433
Total revenues	<u>1,393,264</u>	<u>1,440,425</u>	<u>1,476,439</u>	<u>36,014</u>
EXPENDITURES				
Employee Salaries	706,424	710,172	737,503	(27,331)
Employee Benefits	147,903	137,190	150,234	(13,044)
Charter school*	258,024	266,236	306,589	(40,353)
Supplies and Materials	68,234	75,839	63,140	12,699
Purchased Services	78,392	97,304	98,223	(919)
Property	26,814	8,710	5,916	2,794
Other Expenses	81,653	50,406	9,540	40,866
Debt Service Principal	-	33,320	33,320	-
Debt Service Interest	38,899	38,899	38,899	-
Appropriated Reserves	124,984	139,512	-	139,512
Unappropriated reserves	25,520	36,668	-	36,668
Total expenditures	<u>1,556,847</u>	<u>1,594,256</u>	<u>1,443,364</u>	<u>150,892</u>
Excess (deficiency) of revenues over expenditures	<u>(163,583)</u>	<u>(153,831)</u>	<u>33,075</u>	<u>186,906</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(10,549)	(15,532)	(15,163)	369
Issuance of leases	21,000	-	130	130
Total other financing sources (uses)	<u>10,451</u>	<u>(15,532)</u>	<u>(15,033)</u>	<u>499</u>
Net change in fund balance	<u>(153,132)</u>	<u>(169,363)</u>	<u>18,042</u>	<u>187,405</u>
Beginning fund balance	<u>153,132</u>	<u>169,363</u>	<u>169,363</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,405</u>	<u>\$ 187,405</u>

* The Charter School expense is presented net of Charges for Services to Charter Schools as presented in the Fund Financial Statements to align with the budget presentation.



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SCHOOL DISTRICT NO. 1
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DPS DIVISION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30

	2025	2024	2023	2022	2021
Total pension liability					
Service cost at end of year	\$ 125,048,000	\$ 113,314,000	\$ 113,836,000	\$ 107,672,000	\$ 93,058,000
Interest	360,103,000	345,494,000	333,769,000	326,361,000	309,174,000
Changes of benefit terms	-	-	-	(89,028,000)	-
Difference between expected and actual experience	75,087,000	34,752,000	15,514,000	46,732,000	(15,298,000)
Changes of assumptions or other inputs	63,256,000	-	-	-	125,275,000
Benefit payments, including refunds of active member contributions and disability premiums	<u>(305,494,000)</u>	<u>(302,075,000)</u>	<u>(299,660,000)</u>	<u>(291,799,000)</u>	<u>(287,719,000)</u>
Net change in total pension liability	<u>318,000,000</u>	<u>191,485,000</u>	<u>163,459,000</u>	<u>99,938,000</u>	<u>224,490,000</u>
Total pension liability - beginning	<u>4,994,642,000</u>	<u>4,803,157,000</u>	<u>4,639,698,000</u>	<u>4,539,760,000</u>	<u>4,315,270,000</u>
Total pension liability - ending (a)	<u>5,312,642,000</u>	<u>4,994,642,000</u>	<u>4,803,157,000</u>	<u>4,639,698,000</u>	<u>4,539,760,000</u>
Plan fiduciary net position					
Contributions - employer	105,863,000	87,487,000	74,199,000	65,215,000	56,245,000
Contributions - nonemployer	18,791,000	4,132,000	52,784,000	19,153,000	-
Contributions - active member (includes purchased service)	113,591,000	104,916,000	96,124,000	90,154,000	75,456,000
Net investment income (loss)	468,220,000	517,546,000	(619,265,000)	649,370,000	610,847,000
Benefit payments (includes refunds and disability premiums)	(305,494,000)	(302,075,000)	(299,660,000)	(291,799,000)	(287,719,000)
Administrative expense	(3,702,000)	(3,292,000)	(3,133,000)	(2,829,000)	(2,667,000)
Other additions and deductions	<u>1,963,000</u>	<u>2,796,000</u>	<u>652,000</u>	<u>(3,115,000)</u>	<u>(1,010,000)</u>
Net change in plan fiduciary net position	399,232,000	411,510,000	(698,299,000)	526,149,000	451,152,000
Plan fiduciary net position - beginning	<u>4,346,938,000</u>	<u>3,935,428,000</u>	<u>4,633,727,000</u>	<u>4,107,578,000</u>	<u>3,656,426,000</u>
Plan fiduciary net position - ending (b)	<u>4,746,170,000</u>	<u>4,346,938,000</u>	<u>3,935,428,000</u>	<u>4,633,727,000</u>	<u>4,107,578,000</u>
Collective net pension liability - ending (a)-(b)	<u>\$ 566,472,000</u>	<u>\$ 647,704,000</u>	<u>\$ 867,729,000</u>	<u>\$ 5,971,000</u>	<u>\$ 432,182,000</u>
Plan fiduciary net position as a percentage of the total pension liability	89.34%	87.03%	81.93%	99.87%	90.48%
The District's proportionate share of the net pension liability	\$ 419,370,334	\$ 419,370,334	\$ 439,145,019	\$ 4,035,111	\$ 395,426,442
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with DPS	\$ 74,437,495	\$ 25,435,591	\$ 312,455,572	\$ 1,167,079	\$ -
Discretely presented component units	\$ 61,710,641	\$ 80,733,615	\$ 67,851,476	\$ 580,771	\$ 54,487,558
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with discretely presented component units	\$ 10,953,530	\$ 3,818,945	\$ 48,276,933	\$ 188,039	\$ -
Covered payroll	888,094,000	894,245,000	810,403,000	823,396,000	771,347,000
District's net pension liability as a percentage of covered payroll	63.79%	72.43%	107.07%	0.73%	56.03%

The notes are an integral part of the Required Supplemental Information..

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30

	2020	2019	2018	2017	2016
Total pension liability					
Service cost at end of year	\$ 91,764,000	\$ 90,657,000	\$ 91,986,000	\$ 85,988,000	\$ 82,079,000
Interest	301,210,000	313,294,000	295,838,000	283,862,000	281,752,000
Changes of benefit terms	(82,064,000)	(318,480,000)	-	-	-
Difference between expected and actual experience	86,001,000	35,147,000	47,121,000	(2,839,000)	45,767,000
Changes of assumptions or other inputs	-	-	-	205,645,000	(113,772,000)
Benefit payments, including refunds of active member contributions and disability premiums	(288,984,000)	(287,825,000)	(281,844,000)	(272,071,000)	(263,323,000)
Net change in total pension liability	<u>107,927,000</u>	<u>(167,207,000)</u>	<u>153,101,000</u>	<u>300,585,000</u>	<u>32,503,000</u>
Total pension liability - beginning	<u>4,207,343,000</u>	<u>4,374,550,000</u>	<u>4,221,449,000</u>	<u>3,920,864,000</u>	<u>3,888,361,000</u>
Total pension liability - ending (a)	<u>4,315,270,000</u>	<u>4,207,343,000</u>	<u>4,374,550,000</u>	<u>4,221,449,000</u>	<u>3,920,864,000</u>
Plan fiduciary net position					
Contributions - employer	43,340,000	35,994,000	27,578,000	17,071,000	8,494,000
Contributions - nonemployer	19,201,000	18,621,000	56,820,000	54,852,000	53,558,000
Contributions - active member (includes purchased service)	65,496,000	61,098,000	-	-	-
Net investment income (loss)	632,669,000	(114,070,000)	548,585,000	218,415,000	49,172,000
Benefit payments (includes refunds and disability premiums)	(288,984,000)	(287,825,000)	(281,844,000)	(272,071,000)	(263,323,000)
Administrative expense	(2,713,000)	(2,919,000)	(2,857,000)	(2,754,000)	(2,599,000)
Other additions and deductions	<u>2,975,000</u>	<u>(4,497,000)</u>	<u>3,781,000</u>	<u>3,135,000</u>	<u>(1,764,000)</u>
Net change in plan fiduciary net position	471,984,000	(293,598,000)	352,063,000	18,648,000	(156,462,000)
Plan fiduciary net position - beginning	<u>3,184,442,000</u>	<u>3,478,040,000</u>	<u>3,125,977,000</u>	<u>3,107,329,000</u>	<u>3,263,791,000</u>
Plan fiduciary net position - ending (b)	<u>3,656,426,000</u>	<u>3,184,442,000</u>	<u>3,478,040,000</u>	<u>3,125,977,000</u>	<u>3,107,329,000</u>
Collective net pension liability - ending (a)-(b)	<u>\$ 658,844,000</u>	<u>\$ 1,022,901,000</u>	<u>\$ 896,510,000</u>	<u>\$ 1,095,472,000</u>	<u>\$ 813,535,000</u>
Plan fiduciary net position as a percentage of the total pension liability	84.73%	75.69%	79.51%	74.05%	79.25%
The District's proportionate share of the net pension liability	\$ 400,400,429	\$ 594,110,636	\$ -	\$ -	\$ -
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with DPS	\$ 177,449,057	\$ 307,805,513	-	-	-
Discretely presented component units	\$ 56,122,281	\$ 79,695,199	-	-	-
The State's proportionate share of the net pension liability as a component units	\$ 24,872,233	\$ 41,289,652	-	-	-
Covered payroll	736,264,000	722,040,000	658,198,000	642,177,000	621,115,000
District's net pension liability as a percentage of covered payroll	89.48%	141.67%	136.21%	170.59%	130.98%

Information above is presented as of the measurement date and include information for the reporting entity as a whole.

The notes are an integral part of the Required Supplemental Information.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30

	2025	2024	2023	2022	2021
Statutorily required contribution	\$ 105,863,486	\$ 87,487,000	\$ 74,199,000	\$ 66,121,676	\$ 62,056,740
Contributions in relation to the statutorily required contribution	105,863,486	87,487,000	74,199,000	66,121,676	62,056,740
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	949,270,060	935,260,723	838,837,781	830,670,252	787,919,015
Contributions as a percentage of covered payroll	11.15%	9.35%	8.85%	7.96%	7.88%

2024 and 2023 contributions include \$4.1 and \$52.8 million respectively from the special funding situation with the State of Colorado as a nonemployer contributing entity per SB 18-200.

Information above is presented as of the District's fiscal year end.

Notes to Schedule

	December 31, 2022	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Valuation date:	December 31, 2022	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Methods and assumptions used to determine contribution rates:					
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
	Level Percentage of	Level Percentage of	Level Percentage of	Level Percentage of	Level Percentage of
Amortization method	Payroll	Payroll	Payroll	Payroll	Payroll
Remaining amortization period	23 Years, Closed	30 Years, Open	30 Years, Open	30 Years, Open	30 Years, Open
Asset valuation method	4-year smoothed market	4-year smoothed market	4-year smoothed market	4-year smoothed market	4-year smoothed market
Inflation	2.30% annually	2.30% annually	2.30% annually	2.30% annually	2.30% annually
	3.80% - 11.50%	3.80% - 11.50%	3.80% - 11.50%	3.80% - 11.50%	3.80% - 11.50%
Salary increases	Inclusive of wage inflation	Inclusive of wage inflation	Inclusive of wage inflation	Inclusive of wage inflation	Inclusive of wage inflation
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure	1.00%	1.00%	1.00%	1.00%	1.25%
PERA benefit structure hired after 12/31/06	0.00% as financed by the AIR	0.00% as financed by the AIR	0.00% as financed by the AIR	0.00% as financed by the AIR	0.00% as financed by the AIR
Investment rate of return	7.25%	7.25%	7.25%	7.25%	7.25%

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The notes are an integral part of the Required Supplemental Information.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30

	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 70,421,044	\$ 57,730,581	\$ 31,585,070	\$ 21,625,469	\$ 12,672,704
Contributions in relation to the statutorily required contribution	70,421,044	57,730,581	31,585,070	21,625,469	12,672,704
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	759,247,080	725,751,189	677,633,712	649,296,499	626,445,854
Contributions as a percentage of covered payroll	9.28%	7.95%	4.66%	3.33%	2.02%

2020 and 2019 contributions include \$19.2 and \$18.6 million respectively from the special funding situation with the State of Colorado as a nonemployer contributing entity per SB 18-200.

Information above is presented as of the District's fiscal year end.

Notes to Schedule

	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Valuation date:	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
Methods and assumptions used to determine contribution rates:					
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization method	30 Years, Open	30 Years, Open	30 Years, Open	30 Years, Open	30 Years, Open
Remaining amortization period	30 Years, Open	30 Years, Open	30 Years, Open	30 Years, Open	30 Years, Open
Asset valuation method	4-year smoothed market	4-year smoothed market	4-year smoothed market	4-year smoothed market	4-year smoothed market
Inflation	2.40% annually	2.40% annually	2.40% annually	2.80% annually	2.80% annually
	3.50% - 9.70%	3.50% - 9.70%	3.90% - 9.70%	3.90% - 10.10%	3.90% - 10.85%
Salary increases	Inclusive of wage inflation	Inclusive of wage inflation	Inclusive of wage inflation	Inclusive of wage inflation	Inclusive of wage inflation
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure	1.25%	2.00%	2.00%	2.00%	2.00%
	0.00% as financed by the AIR	0.00% as financed by the AIR	0.00% as financed by the AIR	0.00% as financed by the AIR	0.00% as financed by the AIR
PERA benefit structure hired after 12/31/06					
Investment rate of return	7.25%	7.25%	7.25%	7.25%	7.50%

The notes are an integral part of the Required Supplemental Information.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
DPS HEALTHCARE TRUST FUND
YEAR ENDED JUNE 30

DPS Health Care Trust Fund	2025	2024	2023	2022	2021
Total OPEB liability					
Service cost	\$ 1,030,000	\$ 1,138,000	\$ 1,095,000	\$ 1,237,000	\$ 1,291,000
Interest	4,299,000	4,358,000	4,675,000	4,750,000	5,005,000
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(1,228,000)	(2,206,000)	(2,353,000)	(2,855,000)	(4,339,000)
Changes of assumptions or other inputs	(5,649,000)	134,000	(3,703,000)	-	(1,764,000)
Benefit payments	(4,150,000)	(4,105,000)	(4,162,000)	(3,873,000)	(3,453,000)
Net change in total OPEB liability	(5,698,000)	(681,000)	(4,448,000)	(741,000)	(3,260,000)
Total OPEB liability - beginning	60,343,000	61,024,000	65,472,000	66,213,000	69,473,000
Total OPEB liability - ending (a)	54,645,000	60,343,000	61,024,000	65,472,000	66,213,000
Plan fiduciary net position					
Contributions - employer	10,187,000	9,445,000	8,744,000	8,622,000	8,045,000
Other additions (includes purchased service)	169,000	236,000	306,000	206,000	224,000
Net investment income	7,216,000	7,218,000	(7,311,000)	6,963,000	6,019,000
Benefit payments	(4,010,000)	(3,951,000)	(4,022,000)	(3,516,000)	(3,086,000)
Administrative expense	(475,000)	(461,000)	(434,000)	(639,000)	(516,000)
Other deductions	(1,000)	(1,000)	(998)	(4,000)	(1,000)
Net change in plan fiduciary net position	13,086,000	12,486,000	(2,717,998)	11,632,000	10,685,000
Plan fiduciary net position - beginning	64,721,002	52,235,002	54,953,000	43,321,000	32,636,000
Plan fiduciary net position - ending (b)	77,807,002	64,721,002	52,235,002	54,953,000	43,321,000
Collective net OPEB liability/(asset) - ending (a) - (b)	\$ (23,162,002)	\$ (4,378,002)	\$ 8,788,998	\$ 10,519,000	\$ 22,892,000
Plan fiduciary net position as a percentage of the total OPEB liability	142.39%	107.26%	85.60%	83.93%	65.43%
Covered payroll	888,094,000	894,245,000	810,403,000	823,396,000	771,347,000
District's net OPEB liability/(asset) as a percentage of covered payroll	(2.61)%	(0.49)%	1.08%	1.28%	2.97%

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The notes are an integral part of the Required Supplementary Information.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
DPS HEALTHCARE TRUST FUND
YEAR ENDED JUNE 30

DPS Health Care Trust Fund	2020	2019	2018
Total OPEB liability			
Service cost	\$ 1,342,000	\$ 1,420,000	\$ 1,591,000
Interest	4,970,000	5,245,000	5,057,000
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(2,070,000)	(6,045,000)	(35,000)
Changes of assumptions or other inputs	-	5,000	
Benefit payments	(3,968,000)	(4,693,000)	(6,191,000)
Net change in total OPEB liability	<u>274,000</u>	<u>(4,068,000)</u>	<u>422,000</u>
Total OPEB liability - beginning	<u>69,199,000</u>	<u>73,267,000</u>	<u>72,845,000</u>
Total OPEB liability - ending (a)	<u><u>69,473,000</u></u>	<u><u>69,199,000</u></u>	<u><u>73,267,000</u></u>
Plan fiduciary net position			
Contributions - employer	7,649,000	7,417,000	6,930,000
Other additions (includes purchased service)	188,000	(4,000)	242,000
Net investment income	4,892,000	(894,000)	3,305,000
Benefit payments	(3,644,000)	(4,158,000)	(5,694,000)
Administrative expense	(477,000)	(845,000)	(808,000)
Other deductions	(1,000)	205,000	(4,000)
Net change in plan fiduciary net position	<u>8,607,000</u>	<u>1,721,000</u>	<u>3,971,000</u>
Plan fiduciary net position - beginning	<u>24,029,000</u>	<u>22,308,000</u>	<u>18,337,000</u>
Plan fiduciary net position - ending (b)	<u><u>32,636,000</u></u>	<u><u>24,029,000</u></u>	<u><u>22,308,000</u></u>
Collective net OPEB liability/(asset) - ending (a) - (b)	<u><u>\$ 36,837,000</u></u>	<u><u>\$ 45,170,000</u></u>	<u><u>\$ 50,959,000</u></u>
Plan fiduciary net position			
as a percentage of the total OPEB liability	46.98%	34.72%	30.45%
Covered payroll	736,264,000	722,040,000	658,198,000
District's net OPEB liability/(asset)			
as a percentage of covered payroll	5.00%	6.26%	7.74%

Note: Information is not available for prior years. In future reports, additional years will be added until 10 years of historical data are presented. Information above is presented as of the measurement date and include information for the reporting entity as a whole.

The notes are an integral part of the Required Supplementary Information.

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF OPEB CONTRIBUTIONS
 DPS HEALTHCARE TRUST FUND
 YEAR ENDED JUNE 30

DPS Health Care Trust Fund	2025	2024	2023	2022
Actuarially determined contribution	\$ 1,421,000	\$ 2,146,000	\$ 2,836,000	\$ 3,623,000
Contributions in relation to the actuarially determined contribution	10,186,850	9,427,201	8,744,000	8,749,889
Contribution deficiency (excess)	<u>\$ (8,765,850)</u>	<u>\$ (7,281,201)</u>	<u>\$ (5,908,000)</u>	<u>\$ (5,126,889)</u>
Covered payroll	\$ 949,270,060	\$ 935,260,723	\$ 838,837,781	\$ 830,670,252
Contribution as a percentage of covered payroll	1.07%	1.01%	1.04%	1.05%

DPS Health Care Trust Fund	2021	2020	2019	2018
Actuarially determined contribution	\$ 3,934,000	\$ 4,418,000	\$ 4,838,000	\$ 4,476,000
Contributions in relation to the actuarially determined contribution	8,159,161	7,662,714	\$ 7,662,714	\$ 7,079,432
Contribution deficiency (excess)	<u>\$ (4,225,161)</u>	<u>\$ (3,244,714)</u>	<u>\$ (2,824,714)</u>	<u>\$ (2,603,432)</u>
Covered payroll	\$ 787,919,015	\$ 759,247,080	\$ 725,751,189	\$ 677,633,712
Contribution as a percentage of covered payroll	1.04%	1.01%	1.06%	1.04%

Note: Information is not available for prior years. In future reports, additional years will be added until 10 years of historical data are presented. Information is presented as of the District and component unit fiscal year end for each year presented. The DPS HCTF was established on January 1, 2010, and received the balance for the Denver Public Schools Retiree Health Benefit Trust.

The notes are an integral part of the Required Supplemental Information.



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1. SIGNIFICANT CHANGES AFFECTING TRENDS IN ACTUARIAL INFORMATION - PENSIONS

2024 Changes in Plan Provisions and Assumptions or Other Inputs Since 2023

- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the PCOPs issued in 1997 and 2008 and refinanced thereafter.
- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.
- The estimated administrative expense as a percentage of covered payroll was increased from 0.40 percent to 0.45 percent.

Subsequent Events

- HB 25-1105, enacted May 23, 2025, and effective July 1, 2025, reduces the base employer contribution rate for the DPS Division by 3.0% of salary, from 10.4% to 7.4%, and reduces the allocated employer contribution to the DPS HCTF by 0.82% of salary, from 1.02% to 0.20%.
- 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 (actual dollars) 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.

2023 Changes in Plan Provisions and Assumptions or Other Inputs Since 2022

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14,561 million.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO OTHER REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

year.

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

2022 Changes in Plan Provisions and Assumptions or Other Inputs Since 2021

- Price inflation assumption decreased from 2.40% per year to 2.30% per year
- Real rate of investment return assumption remained at 7.25% per year, net of investment expenses
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year
- Real wage growth decreased from 1.10% to 0.70%
- House Bill (HB) 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to a negative investment return in 2022.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter

2021 Changes in Plan Provisions and Assumptions or Other Inputs Since 2020

- The assumption used to value the automatic increase cap benefit provision was changed from 1.25 percent to 1.00 percent
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter

2. OPEB

Denver Public Schools Health Care Trust Fund

2024 Changes in Plan Provisions and Assumptions or Other Inputs Since 2023

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

Subsequent Events

- HB 25-1105, enacted May 23, 2025, and effective July 1, 2025, reduces the base employer contribution rate for the DPS Division by 3.0% of salary, from 10.4% to 7.4%, and reduces the allocated employer contribution to the DPS HCTF by 0.82% of salary, from 1.02% to 0.20%.
-

2023 Changes in Plan Provisions and Assumptions or Other Inputs Since 2022

- There were no changes to the actuarial methods or assumptions

2022 Changes in Plan Provisions and Assumptions or Other Inputs Since 2021

- The total OPEB liability for the Health Care Trust Fund (HCTF), as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of the December 31, 2022, measurement date.
- The timing of the retirement decrement was adjusted to middle-of-year.
- Price inflation assumption decreased from 2.40% per year to 2.30% per year
- Real rate of investment return assumption remained at 7.25% per year, net of investment expenses
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year
- Real wage growth decreased from 1.10% to 0.70%

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO OTHER REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2022

2021 Changes in Plan Provisions and Assumptions or Other Inputs Since 2020

- There were no changes in assumptions or other inputs effective for the December 31, 2021 measurement period for OPEB

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30 percent
Real wage growth	0.70 percent
Wage inflation	3.00 percent
Salary increases, including wage inflation	3.80 percent to 11.50 percent
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	6.50 percent in 2022, gradually decreasing to 4.50 percent in 2030
Medicare Part A premiums	3.75 percent in 2022, gradually increasing to 4.50 percent in 2029
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

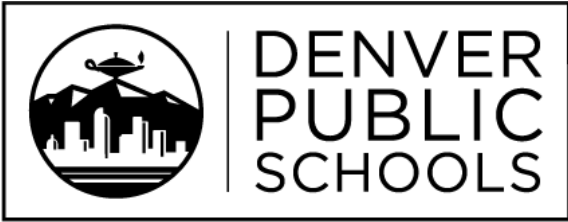


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OTHER SUPPLEMENTARY INFORMATION



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GOVERNMENTAL FUNDS

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF JUNE 30, 2025

	Food Services Special Revenue Fund	Pupil Activity Special Revenue Fund	Grants Special Revenue
ASSETS			
Cash and cash equivalents	\$ 200,119	\$ -	\$ -
Investments	-	-	-
Taxes receivable	-	-	-
Intergovernmental receivables	5,922,056	-	11,691,651
Other receivables	5,854	-	34,791,242
Due from other funds	-	7,349,344	-
Inventory	2,975,622	-	-
Restricted cash and cash equivalents	-	-	-
Total assets	<u>9,103,651</u>	<u>7,349,344</u>	<u>46,482,893</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	1,131,598	-	4,847
Due to other funds	1,656,068	-	6,983,125
Unearned revenue	672,270	2,913,205	8,102,826
Total liabilities	<u>3,459,936</u>	<u>2,913,205</u>	<u>15,090,798</u>
Deferred inflows of resources:			
Property taxes	-	-	-
Lease related	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Nonspendable:			
Inventory	482,549	-	-
Permanent fund	-	-	-
Restricted for:			
Higher education	-	-	27,175,739
Non-governmental grantor-designated purposes	-	-	4,216,356
Performance-based teacher compensation	-	-	-
Committed to:			
Pupil activities	-	4,436,139	-
Food service	5,161,166	-	-
Total fund balances	<u>5,643,715</u>	<u>4,436,139</u>	<u>31,392,095</u>
Total liabilities and fund balances	<u>\$ 9,103,651</u>	<u>\$ 7,349,344</u>	<u>\$ 46,482,893</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF JUNE 30, 2025

	ProComp Special Revenue Fund	Mill Levy Technology Maintenance	Permanent Fund	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 72,846	\$ 272,965
Investments	-	-	3,982	3,982
Taxes receivable	1,604,174	3,787,895	-	5,392,069
Intergovernmental receivables	-	-	-	17,613,707
Other receivables	-	-	-	34,797,096
Due from other funds	-	-	-	7,349,344
Inventory	-	-	-	2,975,622
Restricted cash and cash equivalents	6,335,434	-	-	6,335,434
Total assets	<u>7,939,608</u>	<u>3,787,895</u>	<u>76,828</u>	<u>74,740,219</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	-	1,136,445
Due to other funds	1,174,782	2,681,856	-	12,495,831
Unearned revenue	-	-	-	11,688,301
Total liabilities	<u>1,174,782</u>	<u>2,681,856</u>	<u>-</u>	<u>25,320,577</u>
Deferred inflows of resources:				
Property taxes	430,153	1,015,704	-	1,445,857
Lease related	-	90,335	-	90,335
Total deferred inflows of resources	<u>430,153</u>	<u>1,106,039</u>	<u>-</u>	<u>1,536,192</u>
Fund balances:				
Nonspendable:				
Inventory	-	-	-	482,549
Permanent fund	-	-	76,828	76,828
Restricted for:				
Higher education	-	-	-	27,175,739
Non-governmental grantor-designated purposes	-	-	-	4,216,356
Performance-based teacher compensation	6,334,673	-	-	6,334,673
Committed to:				
Pupil activities	-	-	-	4,436,139
Food service	-	-	-	5,161,166
Total fund balances	<u>6,334,673</u>	<u>-</u>	<u>76,828</u>	<u>47,883,450</u>
Total liabilities and fund balances	<u>\$ 7,939,608</u>	<u>\$ 3,787,895</u>	<u>\$ 76,828</u>	<u>\$ 74,740,219</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2025

	Food Services Special Revenue Fund	Pupil Activity Special Revenue Fund	Grants Special Revenue
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental:			
Revenue from state sources	7,305,034	-	33,755,117
Revenue from federal sources	42,493,120	-	136,111,321
Charges for services	1,229,517	-	12,494,820
Investment income	-	-	-
Other local sources	40,181	6,370,909	11,837,417
Total revenues	<u>51,067,852</u>	<u>6,370,909</u>	<u>194,198,675</u>
EXPENDITURES			
Instruction:			
Regular instruction	-	522,805	37,993,015
Special education	-	22	24,334,435
Vocational education	-	-	119
Other instruction	-	5,861,238	3,309,881
Total instruction	<u>-</u>	<u>6,384,065</u>	<u>65,637,450</u>
Support services:			
Pupil supporting services	-	-	19,335,260
Instructional support	-	4,561	31,803,414
General administration	-	-	3,385,678
School administration	-	113	142,357
Business services	-	40	225,677
Operations and maintenance	-	-	7,648,358
Pupil transportation	-	-	-
Central services	-	-	1,669,207
Other support services	59,579,238	-	9,333,409
Total support services	<u>59,579,238</u>	<u>4,714</u>	<u>73,543,360</u>
Community services	-	-	4,133,339
Education for adults	-	-	33,340,278
Capital outlay	-	-	15,746,825
Principal payments	-	-	102,844
Interest and fiscal charges	-	-	19,423
Total expenditures	<u>59,579,238</u>	<u>6,388,779</u>	<u>192,523,519</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,511,386)</u>	<u>(17,870)</u>	<u>1,675,156</u>
OTHER FINANCING SOURCES			
Transfers in	8,514,387	-	648,908
Issuance of leases and software	-	-	540,394
Total other financing sources	<u>8,514,387</u>	<u>-</u>	<u>1,189,302</u>
Net change in fund balances	<u>3,001</u>	<u>(17,870)</u>	<u>2,864,458</u>
Fund balances - beginning	5,640,714	4,454,009	-
Change within financial reporting entity (major to nonmajor fund)	-	-	28,527,637
Fund balance - beginning, as restated	5,640,714	4,454,009	28,527,637
Fund balances - ending	<u>\$ 5,643,715</u>	<u>\$ 4,436,139</u>	<u>\$ 31,392,095</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2025

	ProComp Special Revenue Fund	Mill Levy Technology Maintenance	Permanent Fund	Total
REVENUES				
Taxes	\$ 41,467,144	\$ 97,714,392	\$ -	\$ 139,181,536
Intergovernmental:				
Revenue from state sources	-	-	-	41,060,151
Revenue from federal sources	-	-	-	178,604,441
Charges for services	-	-	-	13,724,337
Investment income	110,010	-	5,700	115,710
Other local sources	-	-	-	18,248,507
Total revenues	<u>41,577,154</u>	<u>97,714,392</u>	<u>5,700</u>	<u>390,934,682</u>
EXPENDITURES				
Instruction:				
Regular instruction	33,531,972	-	-	72,047,792
Special education	5,454,807	-	-	29,789,264
Vocational education	-	-	-	119
Other instruction	-	-	-	9,171,119
Total instruction	<u>38,986,779</u>	<u>-</u>	<u>-</u>	<u>111,008,294</u>
Support services:				
Pupil supporting services	1,613,219	55,000	-	21,003,479
Instructional support	114,107	-	-	31,922,082
General administration	29,617	265,468	-	3,680,763
School administration	2,800	-	-	145,270
Business services	-	-	-	225,717
Operations and maintenance	4,700	89,939,793	-	97,592,851
Pupil transportation	-	4,322,287	-	4,322,287
Central services	825,910	1,060,901	-	3,556,018
Other support services	-	-	-	68,912,647
Total support services	<u>2,590,353</u>	<u>95,643,449</u>	<u>-</u>	<u>231,361,114</u>
Community services	22	-	-	4,133,361
Education for adults	-	-	-	33,340,278
Capital outlay	-	1,704,165	-	17,450,990
Principal payments	-	1,689,289	-	1,792,133
Interest and fiscal charges	-	295,206	-	314,629
Total expenditures	<u>41,577,154</u>	<u>99,332,109</u>	<u>-</u>	<u>399,400,799</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,617,717)</u>	<u>5,700</u>	<u>(8,466,117)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	-	9,163,295
Issuance of leases and software	-	1,617,717	-	2,158,111
Total other financing sources	<u>-</u>	<u>1,617,717</u>	<u>-</u>	<u>11,321,406</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>5,700</u>	<u>2,855,289</u>
Fund balances - beginning	6,334,673	-	71,128	16,500,524
Change within financial reporting entity (major to nonmajor fund)	-	-	-	28,527,637
Fund balance - beginning, as restated	6,334,673	-	71,128	45,028,161
Fund balances - ending	<u>\$ 6,334,673</u>	<u>\$ -</u>	<u>\$ 76,828</u>	<u>\$ 47,883,450</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 BOND REDEMPTION FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 246,601	\$ 246,948	\$ 240,813	\$ (6,135)
Local sources	2,200	8,000	9,719	1,719
Total revenues	<u>248,801</u>	<u>254,948</u>	<u>250,532</u>	<u>(4,416)</u>
EXPENDITURES				
Purchased Services	150	150	481	(331)
Other Expenses	-	112,105	-	112,105
Debt Service Principal	115,225	115,225	139,247	(24,022)
Debt Service Interest	88,614	88,614	99,994	(11,380)
Appropriated Reserves	317,889	325,130	-	325,130
Total expenditures	<u>521,878</u>	<u>641,224</u>	<u>239,722</u>	<u>401,502</u>
Excess (deficiency) of revenues over expenditures	<u>(273,077)</u>	<u>(386,276)</u>	<u>10,810</u>	<u>397,086</u>
OTHER FINANCING SOURCES (USES)				
Other sources (uses)	-	112,108	1,353	(110,755)
Total other financing sources (uses)	<u>-</u>	<u>112,108</u>	<u>1,353</u>	<u>(110,755)</u>
Net change in fund balance	<u>(273,077)</u>	<u>(274,168)</u>	<u>12,163</u>	<u>286,331</u>
Beginning fund balance	<u>273,077</u>	<u>274,168</u>	<u>274,168</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 286,331</u>	<u>\$ 286,331</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 BUILDING FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Federal sources	\$ 6,358	\$ 6,358	\$ 5,477	\$ (881)
Local sources	29,524	44,596	64,898	20,302
Total revenues	<u>35,882</u>	<u>50,954</u>	<u>70,375</u>	<u>19,421</u>
EXPENDITURES				
Employee Salaries	10,464	10,700	9,890	810
Employee Benefits	3,076	2,983	2,731	252
Supplies and Materials	16,993	16,992	7,162	9,830
Purchased Services	14,150	9,054	14,246	(5,192)
Property	273,295	325,418	183,526	141,892
Other Expenses	2,438	2,516	(1,306)	3,822
Debt Service Principal	12,125	12,125	50,200	(38,075)
Debt Service Interest	4,938	4,938	4,985	(47)
Appropriated Reserves	110,216	161,382	-	161,382
Unappropriated reserves	3,288	769,642	-	769,642
Total expenditures	<u>450,983</u>	<u>1,315,750</u>	<u>271,434</u>	<u>1,044,316</u>
Excess (deficiency) of revenues over expenditures	<u>(415,101)</u>	<u>(1,264,796)</u>	<u>(201,059)</u>	<u>1,063,737</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers	6,000	6,000	6,000	-
Issuance of Leases and Software	-	-	2,418	2,418
Other sources (uses)	-	799,345	786,018	(13,327)
Total other financing sources (uses)	<u>6,000</u>	<u>805,345</u>	<u>794,436</u>	<u>(10,909)</u>
Net change in fund balance	<u>(409,101)</u>	<u>(459,451)</u>	<u>593,377</u>	<u>1,052,828</u>
Beginning fund balance	<u>409,101</u>	<u>459,451</u>	<u>459,451</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,052,828</u>	<u>\$ 1,052,828</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 FOOD SERVICES SPECIAL REVENUE FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
State sources	\$ 13,749	\$ 6,869	\$ 7,305	\$ 436
Federal sources	33,155	42,275	42,493	218
Local sources	1,058	1,059	1,269	210
Total revenues	<u>47,962</u>	<u>50,203</u>	<u>51,067</u>	<u>864</u>
EXPENDITURES				
Employee Salaries	23,519	24,718	25,286	(568)
Employee Benefits	6,903	6,880	7,017	(137)
Supplies and Materials	20,490	26,538	26,198	340
Purchased Services	1,458	1,458	1,556	(98)
Property	450	450	296	154
Other Expenses	(958)	(958)	(774)	(184)
Appropriated Reserves	4,395	5,641	-	5,641
Total expenditures	<u>56,257</u>	<u>64,727</u>	<u>59,579</u>	<u>5,148</u>
Excess (deficiency) of revenues over expenditures	<u>(8,295)</u>	<u>(14,524)</u>	<u>(8,512)</u>	<u>6,012</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers	3,900	8,883	8,514	(369)
Total other financing sources (uses)	<u>3,900</u>	<u>8,883</u>	<u>8,514</u>	<u>(369)</u>
Net change in fund balance	<u>(4,395)</u>	<u>(5,641)</u>	<u>2</u>	<u>5,643</u>
Beginning fund balance	4,395	5,641	5,641	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,643</u>	<u>\$ 5,643</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 PUPIL ACTIVITY SPECIAL REVENUE FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Local sources	\$ 9,000	\$ 9,000	\$ 6,371	\$ (2,629)
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>6,371</u>	<u>(2,629)</u>
EXPENDITURES				
Employee Salaries	930	930	6	924
Employee Benefits	478	478	1	477
Supplies and Materials	3,400	3,400	3,591	(191)
Purchased Services	194	194	830	(636)
Property	50	50	15	35
Other Expenses	3,948	3,948	1,945	2,003
Appropriated Reserves	4,698	4,454	-	4,454
Total expenditures	<u>13,698</u>	<u>13,454</u>	<u>6,388</u>	<u>7,066</u>
Net change in fund balance	<u>(4,698)</u>	<u>(4,454)</u>	<u>(17)</u>	<u>4,437</u>
Beginning fund balance	4,698	4,454	4,454	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,437</u>	<u>\$ 4,437</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 Grants Special Revenue
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
State sources	\$ 31,266	\$ 34,384	\$ 33,755	\$ (629)
Federal sources	132,872	136,657	136,111	(546)
Local sources	20,464	26,257	24,332	(1,925)
Total revenues	<u>184,602</u>	<u>197,298</u>	<u>194,198</u>	<u>(3,100)</u>
EXPENDITURES				
Employee Salaries	72,105	68,534	62,545	5,989
Employee Benefits	18,190	17,751	16,936	815
Charter school	8,271	9,013	17,202	(8,189)
Supplies and Materials	10,586	17,086	21,142	(4,056)
Purchased Services	28,671	33,305	34,586	(1,281)
Property	28,484	27,587	20,629	6,958
Other Expenses	17,854	18,739	19,483	(744)
Appropriated Reserves	20,103	34,460	-	34,460
Total expenditures	<u>204,264</u>	<u>226,475</u>	<u>192,523</u>	<u>33,952</u>
Excess (deficiency) of revenues over expenditures	<u>(19,662)</u>	<u>(29,177)</u>	<u>1,675</u>	<u>30,852</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers	649	649	649	-
Issuance of leases	-	-	540	540
Total other financing sources (uses)	<u>649</u>	<u>649</u>	<u>1,189</u>	<u>540</u>
Net change in fund balance	<u>(19,013)</u>	<u>(28,528)</u>	<u>2,864</u>	<u>31,392</u>
Beginning fund balance	19,013	28,528	28,528	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,392</u>	<u>\$ 31,392</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 PROCOMP SPECIAL REVENUE FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 42,563	\$ 42,563	\$ 41,467	\$ (1,096)
Local sources	100	100	110	10
Total revenues	<u>42,663</u>	<u>42,663</u>	<u>41,577</u>	<u>(1,086)</u>
EXPENDITURES				
Employee Salaries	32,845	32,845	32,407	438
Employee Benefits	9,642	9,642	9,011	631
Purchased Services	176	176	159	17
Appropriated Reserves	-	6,335	-	6,335
Unappropriated reserves	6,335	-	-	-
Total expenditures	<u>48,998</u>	<u>48,998</u>	<u>41,577</u>	<u>7,421</u>
Net change in fund balance	<u>(6,335)</u>	<u>(6,335)</u>	<u>-</u>	<u>6,335</u>
Beginning fund balance	6,335	6,335	6,335	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,335</u>	<u>\$ 6,335</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

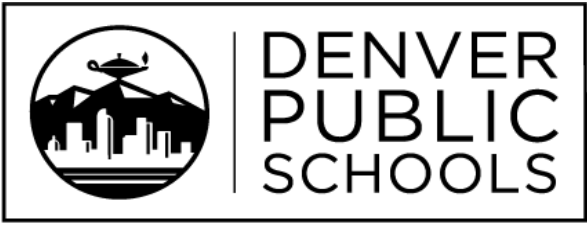
BUDGETARY COMPARISON SCHEDULE
 MILL LEVY TECHNOLOGY MAINTENANCE FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 100,717	\$ 101,236	\$ 97,714	\$ (3,522)
Total revenues	<u>100,717</u>	<u>101,236</u>	<u>97,714</u>	<u>(3,522)</u>
EXPENDITURES				
Employee Salaries	48,578	45,143	41,709	3,434
Employee Benefits	14,282	13,324	10,544	2,780
Charter school	22,000	22,911	22,911	-
Supplies and Materials	10,098	6,598	4,025	2,573
Purchased Services	5,760	13,260	16,205	(2,945)
Property	2,922	4,500	1,954	2,546
Other Expenses	-	-	1,980	(1,980)
NOT CODED	-	-	4	(4)
Total expenditures	<u>103,640</u>	<u>105,736</u>	<u>99,332</u>	<u>6,404</u>
Excess (deficiency) of revenues over expenditures	<u>(2,923)</u>	<u>(4,500)</u>	<u>(1,618)</u>	<u>2,882</u>
OTHER FINANCING SOURCES (USES)				
Issuance of leases	<u>2,923</u>	<u>4,500</u>	<u>1,618</u>	<u>(2,882)</u>
Total other financing sources (uses)	<u>2,923</u>	<u>4,500</u>	<u>1,618</u>	<u>(2,882)</u>
Net change in fund balance	-	-	-	-
Beginning fund balance	-	-	-	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 PERMANENT FUND
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Local sources	\$ 6	\$ 7	\$ 6	\$ (1)
Total revenues	<u>6</u>	<u>7</u>	<u>6</u>	<u>(1)</u>
EXPENDITURES				
Appropriated Reserves	73	79	-	79
Total expenditures	<u>73</u>	<u>79</u>	<u>-</u>	<u>79</u>
Net change in fund balance	<u>(67)</u>	<u>(72)</u>	<u>6</u>	<u>78</u>
Beginning fund balance	<u>67</u>	<u>72</u>	<u>71</u>	<u>(1)</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77</u>	<u>\$ 77</u>



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FIDUCIARY FUND

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2025
 Amount in 000's

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Interest income	\$ 72	\$ 72	\$ 58	\$ (14)
Total revenues	<u>72</u>	<u>72</u>	<u>58</u>	<u>(14)</u>
EXPENDITURES				
Appropriated Reserves	1,169	1,195	-	1,195
Total expenditures	<u>1,169</u>	<u>1,195</u>	<u>-</u>	<u>1,195</u>
Net change in fund balance	<u>(1,097)</u>	<u>(1,123)</u>	<u>58</u>	<u>1,181</u>
Beginning fund balance	1,097	1,123	1,123	-
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,181</u>	<u>\$ 1,181</u>



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Colorado Department of Education

Auditors Integrity Report

District: 0880 - Denver County 1
Fiscal Year 2024-25

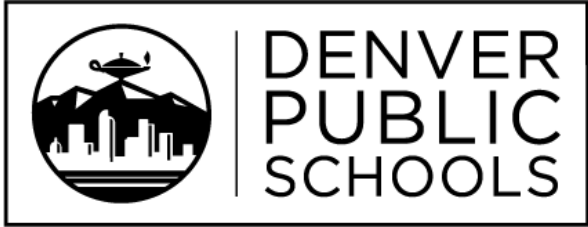
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources Uses	6700-6799 & Prior Per Adj Ending Fund Balance
Governmental	+	-	=
10 General Fund	169,362,066	1,222,217,521	187,404,515
18 Risk Mgmt Sub-Fund of General Fund	0	0	0
19 Colorado Preschool Program Fund	0	0	0
Sub-Total	169,362,066	1,222,217,521	187,404,515
11 Charter School Fund	147,938,271	398,636,601	152,473,554
20,26-29 Special Revenue Fund	6,334,673	41,577,154	6,334,673
06 Supplemental Cap Const, Tech, Main, Fund	0	98,332,109	0
07 Total Program Reserve Fund	0	0	0
21 Food Service Spec Revenue Fund	5,640,714	59,579,238	5,643,715
22 Govt Designated-Purpose Grants Fund	28,527,637	192,523,519	31,392,095
23 Pupil Activity Special Revenue Fund	4,454,009	6,388,779	4,436,139
25 Transportation Fund	0	0	0
31 Bond Redemption Fund	274,168,040	363,109,995	286,331,131
39 Certificate of Participation (COP) Debt Service Fund	0	0	0
41 Building Fund	459,451,100	864,810,220	1,052,828,902
42 Special Building Fund	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0
Totals	1,095,876,509	3,262,024,726	1,726,850,724
Proprietary			
50 Other Enterprise Funds	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0
60,65-69 Other Internal Service Funds	0	0	0
Totals	0	0	0
Fiduciary			
70 Other Trust and Agency Funds	0	0	0
72 Private Purpose Trust Fund	1,123,084	57,849	1,180,933
73 Agency Fund	0	0	0
74 Pupil Activity Agency Fund	0	0	0
79 GASB 34 Permanent Fund	71,128	5,700	76,828
85 Foundations	10,947,563	7,465,948	11,378,761
Totals	12,141,774	7,465,948	12,636,522
FINAL			



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STATISTICAL SECTION

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District.

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
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Revenue Capacity	
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SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
Primary Government					
Governmental activities					
Net investment in capital assets	\$ 97,847,250	\$ 36,479,274	\$ 5,788,163	\$ (58,596,829)	\$ (54,971,225)
Restricted	388,531,470	354,725,316	294,405,998	287,564,514	281,985,613
Unrestricted (deficit)	<u>(674,616,072)</u>	<u>(748,665,473)</u>	<u>(861,749,698)</u>	<u>(949,863,107)</u>	<u>(1,234,450,492)</u>
Total governmental activities net position (deficit)	<u>(188,237,352)</u>	<u>(357,460,883)</u>	<u>(561,555,537)</u>	<u>(720,895,422)</u>	<u>(1,007,436,104)</u>
	2020	2019	2018	2017	2016
Governmental activities					
Net investment in capital assets	\$ (67,160,973)	\$ (62,814,668)	\$ (48,797,256)	\$ 148,648,229	\$ 104,965,907
Restricted	260,280,665	616,186,143	650,615,101	648,556,477	290,705,891
Unrestricted (deficit)	<u>(1,322,642,234)</u>	<u>(1,834,629,855)</u>	<u>(2,093,681,026)</u>	<u>(2,154,349,495)</u>	<u>(1,652,698,513)</u>
Total governmental activities net position (deficit)	<u>(1,129,522,542)</u>	<u>(1,281,258,380)</u>	<u>(1,491,863,181)</u>	<u>(1,357,144,789)</u>	<u>(1,257,026,715)</u>

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
Expenses:					
Governmental activities:					
Instructional services	\$ 1,014,203,664	\$ 944,491,598	\$ 914,711,136	\$ 676,114,938	\$ 721,672,819
Supporting services:					
Pupil support	141,322,723	133,650,930	126,633,648	101,253,791	105,227,056
Instructional support	165,648,183	148,474,837	139,565,736	120,594,357	139,036,789
General administration	19,543,488	21,016,543	14,941,890	12,476,768	9,927,774
School administration	108,730,447	91,798,455	91,682,513	72,605,869	83,576,693
Business services	13,705,550	16,178,062	22,794,030	15,091,303	15,260,179
Operations and maintenance	121,031,200	150,765,853	129,412,125	121,134,834	126,680,477
Pupil transportation	44,461,225	38,592,477	35,053,433	26,934,216	26,904,924
Central services	97,445,939	97,002,907	55,178,459	47,767,462	52,582,084
Other support services	72,358,240	63,426,153	48,296,510	59,840,338	40,929,494
Community services	29,452,648	22,008,952	20,356,928	14,378,888	10,546,516
Education for adults	35,004,290	32,306,314	27,273,093	22,349,130	26,212,064
Principal payments	-	-	-	-	-
Interest and fiscal charges	142,376,507	121,850,231	128,072,087	115,823,208	126,994,110
Total governmental activities expenses	2,005,284,104	1,881,563,312	1,753,971,588	1,406,365,102	1,485,550,979
Total primary government expenses	2,005,284,104	1,881,563,312	1,753,971,588	1,406,365,102	1,485,550,979
Program revenues:					
Governmental activities:					
Charges for services - Instructional	67,559,092	54,660,561	51,695,050	43,919,285	35,081,610
Charges for services - Other	78,454,308	40,527,156	40,071,562	39,877,949	30,797,332
Operating grants and contributions	344,282,653	422,789,084	386,869,863	282,026,841	270,988,646
Capital grants and contributions	16,681,452	-	-	-	-
Total governmental activities program revenues	506,977,505	517,976,801	478,636,475	365,824,075	336,867,588
Total primary government program revenues	506,977,505	517,976,801	478,636,475	365,824,075	336,867,588
Net Expenses					
Governmental activities	(1,498,306,599)	(1,363,586,511)	(1,275,335,113)	(1,040,541,027)	(1,148,683,391)
Total primary government net expense	(1,498,306,599)	(1,363,586,511)	(1,275,335,113)	(1,040,541,027)	(1,148,683,391)
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	1,262,174,635	1,246,798,645	1,076,826,381	1,026,245,124	997,407,662
Specific ownership taxes	62,219,712	60,358,489	59,720,206	58,412,078	53,379,052
Payment in lieu of taxes	4,292,732	3,268,242	5,478,167	-	4,205,252
State equalization	282,554,271	216,155,954	264,084,334	222,280,693	182,477,557
Interest and investment income	39,682,922	31,937,486	23,541,755	(10,085,488)	1,753,078
Other	16,605,858	9,162,349	5,024,155	30,229,951	31,547,228
Total governmental activities	1,667,530,130	1,567,681,165	1,434,674,998	1,327,082,358	1,270,769,829
Total primary government	1,667,530,130	1,567,681,165	1,434,674,998	1,327,082,358	1,270,769,829
Change in net position					
Governmental activities	169,223,531	204,094,654	159,339,885	286,541,331	122,086,438
Total primary government	\$ 169,223,531	\$ 204,094,654	\$ 159,339,885	\$ 286,541,331	\$ 122,086,438

Continued net page

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Unaudited)

	2020	2019	2018	2017	2016
Expenses:					
Governmental activities:					
Instructional services	\$ 696,846,877	\$ 605,647,740	\$ 647,048,830	\$ 661,536,065	\$ 668,873,429
Supporting services:					
Pupil support	83,180,894	71,532,274	66,443,705	58,337,272	45,246,471
Instructional support	129,767,373	124,605,828	125,760,427	114,572,496	111,594,016
General administration	8,188,423	6,123,865	7,526,400	6,964,963	6,096,731
School administration	80,450,074	78,604,576	78,617,586	77,079,051	69,544,540
Business services	14,857,663	14,842,975	14,882,801	12,957,204	8,609,001
Operations and maintenance	102,853,799	100,668,711	96,681,984	91,074,789	79,314,548
Pupil transportation	28,916,105	29,743,657	26,546,492	25,164,705	26,012,440
Central services	49,694,958	70,219,410	183,402,521	176,020,151	134,964,286
Other support services	51,852,458	51,903,765	46,450,521	51,052,612	48,582,600
Community services	16,698,518	15,982,204	17,638,447	16,515,410	14,366,660
Education for adults	23,954,101	21,951,395	22,244,905	20,508,759	17,828,984
Principal payments	7,172,890	-	-	-	-
Interest and fiscal charges	118,717,714	129,019,562	162,850,968	137,843,846	128,003,672
Total governmental activities expenses	<u>1,413,151,847</u>	<u>1,320,845,962</u>	<u>1,496,095,587</u>	<u>1,449,627,323</u>	<u>1,359,037,378</u>
Total primary government expenses	<u>1,413,151,847</u>	<u>1,320,845,962</u>	<u>1,496,095,587</u>	<u>1,449,627,323</u>	<u>1,359,037,378</u>
Program revenues:					
Governmental activities:					
Charges for services - Instructional	42,579,085	42,939,547	36,974,879	33,194,921	29,805,479
Charges for services - Other	35,150,712	41,558,397	33,989,449	30,514,695	27,398,922
Operating grants and contributions	187,021,129	264,820,334	220,120,675	214,428,461	212,702,661
Capital grants and contributions	10,077,400	-	-	-	-
Total governmental activities program revenues	<u>274,828,326</u>	<u>349,318,278</u>	<u>291,085,003</u>	<u>278,138,077</u>	<u>269,907,062</u>
Total primary government program revenues	<u>274,828,326</u>	<u>349,318,278</u>	<u>291,085,003</u>	<u>278,138,077</u>	<u>269,907,062</u>
Net Expenses					
Governmental activities	<u>(1,138,323,521)</u>	<u>(971,527,684)</u>	<u>(1,205,010,584)</u>	<u>(1,171,489,246)</u>	<u>(1,089,130,316)</u>
Total primary government net expense	<u>(1,138,323,521)</u>	<u>(971,527,684)</u>	<u>(1,205,010,584)</u>	<u>(1,171,489,246)</u>	<u>(1,089,130,316)</u>
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	956,891,384	814,556,942	796,450,648	671,768,786	623,495,039
Specific ownership taxes	50,937,342	52,944,185	51,821,726	44,805,199	40,303,943
Payment in lieu of taxes	3,596,102	3,604,926	2,990,033	2,828,616	2,522,094
State equalization	238,991,040	279,467,577	243,213,839	296,486,570	294,025,391
Interest and investment income	10,546,065	18,101,994	8,630,469	5,922,616	1,958,554
Other	24,855,144	13,456,861	38,472,898	49,559,385	62,368,644
Total governmental activities	<u>1,285,817,077</u>	<u>1,182,132,485</u>	<u>1,141,579,613</u>	<u>1,071,371,172</u>	<u>1,024,673,665</u>
Total primary government	<u>1,285,817,077</u>	<u>1,182,132,485</u>	<u>1,141,579,613</u>	<u>1,071,371,172</u>	<u>1,024,673,665</u>
Change in net position					
Governmental activities	<u>147,493,556</u>	<u>210,604,801</u>	<u>(63,430,971)</u>	<u>(100,118,074)</u>	<u>(64,456,651)</u>
Total primary government	<u>\$ 147,493,556</u>	<u>\$ 210,604,801</u>	<u>\$ (63,430,971)</u>	<u>\$ (100,118,074)</u>	<u>\$ (64,456,651)</u>

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
General Fund					
Nonspendable:					
Inventory	\$ 1,755,449	\$ 1,455,548	\$ 1,475,845	\$ 1,386,782	\$ 1,160,643
Prepaid expenses	724,706	-	-	-	-
Restricted for:					
Emergency reserve	43,212,750	40,707,510	38,060,520	40,200,974	31,697,040
Committed to:					
Pupil Activities	-	6,876,510	6,609,037	2,316,528	8,672,016
Assigned to:					
Special projects	12,950,858	12,995,401	12,439,657	24,128,060	23,671,535
Subsequent year expenditures	4,368,000	2,627,000	12,677,000	11,760,000	3,790,000
Unassigned	124,392,752	104,700,097	76,419,711	53,600,992	56,144,186
Total General Fund	<u>187,404,515</u>	<u>169,362,066</u>	<u>147,681,770</u>	<u>133,393,336</u>	<u>125,135,420</u>
All other governmental funds					
Nonspendable:					
Permanent fund	76,828	71,128	65,520	60,491	59,519
Inventory	482,549	557,481	540,879	801,824	497,844
Prepaid expenses	-	162,974	93,192	142,325	424,389
Restricted for:					
Debt service	287,324,202	275,277,856	227,841,042	222,260,120	226,255,934
Capital projects	1,003,164,040	378,181,127	643,116,618	780,687,082	508,861,239
Performance-based teacher compensation	6,334,673	6,334,673	6,334,673	7,616,799	7,676,261
Higher education	27,175,739	24,311,281	19,012,629	16,439,498	15,091,649
Non-governmental grantor-designated purposes	4,216,356	4,216,356	3,091,614	986,632	1,077,193
State programs	-	-	-	-	-
Federal programs	-	-	-	-	128,017
Committed to:					
Capital projects	-	-	-	-	-
Pupil activities	4,436,139	4,454,009	4,698,371	4,716,917	5,381,600
Food service	5,161,166	-	-	-	-
Assigned to:					
Debt service	-	-	-	-	-
Capital projects	48,671,791	79,997,183	38,391,172	87,437,849	64,223,469
Food service	-	5,083,233	3,853,985	8,517,788	2,443,493
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>1,387,043,483</u>	<u>778,647,301</u>	<u>947,039,695</u>	<u>1,129,667,325</u>	<u>832,120,607</u>
Total fund balances	<u>\$ 1,574,447,998</u>	<u>\$ 948,009,367</u>	<u>\$ 1,094,721,465</u>	<u>\$ 1,263,060,661</u>	<u>\$ 957,256,027</u>

Continued next page

Source: District annual financial reports for the respective years

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS (Unaudited)

	2020	2019	2018	2017	2016
General Fund					
Nonspendable:					
Inventory	\$ 1,238,552	\$ 1,107,816	\$ 892,874	\$ 761,736	\$ 704,168
Prepaid expenses	-	-	-	150,566	142,383
Restricted for:					
Emergency reserve	33,618,750	31,046,220	28,893,630	27,033,570	24,910,740
Committed to:					
Pupil Activities	1,448,767	1,266,865	-	-	-
Assigned to:					
Special projects	23,478,391	25,093,990	22,869,037	15,923,740	17,397,322
Subsequent year expenditures	13,847,000	6,827,418	17,886,037	8,182,740	1,315,705
Unassigned	45,424,828	53,165,742	48,469,286	70,097,523	50,072,162
Total General Fund	119,056,288	118,508,051	119,010,864	122,149,875	94,542,480
All other governmental funds					
Nonspendable:					
Permanent fund	58,871	131,044	131,371	130,992	128,553
Inventory	504,881	393,196	2,935,450	332,113	3,485,663
Prepaid expenses	913,699	288,384	458,901	1,531,060	509,302
Restricted for:					
Debt service	203,916,531	173,213,859	160,157,619	130,144,786	140,280,738
Capital projects	236,677,860	381,306,757	443,137,420	470,254,135	87,492,008
Performance-based teacher compensation	7,858,567	11,664,070	8,590,764	11,837,366	18,345,329
Higher education	12,819,754	11,235,893	9,936,855	9,595,895	10,572,551
Non-governmental grantor-designated purposes	1,043,138	817,330	1,013,135	1,492,383	6,111,724
State programs	-	-	-	-	-
Federal programs	965,054	4,981,574	7,766,488	5,876,870	8,548,506
Committed to:					
Capital projects	-	-	28,005,130	35,949,286	5,554,771
Pupil activities	4,808,712	332,120	2,263,445	3,505,285	3,168,599
Food service	-	-	-	-	-
Assigned to:					
Debt service	-	-	16,447,000	46,598,000	10,963,000
Capital projects	16,683,835	28,209,850	-	-	-
Food service	935,636	6,992	-	-	-
Unassigned	-	-	(737,940)	(46,913)	(3,344,733)
Total all other governmental funds	487,186,538	612,581,069	680,105,638	717,201,258	291,816,011
Total fund balances	\$ 606,242,826	\$ 731,089,120	\$ 799,116,502	\$ 839,351,133	\$ 386,358,491

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
Revenues:					
Taxes	\$ 1,342,686,309	\$ 1,319,445,309	\$ 1,165,706,159	\$ 1,101,742,098	\$ 1,054,513,077
Intergovernmental:					
State sources	445,926,510	362,454,208	391,759,312	307,891,606	244,656,236
Federal sources	185,465,567	231,682,959	211,100,109	223,838,236	192,730,693
Charges for services	92,589,013	88,976,525	90,114,011	83,796,585	65,878,942
Investment income (loss)	45,312,602	42,584,698	23,541,755	(10,082,439)	1,753,078
Other local sources	76,300,426	51,287,529	60,928,940	54,517,271	51,832,738
Total revenue	<u>2,188,280,427</u>	<u>2,096,431,228</u>	<u>1,943,150,286</u>	<u>1,761,703,357</u>	<u>1,611,364,764</u>
Expenditures:					
Current:					
Instructional services	964,634,967	892,966,138	890,860,568	780,510,913	694,846,491
Supporting services:					
Pupil support	134,604,612	126,348,102	123,323,235	115,228,146	100,576,930
Instructional support	157,773,703	140,362,016	135,917,254	125,935,594	133,611,460
General administration	18,614,442	19,868,176	14,551,287	14,198,726	9,501,382
School administration	103,561,688	86,782,492	89,285,781	82,626,435	80,403,979
Business services	13,054,024	15,294,076	22,198,150	14,490,900	14,575,241
Operations and maintenance	118,365,637	148,881,135	123,996,764	124,211,645	119,394,688
Pupil transportation	42,347,655	36,483,744	34,137,079	30,447,107	25,992,801
Central services	92,794,537	91,702,566	53,736,002	54,502,677	50,736,344
Other support services	68,918,520	59,960,481	47,022,600	68,028,876	39,834,647
Total support services	<u>750,034,818</u>	<u>725,682,788</u>	<u>644,168,152</u>	<u>629,670,106</u>	<u>574,627,472</u>
Community services	28,071,623	20,806,359	19,824,764	16,363,364	10,383,123
Education for adults	33,340,278	30,541,063	26,560,131	24,574,574	24,979,010
Capital outlay	202,309,670	282,651,628	233,175,400	129,424,043	161,111,733
Debt service:					
Principal	227,452,767	155,592,041	164,270,331	156,734,529	212,403,162
Interest and fiscal charges	148,074,744	140,838,063	148,267,984	142,784,197	135,496,728
Total debt service	<u>375,527,511</u>	<u>296,430,104</u>	<u>312,538,315</u>	<u>299,518,726</u>	<u>347,899,890</u>
Total expenditures	<u>2,353,918,867</u>	<u>2,249,078,080</u>	<u>2,127,127,330</u>	<u>1,880,061,726</u>	<u>1,813,847,719</u>
Deficiency of revenues under expenditures	(165,638,440)	(152,646,852)	(183,977,044)	(118,358,369)	(202,482,955)
Other financing sources (uses):					
Transfers in	15,163,295	30,073,883	45,813,428	23,728,558	22,323,536
Transfers out	(15,163,295)	(30,073,883)	(45,813,428)	(23,728,558)	(22,323,536)
Issuance of leases and Software	4,705,569	5,934,754	14,756,990	-	355,289
Issuance of certificates of participation	-	-	-	-	-
Issuance of bonds	700,000,000	-	-	345,000,000	450,000,000
Premium on issuance of debt	90,111,502	-	1,124,848	86,575,794	103,140,867
Proceeds from refunding bonds	108,485,000	-	33,380,000	52,890,000	-
Premium on refunding bonds	-	-	-	-	-
Payment to Bond Escrow Agent	(111,225,000)	-	(33,705,000)	(61,215,000)	-
Total other financing sources	<u>792,077,071</u>	<u>5,934,754</u>	<u>15,556,838</u>	<u>423,250,794</u>	<u>553,496,156</u>
Change in fund balances	<u>\$ 626,438,631</u>	<u>\$ (146,712,098)</u>	<u>\$ (168,420,206)</u>	<u>\$ 304,892,425</u>	<u>\$ 351,013,201</u>
Debt service as a percentage of noncapital expenditures	17.48%	14.69%	16.48%	17.09%	21.05%

Continued next page

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Unaudited)

	2020	2019	2018	2017	2016
Revenues:					
Taxes	\$ 998,219,378	\$ 858,529,862	\$ 848,458,684	\$ 717,451,368	\$ 662,087,462
Intergovernmental:					
State sources	326,157,713	357,074,878	304,016,976	354,546,283	352,543,848
Federal sources	109,255,314	111,381,652	114,906,618	118,038,010	128,143,943
Charges for services	75,572,797	84,497,944	78,175,058	70,136,444	63,538,071
Investment income	10,546,065	18,101,994	8,440,469	5,697,617	1,703,554
Other local sources	55,339,778	53,325,393	55,720,801	72,195,800	45,033,043
Total revenue	<u>1,575,091,045</u>	<u>1,482,911,723</u>	<u>1,409,718,606</u>	<u>1,338,065,522</u>	<u>1,253,049,921</u>
Expenditures:					
Current:					
Instructional services	709,651,580	625,813,397	563,170,061	533,413,133	580,342,703
Supporting services:					
Pupil support	82,736,120	73,950,774	66,443,705	58,337,272	45,246,471
Instructional support	129,073,497	128,828,831	125,760,427	114,572,496	111,594,016
General administration	8,062,993	6,330,914	7,526,400	6,964,963	6,096,731
School administration	80,112,333	81,262,191	78,617,586	77,079,051	69,544,540
Business services	14,716,470	15,679,087	14,996,029	12,817,546	8,581,051
Operations and maintenance	102,251,049	104,354,778	95,181,985	91,074,789	79,314,548
Pupil transportation	28,761,438	30,768,374	26,546,492	25,164,705	26,012,440
Central services	49,678,519	72,593,522	96,964,007	104,428,614	67,066,399
Other support services	51,574,682	53,658,626	46,450,521	49,799,171	48,582,600
Total support services	<u>546,967,101</u>	<u>567,427,097</u>	<u>558,487,152</u>	<u>540,238,607</u>	<u>462,038,796</u>
Community services	16,609,229	16,522,561	17,638,447	16,515,410	14,366,660
Education for adults	23,573,860	22,693,569	22,244,905	20,508,759	17,828,984
Capital outlay	205,539,953	166,970,851	200,399,726	161,734,202	132,056,762
Debt service:					
Principal	114,480,000	101,926,321	75,815,765	90,105,000	62,663,175
Interest and fiscal charges	133,013,278	134,464,342	141,457,068	118,391,994	106,825,938
Total debt service	<u>247,493,278</u>	<u>236,390,663</u>	<u>217,272,833</u>	<u>208,496,994</u>	<u>169,489,113</u>
Total expenditures	<u>1,749,835,001</u>	<u>1,635,818,138</u>	<u>1,579,213,124</u>	<u>1,480,907,105</u>	<u>1,376,123,018</u>
Deficiency of revenues under expenditures	(174,743,956)	(152,906,415)	(169,494,518)	(142,841,583)	(123,073,097)
Other financing sources (uses):					
Transfers in	18,184,640	20,519,669	23,722,566	23,172,970	16,052,982
Transfers out	(18,184,640)	(20,519,669)	(23,722,566)	(23,256,436)	(16,052,982)
Issuance of capital leases	110,658	395,098	5,468,230	2,271,141	-
Issuance of certificates of participation	45,544,722	84,483,935	17,710,000	46,175,000	9,680,591
Issuance of bonds	-	-	105,325,000	466,675,000	-
Premium on issuance of debt	-	-	25,776,657	80,796,550	-
Proceeds from refunding bonds	-	-	106,130,000	-	143,280,000
Premium on refunding bonds	-	-	-	-	26,500,712
Payment to Bond Escrow Agent	-	-	(131,150,000)	-	(169,003,421)
Total other financing sources	<u>45,655,380</u>	<u>84,879,033</u>	<u>129,259,887</u>	<u>595,834,225</u>	<u>10,457,882</u>
Change in fund balances	<u>\$ (129,088,576)</u>	<u>\$ (68,027,382)</u>	<u>\$ (40,234,631)</u>	<u>\$ 452,992,642</u>	<u>\$ (112,615,215)</u>
Debt service as a percentage of noncapital expenditures	16.03%	16.09%	15.75%	15.89%	13.71%

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
 LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
Expenditures:					
Instructional services	\$ 853,626,673	\$ 760,885,245	\$ 739,427,941	\$ 657,192,165	\$ 580,623,950
Supporting services:					
Pupil support	113,601,133	91,140,006	86,702,501	74,193,579	74,251,724
Instructional support	125,851,621	110,181,770	106,644,896	93,651,824	97,018,956
General administration	14,933,679	14,472,874	10,918,334	9,994,152	8,626,792
School administration	103,416,418	86,563,235	87,529,034	79,687,970	77,298,216
Business services	12,828,307	10,116,419	15,748,677	13,602,200	11,505,865
Operations and maintenance	2,975,287	49,095,024	51,880,969	76,820,175	64,396,850
Pupil transportation	38,025,368	33,000,829	33,888,903	29,788,063	25,126,430
Central services	79,210,519	73,532,682	35,465,538	42,583,410	37,729,172
Other support services	5,873	460,826	-	492,055	1,404,453
Total support services	<u>490,848,205</u>	<u>468,563,665</u>	<u>428,778,852</u>	<u>420,813,428</u>	<u>397,358,458</u>
Community services	23,938,262	17,153,672	12,734,634	11,037,996	6,836,774
Education for adults	-	324,572	175,203	-	14,098
Capital outlay	1,461,857	4,781,818	330,796	2,587,751	2,063,854
Debt service:					
Principal payments	34,441,859	32,418,823	30,374,869	29,059,492	27,355,402
Interest and fiscal charges	39,046,890	40,417,259	41,773,535	42,476,054	43,696,155
Total expenditures	<u>1,443,363,746</u>	<u>1,324,545,054</u>	<u>1,253,595,830</u>	<u>1,163,166,886</u>	<u>1,057,948,691</u>
Other financing uses:					
Transfers out	<u>15,163,295</u>	<u>30,073,883</u>	<u>45,813,428</u>	<u>23,728,558</u>	<u>22,323,536</u>
Total other financing uses	<u>15,163,295</u>	<u>30,073,883</u>	<u>45,813,428</u>	<u>23,728,558</u>	<u>22,323,536</u>
Total expenditures and other financing uses	<u>\$ 1,458,527,041</u>	<u>\$ 1,354,618,937</u>	<u>\$ 1,299,409,258</u>	<u>\$ 1,186,895,444</u>	<u>\$ 1,080,272,227</u>

Continued next page

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
 LAST TEN FISCAL YEARS (Unaudited)

	2020	2019	2018	2017	2016
Expenditures:					
Instructional services	\$ 622,903,734	\$ 555,976,258	\$ 484,208,616	\$ 437,905,667	\$ 466,866,692
Supporting services:					
Pupil support	69,814,604	58,488,826	56,583,981	49,753,091	37,126,952
Instructional support	99,003,429	99,065,785	95,764,566	79,952,672	70,635,195
General administration	7,539,801	5,740,240	7,064,098	6,525,345	5,642,389
School administration	77,047,427	78,720,284	75,888,710	73,368,180	68,299,902
Business services	13,294,858	15,033,777	14,339,316	12,152,815	7,571,069
Operations and maintenance	86,305,872	86,106,056	79,691,394	77,568,148	71,563,249
Pupil transportation	28,368,149	30,726,808	26,546,492	25,102,779	25,724,818
Central services	38,847,732	61,936,798	86,356,839	89,188,409	53,956,802
Other support services	51,261	24,650	97,898	1,131,085	1,036,037
Total support services	<u>420,273,133</u>	<u>435,843,224</u>	<u>442,333,294</u>	<u>414,742,524</u>	<u>341,556,413</u>
Community services	13,994,995	14,539,363	15,120,743	13,587,690	11,021,566
Education for adults	20,353	124,599	952,581	1,750,462	2,256,856
Capital outlay	1,603,160	1,642,364	6,387,652	2,092,671	1,467,271
Debt service:					
Principal payments	24,185,000	24,138,012	21,891,858	18,945,000	14,730,000
Interest and fiscal charges	46,185,341	45,508,555	46,097,937	46,170,414	46,114,624
Total expenditures	<u>1,129,165,716</u>	<u>1,077,772,375</u>	<u>1,016,992,681</u>	<u>935,194,428</u>	<u>884,013,422</u>
Other financing uses:					
Transfers out	<u>18,114,719</u>	<u>20,440,202</u>	<u>23,176,635</u>	<u>9,775,503</u>	<u>9,926,794</u>
Total other financing uses	<u>18,114,719</u>	<u>20,440,202</u>	<u>23,176,635</u>	<u>9,775,503</u>	<u>9,926,794</u>
Total expenditures and other financing uses	<u>\$ 1,147,280,435</u>	<u>\$ 1,098,212,577</u>	<u>\$ 1,040,169,316</u>	<u>\$ 944,969,931</u>	<u>\$ 893,940,216</u>

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
Revenues:					
Property taxes	\$ 962,691,923	\$ 956,558,328	\$ 860,813,112	\$ 828,144,100	\$ 788,001,851
Intergovernmental:					
State sources	404,866,359	317,397,656	357,665,238	284,201,031	227,877,959
Federal sources	1,384,279	1,294,324	1,213,978	1,142,972	1,312,843
Charges for services	78,146,292	75,572,368	74,736,609	73,155,090	56,492,660
Investment income	9,064,572	8,091,550	4,519,945	274,821	176,958
Other local sources	20,286,208	13,452,746	14,667,800	7,323,137	11,460,481
Total revenue	<u>1,476,439,633</u>	<u>1,372,366,972</u>	<u>1,313,616,682</u>	<u>1,194,241,151</u>	<u>1,085,322,752</u>
Other financing sources:					
Transfers in	-	-	-	-	673,318
Issuance of leases and Software	129,857	3,932,261	-	912,209	355,289
Total other financing sources	<u>129,857</u>	<u>3,932,261</u>	<u>-</u>	<u>912,209</u>	<u>1,028,607</u>
Total revenue and other financing sources	<u>\$ 1,476,569,490</u>	<u>\$ 1,376,299,233</u>	<u>\$ 1,313,616,682</u>	<u>\$ 1,195,153,360</u>	<u>\$ 1,086,351,359</u>

	2020	2019	2018	2017	2016
Revenues:					
Property taxes	\$ 769,149,008	\$ 664,565,675	\$ 657,100,914	\$ 559,685,741	\$ 495,515,584
Intergovernmental:					
State sources	303,212,342	339,992,597	281,166,970	334,508,875	330,071,454
Federal sources	1,195,373	1,154,792	1,047,048	1,051,459	1,021,504
Charges for services	61,185,131	67,507,804	62,970,356	40,640,410	36,843,509
Investment income	1,593,600	2,442,363	1,967,899	1,243,941	876,883
Other local sources	11,382,560	21,571,968	25,694,780	20,344,239	8,669,688
Total revenue	<u>1,147,718,014</u>	<u>1,097,235,199</u>	<u>1,029,947,967</u>	<u>957,474,665</u>	<u>872,998,622</u>
Other financing sources:					
Transfers in	-	79,467	1,876,568	12,969,063	8,931,274
Issuance of leases	110,658	395,098	5,205,770	2,133,598	-
Total other financing sources	<u>110,658</u>	<u>474,565</u>	<u>7,082,338</u>	<u>15,102,661</u>	<u>8,931,274</u>
Total revenue and other financing sources	<u>\$ 1,147,828,672</u>	<u>\$ 1,097,709,764</u>	<u>\$ 1,037,030,305</u>	<u>\$ 972,577,326</u>	<u>\$ 881,929,896</u>

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

ASSESSED NET VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN TAX YEARS (Unaudited)
 Amount in 000's

	2025	2024	2023	2021	2020
Vacant property	\$ 499,021	\$ 488,424	\$ 425,525	\$ 470,322	\$ 328,355
Residential property	12,455,500	12,237,613	9,888,755	10,290,939	9,211,401
Commercial property	11,917,087	12,147,454	10,926,343	11,391,813	10,832,339
Industrial property	200,908	215,378	264,626	281,325	219,793
Agricultural property	77	78	83	227	125
Personal property	963,046	967,504	851,143	817,751	970,056
State assessed property	1,026,209	896,101	879,331	872,881	965,822
Total taxable assessed value	27,061,848	26,952,552	23,235,806	24,125,258	22,527,891
Total direct tax rate	79.202	77.486	79.525	74.618	74.201
Estimated actual taxable value	\$ 238,255,484	\$ 235,392,653	\$ 192,464,828	\$ 192,464,828	\$ 166,203,442
Assessed value as a percentage of estimated actual value	11.4%	11.5%	12.1%	12.5%	13.6%

Continued next page

Source: December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report
 (The most current information available)

Taxable assessed values are reported net of tax-exempt property

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

ASSESSED NET VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN TAX YEARS (Unaudited)
 Amount in 000's

	2019	2018	2017	2016	2015
Vacant property	\$ 352,077	\$ 231,259	\$ 259,521	\$ 186,774	\$ 219,528
Residential property	8,957,539	7,428,065	7,211,589	6,059,029	5,919,659
Commercial property	10,664,888	8,224,419	8,084,596	6,521,348	6,445,053
Industrial property	230,238	175,198	179,325	143,930	150,606
Agricultural property	133	356	92	138	79
Personal property	988,926	918,036	887,721	827,331	825,798
State assessed property	914,200	947,791	925,503	920,535	824,187
Total taxable assessed value	22,108,001	17,925,124	17,548,347	14,659,085	14,384,910
Total direct tax rate	72.116	77.365	77.134	81.547	78.127
Estimated actual taxable value	\$ 171,449,490	\$ 139,408,175	\$ 134,744,419	\$ 105,772,919	\$ 100,203,607
Assessed value as a percentage of estimated actual value	12.9%	12.9%	13.0%	13.9%	14.4%

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DISTRICT NET ASSESSED VALUATIONS AND MILLS
 LAST TEN TAX YEARS (Unaudited)

Levy				
Collection Year	Assessed Valuation	Tax Increment Valuation	Net Assessed Value	Percent Change
2025	\$ 25,179,372,911	\$ 129,492,796	\$ 25,308,865,707	0.51%
2024	\$ 21,765,724,345	\$ 3,413,648,566	\$ 25,179,372,911	15.68%
2023	\$ 22,042,141,036	\$ (276,416,691)	\$ 21,765,724,345	-1.27%
2022	\$ 21,091,522,247	\$ 950,618,789	\$ 22,042,141,036	4.31%
2021	\$ 20,722,174,107	\$ 369,348,140	\$ 21,091,522,247	1.75%
2020	\$ 16,824,261,116	\$ 3,897,912,991	\$ 20,722,174,107	18.81%
2019	\$ 16,576,650,104	\$ 247,611,012	\$ 16,824,261,116	1.47%
2018	\$ 13,460,852,897	\$ 3,115,797,207	\$ 16,576,650,104	18.80%
2017	\$ 13,221,694,094	\$ 239,158,803	\$ 13,460,852,897	1.78%
2016	\$ 10,517,386,669	\$ 2,704,307,425	\$ 13,221,694,094	20.45%

Levy						
Collection Year	General Fund Mills	Debt Service Mills	Special Revenue Mill Levy	Mill Levy Override	Abatement Mills	Total Mill Levy
2025	27.000	9.843	4.000	10.801	0.667	52.311
2024	27.000	9.843	3.173	10.270	0.425	50.711
2023	27.000	9.843	2.345	11.208	1.183	51.579
2022	26.541	9.568	1.517	10.445	0.427	48.498
2021	25.541	9.568	1.517	10.852	0.533	48.011
2020	25.541	9.568	-	11.014	0.541	46.664
2019	25.541	9.568	-	12.829	0.306	48.244
2018	25.541	9.650	-	12.547	0.506	48.244
2017	25.541	9.383	-	14.948	0.524	50.396
2016	25.541	10.250	-	10.976	0.630	47.397

For Fiscal Year Ended June 30, 2025

Taxing Entity	Mill Levy
City and County of Denver	25.891
Urban Drainage and Flood Control	1.000
Overlapping Mill Levy	26.891
School District #1	52.311
Total Mill Levy	79.202

Source: Certification of Levy for Current Year

Source: The taxing entity mill levy is from the City and County of Denver Assessor's Office

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PROPERTY TAX RATES PER \$1,000 OF ASSESSED VALUATION -
 DIRECT AND ALL OVERLAPPING GOVERNMENTS
 LAST TEN YEARS (Unaudited)

<u>Tax Year</u>	<u>General Fund</u>	<u>Bond Redemption Fund</u>	<u>Special Revenue Mill</u>	<u>Total</u>	<u>Denver County</u>	<u>Police and Firemen Pension</u>	<u>Improvement and Services Districts</u>	<u>Total</u>
2024	38.468	9.843	4.000	52.311	15.875	2.143	8.873	79.202
2023	37.695	9.843	3.173	50.711	15.799	2.134	8.842	77.486
2022	39.391	9.843	2.345	51.579	16.571	2.307	9.068	79.525
2021	37.413	9.568	1.517	48.498	16.32	2.277	7.523	74.618
2020	36.926	9.568	1.517	48.011	16.32	2.28	7.59	74.201
2019	37.096	9.568	-	46.664	15.76	2.285	7.407	72.116
2018	38.676	9.568	-	48.244	18.355	2.594	8.172	77.365
2017	38.594	9.65	-	48.244	18.377	2.598	7.915	77.134
2016	41.013	9.383	-	50.396	19.709	2.949	8.493	81.547
2015	37.147	10.25	-	47.397	19.764	2.96	8.006	78.127

Source: December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report
 (The most current information available)

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PRINCIPAL PROPERTY TAXPAYERS
 CURRENT COMPLETED CALENDAR YEAR AND NINE YEARS PRIOR (Unaudited)

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value
Brookfield Properties	\$ 440,258	1	1.63%	\$ 200,284	2	1.76%
Public Service Co.	364,354	2	1.35%	256,596	1	2.25%
Beacon Capital Partners	192,264	3	0.71%	169,290	3	1.49%
Simon Property Group	169,886	4	0.63%	-	-	0.00%
Invesco Realty Advisors Inc.	157,647	5	0.58%	128,357	5	1.13%
Kroenke Sports Enterprises	155,858	6	0.58%	-	-	0.00%
Hines Securities Inc.	138,241	7	0.51%	-	-	0.00%
ProLogis	128,470	8	0.47%	-	-	0.00%
Franklin Street Properties	123,144	9	0.46%	-	-	0.00%
Columbia-Healthone	121,625	10	0.45%	99,232	8	0.87%
CenturyLink Inc.				151,991	4	1.33%
Taubman Centers Inc.				101,355	6	0.89%
UBS Realty Investors				100,321	7	0.88%
Callahan Capital Partners				96,867	9	0.85%
Shorenstein Properties LLC				86,697	10	0.76%
Totals	<u>\$ 1,991,747</u>		<u>7.37%</u>	<u>\$ 1,390,990</u>		<u>12.21%</u>

Source: December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report
 (The most current information available)

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN YEARS (Unaudited)

<u>Calendar Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Taxes Collected (Taxes Refunded)</u>	<u>Total Taxes Collected</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
2016	626,668,635	621,313,860	99.15	160,185	621,474,045	99.17
2017	678,373,143	674,714,380	99.46	(620,259)	674,094,121	99.37
2018	799,723,908	793,052,267	99.17	557,110	793,609,377	99.24
2019	811,669,653	807,221,301	99.45	(3,315,419)	803,905,882	99.04
2020	966,979,533	957,264,361	99.00	(972,185)	956,292,176	98.89
2021	1,012,625,074	978,177,687	96.60	(3,212,794)	974,964,893	96.28
2022	1,068,999,756	1,048,810,976	98.11	(6,003,420)	1,042,807,556	97.55
2023	1,122,654,297	1,110,337,677	98.90	(798,831)	1,109,538,846	98.83
2024**	1,276,871,180	1,254,606,564	98.26	(2,096,984)	1,252,509,581	98.09
2025*	1,323,932,074	1,285,478,914	97.10	(10,289,218)	1,275,189,696	96.32

Source: District financial records for the respective years

* Property taxes are levied on a calendar year basis. Tax collections for 2025 represent collections for January through September 2025.

** Current Tax Collections for 2024 have been updated with the full calendar year figures.

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
Assessed value (prior year)	\$ 27,061,848,360	\$ 26,952,552,320	\$ 23,235,806,840	\$ 23,529,238,541	\$ 22,527,890,740
Actual value (prior year)	238,255,483,961	235,392,652,619	189,064,565,772	187,562,086,035	175,333,718,321
Debt limit is greater of:					
20% of assessed value	5,412,369,672	5,390,510,464	4,647,161,368	4,705,847,708	4,505,578,148
or 6% of actual value*	14,295,329,038	14,123,559,157	11,343,873,946	11,253,725,162	10,520,023,099
Debt limit	14,295,329,038	14,123,559,157	11,343,873,946	11,253,725,162	10,520,023,099
Amount of debt applicable to debt limits	2,518,165,000	1,960,152,000	2,070,107,000	2,192,172,000	1,974,762,000
Less: amount reserved for long-term debt	<u>(286,331,131)</u>	<u>(274,168,040)</u>	<u>(226,603,288)</u>	<u>(220,866,772)</u>	<u>(224,018,962)</u>
Net chargeable to bond limit	<u>2,231,833,869</u>	<u>1,685,983,960</u>	<u>1,843,503,712</u>	<u>1,971,305,228</u>	<u>1,750,743,038</u>
Legal debt margin	<u>\$ 12,063,495,169</u>	<u>\$ 12,437,575,197</u>	<u>\$ 9,500,370,234</u>	<u>\$ 9,282,419,934</u>	<u>\$ 8,769,280,061</u>
Total net debt applicable to the limit as a percentage of debt limit	15.61%	11.94%	16.25%	17.52%	16.64%

Continued next page

Sources: The Certification of Assessed Valuation is from the City and County of Denver Assessor's Office in early December, prior to the District's certification of the mill levies which can be no later than December 15th. The assessed valuation figure is inclusive of tax increment values.

* Section 22-42-104 of the Colorado School Law limits the amount of bonded indebtedness to the greater of 20% of the latest valuation for assessment of taxable property in such district, as verified by the County Assessor to the Board of County Commissioners, or 6% of the most recent determination of the actual value of the taxable property in the district, as certified by the County Assessor to the Board of County Commissioners.

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS (Unaudited)

	2020	2019	2018	2017	2016
Assessed value (prior year)	\$ 22,108,001,450	\$ 17,925,134,030	\$ 17,548,347,337	\$ 14,659,085,700	\$ 14,384,909,283
Actual value (prior year)	171,449,489,953	139,408,174,638	134,744,419,497	105,772,919,056	100,203,607,405
Debt limit is greater of:					
20% of assessed value	4,421,600,290	3,585,026,806	3,509,669,467	2,931,817,140	2,876,981,857
or 6% of actual value*	10,286,969,397	8,364,490,478	8,084,665,170	6,346,375,143	6,012,216,444
Debt limit	10,286,969,397	8,364,490,478	8,084,665,170	6,346,375,143	6,012,216,444
Amount of debt applicable to debt limits	1,623,512,000	1,708,747,000	1,783,592,000	1,718,072,000	1,321,607,000
Less: amount reserved for long-term debt	<u>(201,801,053)</u>	<u>(167,631,916)</u>	<u>(160,157,619)</u>	<u>(130,144,786)</u>	<u>(140,280,738)</u>
Net chargeable to bond limit	<u>1,421,710,947</u>	<u>1,541,115,084</u>	<u>1,623,434,381</u>	<u>1,587,927,214</u>	<u>1,181,326,262</u>
Legal debt margin	<u>\$ 8,865,258,450</u>	<u>\$ 6,823,375,394</u>	<u>\$ 6,461,230,789</u>	<u>\$ 4,758,447,929</u>	<u>\$ 4,830,890,182</u>
Total net debt applicable to the limit as a percentage of debt limit	13.82%	18.42%	20.08%	25.02%	19.65%

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE AND NET GENERAL BOND DEBT
 LAST TEN FISCAL YEARS (Unaudited)

Year	District Population*	Assessed Property Valuation*	General Bonded Debt	Certificates of Participation	Leases and SBITA	Gross Debt Primary Government
2025	729,019	\$ 27,061,848,360	\$ 2,809,418,290	\$ 784,628,167	\$ 20,330,109	\$ 3,614,376,566
2024	716,577	26,952,552,320	2,186,383,604	870,006,070	25,053,676	3,081,443,350
2023	729,239	23,235,806,840	2,320,930,866	913,377,628	24,769,287	3,259,077,781
2022	749,103	23,529,238,541	2,473,558,246	954,095,823	14,042,628	3,441,696,697
2021	738,200	22,527,890,740	2,194,295,385	991,043,448	2,101,534	3,187,440,367
2020	727,211	22,108,001,450	1,758,455,749	1,105,613,043	3,259,407	2,867,328,199
2019	716,492	17,925,134,030	1,860,560,351	1,091,324,507	4,567,393	2,956,452,251
2018	693,292	17,548,347,337	1,953,095,785	1,034,383,784	5,430,536	2,992,910,105
2017	693,060	14,659,085,700	1,889,552,488	1,077,242,045	1,253,441	2,968,047,974
2016	682,545	14,384,909,283	1,433,272,568	1,044,456,762	-	2,477,729,330

Continued next page

Source: School District Financials

Source: * December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report
 (The most current information available)

** Personal income not available this year from data source.

Note: Detail regarding the District's outstanding debt can be found in the notes to the basic financial statements.

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE AND NET GENERAL BOND DEBT
 LAST TEN FISCAL YEARS (Unaudited)

Year	Less Debt Service Funds Available	Net General Bonded Debt	Net General Bonded Debt to Assessed Value	Total Debt Per Capita	Net General Bonded Debt Per Capita	Personal Income (expressed in millions)	Percentage of Personal Income to O/S Debt
2025	\$ 287,324,202	\$ 2,522,094,088	9.32%	\$ 4,958	\$ 3,460	n/a **	n/a
2024	275,277,856	1,911,105,748	7.09%	4,300	2,667	43,856,000	8.10%
2023	227,841,042	2,093,089,824	9.01%	4,469	2,870	40,225,000	8.10%
2022	222,260,120	2,251,298,126	9.57%	4,594	3,005	37,936,000	9.07%
2021	226,255,934	1,968,039,451	8.74%	4,318	2,666	51,543,000	6.18%
2020	203,916,531	1,554,539,218	7.03%	3,943	2,138	61,348,000	4.67%
2019	173,213,859	1,687,346,492	9.41%	4,126	2,355	57,211,000	5.17%
2018	160,157,619	1,792,938,166	10.22%	4,317	2,586	47,289,000	6.33%
2017	130,144,786	1,759,407,702	12.00%	4,283	2,539	46,612,000	6.37%
2016	140,280,738	1,292,991,830	8.99%	3,630	1,894	46,617,000	5.32%

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DIRECT AND OVERLAPPING DEBT
 (Unaudited)

<u>Taxing Body</u>	<u>Total Debt Outstanding</u>	<u>Outstanding As of</u>	<u>Percent Overlapping</u>	<u>Share of Debt</u>
Overlapping Debt				
City and County of Denver	<u>1,854,610,000</u>	12/31/24	100%	<u>1,854,610,000</u>
School District No. 1 Denver	<u>3,614,376,566</u>	06/30/25	100%*	<u>3,614,376,566</u>
	<u>\$ 5,468,986,566</u>			<u>\$ 5,468,986,566</u>

Source: December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report

Source: School District Financials - June 30, 2025

*As per City and County of Denver 2024 Annual Comprehensive Financial Report, all overlapping debt for Denver Public Schools is considered overlapping at 100%

SCHOOL DISTRICT NO.1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS (Unaudited)

Year Ended June 30,	Population	Total Personal Income	Median Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2025	729,019	N/A*	N/A*	35.4	90,452	4.3%
2024	716,577	\$ 43,856	\$ 61,202	35.1	88,235	3.3%
2023	729,239	\$ 40,225	\$ 56,381	35.1	89,213	2.8%
2022	749,103	\$ 37,936	\$ 50,642	34.6	90,250	4.2%
2021	738,200	\$ 51,543	\$ 69,822	36.6	90,296	6.9%
2020	727,211	\$ 61,348	\$ 81,405	36.2	92,039	2.5%
2019	716,492	\$ 57,211	\$ 79,849	35.8	93,356	3.0%
2018	693,292	\$ 47,289	\$ 69,862	35.5	92,686	3.0%
2017	693,060	\$ 46,612	\$ 67,256	35.2	92,331	3.0%
2016	682,545	\$ 46,617	\$ 68,299	35.1	91,429	3.7%

Source: December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report
 (The most current information available)

*Total personal income and median per capita income not available this year from data sources

Certain data on this table are only available on a calendar year basis. The prior calendar year data is used for a given fiscal year.

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
City and County of Denver	13,995	1	2.1%	10,549	2	3.0%
Denver Public School District #1	13,251	2	2.0%	12,864	1	2.5%
State of Colorado Central Payroll	11,079	3	1.7%	9,401	3	2.2%
United Airlines, Inc	10,078	4	1.6%	5,412	6	1.3%
Denver Health & Hospital Authority	8,222	5	1.3%	6,047	5	1.4%
Southwest Airlines	4,621	6	0.7%			
CHC Payroll Agent, Inc. (HCA Health One)	4,612	7	0.7%	4,264	7	1.0%
University of Denver	4,472	8	0.7%	3,795	8	0.9%
USDA National Finance Center	4,376	9	0.7%	7264	4	1.7%
ADP TotalSource	2,484	10	0.4%			
University of Colorado Central Accounting Service Center (U.S. Postal Service)				3,536	9	0.8%
				2,943	10	0.7%
Total	77,190		11.9%	66,075		15.5%

Source: December 31, 2024 - City and County of Denver Annual Comprehensive Financial Report
(The most current information available)
Based on 2024 and 2015 Principal Employers.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NUTRITION SERVICES - FACTS AND FIGURES
LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022*	2021
Number of schools participating in:					
Lunch - regular schedule	189	188	200	162	161
Breakfast program	186	185	198	162	161
Student lunches served:					
Free	5,144,582	4,066,061	3,526,830	6,881,866	2,861,259
Reduced	35,579	83,076	611,575	-	-
Fully paid	1,360,794	2,888,929	1,758,006	-	-
Total	<u>6,540,955</u>	<u>7,038,066</u>	<u>5,896,411</u>	<u>6,881,866</u>	<u>2,861,259</u>
Adult lunches served	20,366	16,943	18,360	4,353	2,794
Student breakfasts served:					
Free	3,018,173	2,245,926	2,246,012	4,375,632	2,588,037
Reduced	11,298	380,965	381,052	-	-
Fully paid	379,869	1,001,296	1,013,007	-	-
Total	<u>3,409,340</u>	<u>3,628,187</u>	<u>3,640,071</u>	<u>4,375,632</u>	<u>2,588,037</u>
Number of serving days:					
Regular schedule	174.5	174.5	170.0	173.5	169.5
Average daily participation:					
Student lunch	37,484	40,333	34,685	39,665	16,881
Adult lunch	117	97	108	25	16
Student breakfast	19,538	20,792	21,412	25,220	15,269
October 1 pupil count	90,865	88,646	89,681	90,250	90,296
Percentage of students daily eating school lunch	41.25%	45.50%	38.68%	43.95%	18.69%
October 1 count of benefits					
Students on free lunch	50,265	48,692	49,297	-	45,398
Students on reduced lunch	6,641	6,958	6,829	-	5,938
Percentage of students on:					
Free lunch	55.32%	54.93%	54.97%	0.00%	50.28%
Reduced lunch	7.31%	7.85%	7.61%	0.00%	6.58%
Total	<u>62.63%</u>	<u>62.78%</u>	<u>62.58%</u>	<u>0.01%</u>	<u>56.85%</u>

Continued
next page

Source: School District Planning Department

*During the 2021-2022 school year, all students were eligible for free meals across the District.

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NUTRITION SERVICES - FACTS AND FIGURES
 LAST TEN FISCAL YEARS (Unaudited)

	2020	2019	2018	2017	2016
Number of schools participating in:					
Lunch - regular schedule	246	201	201	196	190
Breakfast program	244	201	205	196	187
Student lunches served:					
Free	3,951,058	5,188,252	5,543,297	5,790,913	6,039,463
Reduced	730,590	755,021	842,383	766,864	710,818
Fully paid	1,259,076	1,657,770	1,492,549	1,308,708	1,262,199
Total	<u>5,940,724</u>	<u>7,601,043</u>	<u>7,878,229</u>	<u>7,866,485</u>	<u>8,012,480</u>
Adult lunches served	307,522	19,463	18,795	21,142	25,558
Student breakfasts served:					
Free	2,746,512	3,569,110	4,051,403	4,181,279	4,360,853
Reduced	499,217	544,058	670,302	613,974	555,004
Fully paid	935,579	1,233,206	1,277,618	1,226,889	1,143,377
Total	<u>4,181,308</u>	<u>5,346,374</u>	<u>5,999,323</u>	<u>6,022,142</u>	<u>6,059,234</u>
Number of serving days:					
Regular schedule	174.5	174.5	173	173.5	173.5
Average daily participation:					
Student lunch	34,044	43,559	45,539	45,340	46,181
Adult lunch	1,762	112	109	122	147
Student breakfast	23,962	30,638	34,678	34,710	34,924
October 1 pupil count	93,815	93,356	93,403	92,754	91,860
Percentage of students daily eating school lunch	36.29%	46.66%	48.76%	48.88%	50.27%
October 1 count of benefits					
Students on free lunch	48,474	51,467	53,167	53,734	55,505
Students on reduced lunch	10,041	8,235	9,053	8,469	7,430
Percentage of students on:					
Free lunch	51.67%	55.13%	56.92%	57.93%	60.42%
Reduced lunch	10.70%	8.82%	9.69%	9.13%	8.09%
Total	<u>62.37%</u>	<u>63.95%</u>	<u>66.61%</u>	<u>67.06%</u>	<u>68.51%</u>



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SCHOOL DISTRICT NO, 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

FULL-TIME EQUIVALENT EMPLOYEES
 LAST TEN FISCAL YEARS (Unaudited)

	2025	2024	2023	2022	2021
All Funds					
Instruction	6,391	6,508	7,436	6,624	6,510
Pupil support	1,202	1,144	1,279	1,232	1,076
Instructional support	1,075	1,105	911	1,118	1,174
General administration	119	83	62	106	52
School administration	796	802	729	841	834
Business services	119	120	97	131	140
Operation & maintenance	835	894	873	985	1,038
Pupil transportation	378	346	348	452	435
Central services	643	590	450	514	520
Community services	132	169	115	173	185
Education for adults	152	152	181	152	148
Food services	864	859	645	857	710
	12,706	12,772	13,126	13,185	12,822
	2025	2024	2023	2022	2021
Degree Held					
Bachelor's	2,033	2,173	2,628	3,453	3,552
Master's	3,324	3,435	3,835	4,282	4,372
Doctoral / Master's plus	174	159	171	218	224
Other	432	445	511	520	543
	2020	2019	2018	2017	2016
All Funds					
Instruction	6,340	6,575	6,439	6,686	6,948
Pupil support	1,089	1,177	1,173	849	792
Instructional support	1,200	1,240	1,160	1,355	1,361
General administration	61	58	46	39	40
School administration	878	849	865	833	827
Business services	138	128	124	122	118
Operation & maintenance	1,002	1,115	1,089	1,073	964
Pupil transportation	461	469	502	527	523
Central services	641	561	537	628	619
Community services	156	171	183	315	246
Education for adults	207	343	163	422	240
Food services	768	764	772	790	675
	12,941	13,450	13,053	13,639	13,353

Source: School District financial reports for the respective years. Full-time equivalent employees are the number of budgeted employees for the respective years.

As of June 30, 2025 the degree held data is for 13,569 actual FTE's (11,971 of whom are full-time and 1,598 of whom are part-time) and reflect degrees disclosed for the respective year.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS - SCHOOLS (Unaudited)

Enrollment is as of October 1 in fiscal year.

	2025	2024	2023	2022	2021
Elementary & K-8 Schools:*	118	118	118	118	111
Total Square Feet	8,653,242	8,652,987	8,652,985	8,641,464	8,257,097
Total Capacity (Students)	73,325	71,800	73,325	74,214	74,214
Enrollment	40,404	38,778	39,560	39,939	39,915
Middle Schools:*	14	14	14	14	14
Total Square Feet	1,689,682	1,669,273	1,669,273	1,667,851	1,667,851
Total Capacity (Students)	11,675	11,200	11,675	12,325	12,325
Enrollment	8,979	8,910	9,056	9,338	9,525
High Schools:*	46	46	45	45	44
Total Square Feet	5,978,473	5,943,210	5,871,567	5,891,550	5,776,799
Total Capacity (Students)	43,900	41,025	44,525	44,593	44,593
Enrollment	19,669	19,558	19,760	20,147	19,506
Alternative Schools:**	14	14	15	14	14
Total Square Feet	-	-	-	-	-
Total Capacity (Students)	-	-	-	-	-
Enrollment	1,938	1,977	1,843	1,521	1,619
Charter Schools:**	52	52	55	56	58
Total Square Feet	-	-	-	-	-
Total Capacity (Students)	-	-	-	-	-
Enrollment	19,462	19,035	18,994	19,305	19,731
	2020	2019	2018	2017	2016
Elementary & K-8 Schools:*	111	111	110	111	121
Total Square Feet	8,227,573	8,176,304	8,055,067	7,848,747	6,694,908
Total Capacity (Students)	74,214	74,214	73,575	73,200	67,050
Enrollment	43,530	43,994	45,426	46,002	46,388
Middle Schools:*	14	14	14	13	29
Total Square Feet	1,651,073	1,651,073	1,651,073	1,647,064	1,955,193
Total Capacity (Students)	12,325	12,325	12,325	12,425	14,825
Enrollment	9,443	9,271	12,157	10,185	9,921
High Schools:*	44	43	43	43	35
Total Square Feet	5,778,945	5,683,459	5,683,459	5,660,945	4,843,312
Total Capacity (Students)	44,593	44,025	44,025	44,425	39,050
Enrollment	19,046	18,711	14,786	17,082	16,679
Alternative Schools:**	14	14	13	14	18
Total Square Feet	-	-	-	-	-
Total Capacity (Students)	-	-	-	-	-
Enrollment	1,743	1,791	1,852	1,884	1,727
Charter Schools:**	58	58	58	54	60
Total Square Feet	-	-	-	-	-
Total Capacity (Students)	-	-	-	-	-
Enrollment	20,053	19,589	18,763	17,178	16,714

Sources: School District Research and Planning Office, and Facilities Planning Department

* Building Count - In 2017 changed presentation by counting multi grade sites as single sites within their respective grade categories.

** Program Count



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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*

Independent Auditor's Report

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado
Denver, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of School District No. 1 in the City and County of Denver and State of Colorado (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 13, 2025, which contained an Emphasis of a Matter paragraph for accounting changes. Our report includes a reference to other auditors who audited the financial statements of the Denver Public Schools Professional Compensation System for Teachers Trust Fund (the ProComp fund), a blended component unit. Our report also includes a reference to other auditors who audited the financial statements of all of the discretely presented component units, except for DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools. The component units included as aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, except for DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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 the District'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.

Forvis Mazars, LLP

**Denver, Colorado
November 13, 2025**



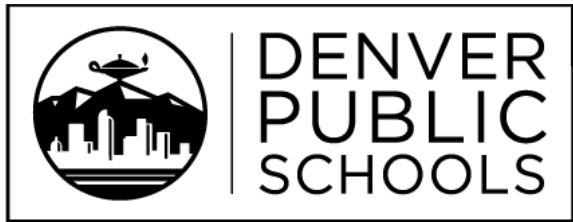
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SCHOOL DISTRICT NO. 1 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SINGLE AUDIT REPORT Year ended June 30, 2025

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

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YEAR ENDED JUNE 30, 2025

SINGLE AUDIT

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Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado
Denver, Colorado

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited School District No. 1 in the City and County of Denver and State of Colorado's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2025. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We have issued our report thereon dated November 13, 2025, which contained unmodified opinions on those financial statements, an Emphasis of a Matter paragraph for accounting changes, and a reference to the reports of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Forvis Mazars, LLP

**Denver, Colorado
December 8, 2025**

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

Federal Grantor/Program or Cluster Title	Pass-through Grantor	Pass-through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures
Department of Agriculture				
<i>Child Nutrition Cluster</i>				
School Breakfast Program	Colorado Department of Education	4553	10.553	\$ 9,886,461
Donated Commodities	Colorado Department of Education	4555	10.555	30,600,357
Summer Food Service Program for Children	Colorado Department of Education	4559	10.559	823,444
Fresh Fruit and Vegetable Program	Colorado Department of Education	4582	10.582	<u>1,182,859</u>
<i>Child Nutrition Cluster total</i>				<u>42,493,121</u>
Total Department of Agriculture				<u>42,493,121</u>
Department of Defense				
JROTC Career Academy			12.000	1,384,280
Community Investment	Mobile County Public Schools	7600	12.600	<u>144,010</u>
Total Department of Defense				<u>1,528,290</u>
Department of Justice				
Preventing School Violence Program	Colorado Department of Education	7839	16.839	76,885
Total Department of Defense				<u>76,885</u>
Department of Labor				
Registered Apprenticeship Grant	CareerWise Colorado	7289	17.289	76,245
Total Department of Labor				<u>76,245</u>
Department of Treasury				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Colorado Community College System	7127	21.027	691,160
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	City and County of Denver	7127	21.027	<u>218,044</u>
<i>COVID-19-Coronavirus Relief Fund total</i>				<u>909,204</u>
Total Department of Treasury				<u>909,204</u>

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

Federal Grantor/Program or Cluster Title	Pass-through Grantor	Pass-through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures
Department of Education				
<i>Federal Student Financial Aid Cluster</i>				
Federal Supplemental Educational Opportunity Grants			84.007	150,000
Federal Pell Grant Program			84.063	1,557,495
<i>Federal Student Financial Aid Cluster total</i>				<u>1,707,495</u>
Title I Grants to Local Educational Agencies	Colorado Department of Education	4010	84.010A	32,114,279
Title I Grants to Local Educational Agencies	Colorado Department of Education	5010	84.010A	1,852,054
Title I Grants to Local Educational Agencies	Colorado Department of Education	7010	84.010A	147,737
Title I Grants to Local Educational Agencies	Colorado Department of Education	9202	84.010A	713,594
Title I Grants to Local Educational Agencies	Colorado Department of Education	9204	84.010A	220,335
Title I Grants to Local Educational Agencies	Colorado Department of Education	9205	84.010A	407,810
Title I Grants to Local Educational Agencies	Colorado Department of Education	9206	84.010A	3,051,546
Title I Grants to Local Educational Agencies	Colorado Department of Education	9211	84.010A	224,229
Title I Grants to Local Educational Agencies	Colorado Department of Education	9213	84.010A	154,984
Title I Grants to Local Educational Agencies	Colorado Department of Education	9214	84.010A	2,698
<i>Title I Grants to Local Educational Agencies total</i>				<u>38,889,266</u>
<i>Special Education Cluster (IDEA)</i>				
Special Education Grants to States	Colorado Department of Education	4027	84.027	16,997,975
Special Education Grants to States	Colorado Department of Education	8027	84.027	2,999,227
Special Education Preschool Grants	Colorado Department of Education	4173	84.173	387,844
<i>Special Education Cluster total</i>				<u>20,385,046</u>
Career and Technical Education -- Basic Grants to States	Colorado Community College System	4048	84.048	1,214,733
<i>Career and Technical Education -- Basic Grants to States total</i>				<u>1,214,733</u>
Indian Education Grants to Local Educational Agencies			84.060	184,069
<i>Indian Education Grants to Local Educational Agencies total</i>				<u>184,069</u>
Charter Schools	Colorado Department of Education	5283	84.282D	25,581
<i>Charter Schools total</i>				<u>25,581</u>
Twenty-First Century Community Learning Centers	Colorado Department of Education	7287	84.287C	368,930
Twenty-First Century Community Learning Centers	Colorado Department of Education	8287	84.287C	696,370
Twenty-First Century Community Learning Centers	Colorado Department of Education	8289	84.287C	648,000
<i>Twenty- First Century Community Learning Centers total</i>				<u>1,713,300</u>
English Language Acquisition State Grants	Colorado Department of Education	4365	84.365A	2,451,761
English Language Acquisition State Grants	Colorado Department of Education	7365	84.365A	302,119
<i>English Language Acquisition State Grants total</i>				<u>2,753,880</u>

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

Federal Grantor/Program or Cluster Title	Pass-through Grantor	Pass-through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures
Department of Education (Continued)				
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	Colorado Department of Education	4367	84.367A	2,301,242
Student Support and Academic Enrichment Program	Colorado Department of Education	4421	84.424	1,229,761
Student Support and Academic Enrichment Program	Colorado Department of Education	4422	84.424	1,314,699
Student Support and Academic Enrichment Program	Colorado Department of Education	4423	84.424	175,914
<i>Student Support and Academic Enrichment Program total</i>				<u>2,720,374</u>
Stronger Connections Grant	Colorado Department of Education	4451	84.424F	149,002
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	4414	84.425U	27,804,136
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	4434	84.425U	1,327,760
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	4438	84.425U	42,102
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	4449	84.425U	5,691
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	4462	84.425U	6,000
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	8426	84.425W	122,043
COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund	Colorado Department of Education	9414	84.425U	14,035,384
<i>COVID-19-Education Stabilization Fund total</i>				<u>43,343,116</u>
Total Department of Education				115,387,104

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

Federal Grantor/Program or Cluster Title	Pass-through Grantor	Pass-through Entity Identifying Number	Federal Assistance Listing Number	Total Federal Expenditures
Department of Health and Human Services				
Demonstration Grants for Domestic Victims of Human Trafficking			93.327	567,234
Temporary Assistance for Needy Families (TANF)	Colorado Department of Human Services	8558	93.558	297,949
Refugee and Entrant Assistance State/ Replacement Designee Administered Programs	Colorado Department of Human Services	7566	93.566	1,677,086
<i>Head Start Cluster</i>				
Head Start	City and County of Denver	8600	93.600	2,919,075
<i>Head Start Cluster total</i>				<u>2,919,075</u>
Opioid STR	Colorado Department of Human Services	7788	93.788	39,843
Block Grants for Prevention and Treatment of Substance Abuse	Colorado Department of Human Services	7959	93.959	196,322
Total Department of Health and Human Services				<u>5,697,509</u>
Total Federal Expenditures			\$	166,168,358

**School District No. 1 in the
City and County of Denver and State of Colorado
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025**

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal awards activity of the District. The Schedule includes federally funded projects received directly from federal agencies and the federal amount of pass-through awards received by the District through the state of Colorado or other non-federal entities. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
2. The accompanying schedule of federal awards is presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.
3. The District utilizes the indirect cost rate established for it by the Colorado Department of Education, therefore it has not used the de minimis 10 percent indirect cost rate allowed under the Uniform Guidance.
4. Certain grant programs have not been assigned Federal Assistance Listing Numbers by the federal government, or the numbers are not obtainable. These programs are identified in the Schedule by the federal agency number followed by three zeros (for example, 12.000).
5. During the year ended June 30, 2025, the District did not pass through any federal funds to subrecipients.
6. For federal awards expended by the District as a subrecipient, the Schedule includes identification of the pass-through grantor and the identifying number assigned to the grant by the pass-through grantor.
7. Commodities donated to the District by the U.S Department of Agriculture (USDA) are valued based on the USDA's Donated Commodity Price List. The commodities are recognized as revenue when received. The District takes possession of all inventory, including commodity items when they reach the District's dock or cold storage facility, and title passes at that time. The majority of commodity items are stored in the district warehouse or off-site cold storage facility. Since the District has received title to the commodities, the unused commodities are not reflected as unearned revenue. The donated commodities are reported under the National School Lunch Program (Federal Assistance Listing Number 10.555) on the Schedule. The District recognized noncash awards of \$30,600,357 for the year ended June 30, 2025.

School District No. 1 in the City and County of
 Denver and State of Colorado
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

- Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes None Reported

Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statement noted? Yes No

Federal Awards

4. Internal control over major federal awards program:

Significant deficiency(ies) identified? Yes None Reported

Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal program:

- Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? Yes No

7. Identification of major federal program:

<u>Federal Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559, 10.582	Child Nutrition Cluster

8. Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000.

9. Auditee qualified as a low-risk auditee? Yes No

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
-----------------------------	----------------

No matters are reportable.

**School District No. 1 in the City and County of
Denver and State of Colorado
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2025**

Reference Number	Summary of Finding	Status
2024-001	<p>Finding: Special Tests and Provisions (Assessment System Security) Federal Assistance Listing Number 84.010A - Title I Passed-through Colorado Department of Education Award Number - 4010, 5010, 7010, 9202, 90204, 9205, 9206, 9211, 9212, 9213, 9214; Award Year 2024</p> <p>We recommend the District's Grant Administration team and Assessment Administration team create a checklist to ensure that all required internal controls are completed.</p>	Implemented



Department of Financial Services
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School District No. 1 in the City and County of Denver

Summary Schedule of Prior Audit Findings
 Year Ended June 30, 2025

Reference

Number	Summary of Finding
--------	--------------------

**2024-001 Finding: Special Tests and Provisions (Assessment System Security)
 Federal Assistance Listing Number 84.010A - Title I
 Passed-through Colorado Department of Education
 Award Number - 4010, 5010, 7010, 9202, 90204, 9205, 9206, 9211,
 9212, 9213, 9214; Award Year 2024**

We recommend the District's Grant Administration team and Assessment Administration team create a checklist to ensure that all required internal controls are completed.

Status: Corrective implemented.

The School Accountability Leader (SAL) was required to sign the Security Plan and return it to the assessment team. The school SAL was also required to complete a Google form to confirm the completion of the Security Plan. Prior to the start of testing for the school, the Assessment team completed an audit of the Google form responses and followed up with each school that had not completed the form. All forms were completed prior to the start of testing.

Client Responsible Party: Mackenzie Lane, Director, Assessment

Completion Date: October 30, 2024



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