



**NORTH PARK SCHOOL DISTRICT R-1
WALDEN, COLORADO**

**FINANCIAL STATEMENTS
AND THE INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

NORTH PARK SCHOOL DISTRICT R-1

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INDEPENDENT AUDITOR'S REPORT

Board of Education
North Park School District R-1
Walden, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Park School District R-1 (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and budgetary comparison schedules, and the auditor's integrity report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

DMC Auditing and Consulting, LLC

December 11, 2025
Bailey, Colorado

NORTH PARK SCHOOL DISTRICT R-1



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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) June 30, 2025

This discussion and analysis of North Park School District R-1's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers are encouraged to review the financial statements, footnotes, budgetary comparison schedules, and other supplementary information to broaden their understanding of the District's financial position.

This financial report is intended to provide all stakeholders with a clear overview of the financial position of North Park School District R-1 and to demonstrate the District's accountability for the funds it receives. For questions regarding this report or to request additional financial information, please contact the District's Business Manager, P.O. Box 798, 910 4th Street, Walden, CO 80480.

Financial Highlights

For the fiscal year ended June 30, 2025, the District's net position in governmental funds grew from \$4,527,705 to \$4,925,685, reflecting an increase primarily due to higher district assets, notably in cash. Additionally, the District's PERA pension liability decreased compared to the prior year. The General Fund (10) saw an increase in its ending fund balance of \$612,180 from Fiscal Year 2024 to Fiscal Year 2025. This growth was driven by cost savings across various budget areas and the receipt of \$200,000 more than anticipated in 1% sales tax revenue. Meanwhile, the combined fund balance of non-major government funds (21, 43, and 23) decreased by \$47,957.

Additions to capital assets for the year totaled \$86,386 which included upgrades to security, the purchase of a new fleet vehicle, and new equipment. Depreciation of capital assets totaled \$233,504, resulting in a net decrease to of \$147,118. The District ensures adequate contingency funds in its annual budget to address any unanticipated operational needs, and all current instructional costs are fully covered by the District's revenue sources.

A condensed summary of the District's Capital Assets is as follows:

North Park School District			
Capital Assets (Net of Accumulated Depreciation)			
	Balances 2024	Net Changes	Balances 2025
Land (Not Being Depreciated)	\$ 67,595	\$ -	\$ 67,595
Buildings and Improvements	\$ 3,660,123	\$ (195,613)	\$ 3,464,510
Machinery and Equipment	\$ 55,152	\$ 16,864	\$ 72,016
Vehicles	\$ 185,246	\$ 31,631	\$ 216,877
Total Capital Assets, Net	\$ 3,968,116	\$ (147,118)	\$ 3,820,998

*Reference audit page 16 for detail.

Using the Basic Financial Statements

The Basic Financial Statements consist of a series of financial statements and notes to those statements. These statements are organized so the reader can first understand the District as an entire operating entity, then proceed to an increasingly detailed look at specific financial activities.

NORTH PARK SCHOOL DISTRICT R-1



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The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the District’s overall financial status. Fund financial statements are focused on individual parts of the District’s operations. The governmental fund statements tell how general District services were financed in the short term as well as what remains for future spending. The financial statements also include notes explaining some of the information and provide more detailed data.

Government-Wide Financial Statements

The government-wide statements present information about the District as a whole, using accounting methods similar to those used by private-sector organizations. The Statement of Net Position includes assets and liabilities, while the Statement of Activities captures all of the current year’s revenues and expenses are account, regardless of when cash was received or disbursed. Together, these statements show how the District’s net position has changed over time. This change is a key indicator of whether the District’s overall financial health has improved or declined. The factors driving these changes may be financial—such as shifts in revenue or expenditure levels— or non-financial, including facility conditions, enrollment trends, and mandated educational programs.

A condensed version of the Statement of Net Position is as follows:

North Park School District			
Condensed Statement of Net Position			
	2025	2024	Variance
Assets:			
Current Assets	\$ 5,249,682	\$ 4,814,242	\$ 435,440
Capital Assets	\$ 3,820,998	\$ 3,968,116	\$ (147,118)
Deferred Outflows of Revenue (Pensions and OPEB)	\$ 925,721	\$ 1,410,628	\$ (484,907)
Total Assets & Deferred Outflows of Financial Resources	\$ 9,996,401	\$ 10,192,986	\$ (196,585)
Liabilities:			\$ -
Current Liabilities	\$ 424,544	\$ 566,406	\$ (141,862)
Non-current Liabilities	\$ 4,251,872	\$ 4,918,264	\$ (666,392)
Deferred Inflows of Resources (Pensions and OPEB)	\$ 394,300	\$ 180,611	\$ 213,689
Total Liabilities & Deferred Inflows of Financial Resources	\$ 5,070,716	\$ 5,665,281	\$ (594,565)
Net Position:			\$ -
Net Invested in Capital Assets	\$ 3,820,998	\$ 3,955,314	\$ (134,316)
Restricted Net Position	\$ 138,000	\$ 114,000	\$ 24,000
Unrestricted Net Position	\$ 966,687	\$ 458,391	\$ 508,296
Total Net Position (Deficit)	\$ 4,925,685	\$ 4,527,705	\$ 397,980
Total Liabilities , Deferred Outflows and Net Position	\$ 9,996,401	\$ 10,192,986	\$ (196,585)

Most of the district’s net position is both invested in capital assets (buildings, land, and equipment), as well as liquid assets like cash. The net position is a combination of restricted and unrestricted components. Restricted net position reflects resources set aside for specific uses as required by statute. The unrestricted net position can be used by the district for general operational purposes, and is a key indicator of a district's financial flexibility, as it shows how much money is available for use without legal constraints.

NORTH PARK SCHOOL DISTRICT R-1



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A condensed Statement of District Activities is as follows:

North Park School District				
Condensed Statement of Activities				
	2025 Program Expenses	2025 Program Revenues	(Expense)/Revenue and Change in Net Position	
			<u>2025</u>	<u>2024</u>
Governmental Functions/Programs:				
Instruction	\$ 2,073,883	\$ 702,943	\$ (1,370,940)	\$ (1,315,861)
Supporting Services	2,373,096	442,792	(1,930,304)	(1,954,819)
Food Services	199,367	86,978	(112,389)	(98,577)
Interest on Long-Term Debt	462	0	(462)	(908)
Total Governmental Activities	<u>\$ 4,646,808</u>	<u>\$ 1,232,713</u>	<u>\$ (3,414,095)</u>	<u>\$ (3,370,165)</u>
General Revenues:				
Local Taxes			\$ 3,172,909	\$ 2,860,493
State Revenue			509,071	517,702
Investment Income/Other			130,095	123,357
Total General Revenues			<u>\$ 3,812,075</u>	<u>\$ 3,501,552</u>
Change in Net Position			\$ 397,980	\$ 131,387
Net Position, Beginning			\$ 4,527,705	\$ 4,396,318
Net Position, Ending			<u>\$ 4,925,685</u>	<u>\$ 4,527,705</u>

*Reference audit page 5 for detail.

Governmental Funds

The analysis of the District’s governmental funds begins on page 6. The District’s only major fund is the General Fund, which includes instructional and student support services. The District’s non-major funds include Food Service, Pupil Activity, and Capital Reserve funds.

Most District operations are reported in the governmental funds, which focus on the flow of financial resources and the balances available at year-end for spending in future periods. These funds are reported using modified accrual accounting, a method which records revenues when they are measurable and available and expenditures when liabilities are incurred, providing a short-term view of a government’s financial resources and obligations. The governmental fund statements help readers assess whether financial resources are increasing or decreasing and how they may support upcoming educational needs.

Fiduciary Funds

Fiduciary funds are excluded from the government-wide financial statement because the resources of those funds are not available to support the District’s programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District’s only fiduciary fund is the Scholarship Fund. The Scholarship Fund accounts for donations and related investment earnings used to provide scholarships to District students.



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Budget Process

The Board of Education adopts the District’s budget in June of each year. Amendments are made in January after student enrollment is finalized. The adoption of supplemental budgets may be approved throughout the year if unanticipated revenues are received that would expenditures to exceed the approved annual allocation. Revenues from the District’s Program Funding, under the Colorado School Finance Act, fluctuate annually and are based on student enrollment as of October 1. Total Program Funding is a combination of Property Tax, Specific Ownership Tax, and State Share. CDE does not finalize Total Program Funding for each district until the October Count, assessed valuations, and mill levies are confirmed, so the District’s exact share is not known at the time of the original budget adoption in June and is determined in January. District budget information is available on the District’s website. District budget information is available on the District’s website.

Economic Factors and Next Year’s Budget

North Park School District entered the 2025–2026 fiscal year in strong financial condition. Due to declining enrollment, the District Total Program Funding calculation uses an average of the prior four years’ Student Counts. As the state phases out this averaging option, Total Program Funding may decrease in the coming years. However, since the District receives only a small portion of its funding from the state, its minimum funding is largely secured through the local property tax share. The District actively seeks to supplement its budget through various grant opportunities. In Fiscal Year 2027, work will continue on the Master Facility Plan for a new school, with a BEST Grant application and bond proposal likely to be submitted for approval for the third time. The General Fund carryforward exceeds nine months of operating expenses. Moving forward, the District is planning an increased salary schedule aimed at retaining and recruiting highly qualified staff.

BASIC FINANCIAL STATEMENTS

NORTH PARK SCHOOL DISTRICT R-1

STATEMENT OF NET POSITION

June 30, 2025

	<u>PRIMARY</u> <u>GOVERNMENT</u> <u>GOVERNMENTAL</u> <u>ACTIVITIES</u>
ASSETS	
Cash and Investments	\$ 4,638,856
Accounts Receivable	117,494
Grants Receivable	85,743
Taxes Receivable	396,040
Inventories	259
Prepaid Expenses	11,290
Capital Assets, <i>Not Being Depreciated</i>	67,595
Capital Assets, <i>Net of Accumulated Depreciation</i>	<u>3,753,403</u>
TOTAL ASSETS	<u>9,070,680</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions, <i>Net of Accumulated Amortization</i>	905,168
OPEB, <i>Net of Accumulated Amortization</i>	<u>20,553</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>925,721</u>
LIABILITIES	
Accounts Payable	41,851
Accrued Salaries and Benefits	327,199
Unearned Revenue	55,494
Noncurrent Liabilities	
Compensated Absences, Current	13,016
Net Pension Liability	4,164,958
Net OPEB Liability	<u>73,898</u>
TOTAL LIABILITIES	<u>4,676,416</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions, <i>Net of Accumulated Amortization</i>	343,436
OPEB, <i>Net of Accumulated Amortization</i>	<u>50,864</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>394,300</u>
NET POSITION	
Net Investment in Capital Assets	3,820,998
Restricted for Emergencies	138,000
Unrestricted	<u>966,687</u>
TOTAL NET POSITION	<u>\$ 4,925,685</u>

See Notes to the Financial Statements.

NORTH PARK SCHOOL DISTRICT R-1
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

FUNCTIONS / PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION
PRIMARY GOVERNMENT		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT
Governmental Activities				GOVERNMENTAL ACTIVITIES
Instruction	\$ 2,073,883	\$ 74,784	\$ 628,159	\$ (1,370,940)
Supporting Services	2,373,096	16,510	426,282	(1,930,304)
Food Services	199,367	6,394	80,584	(112,389)
Interest on Long-Term Debt	462	-	-	(462)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 4,646,808	\$ 97,688	\$ 1,135,025	(3,414,095)
GENERAL REVENUES				
				2,308,919
Local Property Taxes				389,010
Specific Ownership Taxes				440,987
State Equalization				13,957
Refuge in Lieu of Taxes				54,127
Forest in Lieu of Taxes				454,647
North Park Education Fund				20,333
Mineral Leases				105,531
Investment Income				24,564
Other				<u>3,812,075</u>
TOTAL GENERAL REVENUES				3,812,075
CHANGE IN NET POSITION				397,980
NET POSITION, Beginning				<u>4,527,705</u>
NET POSITION, Ending				\$ <u>4,925,685</u>

NORTH PARK SCHOOL DISTRICT R-1
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
ASSETS			
Cash and Investments	\$ 4,395,992	\$ 242,864	\$ 4,638,856
Accounts Receivable	117,494	-	117,494
Grants Receivable	85,743	-	85,743
Taxes Receivable	396,040	-	396,040
Inventories	-	259	259
Prepaid Expenditures	11,290	-	11,290
	TOTAL ASSETS	\$ 243,123	\$ 5,249,682
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 41,851	\$ -	\$ 41,851
Accrued Salaries and Benefits	316,066	11,133	327,199
Unearned Revenue	55,494	-	55,494
	TOTAL LIABILITIES	11,133	424,544
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	79,493	-	79,493
FUND BALANCES			
Nonspendable:			
Inventories	-	259	259
Prepaid Expenditures	11,290	-	11,290
Restricted for Emergencies	138,000	-	138,000
Assigned to:			
Food Services	-	6,321	6,321
Student Activities	-	62,261	62,261
Capital Projects	-	163,149	163,149
Unassigned	4,364,365	-	4,364,365
	TOTAL FUND BALANCES	231,990	4,745,645
	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 243,123	\$ 5,249,682

NORTH PARK SCHOOL DISTRICT R-1
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2025

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

Total Fund Balances of Governmental Funds	\$	4,745,645
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		3,820,998
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in governmental funds. This amount represents property taxes earned but not available as current financial resources.		79,493
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:		
Accrued Compensated Absences		(13,016)
Net Pension Liability		(4,164,958)
Pension-Related Deferred Outflows of Resources		905,168
Pension-Related Deferred Inflows of Resources		(343,436)
Net OPEB Liability		(73,898)
OPEB-Related Deferred Outflows of Resources		20,553
OPEB-Related Deferred Inflows of Resources		<u>(50,864)</u>
Total Net Position of Governmental Activities	\$	<u><u>4,925,685</u></u>

NORTH PARK SCHOOL DISTRICT R-1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	GENERAL	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
REVENUES			
Local Sources	\$ 3,342,439	\$ 62,720	\$ 3,405,159
County Sources	110,591	-	110,591
State Sources	1,059,968	45,217	1,105,185
Federal Sources	375,407	35,367	410,774
 TOTAL REVENUES	 4,888,405	 143,304	 5,031,709
EXPENDITURES			
Current			
Instruction	1,952,714	49,889	2,002,603
Supporting Services	2,198,247	53,273	2,251,520
Food Services	-	197,792	197,792
Capital Outlay	-	2,307	2,307
Debt Service			
Principal	12,802	-	12,802
Interest	462	-	462
 TOTAL EXPENDITURES	 4,164,225	 303,261	 4,467,486
 EXCESS REVENUES OVER (UNDER) EXPENDITURES	 724,180	 (159,957)	 564,223
OTHER FINANCING SOURCES (USES)			
Transfers In	-	112,000	112,000
Transfers Out	(112,000)	-	(112,000)
 TOTAL OTHER FINANCING SOURCES (USES)	 (112,000)	 112,000	 -
 CHANGE IN FUND BALANCES	 612,180	 (47,957)	 564,223
FUND BALANCES, Beginning	3,901,475	279,947	4,181,422
FUND BALANCES, Ending	\$ 4,513,655	\$ 231,990	\$ 4,745,645

NORTH PARK SCHOOL DISTRICT R-1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

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

Net Change in Fund Balances of Governmental Funds	\$	564,223
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as:		
Depreciation expense		(233,504)
Capital outlay		86,386
Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements. This amount represents the change in deferred property taxes.		
		13,079
The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		
		12,802
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the changes in the following:		
Accrued Compensated Absences		(1,640)
Net Pension Liability		613,742
Pension-Related Deferred Outflows of Resources		(477,846)
Pension-Related Deferred Inflows of Resources		(204,792)
Net OPEB Liability		41,488
OPEB-Related Deferred Outflows of Resources		(7,061)
OPEB-Related Deferred Inflows of Resources		(8,897)
		397,980
Change in Net Position of Governmental Activities	\$	397,980

NORTH PARK SCHOOL DISTRICT R-1
STATEMENT OF FIDUCIARY NET POSITION
 June 30, 2025

	CUSTODIAL FUND
	SCHOLARSHIP FUND
ASSETS	
Cash and Cash Equivalents	\$ 23,493
NET POSITION	
Unrestricted	\$ 23,493

NORTH PARK SCHOOL DISTRICT R-1
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
Year Ended June 30, 2025

	<u>CUSTODIAL FUND</u> <u>SCHOLARSHIP FUND</u>
ADDITIONS	
Local Sources	\$ <u>865</u>
DEDUCTIONS	
Instruction	<u>19,250</u>
CHANGE IN NET POSITION	(18,385)
NET POSITION, Beginning	<u>41,878</u>
NET POSITION, Ending	\$ <u><u>23,493</u></u>

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: Summary of Significant Accounting Policies

The accounting policies of the North Park School District R-1 (the District) conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the District's more significant policies.

Reporting Entity

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

The financial statements of the District do not include any separately administered organizations.

Government-wide and Fund Financial Statements

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

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

Separate financial statements are provided for the governmental funds and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and other significant funds identified by management are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In the fund financial statements, the District reports the following major governmental funds:

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

Additionally, the District reports the following fund type:

Fiduciary Funds account for assets held by the District as an agent for individuals, private organizations, and other governments. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The fiduciary fund reported by the District is a private-purpose trust fund, the Scholarship Trust Fund.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers property tax revenues to be available if they are collected within 60 days of the end of the current year. The District considers all other revenues to be available if they are collected within 60 days of the end of the current year, except federal and state revenues.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

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

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

For purposes of the statement of fiduciary net position, cash equivalents include investments with original maturities of three months or less.

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

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

Prepaid Expenses/Expenditures – Certain payments to vendors reflect costs applicable to future years and reported as prepaid expenditures or prepaid expenses.

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

Land Improvements	20 years
Sites and Buildings	15 - 50 years
Machinery and Equipment	5 - 15 years

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

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

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

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

Compensated Absences – Twelve-month and nine-month personnel accrue up to 12 and 9 days of annual leave, respectively. Unused annual leave and related benefits are paid upon termination at half of the certified substitute rate. These compensated absences are recognized as expenditures in the governmental funds when due. A long-term liability is reported in the government-wide financial statements for the accrued compensated absences when earned.

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

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

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

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

Property Taxes

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 2: Cash and Investments

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

Deposits	\$ 3,354,257
Investments	1,308,092
Total	<u>\$ 4,662,349</u>

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

Cash and Investments	\$ 4,638,856
Fiduciary Funds	23,493
Total	<u>\$ 4,662,349</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2025, the District had bank deposits of \$3,288,758 collateralized with securities held by the financial institution's agent but not in the District's name.

NOTE 3: Capital Assets

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

	Balances 6/30/2024	Additions	Deletions	Balances 6/30/2025
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 67,595	\$ -	\$ -	\$ 67,595
Capital Assets, Being Depreciated:				
Buildings and Improvements	7,065,570	25,450	-	7,091,020
Machinery and Equipment	367,861	21,659	-	389,520
Vehicles	501,128	39,277	-	540,405
Total Capital Assets, Being Depreciated	<u>7,934,559</u>	<u>86,386</u>	<u>-</u>	<u>8,020,945</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(3,405,447)	(221,063)	-	(3,626,510)
Machinery and Equipment	(312,709)	(4,795)	-	(317,504)
Vehicles	(315,882)	(7,646)	-	(323,528)
Total Accumulated Depreciation	<u>(4,034,038)</u>	<u>(233,504)</u>	<u>-</u>	<u>(4,267,542)</u>
Total Capital Assets, Being Depreciated, Net	<u>3,900,521</u>	<u>(147,118)</u>	<u>-</u>	<u>3,753,403</u>
Capital Assets, Governmental Activities, Net	<u>\$ 3,968,116</u>	<u>\$ (147,118)</u>	<u>\$ -</u>	<u>\$ 3,820,998</u>

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 3: Capital Assets (Continued)

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

Instruction	\$ 47,189
Supporting Services	186,315
Total	\$ 233,504

NOTE 4: Interfund Transfers

At June 30, 2025, the General Fund transferred \$112,000 to the Food Service Fund to subsidize the food service operations.

NOTE 5: Long-Term Debt

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

	Balance 6/30/2024	Additions	Reductions	Balance 6/30/2025	Due in One Year
Governmental Activities					
Financed Purchase - Bus	\$ 12,802	\$ -	\$ 12,802	\$ -	\$ -
Compensated Absences	11,376	1,640	-	13,016	13,016
Total	\$ 24,178	\$ 1,640	\$ 12,802	\$ 13,016	\$ 13,016

On August 29, 2019, the District entered into a financed purchase agreement to purchase a 2020 passenger bus with an acquisition cost of \$66,335 and a downpayment of \$6,634, net of \$59,701. Payments were due annually on July 1st, through June 30, 2025. Interest accrues at a fixed rate of 3.61% per annum. At June 30, 2025, the financed purchase agreement was paid in full and the net book value of the bus was \$27,879 with a depreciation expense of \$6,634.

NOTE 6: Risk Management

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: Defined Benefit Pension Plan

General Information

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

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

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

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

Disability benefits are available for eligible employees once they reach five years of earned service credit and meet the definition of a disability. The disability benefit amount is based on the retirement benefit formula described previously, considering a minimum of 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure in place, and the qualified survivor receiving the benefits.

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: Defined Benefit Pension Plan (Continued)

General Information (Continued)

Contributions provisions as of June 30, 2025 - The District, State, and eligible employees are required to contribute to the SDTF at rates established by Title 24, Article 51, Part 4 of the CRS. These contribution requirements are established and may be amended by the State Legislature. The contribution rate for employees was 11% for the period from July 1, 2024, through June 30, 2025. The District's contribution rate for the fiscal year was 21.40% of covered salaries. However, a portion of the District's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (Note 8). The District's contributions to the SDTF for the year ended June 30, 2025, were \$393,604, equal to the required contributions at a contribution rate of 20.38%.

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

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

The net pension liability was measured at December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll forward the total pension liability to December 31, 2024. The District's proportion of the net pension liability was based on the District's contributions to the SDTF for the calendar year ended December 31, 2024, relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At December 31, 2024, the District's proportion was 0.0241378318%, which was a decrease of 0.0028857819% from its proportion measured at December 31, 2023.

At June 30, 2025, the District reported a liability for its proportionate share of the net pension liability that reflected an increase for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 4,164,958
State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	<u>374,079</u>
Total	<u><u>\$ 4,539,037</u></u>

For the year ended June 30, 2025, the District recognized pension expense of \$462,501 and a revenue of (\$39,450) for support from the State as a nonemployer contributing entity. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: Defined Benefit Pension Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 235,855	\$ -
Changes of assumptions and other inputs	31,225	-
Net difference between projected and actual earnings on plan investments	78,581	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	356,194	343,436
Contributions subsequent to the measurement date	203,313	-
Total	\$ 905,168	\$ 343,436

District contributions subsequent to the measurement date of \$203,313 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>			
2026		\$	335,228
2027			250,857
2028			(171,625)
2029			(56,041)
Total		\$	358,419

Actuarial Assumptions - The actuarial valuation as of December 31, 2023, determined the total pension liability using the following actuarial assumptions and other inputs.

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
Hired prior to 1/1/07	
thereafter, compounded annually	1.00%
Hired after 12/31/06	Financed by the AIR

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: Defined Benefit Pension Plan (Continued)

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

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

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

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

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

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

Salary scale assumptions were altered to better reflect actual experience. Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience. The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: Defined Benefit Pension Plan (Continued)

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

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

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

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

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

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: Defined Benefit Pension Plan (Continued)

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

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan participants were used to reduce the estimated amount of total service costs for future plan members.
- District contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 and 2020 AAP assessments. District contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated District contributions reflect reductions for the funding of the annual increase reserve and retiree health care benefits. For future plan members, District contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the state, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million, commencing July 1, 2018, that is proportioned between the PERA Division Trust Funds, including SDTF, based upon the covered payroll. The annual direct distribution ceases when all PERA Division Trust Funds are fully funded.
- District contributions and the amount of total service costs for future plan participants were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The annual increase reserve balance was excluded from the initial fund net position, as, per statute, annual increase reserve amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. Annual increase reserve transfers to the fiduciary net position and the subsequent annual increase reserve benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as the District's proportionate share of the net pension liability if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, as follows:

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 7: Defined Benefit Pension Plan (Continued)

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$ 5,646,718	\$ 4,164,958	\$ 2,923,777

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

NOTE 8: Postemployment Healthcare Benefits

General Information

Plan Description - All employees of the District are eligible to receive postemployment benefits other than pensions (OPEB) through the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees’ Retirement Association of Colorado (PERA). Title 24, Article 51, Part 12 of the Colorado Revised Statutes (CRS), as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. CRS provisions may be amended by the Colorado General Assembly. PERA issues a publicly available financial report, that includes information on the HCTF, which may be obtained at <https://www.copera.org/forms-resources/financial-reports-and-studies>.

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

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

General Information (Continued)

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

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

Contributions - As established by Title 24, Article 51, Section 208(1)(f) of the CRS, as amended, 1.02% of the District's contributions to the School Division Trust Fund (SDTF) (Note 7) are apportioned to the HCTF. No employee contributions are required. These contribution requirements are established and may be amended by the State Legislature. The District's apportionment to the HCTF for the year ended June 30, 2025, was \$19,699, equal to the required amount.

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

At June 30, 2025, the District reported a net OPEB liability of \$73,898, representing its proportionate share of the net OPEB liability of the HCTF. The net OPEB liability was measured at December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2024. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year ended December 31, 2024, relative to the contributions of all participating employers.

At December 31, 2024, the District's proportion was 0.0154544450%, which was a decrease of 0.0007123058% from its proportion measured at December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of (\$5,831). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 16,301
Changes of assumptions and other inputs	848	23,623
Net difference between projected and actual earnings on plan investments	252	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	9,277	10,940
Contributions subsequent to the measurement date	10,176	-
Total	\$ 20,553	\$ 50,864

District contributions subsequent to the measurement date of \$10,176 will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ended June 30,</u>			
2026		\$	(10,325)
2027			(5,971)
2028			(8,857)
2029			(7,207)
2030			(5,443)
2031			(2,684)
Total		\$	(40,487)

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

Actuarial Cost Method	Entry Age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates:	
Service-based premium subsidy	0.0%
PERACare Medicare plans	
16% in 2024, then 6.75% in 2025, gradually decreasing to 4.5% in 2034	
MAPD PPO #2	
105% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034	
Medicare Part A premiums:	
3.5% in 2024, gradually increasing to 4.5% in 2033	

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

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

Age-Related Morbidity Assumptions

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

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

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

The 2024 Medicare Part A premium is \$506 per month. All costs are subject to the health care cost trend rates.

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

Measurement Year	PERACare Medicare Plans *	PERACare Medicare Plans *	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

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

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

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

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

- Salary increases, including wage inflation for the SDTF were 4% - 13.40%.
- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

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

The long-term expected return on plan assets is reviewed as part of regular experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All categories in the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll-forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the SDTF participate in the HCTF (Note 7).

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the PERA Board of Director’s meetings on November 15, 2019, and the September 20, 2024.

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

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

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

Discount rate - The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3%.

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of December 31, 2023, measurement date, the fiduciary net position, and related disclosure components for the HCTF reflect payments related to disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of December 31, 2023, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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

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

	<u>1% Decrease</u> <u>in Trend Rates</u>	<u>Current Trend</u> <u>Rates (7.25%)</u>	<u>1% Increase</u> <u>in Trend Rates</u>
Initial PERACare Medicare trend rate**	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate**	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate**	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	<u>\$ 71,907</u>	<u>\$ 73,898</u>	<u>\$ 76,151</u>

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 8: Postemployment Healthcare Benefits (Continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 90,563	\$ 73,898	\$ 59,531

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

NOTE 9: Commitments and Contingencies

Claims and Judgments

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

Tabor Amendment

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

In November 1997, voters within the District authorized the District to collect and to expend the full revenues received by the District from any source in the current fiscal year and in each fiscal year thereafter, notwithstanding the limits of the Amendment effective January 1, 1998. The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment. The Amendment requires the District to establish a reserve for emergencies, representing 3% of qualifying expenditures. At June 30, 2025, the District's emergency reserve was reported as restricted fund balance in the General Fund, in the amount of \$138,000.

Litigation

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 10: Joint Venture

The District, in conjunction with other surrounding districts, participates in the Northwest Colorado Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The BOCES board is comprised of one member from each participating district. During the year ended June 30, 2025, the District contributed \$32,235 to the BOCES. Separate financial statements for the BOCES are available at 325 7th Street, Steamboat Springs, Colorado 80477, or online at www.nwboces.org.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH PARK SCHOOL DISTRICT R-1
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources				
Property Taxes	\$ 2,082,690	\$ 2,308,523	\$ 2,295,840	\$ (12,683)
Specific Ownership Taxes	371,964	358,754	389,010	30,256
North Park Education Fund	250,000	250,000	454,647	204,647
Tuition and Fees	12,500	15,741	14,502	(1,239)
Rental Income	15,000	15,000	16,510	1,510
Investment Income	46,500	86,000	105,160	19,160
Other Grants	-	-	44,107	44,107
Miscellaneous	93,500	119,170	22,663	(96,507)
County Sources	132,575	132,557	110,591	(21,966)
State Grants	913,568	1,182,383	1,059,968	(122,415)
Federal Grants	264,220	232,993	375,407	142,414
TOTAL REVENUES	4,182,517	4,701,121	4,888,405	187,284
EXPENDITURES				
Current				
Instruction	1,902,360	1,937,376	1,952,714	(15,338)
Supporting Services				
Student Support	229,200	619,411	454,609	164,802
General Administration	739,759	823,884	745,162	78,722
Operations and Maintenance	643,769	634,767	396,364	238,403
Student Transportation	-	-	133,382	(133,382)
Central Support	329,126	339,181	368,511	(29,330)
Risk Management	-	-	-	-
Facilities	-	-	100,219	-
Total Supporting Services	1,941,854	2,417,243	2,198,247	319,215
Debt Service				
Principal	-	-	12,802	(12,802)
Interest	-	-	462	(462)
Total Debt Service	-	-	13,264	(13,264)
Contingency	100,000	114,000	-	114,000
TOTAL EXPENDITURES	3,944,214	4,468,619	4,164,225	404,613
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	238,303	232,502	724,180	491,678
OTHER FINANCING SOURCES (USES)				
Transfers Out	(230,000)	(230,000)	(112,000)	118,000
CHANGE IN FUND BALANCE	8,303	2,502	612,180	609,678
FUND BALANCE, Beginning	3,319,766	3,901,475	3,901,475	-
FUND BALANCE, Ending	\$ 3,328,069	\$ 3,903,977	\$ 4,513,655	\$ 609,678

NORTH PARK SCHOOL DISTRICT R-1
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO SCHOOL DIVISION TRUST FUND
June 30, 2025

MEASUREMENT YEAR	<u>12/31/24</u>	<u>12/31/23</u>	<u>12/31/22</u>	<u>12/31/21</u>
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY				
District's Proportion of the Net Pension Liability	0.0241378318%	0.0270236137%	0.0211826127%	0.0227611261%
District's Proportionate Share of the Net Pension Liability	\$ 4,164,958	\$ 4,778,700	\$ 3,857,240	\$ 2,648,796
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>374,079</u>	<u>104,783</u>	<u>1,124,039</u>	<u>303,651</u>
Total Proportionate Share of the Net Pension Liability	<u>\$ 4,539,037</u>	<u>\$ 4,883,483</u>	<u>\$ 4,981,279</u>	<u>\$ 2,952,447</u>
District's Covered Payroll	\$ 1,865,239	\$ 1,786,503	\$ 1,635,636	\$ 1,422,495
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	223%	267%	236%	186%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67%	65%	62%	75%
FISCAL YEAR	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/23</u>	<u>6/30/22</u>
DISTRICT CONTRIBUTIONS				
Statutorily Required Contribution	\$ 393,604	\$ 375,110	\$ 339,769	\$ 285,614
Contributions in Relation to the Statutorily Required Contribution	<u>(393,604)</u>	<u>(375,110)</u>	<u>(339,769)</u>	<u>(285,614)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 1,931,322	\$ 1,840,575	\$ 1,667,165	\$ 1,434,622
Contributions as a Percentage of Covered Payroll	20.38%	20.38%	20.38%	19.91%

<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>
0.0252725762%	0.0218959054%	0.0259236290%	0.0320034151%	0.0355709964%	0.0357320453%
\$ 3,820,704	\$ 3,271,201	\$ 4,590,311	\$ 10,348,767	\$ 10,590,861	\$ 5,464,964
<u>-</u>	<u>552,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 3,820,704</u>	<u>\$ 3,823,362</u>	<u>\$ 4,590,311</u>	<u>\$ 10,348,767</u>	<u>\$ 10,590,861</u>	<u>\$ 5,464,964</u>
\$ 1,352,147	\$ 1,286,659	\$ 1,425,164	\$ 1,476,286	\$ 1,596,492	\$ 1,557,196
283%	254%	322%	701%	663%	351%
67%	65%	57%	44%	43%	59%
<u>6/30/21</u>	<u>06/30/20</u>	<u>06/30/19</u>	<u>06/30/18</u>	<u>06/30/17</u>	<u>06/30/16</u>
\$ 276,900	\$ 265,279	\$ 272,633	\$ 275,031	\$ 289,444	\$ 269,862
<u>\$ (276,900)</u>	<u>\$ (265,279)</u>	<u>\$ (272,633)</u>	<u>\$ (275,031)</u>	<u>\$ (289,444)</u>	<u>\$ (269,862)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,392,855	\$ 1,352,147	\$ 1,425,159	\$ 1,476,280	\$ 1,596,492	\$ 1,557,196
19.88%	19.62%	19.13%	18.63%	18.13%	17.33%

NORTH PARK SCHOOL DISTRICT R-1
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO HEALTH CARE TRUST FUND
June 30, 2025

MEASUREMENT YEAR	<u>12/31/24</u>		<u>12/31/23</u>		<u>12/31/22</u>		<u>12/31/21</u>
PROPORTIONATE SHARE OF THE NET OPEB LIABILITY							
District's Proportion of the Net OPEB Liability	0.0154544450%		0.0161183741%		0.0161183741%		0.0148612446%
District's Proportionate Share of the Net OPEB Liability	73,898	\$	136,286	\$	131,603	\$	128,149
District's Covered Payroll	1,865,239	\$	1,786,503	\$	1,635,636	\$	1,422,495
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	4%		8%		8%		9%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	60%		46%		39%		39%
FISCAL YEAR							
DISTRICT CONTRIBUTIONS							
Statutorily Required Contribution	19,699	\$	18,774	\$	17,005	\$	14,633
Contributions in Relation to the Statutorily Required Contribution	<u>(19,699)</u>		<u>(18,774)</u>		<u>(17,005)</u>		<u>(14,633)</u>
Contribution Deficiency (Excess)	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>
District's Covered Payroll	1,931,322	\$	1,840,575	\$	1,667,165	\$	1,434,622
Contributions as a Percentage of Covered Payroll	1.02%		1.02%		1.02%		1.02%

This schedule is presented to show information for 10 years and will be presented for the years available.

<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>
0.0146241738%	0.0143051440%	0.0168504617%	0.0181842147%	0.1098000000%
\$ 138,963	\$ 229,258	\$ 236,322	\$ 262,146	\$ 1,423,672
\$ 1,352,147	\$ 1,286,659	\$ 1,425,164	\$ 1,476,286	\$ 1,596,492
10%	18%	17%	18%	89%
33%	24%	17%	18%	17%
<u>6/30/21</u>	<u>6/30/20</u>	<u>6/30/19</u>	<u>6/30/18</u>	<u>6/30/17</u>
\$ 14,207	\$ 13,792	\$ 14,537	\$ 15,058	\$ 16,284
<u>(14,207)</u>	<u>(13,792)</u>	<u>(14,537)</u>	<u>(15,058)</u>	<u>(16,284)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,392,855	\$ 1,352,147	\$ 1,425,159	\$ 1,476,280	\$ 1,596,492
1.02%	1.02%	1.02%	1.02%	1.02%

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

NOTE 1: Stewardship, Compliance, and Accountability

Budgetary Information

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

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

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

STDF Plan - Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14.561 million.

As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to, positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

HCTF Plan - As of the December 31, 2023, measurement date, the fiduciary net position (FNP), and related disclosure components for the Health Care Trust Fund (HCTF) reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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

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

NORTH PARK SCHOOL DISTRICT R-1
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

NOTE 3: Changes in Assumptions and Other Inputs

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

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

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

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

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND
BUDGETARY COMPARISON SCHEDULES**

NORTH PARK SCHOOL DISTRICT R-1
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	<u>FOOD SERVICE</u>	<u>PUPIL ACTIVITY</u>	<u>CAPITAL RESERVE</u>	<u>TOTAL</u>
ASSETS				
Cash and Investments	\$ 17,454	\$ 62,261	\$ 163,149	\$ 242,864
Inventory	259	-	-	259
TOTAL ASSETS	\$ 17,713	\$ 62,261	\$ 163,149	\$ 243,123
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accrued Salaries and Benefits	11,133	-	-	11,133
FUND BALANCES				
Nonspendable Inventory	259	-	-	259
Assigned to:				
Food Services	6,321	-	-	6,321
Pupil Activities	-	62,261	-	62,261
Capital Projects	-	-	163,149	163,149
TOTAL FUND BALANCES	6,580	62,261	163,149	231,990
TOTAL LIABILITIES AND FUND BALANCES	\$ 17,713	\$ 62,261	\$ 163,149	\$ 243,123

NORTH PARK SCHOOL DISTRICT R-1
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	<u>FOOD SERVICE</u>	<u>PUPIL ACTIVITY</u>	<u>CAPITAL RESERVE</u>	<u>TOTAL</u>
REVENUES				
Local Sources	\$ 8,295	\$ 54,054	\$ 371	\$ 62,720
State Sources	45,217	-	-	45,217
Federal Sources	35,367	-	-	35,367
	<u>88,879</u>	<u>54,054</u>	<u>371</u>	<u>143,304</u>
EXPENDITURES				
Current				
Instruction	-	49,889	-	49,889
Supporting Services	-	-	53,273	53,273
Food Services	197,792	-	-	197,792
Capital Outlay	2,307	-	-	2,307
	<u>200,099</u>	<u>49,889</u>	<u>53,273</u>	<u>303,261</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(111,220)</u>	<u>4,165</u>	<u>(52,902)</u>	<u>(159,957)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>112,000</u>	<u>-</u>	<u>-</u>	<u>112,000</u>
CHANGE IN FUND BALANCES	780	4,165	(52,902)	(47,957)
FUND BALANCES, Beginning	<u>5,800</u>	<u>58,096</u>	<u>216,051</u>	<u>279,947</u>
FUND BALANCES, Ending	<u>\$ 6,580</u>	<u>\$ 62,261</u>	<u>\$ 163,149</u>	<u>\$ 231,990</u>

NORTH PARK SCHOOL DISTRICT R-1
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE FUND
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources	\$ 8,300	\$ 8,550	\$ 8,295	\$ (255)
State Grants	31,100	31,150	45,217	14,067
Federal Grants	36,500	28,500	35,367	6,867
TOTAL REVENUES	75,900	68,200	88,879	20,679
EXPENDITURES				
Food Service				
Salaries	92,980	91,547	79,314	12,233
Benefits	51,869	51,077	45,669	5,408
Purchased Services	2,750	1,500	3,142	(1,642)
Supplies and Materials	76,000	72,000	69,667	2,333
Capital Outlay	2,300	2,000	2,307	(307)
TOTAL EXPENDITURES	225,899	218,124	200,099	18,025
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(149,999)	(149,924)	(111,220)	38,704
OTHER FINANCING SOURCES				
Transfers In	150,000	150,000	112,000	(38,000)
CHANGE IN FUND BALANCE	1	76	780	704
FUND BALANCE, Beginning	17,266	5,798	5,800	2
FUND BALANCE, Ending	<u>\$ 17,267</u>	<u>\$ 5,874</u>	<u>\$ 6,580</u>	<u>\$ 706</u>

NORTH PARK SCHOOL DISTRICT R-1
BUDGETARY COMPARISON SCHEDULE
PUPIL ACTIVITY FUND
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources				
Contributions	\$ 80,000	\$ 80,000	\$ 54,054	\$ (25,946)
EXPENDITURES				
Current				
Instruction	100,000	100,000	49,889	50,111
CHANGE IN FUND BALANCE	(20,000)	(20,000)	4,165	24,165
FUND BALANCE, Beginning	37,687	58,096	58,096	-
FUND BALANCE, Ending	\$ 17,687	\$ 38,096	\$ 62,261	\$ 24,165

NORTH PARK SCHOOL DISTRICT R-1
BUDGETARY COMPARISON SCHEDULE
CAPITAL RESERVE FUND
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources	\$ 500	\$ 500	\$ 371	\$ (129)
EXPENDITURES				
Current				
Supporting Services	-	-	53,273	(53,273)
Capital Outlay	80,000	80,000	-	80,000
TOTAL EXPENDITURES	80,000	80,000	53,273	26,727
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(79,500)	(79,500)	(52,902)	26,598
OTHER FINANCING SOURCES				
Transfers In	80,000	80,000	-	(80,000)
CHANGE IN FUND BALANCE	500	500	(52,902)	(53,402)
FUND BALANCE, Beginning	215,948	216,051	216,051	-
FUND BALANCE, Ending	\$ 216,448	\$ 216,551	\$ 163,149	\$ (53,402)

NORTH PARK SCHOOL DISTRICT R-1
BUDGETARY COMPARISON SCHEDULE
SCHOLARSHIP FUND
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
ADDITIONS				
Contributions	\$ 5,000	\$ 5,000	\$ 865	\$ (4,135)
DEDUCTIONS				
Scholarship Awards	13,000	13,000	19,250	(6,250)
CHANGE IN FUND BALANCE	(8,000)	(8,000)	(18,385)	(10,385)
FUND BALANCE, Beginning	9,593	41,878	41,878	-
FUND BALANCE, Ending	\$ 1,593	\$ 33,878	\$ 23,493	\$ (10,385)

COMPLIANCE SECTION

STATE COMPLIANCE



Colorado Department of Education

Auditors Integrity Report

District: 1410 - North Park R-1

Fiscal Year 2024-25

Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	3,901,476	4,776,406	4,164,225	4,513,656
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	3,901,476	4,776,406	4,164,225	4,513,656
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	5,799	200,879	200,098	6,580
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	58,096	54,054	49,889	62,261
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	216,051	371	53,273	163,149
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	4,181,422	5,031,709	4,467,485	4,745,646
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	41,878	865	19,250	23,493
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	41,878	865	19,250	23,493

FINAL