



**PLATEAU VALLEY SCHOOL DISTRICT 50  
COLLBRAN, COLORADO**

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

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Plateau Valley School District 50  
Collbran, 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 Plateau Valley School District 50 (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 nonmajor fund financial statements, the budgetary comparison schedules, and the auditor's integrity report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the budgetary comparison schedules, and the auditor's integrity report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*DMC Auditing and Consulting, LLC*

February 27, 2026  
Bailey, Colorado

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

**Management’s Discussion and Analysis**

Plateau Valley School District #50 is located in the eastern part of Mesa County, on the western slope of Colorado. It encompasses the three small towns of Collbran, Mesa and Molina, a PreK-12 school located two miles west of Collbran, and an alternative high school located at the Collbran Job Corps Center. The district, in addition to the land on which the K-12 facility is located, owns 40 acres of land north of the town of Mesa, parallel to Hwy 65.

The discussion and analysis of Plateau Valley School District 50’s financial performance provides an overall review of the District’s financial activities for the fiscal year that ended June 30, 2025. The intent of this discussion and analysis is to look at the District’s financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader’s understanding of the District’s overall financial performance.

**Financial Highlights**

Key financial highlights for the fiscal year ending on June 30, 2025, are as follows:

- Our student count for October at Plateau Valley was as follows:  
Overall: 280, down 30 from 310 the prior year  
Elementary: 120. Down 32 from 152 the prior year  
Junior High School: 60. Up 26 from 34 the prior year  
PV High School: 77. Down 18 from 95 the prior year  
GM High School: 23. Down 10 from 33 the prior year
- The state granted us with a \$26.6 million BEST grant due to the critical condition of our school facilities. New School Bond passed and was issued in January of 2024 to meet the requirement of a 60% local match. The new preK-12 school is operational now and the students and staff took occupancy during the winter break of the 2025-26 school year.
- Continued investment in curriculum as well as technology improvements for students by adding additional laptops, learning, and assessment software.
- Title I, II, and IV grant monies were used to help fund salaries for half time Title teachers.
- READ Act funds were used to purchase curriculum
- ESSER Funds were used to provide intensive tutoring and summer school services and fund several paraprofessionals and a math interventionist.
- REAP grant funds were used to partially pay for our kindergarten teacher, the same as in years past.
- A state grant to libraries allowed some upgrades to our library program.
- A large decrease in assessed valuation resulted in a larger state share of the funding formula.
- We were able to add to our reserves once again, including setting aside \$180,000 for a BEST reserve as required by the BEST grant.
- Salary schedules: Step increase for the 24-25 fiscal year.

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

**Using the Basic Financial Statements**

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also report the District's operations in more detail than government side statements, by providing information about the District's most significant funds with all other non-major funds presented in total in a single column. For Plateau Valley School District 50, the General Fund is the most significant fund. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the reporting entity.

**REPORTING THE DISTRICT AS A WHOLE**

**Statement of Net Position and Statement of Activities**

This report indicates Plateau Valley School District, because of conservative spending practices, maintains a healthy fund balance. Per Board policy, the district strives to keep six months operating expenses in reserve.

These statements include all assets and liabilities using the accrual basis of accounting, taking into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The two statements report the district's net position and changes in net position. This change in net position is important because it identifies whether the financial position of the District has improved or diminished for the District as a whole. This could be a result of many factors: finance law changes, interest rates, enrollment levels, facility conditions, mandated educational programs, etc.

For the purpose of the statement of net position and statement of activities, the District is divided into one distinct kind of activity:

**Governmental Activities** – Governmental activities are financed through local revenues (including taxes, interest, fees), state equalization, and state and federal grants. Expenditures include those for instruction, support services, plant maintenance and operation, transportation and capital outlay.

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The District's total net position on June 30, 2025, was \$25,422,169. Of the District's \$83,021,522 in assets, \$41,273,702 (49.71%) reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery, and equipment). The District uses capital assets to provide services to students; consequently, these assets are not available for future spending.

	Governmental Activities		
	2025	2024	Change
<b>ASSETS</b>			
Current and Other Assets	41,747,820	54,869,664	(13,121,844)
Capital Assets, Net	41,273,702	7,575,823	33,697,879
Total Assets	<u>83,021,522</u>	<u>62,445,487</u>	<u>20,576,035</u>
Deferred Outflows of Resources	<u>1,259,831</u>	<u>1,979,329</u>	<u>(719,498)</u>
<b>LIABILITIES</b>			
Current and Other Liabilities	7,053,877	1,624,224	5,429,653
Long-Term Liabilities	50,687,678	53,897,121	(3,209,443)
Total Liabilities	<u>57,741,555</u>	<u>55,521,345</u>	<u>2,220,210</u>
Deferred Inflows of Resources	<u>1,117,629</u>	<u>629,048</u>	<u>488,581</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	22,304,716	6,513,699	15,791,017
Restricted for:			
Emergencies	656,000	245,000	411,000
Preschool	18,614	41,148	(22,534)
Food Service	1,726,421	2,115,974	(389,553)
Debt Service	62,532	68,715	(6,183)
Unrestricted	<u>653,886</u>	<u>(710,113)</u>	<u>1,363,999</u>
Total Net Position	<u><u>25,422,169</u></u>	<u><u>8,274,423</u></u>	<u><u>17,147,746</u></u>

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

The following table shows the District's major functions. It also shows the net costs (total cost less revenues generated by activities).

	Governmental Activities		
	2025	2024	Change
<b>REVENUES</b>			
Charges for Services	187,676	229,690	(42,014)
Operating Grants and Contributions	755,074	908,357	(153,283)
Capital Grants and Contributions	13,533,799	1,009,917	12,523,882
Property Taxes	5,224,255	5,503,822	(279,567)
Specific Ownership Taxes	641,596	488,709	152,887
State Equalization	2,352,113	1,510,030	842,083
Investment Income	2,146,936	1,310,255	836,681
Other	119,001	34,400	84,601
<b>Total Revenues</b>	<b>24,960,450</b>	<b>10,995,180</b>	<b>13,965,270</b>
<b>EXPENSES</b>			
Instruction	2,996,523	3,036,278	(39,755)
Supporting Services	2,875,516	2,624,524	250,992
Food Service	177,685	206,528	(28,843)
Interest on Long-Term Debt	1,762,980	784,639	978,341
<b>Total Expenses</b>	<b>7,812,704</b>	<b>6,651,969</b>	<b>1,160,735</b>
 Change in Net Position	 17,147,746	 4,343,211	 12,804,535
 Net Position, Beginning	 8,274,423	 3,931,212	 4,343,211
 Net Position, Ending	 25,422,169	 8,274,423	 17,147,746

◆ The cost of all governmental activities this year was \$7,812,704.

◆ The federal and state government subsidized certain programs with grants and contributions of \$14,288,873. (See below.)

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

	Total Cost of Service		Net Cost of Service	
	2025	2024	2025	2024
Instructional Services	2,996,523	3,036,278	(2,509,038)	(2,580,042)
Supporting Services	2,875,516	3,624,524	10,935,821	(1,129,846)
Food Service	177,685	206,528	42	(9,478)
Interest on Long-Term Debt	1,762,980	784,639	(1,762,980)	(784,639)
<b>Total</b>	<b>7,812,704</b>	<b>7,651,969</b>	<b>6,663,845</b>	<b>(4,504,005)</b>

◆ Most of the District’s costs, however, were financed by District and State taxpayers. This portion of governmental activities was financed with \$2,352,113 in state equalization from the School Finance Act, \$5,865,851 in property tax/specific ownership taxes and \$2,146,936 in investment earnings and other miscellaneous revenue.

**General Fund Budgeting Highlights**

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) with the exception of the Proprietary Fund.

Plateau Valley District #50 has, for many years, adopted a conservative budgeting approach, in which current expenditures are funded from current revenues. This has resulted in a gradual increase in the General Fund contingency reserve. The district strives to have a program driven budget based on the needs of individual programs for each budget year. The district has worked to ensure we have small class sizes and sufficient supplies for all classrooms. The district has raised salaries and obtained health insurance to win the war for professional talent and stay competitive with other surrounding school districts.

Plateau Valley School Dist. #50 also has a policy stating we must have nine months operating expenses in reserve in case funding is severely cut or delayed. Nine months operating expenses for this fiscal year was approximately \$3,830,397. We never fell below this level for the entire fiscal year. We were able to increase our fund balance from the year before.

**GENERAL FIXED ASSETS:**

At the end of 2025, the District had a total of \$41,273,702 invested in fixed assets including the significant investment in construction in progress on the new building which is occupied by the staff and students and nearly complete, as of the publication of this audit. The project is under budget as of the audit date.

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

	Governmental 2024-2025	Governmental 2023-2024
Land & Sites	1,178,077	1,156,867
Construction in Progress	36,580,746	2,539,309
Buildings and Improvements	3,245,287	3,495,578
Equipment & Vehicles	249,077	358,634
Food Service	20,515	25,435
	41,273,702	7,575,823
Total Capital Assets		

**Long-Term Debt**

As a result of the \$3.9 million general obligation bond passed on 11/2/04, the district incurred a maximum debt of \$6,041,763.33, and the final payment was made on 12/1/2024. The Board expressed the intent of prepaying principal as much as possible after the ten-year mandatory wait period. Because of lower interest rates, a portion of the bonds was refinanced in February, 2012. The advanced refunding reduced the total debt service payments over the next 13 years by \$220,337, obtaining an economic gain (difference between the present value of the old and new debt service payments) of \$147,906.

A new bond was issued in January of 2024 for the purpose of constructing a new preK-12 school. The new bond is a \$40.8 million general obligation bond and the final payment will be due on 12/1/2049. See footnote 5 of the financial statements for more details about the terms of these bonds.

	Balance 6/30/2024	Additions	Reductions	Balance 6/30/2025	Due Within One Year
<b>Governmental Activities</b>					
G.O. Bond, Series 2012	\$ 275,000	\$ -	\$ 275,000	\$ -	\$ -
Bond Premium, Series 2012	2,345	-	2,345	-	-
G.O. Bond, Series 2024	40,800,000	-	970,000	39,830,000	835,000
Bond Premium, Series 2024	4,348,924	-	273,119	4,075,805	-
Compensated Absences	115,549	-	6,948	108,601	-
	\$ 45,541,818	\$ -	\$ 1,527,412	\$ 44,014,406	\$ 835,000
Total Long-Term Debt					

PLATEAU VALLEY SCHOOL DIST. 50  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2025

**CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK**

The current state funding model along with the negative factor, which is being addressed by the governor, is looking slightly more hopeful for financial managers and educators in rural areas. Enrollment numbers remain stagnant. With Federal funding sources uncertain and the state budget model changing, we will remain conservative with our funding strategy.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our residents, customers, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Financial information is also posted on the District's website, [www.pvsd50.org](http://www.pvsd50.org), under the District Resources tab on the Financial Transparency link. If you have any questions regarding this report, the financial website postings, or need additional information, please contact the superintendent's office or business office at:

Plateau Valley School Dist. #50  
56600 Hwy 330  
Collbran, CO 81624

Tel: 970-487-3547  
Fax: 970-487-3196  
[tlong@pvsd50.org](mailto:tlong@pvsd50.org) or [karengrover@pvsd50.org](mailto:karengrover@pvsd50.org)

## **BASIC FINANCIAL STATEMENTS**

**PLATEAU VALLEY SCHOOL DISTRICT 50**

STATEMENT OF NET POSITION

June 30, 2025

	<u>PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES</u>
<b>ASSETS</b>	
Cash and Investments	\$ 33,725,813
Accounts Receivable	3,803
Grants Receivable	7,694,105
Taxes Receivable	133,226
Prepaid Expenses	173,816
Inventory	17,057
Capital Assets, <i>Not Being Depreciated</i>	37,758,823
Capital Assets, <i>Net of Accumulated Depreciation</i>	3,514,879
<b>TOTAL ASSETS</b>	<u>83,021,522</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pensions, <i>Net of Accumulated Amortization</i>	1,241,801
OPEB, <i>Net of Accumulated Amortization</i>	18,030
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,259,831</u>
<b>LIABILITIES</b>	
Accounts Payable	4,676,873
Retainage Payable	1,503,554
Accrued Salaries and Benefits	426,721
Accrued Interest Payable	167,602
Unearned revenue	279,127
Noncurrent Liabilities	
Due Within One Year	835,000
Due in More Than One Year	43,179,406
Net Pension Liability	6,556,934
Net OPEB Liability	116,338
<b>TOTAL LIABILITIES</b>	<u>57,741,555</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pensions, <i>Net of Accumulated Amortization</i>	996,755
OPEB, <i>Net of Accumulated Amortization</i>	120,874
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>1,117,629</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	22,304,716
Restricted for:	
Emergencies	656,000
Preschool	18,614
Debt Service	1,726,421
Food Service	62,532
Unrestricted	653,886
<b>TOTAL NET POSITION</b>	<u>\$ 25,422,169</u>

*See Notes to the Financial Statements.*

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENTAL ACTIVITIES
<b>Governmental Activities</b>					
Instruction	\$ 2,996,523	\$ -	\$ 487,485	\$ -	\$ (2,509,038)
Supporting Services	2,875,516	169,677	107,861	13,533,799	10,935,821
Food Service	177,685	17,999	159,728	-	42
Interest on Long-Term Debt	1,762,980	-	-	-	(1,762,980)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 7,812,704</b>	<b>\$ 187,676</b>	<b>\$ 755,074</b>	<b>\$ 13,533,799</b>	<b>6,663,845</b>
<b>GENERAL REVENUES</b>					
					5,224,255
Local Property Taxes					641,596
Specific Ownership Taxes					2,352,113
State Equalization					2,146,936
Investment Income					119,001
Other					<u>119,001</u>
<b>TOTAL GENERAL REVENUES</b>					<u>10,483,901</u>
<b>CHANGE IN NET POSITION</b>					17,147,746
<b>NET POSITION, Beginning</b>					<u>8,274,423</u>
<b>NET POSITION, Ending</b>					<u>\$ 25,422,169</u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
June 30, 2025

	GENERAL	DEBT SERVICE	BUILDING
<b>ASSETS</b>			
Cash and Investments	\$ 8,110,872	\$ 1,844,496	\$ 23,529,432
Accounts Receivable	-	3,803	-
Grants Receivable	86,693	-	7,577,948
Taxes Receivable	87,502	45,724	-
Inventory	-	-	-
Prepaid Expenditures	173,816	-	-
	<u>8,458,883</u>	<u>1,894,023</u>	<u>31,107,380</u>
<b>TOTAL ASSETS</b>			
	<u>\$ 8,458,883</u>	<u>\$ 1,894,023</u>	<u>\$ 31,107,380</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 9,866	\$ -	\$ 4,667,007
Retainage Payable	-	-	1,503,554
Accrued Salaries and Benefits	420,967	-	-
Unearned Revenue	279,127	-	-
	<u>709,960</u>	<u>-</u>	<u>6,170,561</u>
<b>TOTAL LIABILITIES</b>			
	<u>709,960</u>	<u>-</u>	<u>6,170,561</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	23,215	27,283	-
	<u>23,215</u>	<u>27,283</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted for:			
Emergencies	656,000	-	-
Capital Projects	-	-	24,936,819
Preschool	18,614	-	-
Debt Service	-	1,866,740	-
Food Service	-	-	-
Assigned to Student Activities	-	-	-
Unassigned	7,051,094	-	-
	<u>7,725,708</u>	<u>1,866,740</u>	<u>24,936,819</u>
<b>TOTAL FUND BALANCES</b>			
	<u>7,725,708</u>	<u>1,866,740</u>	<u>24,936,819</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
	<u>\$ 8,458,883</u>	<u>\$ 1,894,023</u>	<u>\$ 31,107,380</u>

NONMAJOR GOVERNMENTAL FUNDS		TOTAL
\$ 241,013	\$ 33,725,813	
-	3,803	
29,464	7,694,105	
-	133,226	
17,057	17,057	
-	173,816	
<u>287,534</u>	<u>41,747,820</u>	

\$ -	\$ 4,676,873
-	1,503,554
5,754	426,721
-	279,127
<u>5,754</u>	<u>6,886,275</u>

-	50,498
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-	656,000
-	24,936,819
-	18,614
-	1,866,740
62,532	62,532
219,248	219,248
-	7,051,094
<u>281,780</u>	<u>34,811,047</u>

<u>\$ 287,534</u>	<u>\$ 41,747,820</u>
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**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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	\$	34,811,047
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		41,273,702
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.		50,498
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:		
Compensated Absences		(108,601)
Accrued Interest Payable		(167,602)
Bonds Payable		(43,905,805)
Net Pension Liability		(6,556,934)
Pension-Related Deferred Outflows of Resources		1,241,801
Pension-Related Deferred Inflows of Resources		(996,755)
Net OPEB Liability		(116,338)
OPEB-Related Deferred Outflows of Resources		18,030
OPEB-Related Deferred Inflows of Resources		(120,874)
		(120,874)
Total Net Position of Governmental Activities	\$	25,422,169

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
Year Ended June 30, 2025

	GENERAL	DEBT SERVICE	BUILDING
REVENUES			
Local Sources	\$ 3,470,850	\$ 2,864,880	\$ 1,796,067
County Sources	1,193	-	-
State Sources	2,701,508	-	13,533,799
Federal Sources	245,951	-	-
	6,419,502	2,864,880	15,329,866
EXPENDITURES			
Current			
Instruction	2,823,032	-	-
Supporting Services	2,284,164	-	715,755
Food Service	-	-	-
Capital Outlay	-	-	34,041,437
Debt Service			
Principal	-	1,245,000	-
Interest and Fiscal Charges	-	2,041,675	-
	5,107,196	3,286,675	34,757,192
CHANGES IN FUND BALANCES	1,312,306	(421,795)	(19,427,326)
FUND BALANCES, Beginning	6,413,402	2,288,535	44,364,145
FUND BALANCES, Ending	\$ 7,725,708	\$ 1,866,740	\$ 24,936,819

NONMAJOR GOVERNMENTAL FUNDS		TOTAL
\$	187,677	\$ 8,319,474
	-	1,193
	55,076	16,290,383
	104,652	350,603
	<u>347,405</u>	<u>24,961,653</u>
	181,932	3,004,964
	-	2,999,919
	183,911	183,911
	-	34,041,437
	-	1,245,000
	-	2,041,675
	<u>365,843</u>	<u>43,516,906</u>
	(18,438)	(18,555,253)
	<u>300,218</u>	<u>53,366,300</u>
\$	<u>281,780</u>	\$ <u>34,811,047</u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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	\$ (18,555,253)
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	(364,768)
Capital Outlay	34,062,647
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 (deferred inflows of resources).	
	(1,203)
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.	
	1,245,000
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. This is the effect of these differences in the treatment of long-term debt and amortization of bond premiums.	
	275,464
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:	
Loss on Refunding	(1,728)
Accrued Interest Payable	4,959
Compensated Absences	6,948
Net Pension Liability	1,601,379
Pension-Related Deferred Outflows of Resources	(711,182)
Pension-Related Deferred Inflows of Resources	(471,263)
Net OPEB Liability	80,652
OPEB-Related Deferred Outflows of Resources	(6,588)
OPEB-Related Deferred Inflows of Resources	(17,318)
	17,147,746
Change in Net Position of Governmental Activities	\$ 17,147,746

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 1: Summary of Significant Accounting Policies**

The accounting policies of the Plateau Valley School District 50 (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. The 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 required to be accounted for in another fund. The General Fund includes the Preschool Program Activity.

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

The *Building Fund* is used to account for the resources accumulated for the funding of the District's school improvements and construction of new school buildings, primarily the proceeds obtained from the issuance of general obligation bonds.

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.

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 Balance / Net Position**

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

*Receivables* – 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. Grant reimbursements not received before year-end for which eligibility has been met and expenditures have been incurred are reported as grants receivable.

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**

**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 Balance / Net Position (Continued)**

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

Buildings	15 – 35 years
Equipment	5 – 10 years
Vehicles	6 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 Revenue* – 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 an acquisition of net assets by the District that is applicable to a future reporting period. 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 and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the effective interest method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

*Compensated Absences* – Personnel accrue leave days based on the number of days worked in a year. Employees may accumulate up to 12 days of leave. Unused accumulated leave benefits are paid upon separation/termination at the employee’s most recent five-year average. 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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**

**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 Balance / Net Position (Continued)**

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

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

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

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

**Property Taxes**

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

**NOTE 2: Cash and Investments**

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

Deposits	\$ 988,782
Investments	<u>32,737,031</u>
Total	<u><u>\$ 33,725,813</u></u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 2: Cash and Investments (Continued)**

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2025, the District had bank deposits of \$4,988,270 collateralized with securities held by the financial institution's agent but not in the District's name.

**Investments**

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

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

*Local Government Investment Pools* - At June 30, 2025, the School had \$32,731,197 invested in the Colorado Local Government Liquid Asset Trust (ColoTrust), and \$5,834 invested in the Colorado Surplus Asset Fund Trust (CSAFE), investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools. The Pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The Pools are reported at the net asset value per share, with each share valued at \$1. The Pools are rated AAAM by Standard and Poor's. Investments of the Pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

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

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

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 2: Cash and Investments (Continued)**

**Investments (Continued)**

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

**NOTE 3: Capital Assets**

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

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,156,867	\$ 21,210	\$ -	\$ 1,178,077
Construction in Progress	2,539,309	34,041,437	-	36,580,746
Total Capital Assets, Not Being Depreciated	<u>3,696,176</u>	<u>34,062,647</u>	<u>-</u>	<u>37,758,823</u>
Capital Assets, Being Depreciated:				
Buildings and Site Improvements	10,592,942	-	-	10,592,942
Equipment	697,106	-	-	697,106
Vehicles	1,073,121	-	-	1,073,121
Food Service	99,637	-	-	99,637
Total Capital Assets, Being Depreciated	<u>12,462,806</u>	<u>-</u>	<u>-</u>	<u>12,462,806</u>
Less Accumulated Depreciation:				
Buildings and Site Improvements	(7,097,364)	(250,291)	-	(7,347,655)
Equipment	(544,596)	(38,787)	-	(583,383)
Vehicles	(866,997)	(70,770)	-	(937,767)
Food Service	(74,202)	(4,920)	-	(79,122)
Total Accumulated Depreciation	<u>(8,583,159)</u>	<u>(364,768)</u>	<u>-</u>	<u>(8,947,927)</u>
Capital Assets, Being Depreciated, Net	<u>3,879,647</u>	<u>(364,768)</u>	<u>-</u>	<u>3,514,879</u>
Capital Assets, Governmental Activities, Net	<u>\$ 7,575,823</u>	<u>\$ 33,697,879</u>	<u>\$ -</u>	<u>\$ 41,273,702</u>

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

Instruction	\$ 289,078
Supporting Services	70,770
Food Service	4,920
Total	<u>\$ 364,768</u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**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
<b>Governmental Activities</b>					
GO Bond, Series 2012	\$ 275,000	\$ -	\$ 275,000	\$ -	\$ -
Premium 2012	2,345	-	2,345	-	-
GO Bond, Series 2024	40,800,000	-	970,000	39,830,000	835,000
Premium 2024	4,348,924	-	273,119	4,075,805	-
Compensated Absences	115,549	-	6,948	108,601	-
<b>Total Long-Term Debt</b>	<b>\$ 45,541,818</b>	<b>\$ -</b>	<b>\$ 1,527,412</b>	<b>\$ 44,014,406</b>	<b>\$ 835,000</b>

**2012 General Obligation Bonds**

On February 7, 2012, the District issued \$2,400,000 in General Obligation Refunding Bonds with an average interest rate of 3.07% to advance refund of outstanding 2004 General Obligation Bonds bearing interest rates ranging from 4.00% to 5.00%. Refunding proceeds of \$2,656,183 were deposited with an escrow agent to provide debt service payments of \$2,335,000 in principal and \$630,200 in interest on the 2004 Series Bonds.

As a result, that portion of 2006 Bonds is considered to be defeased and the liability for the issue has been removed from the financial statements. The defeased debt balance at June 30, 2023, was \$565,000. The District completed the advance refunding to reduce the total debt service payments by \$220,337 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of \$147,906.

As a result of the difference between the reacquisition price and the carrying amount of the old debt (including unamortized issue costs and unamortized premium), a deferred refunding was recorded in the amount of \$234,680. The deferred refunding is being amortized against interest costs of the refunding issue.

**2024 General Obligation Bonds**

On January 18, 2024, the District issued General Obligation Refunding Bonds, Series 2024, in the amount of \$40,800,000 to finance the grant-matching portion of the State of Colorado’s Building Excellent Schools Today (BEST) program. The proceeds and the grant will be used to construct a new school. The District also received a premium of \$4,441,816, which will be amortized over the term of the bonds using the effective interest rate method. Principal payments are due annually on December 1, through 2049. Interest payments are due semi-annually on June 1st and December 1st, with interest accruing at 4% to 5.5% per annum. The full faith and credit of the District is pledged for the payment of the principal and interest on these bonds with ad valorem taxes on all of the taxable property in the District.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 5: Long-Term Debt (Continued)**

Bond payments to maturity are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 835,000	\$ 1,990,350	\$ 2,825,350
2027	880,000	1,947,475	2,827,475
2028	925,000	1,902,350	2,827,350
2029	970,000	1,854,975	2,824,975
2030	1,020,000	1,805,225	2,825,225
2031-2035	5,905,000	8,189,250	14,094,250
2036-2040	7,535,000	6,517,000	14,052,000
2041-2045	9,595,000	4,424,950	14,019,950
2046-2050	12,165,000	1,744,188	13,909,188
Total	<u>\$ 39,830,000</u>	<u>\$ 30,375,763</u>	<u>\$ 70,205,763</u>

**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.

**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>.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 7: Defined Benefit Pension Plan (Continued)**

**General Information (Continued)**

*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.

*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 \$606,842, equal to the required contributions at a contribution rate of 20.38%.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 7: Defined Benefit Pension Plan (Continued)**

**General Information (Continued)**

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 0.0380004188%, which was a decrease of 0.0081349552% 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	\$ 6,556,934
State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	<u>588,917</u>
<b>Total</b>	<b><u>\$ 7,145,851</u></b>

For the year ended June 30, 2025, the District recognized pension expense of \$187,909 and a revenue of (\$53,751) for support from the State as a nonemployer contributing entity. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 371,310	\$ -
Changes of assumptions and other inputs	49,158	-
Net difference between projected and actual earnings on plan investments	123,709	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	388,450	996,755
Contributions subsequent to the measurement date	<u>309,174</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 1,241,801</u></b>	<b><u>\$ 996,755</u></b>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

District contributions subsequent to the measurement date of \$309,174 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	\$ 177,279
2027	189,997
2028	(343,174)
2029	<u>(88,230)</u>
Total	<u>\$ (64,128)</u>

*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

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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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 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.
- 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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**

**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)**

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%.
- 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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

- 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:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
	<u>(6.25%)</u>	<u>Discount</u>	<u>(8.25%)</u>
		<u>Rate (7.25%)</u>	
Proportionate share of the net pension liability	<u>\$ 8,889,683</u>	<u>\$ 6,556,934</u>	<u>\$ 4,602,931</u>

*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>.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**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.

*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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 8: Postemployment Healthcare Benefits (Continued)**

**General Information (Continued)**

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 \$30,372, 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 \$116,338, 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 0.0243300707%, which was a decrease of 0.0032701596% from its proportion measured at December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of (\$26,373). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 25,661
Changes of assumptions and other inputs	1,333	37,186
Net difference between projected and actual earnings on plan investments	397	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	826	58,027
Contributions subsequent to the measurement date	15,474	-
<b>Total</b>	<b>\$ 18,030</b>	<b>\$ 120,874</b>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

District contributions subsequent to the measurement date of \$15,474 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	\$ (33,068)
2027	(23,109)
2028	(24,388)
2029	(18,552)
2030	(13,239)
2031	<u>(5,962)</u>
Total	<u>\$ (118,318)</u>

*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.

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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

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%

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

The 2024 Medicare Part A premium is \$505 per month. All costs are subject to the health care cost trend rates.

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

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.

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

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

\*Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

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

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**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 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.

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

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

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

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

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

- The pre-retirement mortality assumptions for the SDTF were based upon the PubT-2010 Employee Table.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

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

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

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%.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

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

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

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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)**

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates (7.25%)</u>	<u>1% Increase 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>\$ 113,204</u>	<u>\$ 116,338</u>	<u>\$ 119,886</u>

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

*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:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Proportionate share of the net OPEB liability	<u>\$ 142,574</u>	<u>\$ 116,338</u>	<u>\$ 93,720</u>

*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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE FINANCIAL STATEMENTS**  
June 30, 2025

**NOTE 9: Commitments and Contingencies (Continued)**

**Tabor Amendment (Continued)**

In November 1999, 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 \$656,000.

**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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
<b>REVENUES</b>				
Local Sources				
Property Taxes	\$ 2,457,117	\$ 2,400,350	\$ 2,405,282	\$ 4,932
Specific Ownership Taxes	200,000	223,667	641,596	417,929
Investment Income	-	-	306,164	306,164
Miscellaneous	197,000	197,000	117,808	(79,192)
County Sources	5,000	5,000	1,193	(3,807)
State Grants	2,396,767	2,525,419	2,701,508	176,089
Federal Grants	307,107	318,382	245,951	(72,431)
<b>TOTAL REVENUES</b>	<b>5,562,991</b>	<b>5,669,818</b>	<b>6,419,502</b>	<b>749,684</b>
<b>EXPENDITURES</b>				
Current				
Instruction	3,126,830	3,139,828	2,823,032	316,796
Supporting Services				
Students	191,270	191,270	190,821	449
Instructional Staff	102,516	102,516	119,254	(16,738)
General Administration	281,167	356,167	336,252	19,915
School Administration	505,811	505,812	458,575	47,237
Business Services	178,161	182,659	189,546	(6,887)
Operations and Maintenance	484,581	488,580	554,949	(66,369)
Student Transportation	267,240	267,240	218,758	48,482
Central Support	208,954	208,954	194,799	14,155
Facilities Acquisition	-	-	21,210	(21,210)
Total Supporting Services	2,219,700	2,303,198	2,284,164	19,034
<b>TOTAL EXPENDITURES</b>	<b>5,346,530</b>	<b>5,443,026</b>	<b>5,107,196</b>	<b>335,830</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>216,461</b>	<b>226,792</b>	<b>1,312,306</b>	<b>1,085,514</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(60,000)	(60,000)	-	60,000
<b>CHANGE IN FUND BALANCE</b>	<b>156,461</b>	<b>166,792</b>	<b>1,312,306</b>	<b>1,145,514</b>
FUND BALANCE, Beginning	5,806,110	6,428,387	6,413,402	(14,985)
FUND BALANCE, Ending	\$ 5,962,571	\$ 6,595,179	\$ 7,725,708	\$ 1,130,529

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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

<b>MEASUREMENT YEAR</b>	<u>12/31/24</u>	<u>12/31/23</u>	<u>12/31/22</u>	<u>12/31/21</u>
<b>PROPORTIONATE SHARE OF THE NET PENSION LIABILITY</b>				
District's Proportion of the Net Pension Liability	0.0380004188%	0.0461353740%	0.0397654413%	0.0460809991%
District's Proportionate Share of the Net Pension Liability	\$ 6,556,934	\$ 8,158,313	\$ 7,241,074	\$ 5,362,614
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>588,917</u>	<u>178,888</u>	<u>2,110,122</u>	<u>614,755</u>
Total Proportionate Share of the Net Pension Liability	<u><u>7,145,851</u></u>	<u><u>8,337,201</u></u>	<u><u>9,351,196</u></u>	<u><u>5,977,369</u></u>
District's Covered Payroll	\$ 2,936,463	\$ 3,049,957	\$ 3,114,085	\$ 2,987,483
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	223%	267%	233%	180%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67%	65%	75%	75%
<b>FISCAL YEAR</b>	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/23</u>	<u>6/30/22</u>
<b>DISTRICT CONTRIBUTIONS</b>				
Statutorily Required Contribution	\$ 606,842	\$ 558,045	\$ 634,651	\$ 593,912
Contributions in Relation to the Statutorily Required Contribution	<u>(606,842)</u>	<u>(558,045)</u>	<u>(634,651)</u>	<u>(593,912)</u>
Contribution Deficiency (Excess)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
District's Covered Payroll	\$ 2,977,628	\$ 2,738,191	\$ 3,114,085	\$ 2,987,483
Contributions as a Percentage of Covered Payroll	20.38%	20.38%	20.38%	19.88%

<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>
0.0545080730%	0.0500465770%	0.0532604051%	0.0596509439%	0.0629070322%	0.0618526641%
\$ 8,240,521	\$ 7,476,850	\$ 9,430,849	\$ 19,288,995	\$ 18,729,856	\$ 9,459,928
<u>-</u>	<u>948,342</u>	<u>1,289,540</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>8,240,521</u>	<u>8,425,192</u>	<u>10,720,389</u>	<u>19,288,995</u>	<u>18,729,856</u>	<u>9,459,928</u>
\$ 2,826,104	\$ 2,996,722	\$ 2,829,940	\$ 2,855,378	\$ 2,802,681	\$ 2,842,160
292%	250%	333%	676%	668%	333%
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>
\$ 561,829	\$ 580,765	\$ 541,368	\$ 539,072	\$ 515,135	\$ 503,926
\$ <u>(561,829)</u>	\$ <u>(580,765)</u>	\$ <u>(541,368)</u>	\$ <u>(539,072)</u>	\$ <u>(515,135)</u>	\$ <u>(503,926)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 2,826,104	\$ 2,996,722	\$ 2,829,940	\$ 2,855,378	\$ 2,802,681	\$ 2,842,160
19.88%	19.38%	19.13%	18.88%	18.38%	17.73%

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**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

<b>MEASUREMENT YEAR</b>	<u>12/31/24</u>	<u>12/31/23</u>	<u>12/31/22</u>	<u>12/31/21</u>
<b>PROPORTIONATE SHARE OF THE NET OPEB LIABILITY</b>				
District's Proportion of the Net OPEB Liability	0.0243300707%	0.0276002303%	0.0302259378%	0.0300873566%
District's Proportionate Share of the Net OPEB Liability	\$ 116,338	\$ 196,990	\$ 259,445	\$ 299,676
District's Covered Payroll	\$ 2,936,463	\$ 3,049,957	\$ 1,008,985	\$ 985,178
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	4%	6%	26%	30%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	60%	46%	39%	39%
<b>FISCAL YEAR</b>	<u>6/30/25</u>	<u>6/30/24</u>	<u>6/30/23</u>	<u>6/30/22</u>
<b>DISTRICT CONTRIBUTIONS</b>				
Statutorily Required Contributions	\$ 30,372	\$ 27,930	\$ 31,764	\$ 30,472
Contributions in Relation to the Statutorily Required Contribution	<u>(30,372)</u>	<u>(27,930)</u>	<u>(31,764)</u>	<u>(30,472)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 2,977,628	\$ 2,738,191	\$ 3,114,085	\$ 2,987,483
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

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

<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
0.0315373384%	0.0327046947%	0.0346728330%	0.0338644673%
\$ 367,600	\$ 471,738	\$ 440,103	\$ 463,603
\$ 901,354	\$ 911,399	\$ 876,505	\$ 904,274
41%	52%	50%	51%
33%	24%	17%	18%
<u>6/30/21</u>	<u>6/30/20</u>	<u>6/30/19</u>	<u>6/30/18</u>
\$ 28,826	\$ 30,567	\$ 28,865	\$ 29,125
<u>(28,826)</u>	<u>(30,567)</u>	<u>(28,865)</u>	<u>(29,125)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,826,104	\$ 2,996,722	\$ 2,829,940	\$ 2,855,378
1.02%	1.02%	1.02%	1.02%

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
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 School Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budget amounts between programs and/or departments within any fund and the reallocation of budget line items within any program and/or department rests with the Superintendent. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- All budget appropriations lapse at fiscal year-end.

**Budget Compliance**

June 30, 2025, the Pupil Activity Fund and Debt Service Fund actual expenditures exceeded budgeted appropriations by \$23,932 and \$500, respectively. This may be a violation of state statutes.

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

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

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

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

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.

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
June 30, 2025

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

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

**NOTE 3: Changes in Assumptions and Other Inputs**

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

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

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

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

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

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**COMBINING BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
June 30, 2025

	FOOD SERVICE	PUPIL ACTIVITY FUND	TOTAL NONMAJOR FUNDS
<b>ASSETS</b>			
Cash and Investments	\$ 21,765	\$ 219,248	\$ 241,013
Grants Receivable	29,464	-	29,464
Inventories	17,057	-	17,057
<b>TOTAL ASSETS</b>	<b>\$ 68,286</b>	<b>\$ 219,248</b>	<b>\$ 287,534</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accrued Salaries and Benefits	\$ 5,754	\$ -	\$ 5,754
<b>FUND BALANCES</b>			
Restricted for Food Service	62,532	-	62,532
Assigned to Student Activities	-	219,248	219,248
<b>TOTAL FUND BALANCES</b>	<b>62,532</b>	<b>219,248</b>	<b>281,780</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 68,286</b>	<b>\$ 219,248</b>	<b>\$ 287,534</b>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
Year Ended June 30, 2025

	FOOD SERVICE	PUPIL ACTIVITY FUND	TOTAL NONMAJOR FUNDS
REVENUES			
Local Sources	\$ 18,000	\$ 169,677	\$ 187,677
State Sources	55,076	-	55,076
Federal Sources	104,652	-	104,652
	<u>177,728</u>	<u>169,677</u>	<u>347,405</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Instruction	-	181,932	181,932
Food Service	183,911	-	183,911
	<u>183,911</u>	<u>181,932</u>	<u>365,843</u>
TOTAL EXPENDITURES			
CHANGES IN FUND BALANCES	(6,183)	(12,255)	(18,438)
FUND BALANCES, Beginning	<u>68,715</u>	<u>231,503</u>	<u>300,218</u>
FUND BALANCES, Ending	<u>\$ 62,532</u>	<u>\$ 219,248</u>	<u>\$ 281,780</u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOOD SERVICE FUND**  
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
<b>REVENUES</b>				
Local Sources				
Fees	\$ -	\$ -	\$ 15,999	\$ 15,999
Investment Income	-	-	1	1
Miscellaneous	10,105	11,105	2,000	(9,105)
State Grants	53,380	53,380	55,076	1,696
Federal Grants	120,130	120,130	104,652	(15,478)
<b>TOTAL REVENUES</b>	<u>183,615</u>	<u>184,615</u>	<u>177,728</u>	<u>(6,887)</u>
<b>EXPENDITURES</b>				
Current				
Salaries	81,917	81,918	73,368	8,550
Benefits	27,662	27,662	23,856	3,806
Purchased Services	8,688	8,688	3,160	5,528
Supplies and Materials	155,780	155,780	83,527	72,253
Other	300	300	-	300
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>274,347</u>	<u>274,348</u>	<u>183,911</u>	<u>90,437</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(90,732)</u>	<u>(89,733)</u>	<u>(6,183)</u>	<u>83,550</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	90,000	90,000	-	(90,000)
<b>CHANGE IN FUND BALANCE</b>	(732)	267	(6,183)	(6,450)
FUND BALANCE, Beginning	35,000	73,547	68,715	(4,832)
FUND BALANCE, Ending	<u>\$ 34,268</u>	<u>\$ 73,814</u>	<u>\$ 62,532</u>	<u>\$ (11,282)</u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**BUDGETARY COMPARISON SCHEDULE**  
**PUPIL ACTIVITY FUND**  
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources				
Contributions	\$ 158,000	\$ 158,000	\$ 169,677	\$ 11,677
EXPENDITURES				
Current				
Supporting Services	158,000	158,000	181,932	(23,932)
CHANGE IN FUND BALANCE	-	-	(12,255)	(12,255)
FUND BALANCE, Beginning	157,743	157,743	231,503	73,760
FUND BALANCE, Ending	\$ 157,743	\$ 157,743	\$ 219,248	\$ 61,505

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources				
Property Taxes	\$ 3,127,000	\$ 2,825,329	\$ 2,820,176	\$ (5,153)
Investment Income	-	-	44,704	44,704
	<u>3,127,000</u>	<u>2,825,329</u>	<u>2,864,880</u>	<u>39,551</u>
TOTAL REVENUES	<u>3,127,000</u>	<u>2,825,329</u>	<u>2,864,880</u>	<u>39,551</u>
EXPENDITURES				
Debt Service				
Principal	1,110,000	1,245,000	1,245,000	-
Interest	2,016,725	2,040,975	2,040,975	-
Fees and Charges	200	200	700	(500)
	<u>3,126,925</u>	<u>3,286,175</u>	<u>3,286,675</u>	<u>(500)</u>
TOTAL EXPENDITURES	<u>3,126,925</u>	<u>3,286,175</u>	<u>3,286,675</u>	<u>(500)</u>
CHANGE IN FUND BALANCE	75	(460,846)	(421,795)	39,051
FUND BALANCE, Beginning	<u>2,137,475</u>	<u>2,273,864</u>	<u>2,288,535</u>	<u>14,671</u>
FUND BALANCE, Ending	<u>\$ 2,137,550</u>	<u>\$ 1,813,018</u>	<u>\$ 1,866,740</u>	<u>\$ 53,722</u>

**PLATEAU VALLEY SCHOOL DISTRICT 50**  
**BUDGETARY COMPARISON SCHEDULE**  
**BUILDING FUND**  
Year Ended June 30, 2025

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		Positive (Negative)
REVENUES				
Local Sources				
Investment Income	\$ 400,000	\$ 400,000	\$ 1,796,067	\$ 1,396,067
State Sources				
BEST Grant	9,119,368	9,119,368	13,533,799	4,414,431
<b>TOTAL REVENUES</b>	<b>9,519,368</b>	<b>9,519,368</b>	<b>15,329,866</b>	<b>5,810,498</b>
EXPENDITURES				
Current				
Supporting Services	-	-	715,755	(715,755)
Capital Outlay	44,585,000	53,903,461	34,041,437	19,862,024
<b>TOTAL EXPENDITURES</b>	<b>44,585,000</b>	<b>53,903,461</b>	<b>34,757,192</b>	<b>19,146,269</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(35,065,632)</b>	<b>(44,384,093)</b>	<b>(19,427,326)</b>	<b>24,956,767</b>
FUND BALANCE, Beginning	-	-	44,364,145	44,364,145
FUND BALANCE, Ending	<u>\$ (35,065,632)</u>	<u>\$ (44,384,093)</u>	<u>\$ 24,936,819</u>	<u>\$ 69,320,912</u>

## **COMPLIANCE SECTION**

## **STATE COMPLIANCE**



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 1990 - Plateau Valley 50  
 Fiscal Year 2024-25  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental	+		-	=
10 General Fund	6,373,608	6,459,069	5,148,117	7,684,559
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	41,147	0	0	41,147
<b>Sub- Total</b>	<b>6,414,755</b>	<b>6,459,069</b>	<b>5,148,117</b>	<b>7,725,706</b>
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	68,715	177,727	183,910	62,532
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	231,503	169,677	181,931	219,249
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	2,288,535	2,864,880	3,286,675	1,866,740
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	44,364,145	15,329,867	34,757,192	24,936,819
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	0	0	0
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
<b>Totals</b>	<b>53,367,653</b>	<b>25,001,220</b>	<b>43,557,826</b>	<b>34,811,047</b>
<b>Proprietary</b>				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FINAL