

***Weld County School District RE-10J***  
**Briggsdale, Colorado**

**Financial Statements**

**For the Year ended June 30, 2025**

## Table of Contents

	Page
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-11
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	14
Statement of Activities	16-17
Fund Financial Statements	
Balance Sheet – Governmental Funds	18-19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	22-23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Notes to Financial Statements	25-61
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	64
Budgetary Comparison Schedule – Total Program Reserve Fund	65
Schedule of the Districts' Proportionate Share of the Net Pension Liability – PERA's School Division Trust Fund	66-67
Schedule of District Contributions – PERA's School Division Trust Fund	68-69
Schedule of the District's Proportionate Share of the Net OPEB Liability – PERA's Health Care Trust Fund	70-71
Schedule of District Contributions – PERA's Health Care Trust Fund	72-73
Notes to the Required Supplementary Information	74
Other Supplementary Information	
General Fund	
Budgetary Comparison Schedule - Revenues	78
Budgetary Comparison Schedule - Expenditures	80-81
Nonmajor Governmental Funds	
Combining Balance Sheet	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	85
Budgetary Comparison Schedule – Food Service Fund	86
Budgetary Comparison Schedule – Pupil Activity Fund	87

## Table of Contents

	<u>Page</u>
Debt Service Fund	
Budgetary Comparison Schedule – Bond Redemption Fund	90
Capital Projects Fund	
Budgetary Comparison Schedule – Building Fund	92
Colorado Department of Education Supplementary Schedule	
Auditors' Integrity Report	94



## **Independent Auditors' Report**

Board of Education  
Weld County School District RE-10J  
Briggsdale, Colorado

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Weld County School District RE-10J (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 for 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 Auditors' 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.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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, budgetary comparison information and historical pension and other post-employment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the

United States of America, which consisted of inquires 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.

**Other 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 other supplementary information and the auditors' integrity report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling 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 other supplementary information and the auditors' integrity report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Lauer, Szabo & Associates, P.C.*

Sterling, Colorado  
October 24, 2025

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

This section of the Weld County School District RE-10J (the "District") financial report offers readers of the District's financial statements management's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information furnished in the District's financial statements, which immediately follow this section.

**Financial Highlights**

- The District's financial status increased over the course of the 2025 fiscal year. Total net position ended at \$14,022,029 compared to June 30, 2024 at \$11,151,728. The net position related to governmental activities and business-type activities had major changes based on the inclusion of the GASB 68 and 75 governmental reporting requirements.
- The District had \$5,267,976 in expenses related to governmental activities; only \$302,517 of these expenses was offset by program specific charges for services and operating grants and contributions.
- General revenues of Governmental Activities totaled \$7,835,760. General purpose taxes accounts for \$4,094,598, or 50.0%, and specific ownership taxes of \$346,971 or 4.3% of all revenues.
- Beginning fund balance for the Governmental Funds was increased by \$2,222,702, with a corresponding change in net position.
- The General Fund, Total Program Reserve Fund, Bond Redemption Fund and the Building Fund are the District's major funds. These four funds had \$7,792,066 in revenues and other sources and \$5,579,831 in expenditures. The fund balances increased to \$12,272,398 from \$10,060,163, due primarily to expenditures and transfers not exceeding revenues and other sources.
- Enrollment of the District increased to a full-time equivalent (FTE) of 169.5 students, which represents a decrease of 1.3 FTE.

**Overview of the Financial Statements**

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

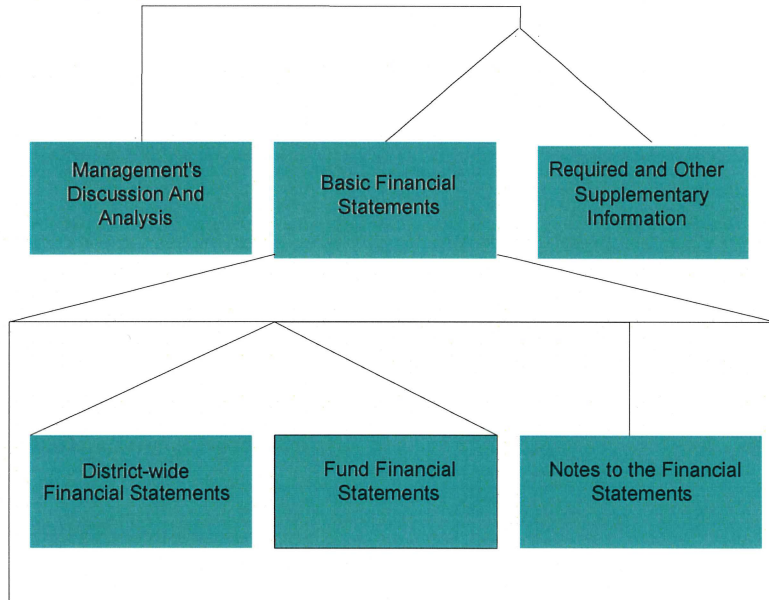
- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how basic services such as instruction were financed in the short-term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the District operates like a business; currently the District does not report any proprietary fund statements.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others. The District currently does not have any fiduciary funds.

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

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

Detailed in the following diagram are how the various parts of this annual report are arranged and related to one another.

**Table 1  
Organization of the District's Annual Financial Report**



**SUMMARY**       $\longleftrightarrow$       **DETAIL**

Table 2 displayed on the following page summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the two types of financial statements, government-wide and fund financial statements, found in the basic financial statements.

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

**Table 2  
Major Features of the Government-wide and Fund Financial Statements**

	<b>Government-wide Statements</b>	<b>Fund Financial Statements</b>		
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
<b>Scope</b>	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education.	Activities the District operates similar to private businesses: The District does not have any proprietary funds.	Instances in which the District administers resources on behalf of someone else. The District does not have any fiduciary funds.
<b>Required Financial Statements</b>	Statement of Net Position  Statement of Activities	Balance Sheet  Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position  Statement of Revenues, Expenses and Changes in Net Position  Statement of Cash Flows	Statement of Fiduciary Net Position  Statement of Changes in Fiduciary Net Position
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.	Accrual accounting and economic resources focus.
<b>Type of asset/liability information</b>	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both financial and capital, short-term and long-term.	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both financial and capital, and short-term and long-term.	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both short-term and long-term; funds do not currently contain capital assets, although they can.
<b>Type of inflow/outflow information</b>	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

**Government-wide Statements**

The government-wide statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Included in governmental activities are most of the District's basic services such as regular and special education, transportation, maintenance and operations, administration, food service and pupil activities. The basic government-wide financial statements can be found on pages 18-24 of this report.

***Fund Financial Statements***

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant, or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law and bond covenants. Other funds control and manage money for particular purposes (such as federal grants). The District's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

*Governmental funds:* All of the District's basic services are included in governmental funds, which generally focus on (1) inflows and outflows of cash and other financial assets and (2) balances remaining at year-end which are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine financial resources that may be available in the near term to finance the District's programs. Because this information does not encompass the long-term focus of the government-wide statements, a reconciling schedule is included on the governmental funds statements explaining the relationship (or difference) between them.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Total Program Reserve, Bond Redemption and Building Funds, the District's major funds.

*Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements.

The District does not currently have any proprietary funds.

*Fiduciary funds:* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is responsible for ensuring the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

The District does not currently have any fiduciary funds.

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 61 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information. This includes the budget-to-actual information for all funds as dictated by state law. Additionally, the Colorado Department of Education electronic data transmission reports are included in this section.

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

**Net Position and Changes in Net Position**

The District's combined net position on June 30, 2025 changed to 14,022,029 compared to prior year. Table 3 provides a summary of the District's net position at June 30, 2025.

**Table 3**

	<b><u>Governmental Activities</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
Current Assets	\$12,735,037	\$ 10,715,799
Other Assets	<u>6,135,551</u>	<u>5,541,658</u>
Total Assets	<u>18,870,588</u>	<u>16,257,457</u>
Deferred Outflows of Financial Resources	<u>1,006,503</u>	<u>1,339,597</u>
Current Liabilities	531,892	549,635
Long-term Liabilities	<u>5,196,963</u>	<u>5,607,868</u>
Total Liabilities	<u>5,548,855</u>	<u>6,157,503</u>
Deferred Inflows of Financial Resources	<u>306,207</u>	<u>287,823</u>
Net investment in Capital Assets	6,135,551	5,478,378
Restricted Net Position	212,932	6,578,345
Unrestricted Net Position	<u>7,673,546</u>	<u>(904,995)</u>
<b>Total Net Position (Deficit)</b>	<b><u>\$14,022,029</u></b>	<b><u>\$11,151,728</u></b>

At the end of the 2025 fiscal year, District assets reflect a positive change in Governmental Activities and an increase in total net position from 2024.

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

**Governmental Activities**

The primary source of operating revenue for school districts comes from the School Finance Act of 1994 (the "Act"). Under this Act, the District received \$19,932 per funded student. Funding for the School Finance Act comes from property taxes, specific ownership tax, and state equalization. The District receives no funding from state equalization, 89% from property tax and specific ownership tax, and the remaining is from federal funding and other miscellaneous revenue sources.

The statement of activities shows the cost of program services and the related charges for services and grants offsetting those costs. Table 4 reflects each program's total cost and net cost of services. That is, it identifies the cost of these services supported by unrestricted state equalization and property taxes.

**Table 4  
Governmental Activities**

	<u>2025</u>	<u>2024</u>
<b>Program Revenues:</b>		
Charges for Services	\$ 37,906	\$ 42,648
Operating Grants	264,611	363,529
Capital Grants	-	-
Total Program Revenues	<u>302,517</u>	<u>406,177</u>
<b>General Revenues:</b>		
Taxes	7,213,438	10,834,399
State Equalization	0	0
Investment Earnings	427,791	136,126
Miscellaneous	<u>194,531</u>	<u>159,821</u>
Total General Revenues	<u>7,835,760</u>	<u>11,130,346</u>
<b>Total Revenues</b>	<u>8,138,277</u>	<u>11,536,523</u>
<b>Expenses</b>		
Instruction	2,603,876	2,665,747
Supporting Services	2,664,100	2,827,432
Interest on Long Term Debt	-	45,435
<b>Total Expenses</b>	<u>5,267,976</u>	<u>5,538,614</u>
<b>Change in Net Position</b>	2,870,301	5,997,909
<b>Net Position – Beginning</b>	<u>11,151,728</u>	<u>5,153,819</u>
<b>Net Position – Ending</b>	<u>\$ 14,022,029</u>	<u>\$ 11,151,728</u>

Most of the District's costs were financed by District taxpayers.

**Financial Analysis of District's Funds**

Even though the fund balance in the General Fund increased, this is not necessarily indicative of the District's net resources available for spending at the end of the fiscal year. In the General Fund budgetary highlights section of this analysis, details regarding the components of the General Fund's fund balance are available.

**General Fund Budgetary Highlights**

The District's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The District's budget for the General Fund anticipated that expenditures would equal revenues. The actual results for the year show revenues were less than expenditures by \$705,399.

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

- Actual revenues were \$555,501 less than anticipated during the fiscal year.
- The actual expenditures were \$386,590 under budget during the fiscal year.
- The District must maintain a 3% emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). At June 30, 2025, the District's TABOR reserve amounted to \$190,000.

**Capital Assets and Debt Administration**

**Capital Assets**

By the end of the fiscal year 2025, the District had invested \$6,135,551, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, site improvements, vehicles and other equipment (See Table 5). This amount represents a net increase of \$593,893 from last year. Additional information on the District's capital assets with table can be found in Note E to the financial statements.

**Long-Term Debt**

More detailed information about the District's long-term liabilities is presented in Note G to the financial statements. The District's outstanding debt is below this limit.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Compensated absences	\$ 47,829	\$ 44,773	\$ -	\$ 92,602
Lease payables	63,280	-	(63,280)	-
<b>Total</b>	<b><u>\$ 111,109</u></b>	<b><u>\$ 44,773</u></b>	<b><u>\$ (63,280)</u></b>	<b><u>\$ 92,602</u></b>

**Factors Bearing on the District's Future**

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

- Every year most Districts depend on the state formula for the funding we are going to receive for the General Fund and the key factor for the formula is based on enrollment. Our district now is self-funded and relies on property taxes. Oil and gas company taxes make up a large portion of this revenue.
- The District continues to search for grants to provide additional upgrades of equipment, improved facilities, and educational opportunities. The District is also asking for a Bond for these items to be passed for additional construction to better the school.
- Our District wants to provide all students with the best possible opportunity to learn. This includes staff, curriculum, safety, and technology. We recognize the challenges of being a small district with limited resources and living in an outlying area.

**Weld County School District RE-10J  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2025**

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Business Services, Weld County School District RE-10J, 515 Leslie Street, Briggsdale, Colorado 80611.

This page intentionally left blank.

## **Basic Financial Statements**

The basic financial statements of the District include the following:

*Government-wide financial statements.* The government-wide statements display information about the reporting government as a whole.

*Fund financial statements.* The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental funds.

*Notes to the financial statements.* The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Statement of Net Position**  
**June 30, 2025**

	<u>Governmental Activities</u>
Assets	
Cash	\$ 366,689
Cash with fiscal agent	32,694
Investments	12,255,635
Receivables	70,312
Inventories	9,707
Capital assets, net of depreciation	<u>6,135,551</u>
Total assets	18,870,588
Deferred outflows of resources	
Pension deferrals	982,512
Other post-employment benefit deferrals	<u>23,991</u>
Total deferred outflows of resources	<u>1,006,503</u>
Total assets and deferred outflows of resources	<u><u>\$ 19,877,091</u></u>
Liabilities	
Accounts payable	\$ 49,920
Accrued salaries and benefits	294,395
Unearned revenues	7,577
Noncurrent liabilities	
Due within one year	63,576
Due in more than one year	29,026
Net pension liability	5,015,374
Net other post-employment benefit deferrals	<u>88,987</u>
Total liabilities	5,548,855
Deferred inflows of resources	
Pension deferrals	259,139
Other post-employment benefit deferrals	<u>47,068</u>
Total deferred inflows of resources	306,207
Net position	
Net investment in capital assets	6,135,551
Restricted for:	
Emergencies	190,000
Food service operations	22,932
Unrestricted	<u>7,673,546</u>
Total net position	<u>14,022,029</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 19,877,091</u></u>

The accompanying notes are an integral part of these financial statements.

This page intentionally left blank.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction	\$ 2,603,876	\$ 27,532	\$ 110,290	
Supporting services				
Students	91,516			
Instructional staff	66,469		3,214	
General administration	687,702		55,570	
Business services	54,798			
Operations and maintenance	1,331,906			
Student transportation	33,937		67	
Central support services	8,325			
Food service operations	171,690	10,374	95,470	
Unallocated depreciation *	217,757			
Total governmental activities	<u>\$ 5,267,976</u>	<u>\$ 37,906</u>	<u>\$ 264,611</u>	<u>\$ -</u>

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt services

Property taxes, levied for total program reserve

Specific ownership taxes

Delinquent taxes and interest

Earnings on investments

Other

Total general revenues

Change in net position

Net position at beginning of year

Net position at end of year

\* This amount excludes depreciation that is included in the direct expenses of the various programs.

The accompanying notes are an integral part of these financial statements.

---

Net (Expenses)  
Revenues and  
Changes in  
Net Position

Governmental  
Activities

---

\$ (2,466,054)

(91,516)

(63,255)

(632,132)

(54,798)

(1,331,906)

(33,870)

(8,325)

(65,846)

(217,757)

---

(4,965,459)

4,094,598

107

2,770,611

346,971

1,151

427,791

194,531

---

7,835,760

---

2,870,301

11,151,728

---

\$ 14,022,029

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**

	General Fund	Total Program Reserve Fund	Building Fund	Other Governmental Funds
<b>Assets</b>				
Cash	\$ 274,172			\$ 92,517
Cash with fiscal agent	19,468	\$ 13,226		
Investments	3,088,008	9,167,627		
Due from other funds	1,043		\$ 17,358	
Property taxes receivable	5,538	4,589		
Grants receivable	40,507			17,067
Other receivables	2,334			277
Inventories				9,707
<b>Total assets</b>	<b>\$ 3,431,070</b>	<b>\$ 9,185,442</b>	<b>\$ 17,358</b>	<b>\$ 119,568</b>
<b>Liabilities</b>				
Due to other funds	\$ 17,358			\$ 1,043
Accounts payable	31,586		\$ 14,579	3,755
Accrued salaries and benefits	291,321			3,074
Unearned revenues				7,577
<b>Total liabilities</b>	<b>340,265</b>	<b>\$ -</b>	<b>14,579</b>	<b>15,449</b>
<b>Deferred inflows of resources</b>				
Deferred property tax revenues	3,455	3,173		
<b>Fund balance</b>				
<b>Nonspendable:</b>				
Inventories				9,707
<b>Restricted for:</b>				
Emergencies	190,000			
Food service operations				13,225
<b>Committed to:</b>				
Capital expenditures			2,779	
Pupil activities				81,187
Assigned to total program reserve		9,182,269		
Unassigned	2,897,350			
<b>Total fund balance</b>	<b>3,087,350</b>	<b>9,182,269</b>	<b>2,779</b>	<b>104,119</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 3,431,070</b>	<b>\$ 9,185,442</b>	<b>\$ 17,358</b>	<b>\$ 119,568</b>

The accompanying notes are an integral part of these financial statements.

---

Total  
Governmental  
Funds

\$ 366,689  
32,694  
12,255,635  
18,401  
10,127  
57,574  
2,611  
9,707

---

\$ 12,753,438

\$ 18,401  
49,920  
294,395  
7,577

---

370,293

6,628

9,707

190,000  
13,225

2,779  
81,187  
9,182,269  
2,897,350

---

12,376,517

---

\$ 12,753,438

The accompanying notes are an integral part of these financial statements.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**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 balance - governmental funds	\$ 12,376,517
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	6,135,551
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	6,628
Long-term liabilities and related deferred inflows and outflows of resources, including compensated absences and net pension and OPEB liabilities, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.	<u>(4,496,667)</u>
Net position of the governmental activities	<u>\$ 14,022,029</u>

The accompanying notes are an integral part of these financial statements.

This page intentionally left blank.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2025**

	General Fund	Total Program Reserve Fund	Bond Redemption Fund	Building Fund
<b>Revenues</b>				
Local sources	\$ 4,425,155	\$ 3,279,884	\$ 2,373	
Intermediate sources	40,018			
State sources	39,909			
Federal sources	81,727			
<b>Total revenues</b>	<b>4,586,809</b>	<b>3,279,884</b>	<b>2,373</b>	<b>\$ -</b>
<b>Expenditures</b>				
Instruction	2,429,645			
Supporting services	2,446,011	6,954		
Capital outlay				697,221
<b>Total expenditures</b>	<b>4,875,656</b>	<b>6,954</b>	<b>-</b>	<b>697,221</b>
Excess of revenues over (under) expenditures	(288,847)	3,272,930	2,373	(697,221)
<b>Other financing sources (uses)</b>				
Transfers in	360,448			700,000
Transfers out	(777,000)	(300,000)	(60,448)	
<b>Total other financing sources (uses)</b>	<b>(416,552)</b>	<b>(300,000)</b>	<b>(60,448)</b>	<b>700,000</b>
<b>Net change in fund balance</b>	<b>(705,399)</b>	<b>2,972,930</b>	<b>(58,075)</b>	<b>2,779</b>
Fund balance at beginning of year	3,792,749	6,209,339	58,075	-
<b>Fund balance at end of year</b>	<b>\$ 3,087,350</b>	<b>\$ 9,182,269</b>	<b>\$ -</b>	<b>\$ 2,779</b>

The accompanying notes are an integral part of these financial statements.

---

Other Governmental Funds	Total Governmental Funds
\$ 131,957	\$ 7,839,369
	40,018
65,068	104,977
30,402	112,129
<u>227,427</u>	<u>8,096,493</u>
123,117	2,552,762
170,843	2,623,808
	697,221
<u>293,960</u>	<u>5,873,791</u>
(66,533)	2,222,702
77,000	1,137,448
	(1,137,448)
<u>77,000</u>	<u>-</u>
10,467	2,222,702
93,652	10,153,815
<u>\$ 104,119</u>	<u>\$ 12,376,517</u>

The accompanying notes are an integral part of these financial statements.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2025**

---

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - governmental funds	\$ 2,222,702
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.	681,862
Disposal of capital assets results in a gain or loss that is reported in the statement of activities. The governmental funds only report the proceeds from the sale. The difference between the gain or loss and the proceeds is the net book value of the assets disposed.	(24,689)
Because some property taxes will not be collected for several months after the fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead, counted as deferred inflows of resources. They are, however, recorded as revenues in the statement of activities.	(5,721)
In the statement of activities, certain expenses related to the pension and OPEB liabilities and related deferred outflows and inflows and compensated absences, are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	<u>(3,853)</u>
Change in net position of governmental activities	<u><u>\$ 2,870,301</u></u>

The accompanying notes are an integral part of these financial statements.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies**

This summary of the Weld County School District RE-10J's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the District's accounting policies are described below.

**A.1 – Reporting entity**

The Weld County School District RE-10J is a school district governed by an elected five-member board of education. The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The reporting entity's financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The District has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the District has no component units.

**A.2 – Fund accounting**

The District uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." The District does not have any proprietary or fiduciary funds.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), and the servicing of general long-term debt (debt service fund). The following are the District's major governmental funds:

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

General Fund – The General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership taxes, and State of Colorado equalization funding, as determined by the School Finance Act of 1994, as amended.

Expenditures include all costs associated with the daily operation of the schools, except for certain capital outlay expenditures, debt service, food service operations and pupil activities.

Total Program Reserve Fund – This fund is a special revenue fund used to account for the revenues from a specific tax levy pursuant to § 22-54-107(5), C.R.S.

Bond Redemption – This fund is a debt service fund used to account for the revenues from a specific tax levy for the purpose of the repayment of debt principal, interest, and other fiscal charges. This fund was closed out during the year.

Building Fund – This fund is a capital projects fund used to account for transfers from other funds, to be used for the acquisition or construction of major capital facilities.

The following are the District's nonmajor governmental funds:

Food Service Fund – This fund is a special revenue fund used to account for sales to customers, as well as dedicated grants received from state and federal sources that are associated with the operation of the District's food service program.

Pupil Activity Fund – This fund is a special revenue fund used to account for revenues from pupils and other fund-raising activities related to school sponsored pupil activities.

**Note A.3 – Basis of presentation**

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements – Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

**A.4 – Basis of accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues – exchange and non-exchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year-end, except for state and federal grant revenues, which are considered available if collection is expected within six months of year end.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. State equalization monies are recognized as revenues during the period in which they are appropriated. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes collected within sixty days after year-end, interest, tuition, grants and student fees.

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

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

Unearned revenue - Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

Expenditures - the measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

**A.5 – Encumbrances**

Encumbrance accounting is utilized by the District to record purchase orders, contracts and other commitments for the expenditure of monies to assure effective budgetary control and accountability. Encumbrances outstanding at year-end are canceled and reappropriated in the ensuing year's budget.

**A.6 – Short-term interfund receivables/payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

**A.7 – Inventories**

Food Service Fund – purchased inventories are stated at cost as determined by the first-in, first-out method. Commodity inventories are stated at the United States Department of Agriculture's assigned values, which approximate fair value, at the date of receipt. Expenditures for food items are recorded when consumed. The federal government donates surplus commodities to the national school lunch program. Commodity distributions used by the District are recorded as revenues at the date of their consumption.

**A.8 – Capital assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets with a unit cost greater than \$5,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) are capitalized along with other capital assets. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u>
Buildings and improvements	5-50 years
Other equipment	5-20 years
Licensed vehicles	8 years

**A.9 – Compensated absences**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 101, “Compensated Absences.” Leave benefits are accrued as a liability for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability is recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, or the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Staff members will receive eight days of sick leave per year. The District’s policy permits employees to accumulate up to 272 hours of sick leave. An employee who has been employed by the District for five years and is eligible for retirement in accordance with the Public Employees Retirement Association will be paid \$60 per day for all accrued sick leave not taken, not to exceed payment for more than 320 hours of accrued sick leave.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

The amount recorded as liabilities for all applicable compensated absences include salary-related payments associated with the payment of compensated absences, using the rates in effect at the balance sheet date.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

**A.10 – Accrued liabilities and long-term obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences that will be paid from governmental funds is reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

**A.11 – Leases**

The District determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statement of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payment made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably of the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District recognizes payments for short-term leases with a lease term of 12 months or less as expenses are incurred, and the leases are not included as lease liabilities or right-to-use lease assets in the statement of net position.

**A.12 – Fund balance**

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

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

*Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

*Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

*Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the board of education (the District's highest level of decision-making authority),

*Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

*Unassigned* fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the board of education through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the District applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

**A.13 – Net position**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note A – Summary of significant accounting policies (Continued)**

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**A.14 – Interfund transactions**

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

**A.15 – Extraordinary and special items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the board of education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the year.

**Note B – Cash and investments**

**Cash and deposits**

Colorado State statutes govern the District's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have deposit policy for custodial credit risk. As of year-end, the District had total deposits of \$463,597, of which \$250,000 was insured and \$213,597 was collateralized with securities held by the pledging institution's trust department or agent in the District's name.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note B – Cash and investments (Continued)**

**Investments**

Authorized Investments – Investment policies are governed by Colorado State Statutes and the District’s own investment policies and procedures. Investments of the District may include:

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

During the year, the District invested in Colotrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of June 30, 2025, the District had invested \$12,255,635 in COLOTRUST PLUS+, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

	<u>Investment maturities (in years)</u>			
<u>Investment type</u>	<u>Fair value</u>	<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
Investment in Colotrust	<u>\$ 12,255,635</u>	<u>\$12,255,635</u>	<u>\$ -</u>	<u>\$ -</u>

The investment in Colotrust is maintained in the General and Total Program Reserve Funds.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note B – Cash and investments (Continued)**

Interest rate risk – The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing rates.

Credit risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least one nationally recognized rating agency at the time of purchase. The District has no investment policy that would further limit its investment choices. At year-end, the District’s investment in Colostrust was rated AAAM by Standard and Poor’s.

**Note C – Receivables**

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>
Property taxes receivable	\$ 10,127
Grants receivables	57,574
Other receivables	<u>2,611</u>
Total	<u>\$ 70,312</u>

Property taxes are levied on December 15<sup>th</sup> and attach as a lien on property the following January 1<sup>st</sup>. They are payable in full by April 30<sup>th</sup> or are due in two equal installments on February 28<sup>th</sup> and June 15<sup>th</sup>. Weld and Morgan Counties bill and collect property taxes for all taxing entities within the counties. The tax receipts collected by the counties are remitted to the District in the subsequent month.

**Note D – Interfund transactions**

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Governmental funds</u>		
General fund	\$ 1,043	\$ 17,358
Building fund	17,358	-
Other governmental funds	<u>-</u>	<u>1,043</u>
Total	<u>\$ 18,401</u>	<u>\$ 18,401</u>

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note D – Interfund transactions (Continued)**

	Transfers <u>In</u>	Transfers <u>Out</u>
<u>Governmental funds</u>		
General fund	\$ 360,448	\$ 777,000
Total program reserve fund	-	300,000
Bond redemption fund		60,448
Building fund	700,000	
Other governmental funds	<u>77,000</u>	<u>-</u>
Total	<u>\$ 1,137,448</u>	<u>\$ 1,137,448</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The General Fund transferred \$700,000 to the Building Fund for capital outlay, and an additional \$77,000 to the Other Governmental Funds to subsidize the costs of maintaining the District's food service operations. The District transferred funds in the amount of \$300,000 from the Total Program Reserve Fund to the General Fund in accordance with C.R.S. Section 22-45-103(k). The remaining \$60,448 in the Bond Redemption Fund was also transferred to the General Fund after all obligations of bonded indebtedness had been satisfied.

**Note E – Capital assets**

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated:				
Land	\$ 62,593	\$ -	\$ -	\$ 62,593
Construction in progress	<u>-</u>	<u>697,221</u>	<u>-</u>	<u>697,221</u>
Total capital assets, not being depreciated	62,593	697,221	-	759,814
Capital assets, being depreciated:				
Land improvements	421,090	-	-	421,090
Buildings and improvements	8,575,837	-	-	8,575,837
Other equipment	289,790	53,699	-	343,489
Food service equipment	68,808	-	-	68,808
Transportation equipment	939,286	248,558	(215,470)	972,374
Leased equipment	<u>71,190</u>	<u>-</u>	<u>(71,190)</u>	<u>-</u>
Total capital assets, being depreciated	<u>10,366,001</u>	<u>302,257</u>	<u>(286,660)</u>	<u>10,381,598</u>
Total capital assets	10,428,594	999,478	(286,660)	11,141,412

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note E – Capital assets (Continued)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Land improvements	(211,113)	(17,739)	-	(228,852)
Buildings and improvements	(3,796,680)	(200,018)	-	(3,996,698)
Other equipment	(145,146)	(17,333)	-	(162,479)
Food service equipment	(66,895)	(637)	-	(67,532)
Transportation equipment	(665,784)	(76,616)	192,100	(550,300)
Leased equipment	(1,318)	(5,273)	6,591	-
	<u>(4,886,936)</u>	<u>(317,616)</u>	<u>198,691</u>	<u>(5,005,861)</u>
Total accumulated depreciation				
Governmental activities capital assets, net	<u>\$ 5,541,658</u>	<u>\$ 681,862</u>	<u>\$ (87,969)</u>	<u>\$ 6,135,551</u>

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

Governmental activities	
Instruction	\$ 2,082
General administration	3,794
Operations and maintenance	29,308
Student transportation	64,038
Food service operations	637
Unallocated	<u>217,757</u>
Total	<u>\$ 317,616</u>

**Note F – Accrued salaries and benefits**

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned but not paid at year-end are estimated to be \$294,395. Accordingly, this accrued compensation is reflected as a liability in the accompanying financial statements.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note G – Long-term debt**

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
<b>Governmental Activities</b>					
Compensated absences	\$ 47,829	\$ 44,773*	\$ -	\$ 92,602	\$ 63,576
Lease payable	<u>63,280</u>	<u>-</u>	<u>(63,280)</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 111,109</u>	<u>\$ 44,773</u>	<u>\$ (63,280)</u>	<u>\$ 92,602</u>	<u>\$ 63,576</u>

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

**Lease Payable**

In March 2024, the District entered into a nine-year lease as lessee for a campus safety system. An initial lease liability was recorded at \$71,190. The lease called for fixed annual payments of \$7,910 with 0% interest. In February 2025, the District terminated the lease, and the remaining lease liability of \$63,280 reduced the carrying value of the leased asset. The difference of \$1,318 was reported as a loss in the financial statements.

**Note H – Defined benefit pension plan**

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note H – Defined benefit pension plan (Continued)**

*Benefits provided as of December 31, 2024.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note H – Defined benefit pension plan (Continued)**

membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA’s Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

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

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

*Contributions provisions as of June 30, 2025:* Eligible employees of the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2024 through June 30, 2025. Employer contribution requirements are summarized in the table below:

	July 1, 2024 Through <u>June 30, 2025</u>
Employer contribution rate	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. Section 24-51-208(1)(f)	<u>(1.02)%</u>
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. Section 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. Section 24-51-411	<u>5.50%</u>
Total employer contribution rate to the SCHDTF	<u><u>20.38%</u></u>

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note H – Defined benefit pension plan (Continued)**

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$493,867 for the year ended June 30, 2025.

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

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

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

At year end, the District reported a liability of \$5,015,374 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 5,015,374
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	<u>450,460</u>
Total	<u>\$ 5,465,834</u>

At December 31, 2024, the District's proportion was 0.0291%, which was a decrease of 0.0013% from its proportion measured as of December 31, 2023.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note H – Defined benefit pension plan (Continued)**

For the year ended June 30, 2025, the District recognized pension expense of \$571,993 and revenue of \$41,114 for support from the State as a nonemployer contributing entity. At year-end, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 289,686	\$ -
Changes of assumptions or other inputs	37,601	-
Net difference between projected and actual earnings on pension plan investments	-	60,248
Changes in proportion and differences between contributions recognized and proportionate share of contributions	398,732	198,891
Contributions subsequent to the measurement date	<u>256,493</u>	<u>-</u>
Total	<u>\$ 982,512</u>	<u>\$ 259,139</u>

\$256,493 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2026	\$ 385,429
2027	315,650
2028	(166,712)
2029	<u>(67,487)</u>
Totals	<u>\$ 466,880</u>

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note H – Defined benefit pension plan (Continued)**

Salary increases, including wage inflation:	3.40%–11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 <sub>1</sub>	Financed by the AIR

<sup>1</sup> Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note H – Defined benefit pension plan (Continued)**

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

Salary scale assumptions were altered to better reflect actual experience.

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

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

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

	<b>Mortality Table</b>	<b>Adjustments, as Applicable</b>
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	<b>Males:</b> 106% of the rates for all ages <b>Females:</b> 86% of the rates prior to age 85/115% of the rates age 85 and older
Post-Retirement (Beneficiary), Non-Disabled	Pub-2010 Contingent Survivor	<b>Males:</b> 92% of the rates for all ages <b>Females:</b> 100% of the rates for all ages
Disabled	PubNS-2010 Disabled Retiree	95% of the rates for all ages

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30 Year Expected Geometric Real Rate of Return</u>
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	<u>6.00%</u>	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 TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note H – Defined benefit pension plan (Continued)**

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note H – Defined benefit pension plan (Continued)**

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Proportionate share of the net pension liability	<u>\$ 6,799,685</u>	<u>\$ 5,015,374</u>	<u>\$ 3,520,764</u>

*Pension plan fiduciary net position.* Detailed information about the SCHDTF’s FNP is available in PERA’s ACFR which can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

Payables to the pension plan

The District did not report any payables to the pension plan at year-end.

Subsequent events

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

**Note I – Defined contribution pension plan**

Voluntary Investment Program (PERAPlus 401(k) Plan)

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

*Funding policy* - The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District does not offer matching contributions to its employees. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2025, program members contributed \$33,838 for the PERAPlus 401(k) Plan.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note J – Defined benefit other post-employment benefit (OPEB) plan**

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

*PERA Benefit Structure*

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

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

*DPS Benefit Structure*

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$24,718 for the year ended June 30, 2025.

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

At year-end, the District reported a liability of \$88,987 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability 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 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the District's proportion was 0.0186%, which was an increase of 0.0004% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of \$(5,710). At year-end, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 19,039
Changes of assumptions or other inputs	984	28,029
Net difference between projected and actual earnings on OPEB plan investments	203	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	9,967	-
Contributions subsequent to the measurement date	<u>12,837</u>	<u>-</u>
Total	<u>\$ 23,991</u>	<u>\$ 47,068</u>

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

\$12,837 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30, _____	Amount
2026	\$ (9,519)
2027	(4,753)
2028	(9,486)
2029	(5,977)
2030	(4,011)
2031	<u>(2,168)</u>
Total	<u>\$ (35,914)</u>

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40%-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	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2033

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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

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

Age-Related Morbidity Assumptions		
Participant 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%

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		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, discussed as follows.

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

Year	PERACare Medicare Plans <sup>1</sup>	MAPD PPO #2	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

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

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

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

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

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

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

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- Participation rates were reduced.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

- 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. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

School Division	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	<b>Males:</b> 106% of the rates for all ages <b>Females:</b> 86% of the rates prior to age 85/115% of the rates age 85 and older
Post-Retirement (Beneficiary), Non-Disabled	Pub-2010 Contingent Survivor	<b>Males:</b> 92% of the rates for all ages <b>Females:</b> 100% of the rates for all ages
Disabled	PubNS-2010 Disabled Retiree	95% of the rates for all ages

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

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

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

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

*Sensitivity of the District's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following table 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:

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate <sup>1</sup>	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO #2 trend rate <sup>1</sup>	7.55%	8.55%	9.55%
Ultimate MAPD PP #2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate <sup>1</sup>	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
Net OPEB Liability	\$ 86,589	\$ 88,987	\$ 91,700

<sup>1</sup>For the January 1, 2025, plan year.

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

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

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

**Note J – Defined benefit other post-employment benefit (OPEB) plan (Continued)**

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

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

*Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the discount rate.* The following table 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 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Proportionate share of the net OPEB liability	\$ <u>109,055</u>	\$ <u>88,987</u>	\$ <u>71,686</u>

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

Payables to the OPEB plan

The District did not report any payables to the OPEB plan at year-end.

**Note K – Risk management**

Colorado School Districts Self-Insurance Pool

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Colorado School Districts Self-Insurance Pool (the Pool). The Pool’s objectives are to provide member school districts defined property and liability coverages through self-insurance and excess insurance purchased from commercial

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note K – Risk management (Continued)**

companies. The District pays an annual contribution to the Pool for its insurance coverages. The District's contribution for the year was \$203,458. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

**Note L – Commitments and contingencies**

Federal and state funding

The District receives revenues from various federal and state grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in student enrollment. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. On November 5, 1996, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has reserved funds in the General Fund in the amount of \$190,000 for the emergency reserve.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to Financial Statements**

---

**Note L – Commitments and contingencies (Continued)**

Budget law

The Board of Education did not adopt an appropriations resolution for Building Fund. Amounts presented in the other supplementary information are based on the adopted, but unappropriated, budget. Accordingly, expenditures in the Building Fund of \$697,221 may be in violation of Colorado Local Government Budget Laws.

**Note M – Joint venture**

The District participates in the Northeast Colorado Board of Cooperative Educational Services (BOCES). This joint venture does not meet the criteria for inclusion within the reporting entity because the BOCES:

- is financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- has a separate governing board from that of the District,
- has a separate management which is responsible for the day to day operations and is accountable to the separate board,
- governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or disposition of matters affecting the recipients or services provided, and
- has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

The District has one member on the board. The board has final authority for all budgeting and financing of the joint venture.

Separate financial statements of the Centennial Board of Cooperative Educational Services are available by contacting their administrative office in Greeley, Colorado.

For the year, the District's contribution was \$116,107.

This page intentionally left blank.

### **Required Supplementary Information**

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Total Program Reserve Fund
- Schedule of the District’s Proportionate Share of the Net Pension Liability – PERA’s School Division Trust Fund
- Schedule of District Contributions – PERA’s School Division Trust Fund
- Schedule of the District’s Proportionate Share of the Net OPEB Liability – PERA’s Health Care Trust Fund
- Schedule of District Contributions – PERA’s Health Care Trust Fund

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Local sources	\$ 4,342,090	\$ 4,580,090	\$ 4,425,155	\$ (154,935)
Intermediate sources	38,200	38,200	40,018	1,818
State sources	114,943	114,943	39,909	(75,034)
Federal sources	77,525	77,525	81,727	4,202
<b>Total revenues</b>	<b>4,572,758</b>	<b>4,810,758</b>	<b>4,586,809</b>	<b>(223,949)</b>
<b>Expenditures</b>				
Instruction	2,564,284	2,446,618	2,429,645	16,973
Supporting services	2,346,803	2,667,628	2,446,011	221,617
Appropriated reserves	150,000	148,000		148,000
<b>Total expenditures</b>	<b>5,061,087</b>	<b>5,262,246</b>	<b>4,875,656</b>	<b>386,590</b>
Excess of revenues over (under) expenditures	(488,329)	(451,488)	(288,847)	162,641
<b>Other financing sources (uses)</b>				
Transfers in		400,000	360,448	(39,552)
Transfers out	(35,000)	(485,000)	(777,000)	(292,000)
<b>Total other financing sources (uses)</b>	<b>(35,000)</b>	<b>(85,000)</b>	<b>(416,552)</b>	<b>(331,552)</b>
<b>Net change in fund balance</b>	<b>\$ (523,329)</b>	<b>\$ (536,488)</b>	<b>(705,399)</b>	<b>\$ (168,911)</b>
Fund balance at beginning of year			3,792,749	
Fund balance at end of year			<b>\$ 3,087,350</b>	

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Total Program Reserve Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Local sources				
Property taxes		\$ 7,800	\$ 2,779,787	\$ 2,771,987
Specific ownership taxes		225,000	177,245	(47,755)
Delinquent taxes and interest		250	231	(19)
Earnings on investments	\$ 10,000	275,000	322,621	47,621
Total revenues	10,000	508,050	3,279,884	2,771,834
<b>Expenditures</b>				
Supporting services				
Purchased services		50,000	6,954	43,046
Appropriated reserves		400,000		400,000
Total expenditures	-	450,000	6,954	443,046
Excess of revenues over (under) expenditures	10,000	58,050	3,272,930	3,214,880
<b>Other financing uses</b>				
Transfers out		(400,000)	(300,000)	100,000
Net change in fund balance	\$ 10,000	\$ (341,950)	2,972,930	\$ 3,314,880
Fund balance at beginning of year			6,209,339	
Fund balance at end of year			\$ 9,182,269	

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**PERA's School Division Trust Fund**  
**June 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
District's proportion of the net pension liability	0.0291%	0.0304%	0.0238%	0.0275%
District's proportionate share of the net pension liability	\$ 5,015,374	\$ 5,367,164	\$ 4,336,193	\$ 3,201,754
State's proportionate share of the net pension liability	450,460	117,686	1,263,610	367,040
Total	<u>\$ 5,465,834</u>	<u>\$ 5,484,850</u>	<u>\$ 5,599,803</u>	<u>\$ 3,568,794</u>
District's covered payroll	\$ 2,246,093	\$ 2,006,501	\$ 1,836,624	\$ 1,719,457
District's proportionate share of the net pension liability as a percentage of its covered payroll	223.29%	267.49%	236.10%	186.21%
Plan fiduciary net position as a percentage of the total pension liability	67.17%	64.74%	61.79%	74.86%

\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

---

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
0.0292%	0.0255%	0.0256%	0.0297%	0.0303%	0.0289%
\$ 4,410,164	\$ 3,813,013	\$ 4,529,017	\$ 9,615,856	\$ 9,008,761	\$ 4,413,830
-	483,632	619,280	-	-	-
<u>\$ 4,410,164</u>	<u>\$ 4,296,645</u>	<u>\$ 5,148,297</u>	<u>\$ 9,615,856</u>	<u>\$ 9,008,761</u>	<u>\$ 4,413,830</u>
\$ 1,559,899	\$ 1,499,652	\$ 1,406,131	\$ 1,371,728	\$ 1,358,001	\$ 1,257,683
282.72%	254.26%	322.09%	701.00%	663.38%	350.95%
66.99%	64.52%	57.01%	43.96%	43.10%	59.20%

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Schedule of District Contributions**  
**PERA's School Division Trust Fund**  
**June 30, 2025**

---

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Contractually required contribution	\$ 493,867	\$ 426,488	\$ 388,773	\$ 357,395
Contributions in relation to the contractually required contribution	<u>(493,867)</u>	<u>(426,488)</u>	<u>(388,773)</u>	<u>(357,395)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 2,423,291	\$ 2,092,676	\$ 1,907,617	\$ 1,797,762
Contributions as a percentage of covered payroll	20.38%	20.38%	20.38%	19.88%

---

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
\$ 323,695	\$ 300,819	\$ 277,170	\$ 264,635	\$ 251,634	\$ 234,789
<u>(323,695)</u>	<u>(300,819)</u>	<u>(277,170)</u>	<u>(264,635)</u>	<u>(251,634)</u>	<u>(234,789)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,628,447	\$ 1,536,733	\$ 1,448,876	\$ 1,401,943	\$ 1,368,770	\$ 1,322,931
19.88%	19.58%	19.13%	18.88%	18.38%	17.75%

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability<sup>1</sup>**  
**PERA's Health Care Trust Fund**  
**June 30, 2025**

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
District's proportion of the net OPEB liability	0.0186%	0.0182%	0.0181%	0.0180%
District's proportionate share of the net OPEB liability	\$ 88,987	\$ 129,595	\$ 147,775	\$ 154,902
District's covered payroll	\$ 2,246,093	\$ 2,006,501	\$ 1,836,624	\$ 1,719,457
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	3.96%	6.46%	8.05%	9.01%
Plan fiduciary net position as a percentage of the total OPEB liability	59.83%	46.16%	38.57%	39.40%

\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

<sup>1</sup> Information is not available prior to June 30, 2017. In future reports, additional years will be added until 10 years of historical data are presented.

---

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
0.0169%	0.0167%	0.0166%	0.0169%	0.0172%
\$ 160,288	\$ 187,465	\$ 226,197	\$ 219,432	\$ 222,986
\$ 1,559,899	\$ 1,499,652	\$ 1,406,131	\$ 1,370,768	\$ 1,358,001
10.28%	12.50%	16.09%	16.01%	16.42%
32.78%	24.49%	17.03%	17.53%	16.72%

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Schedule of District Contributions<sup>1</sup>**  
**PERA's Health Care Trust Fund**  
**June 30, 2025**

---

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Contractually required contribution	\$ 24,718	\$ 21,345	\$ 19,458	\$ 18,337
Contributions in relation to the contractually required contribution	<u>(24,718)</u>	<u>(21,345)</u>	<u>(19,458)</u>	<u>(18,337)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 2,423,291	\$ 2,092,676	\$ 1,907,617	\$ 1,797,762
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

<sup>1</sup> Information is not available prior to June 30, 2017. In future reports, additional years will be added until 10 years of historical data are presented.

---

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
\$ 16,610	\$ 15,675	\$ 14,779	\$ 14,300	\$ 13,961
<u>(16,610)</u>	<u>(15,675)</u>	<u>(14,779)</u>	<u>(14,300)</u>	<u>(13,961)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,628,447	\$ 1,536,753	\$ 1,448,876	\$ 1,401,943	\$ 1,368,770
1.02%	1.02%	1.02%	1.02%	1.02%

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Notes to the Required Supplementary Information**

---

**Note A – Budgetary data**

The District adheres to the following procedures in compliance with Colorado Revised Statutes, establishing the budgetary data in the financial statements:

1. Budgets are required by state law for all funds. Prior to May 31, the superintendent of schools 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.
2. Public hearings are conducted by the board of education to obtain taxpayer comments.
3. Prior to June 30, the budget is adopted by formal resolution.
4. Prior to January 31, the board of education submits its adopted annual budget to the department of education.
5. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between departments within any fund and reallocation of budget line items within any department in the General Fund rests with the superintendent of schools. Revisions that alter the total expenditures of any fund must be approved by the board of education.
6. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
7. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the board of education throughout the year. After budget approval, the District board of education may approve supplemental appropriations if an occurrence, condition, or need exists which was not known at the time the budget was adopted.
8. Appropriations lapse at year-end.

**Note B – Factors affecting trends in amounts reported in the pension and OPEB schedules**

Information about factors that significantly affect trends in the amounts reported in the Schedules of the District's Proportionate Share of the Net Pension and OPEB Liabilities and the Schedules of District Contributions is available in PERA's comprehensive annual financial report which can be obtained at [www.copera.org/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

### **Other Supplementary Information**

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

This page intentionally left blank

### **Budgetary Comparison Schedules - General Fund**

The General Fund accounts for all transactions of the District not required to be accounted for in other funds. This fund represents an accounting of the District's ordinary operations financed primarily from property and specific ownership taxes and state aid. It is the most significant fund in relation to the District's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**General Fund**  
**Budgetary Comparison Schedule - Revenues**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 4,107,106	\$ 4,175,106	\$ 4,091,143	\$ (83,963)
Specific ownership taxes	171,984	171,984	169,726	(2,258)
Delinquent taxes and interest			904	904
Earnings on investments	30,000	200,000	102,920	(97,080)
Other local revenue	33,000	33,000	60,462	27,462
Total local sources	4,342,090	4,580,090	4,425,155	(154,935)
Intermediate sources	38,200	38,200	40,018	1,818
State sources				
Special education	(90,000)	(90,000)	(101,368)	(11,368)
Gifted and talented			(2,885)	(2,885)
Transportation			67	67
State grants to libraries	4,500	4,500	3,214	(1,286)
Small rural schools funding	100,000	100,000		(100,000)
Additional at-risk funding			568	568
READ act	6,500	6,500	5,047	(1,453)
On-behalf payment			41,114	41,114
Revenue from other agencies	92,000	92,000	70,541	(21,459)
Services within the BOCES	1,943	1,943	23,611	21,668
Total state sources	114,943	114,943	39,909	(75,034)
Federal sources				
REAP	20,000	20,000	22,251	2,251
Revenue from other agencies	12,000	12,000	15,788	3,788
Services within the BOCES	45,525	45,525	43,688	(1,837)
Total federal sources	77,525	77,525	81,727	4,202
Total revenues	\$ 4,572,758	\$ 4,810,758	\$ 4,586,809	\$ (223,949)

This page intentionally left blank.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures</b>				
<b>Instruction</b>				
Salaries	\$ 1,679,139	\$ 1,623,963	\$ 1,606,850	\$ 17,113
Employee benefits	515,345	548,995	543,331	5,664
Purchased services	212,350	158,590	155,454	3,136
Supplies and materials	137,950	87,570	96,749	(9,179)
Property	2,500	2,500	1,918	582
Other	17,000	25,000	25,343	(343)
<b>Total instruction</b>	<b>2,564,284</b>	<b>2,446,618</b>	<b>2,429,645</b>	<b>16,973</b>
<b>Supporting services</b>				
<b>Students</b>				
Salaries	49,000	53,000	57,467	(4,467)
Employee benefits	17,700	19,400	23,102	(3,702)
Supplies and materials	10,000	10,000	10,795	(795)
<b>Total students</b>	<b>76,700</b>	<b>82,400</b>	<b>91,364</b>	<b>(8,964)</b>
<b>Instructional staff</b>				
Salaries	34,000	42,000	42,322	(322)
Employee benefits	22,250	19,450	19,275	175
Supplies and materials	6,000	5,300	4,760	540
<b>Total instructional staff</b>	<b>62,250</b>	<b>66,750</b>	<b>66,357</b>	<b>393</b>
<b>General administration</b>				
Salaries	364,070	375,070	379,056	(3,986)
Employee benefits	131,110	129,050	132,089	(3,039)
Purchased services	37,100	29,500	30,174	(674)
Supplies and materials	108,000	88,100	87,578	522
Other	55,000	47,000	47,052	(52)
<b>Total general administration</b>	<b>695,280</b>	<b>668,720</b>	<b>675,949</b>	<b>(7,229)</b>

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Business services				
Purchased services	54,791	54,891	54,798	93
Total business services	54,791	54,891	54,798	93
Operations and maintenance				
Salaries	172,500	225,000	236,518	(11,518)
Employee benefits	32,600	62,100	69,345	(7,245)
Purchased services	508,607	440,217	456,961	(16,744)
Supplies and materials	211,000	211,000	205,515	5,485
Property	225,000	260,000	258,383	1,617
Other	65,000	400,000	127,629	272,371
Total operations and maintenance	1,214,707	1,598,317	1,354,351	243,966
Student transportation				
Salaries	82,000	80,000	82,879	(2,879)
Employee benefits	19,500	21,000	24,243	(3,243)
Purchased services	87,975	64,075	58,998	5,077
Supplies and materials	45,500	23,000	28,595	(5,595)
Other		150	152	(2)
Total student transportation	234,975	188,225	194,867	(6,642)
Central support services				
Purchased services	8,100	8,325	8,325	-
Total central support services	8,100	8,325	8,325	-
Total supporting services	2,346,803	2,667,628	2,446,011	221,617
Appropriated reserves	150,000	148,000		148,000
Total expenditures	\$ 5,061,087	\$ 5,262,246	\$ 4,875,656	\$ 386,590

This page intentionally left blank.

**Combining Statements and Budgetary Comparison Schedules –  
Nonmajor Governmental Funds**

The District reports the following nonmajor governmental funds:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Food Service Fund – This fund is used to account for sales to customers, as well as dedicated grants received from state and federal sources that are associated with the operation of the District's food service program.
- Pupil Activity Fund – This fund is used to account for revenues from pupils and other fund-raising activities related to school sponsored pupil intrascholastic and interscholastic athletic and other related activities.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2025**

	Food Service Fund	Pupil Activity Fund	Totals
<b>Assets</b>			
Cash	\$ 1,118	\$ 91,399	\$ 92,517
Grants receivable	17,067		17,067
Other receivables	277		277
Inventories	9,707		9,707
	<u>28,169</u>	<u>91,399</u>	<u>119,568</u>
<b>Total assets</b>	<b>\$ 28,169</b>	<b>\$ 91,399</b>	<b>\$ 119,568</b>
<b>Liabilities</b>			
Due to other funds		\$ 1,043	\$ 1,043
Accounts payable		3,755	3,755
Accrued salaries and benefits	\$ 3,074		3,074
Unearned revenues	2,163	5,414	7,577
	<u>5,237</u>	<u>10,212</u>	<u>15,449</u>
<b>Total liabilities</b>	<b>5,237</b>	<b>10,212</b>	<b>15,449</b>
<b>Fund balance</b>			
Nonspendable inventories	9,707		9,707
Restricted for food service operations	13,225		13,225
Committed to pupil activities		81,187	81,187
	<u>22,932</u>	<u>81,187</u>	<u>104,119</u>
<b>Total fund balance</b>	<b>22,932</b>	<b>81,187</b>	<b>104,119</b>
	<u>\$ 28,169</u>	<u>\$ 91,399</u>	<u>\$ 119,568</u>
<b>Total liabilities and fund balance</b>	<b>\$ 28,169</b>	<b>\$ 91,399</b>	<b>\$ 119,568</b>

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2025**

	Food Service Fund	Pupil Activity Fund	Totals
Revenues			
Local sources	\$ 10,374	\$ 121,583	\$ 131,957
State sources	65,068		65,068
Federal sources	30,402		30,402
Total revenues	105,844	121,583	227,427
Expenditures			
Instruction		123,117	123,117
Supporting services	170,843		170,843
Total expenditures	170,843	123,117	293,960
Excess of revenues over (under) expenditures	(64,999)	(1,534)	(66,533)
Other financing sources			
Transfers in	77,000		77,000
Net change in fund balances	12,001	(1,534)	10,467
Fund balance at beginning of year	10,931	82,721	93,652
Fund balance at end of year	\$ 22,932	\$ 81,187	\$ 104,119

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Food Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Local sources	\$ 7,500	\$ 7,500	\$ 10,374	\$ 2,874
State sources	56,990	56,990	65,068	8,078
Federal sources	52,500	52,500	30,402	(22,098)
<b>Total revenues</b>	<b>116,990</b>	<b>116,990</b>	<b>105,844</b>	<b>(11,146)</b>
<b>Expenditures</b>				
Food service operations				
Salaries	61,000	70,000	79,156	(9,156)
Employee benefits	21,100	24,000	27,487	(3,487)
Supplies and materials	78,600	80,100	61,801	18,299
Property			2,399	(2,399)
<b>Total expenditures</b>	<b>160,700</b>	<b>174,100</b>	<b>170,843</b>	<b>3,257</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(43,710)</b>	<b>(57,110)</b>	<b>(64,999)</b>	<b>(14,403)</b>
<b>Other financing sources</b>				
Transfers in	35,000	35,000	77,000	42,000
<b>Net change in fund balance</b>	<b>\$ (8,710)</b>	<b>\$ (22,110)</b>	<b>12,001</b>	<b>\$ 34,111</b>
Fund balance at beginning of year			10,931	
Fund balance at end of year			<b>\$ 22,932</b>	

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Pupil Activity Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources	\$ 175,000	\$ 175,000	\$ 121,583	\$ (53,417)
Total revenues	175,000	175,000	121,583	(53,417)
Expenditures				
Instruction				
Purchased services	25,000	25,000	45,685	(20,685)
Supplies and materials	25,000	25,000	66,817	(41,817)
Other	125,000	125,000	10,615	114,385
Total expenditures	175,000	175,000	123,117	51,883
Net change in fund balance	\$ -	\$ -	(1,534)	\$ (1,534)
Fund balance at beginning of year			82,721	
Fund balance at end of year			\$ 81,187	

This page intentionally left blank.

## **Budgetary Comparison Schedule - Debt Service Fund**

The District reports the following major debt service fund:

Debt Service Fund – These funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

- Bond Redemption Fund – The revenues from a tax levy for the purpose of satisfying bonded indebtedness obligations, both principal and interest and related expenditures, shall be recorded in this fund. This fund was closed out during the year.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Bond Redemption Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Local sources				
Property taxes	\$ 1,000	\$ 1,000	\$ 107	\$ (893)
Delinquent taxes and interest	50	50	16	(34)
Earnings on investments			2,250	2,250
Total revenues	1,050	1,050	2,373	1,323
Expenditures				
Appropriated reserves	40,000			-
Total expenditures	40,000	-	-	-
Excess of revenues over (under) expenditures	(38,950)	1,050	2,373	1,323
Other financing uses				
Transfers out		(43,000)	(60,448)	(17,448)
Net change in fund balance	\$ (38,950)	\$ (41,950)	(58,075)	\$ (16,125)
Fund balance at beginning of year			58,075	
Fund balance at end of year			\$ -	

## **Budgetary Comparison Schedule – Capital Projects Fund**

The District reports the following major capital projects fund:

Capital Projects Funds – These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

- Building Fund – This fund is used to account for transfers from other funds, to be used for the acquisition or construction of major capital facilities.

**WELD COUNTY SCHOOL DISTRICT RE-10J**  
**Building Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2025**

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Capital outlay				
Property		450,000	697,221	(247,221)
Total expenditures	-	450,000	697,221	(247,221)
Excess of revenues over (under) expenditures	-	(450,000)	(697,221)	(247,221)
Other financing sources				
Transfers in			700,000	700,000
Net change in fund balance	\$ -	\$ (450,000)	2,779	\$ 452,779
Fund balance at beginning of year			-	
Fund balance at end of year			\$ 2,779	

**Colorado Department of Education  
Supplementary Schedule**

Auditors' integrity report – This fiscal-year report is required by the Colorado Department of Education to maintain statewide consistency in financial reporting. This report is also used to gather financial data that could affect future state funding.



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 3146 - Briggsdale RE-10  
 Fiscal Year 2024-25  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>	+			=
10 General Fund	3,792,749	4,170,257	4,875,656	3,087,350
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
<b>Sub- Total</b>	<b>3,792,749</b>	<b>4,170,257</b>	<b>4,875,656</b>	<b>3,087,350</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	6,209,339	2,979,883	6,954	9,182,269
21 Food Service Spec Revenue Fund	10,931	182,844	170,842	22,932
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	82,721	121,583	123,117	81,187
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	58,075	-58,075	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	700,000	697,221	2,779
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>10,153,814</b>	<b>8,096,492</b>	<b>5,873,790</b>	<b>12,376,516</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