



**Financial Statements
and Supplementary Information**
Year Ended June 30, 2025



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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Education
Weld County School District RE-4
Windsor, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of the Weld County School District RE-4 (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the 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.

We did not audit the financial statements of the Windsor Charter Academy and the American Legacy Academy, the discretely presented component units, which represent 100 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2025, and for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Windsor Charter Academy and the American Legacy Academy, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The financial statements of Windsor Charter Academy and American Legacy Academy were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

As discussed in Note 15 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* for the year ended June 30, 2025. Accordingly, a restatement has been made to the governmental activities net position as of July 1, 2024, to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, Auditor's Integrity Report, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, Auditor's Integrity Report, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Clinger Hagerman, LLC

December 19, 2025

Management's Discussion & Analysis

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

This section of the Weld County School District RE-4's (the "District") annual financial report offers readers of the District's financial statements its 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

- General revenues account for approximately \$145.0 million or 88.4 percent of all revenues for the District as a whole. Program specific revenues in the form of charges for services, operating grants and contributions, and capital contributions accounted for \$19.0 million or 11.6 percent of total revenues of \$164.0 million.
- The District had \$178.9 million in expenses related to governmental activities; \$19.0 million of these expenses were offset by program specific charges for services, operating grants and contributions, and capital grants and contributions. General revenues, primarily state equalization payments and property taxes, provided the remaining funding.
- The District's total net position decreased \$18.5 million during fiscal year 2025. The District has a negative unrestricted net position of (\$72.5 million primarily due to the recording of the net pension liability of \$118.7 million and related other post-employment benefit liability of \$2.1 million, as discussed below.
- The District is required to report its proportionate share of the total PERA (Public Employee's Retirement Association of Colorado) net pension liability in its government-wide financial statements. In the 2025 fiscal year financial statements, changes in the net pension liability, other post-employment liability, deferred outflows of resources, and deferred inflows of resources related to the cost-sharing defined benefit plan amounted to an increase of \$12.8 million. The increase is due to the District's proportionate share of the PERA net liability. Inclusion of this figure in the government-wide financial statements does not indicate that the District has a liability to pay the amount shown. The District's liability is limited to the annually required contributions established by the Colorado State Legislature.
- Among major funds, the District's general fund had \$116.4 million in revenues and \$116.5 million in expenditures and other financing uses. The general fund's fund balance remained relatively unchanged ending at \$24.3 million from \$24.4 million. The decrease was primarily related to one-time expenditures and additional transfer of funds to the capital reserve fund, which were offset by positive expense variances.
- Enrollment of the District, including Charter Schools, increased 3.4% to a full-time equivalent (FTE) of 8,455.5 students, which represents an increase of 280 FTE (as of the State October 1, 2024 count date). The district has averaged a 3.5% growth rate (based on FTE) over the past five years.
- Outlays for capital assets were primarily comprised of construction in progress for a new 900 capacity middle school which opened in August 2025. Additionally, building additions were in progress as of June 30, 2025 for Severance Middle School, Severance High School, a Career and Technical Education Center, as well as other smaller facility improvement projects.
- The District's outstanding long-term debt decreased approximately \$12.0 million, or 3.3%, primarily as a result of principal payments on three outstanding bond series and the final payoff of the District's outstanding capital lease.

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

Overview of the Financial Statements

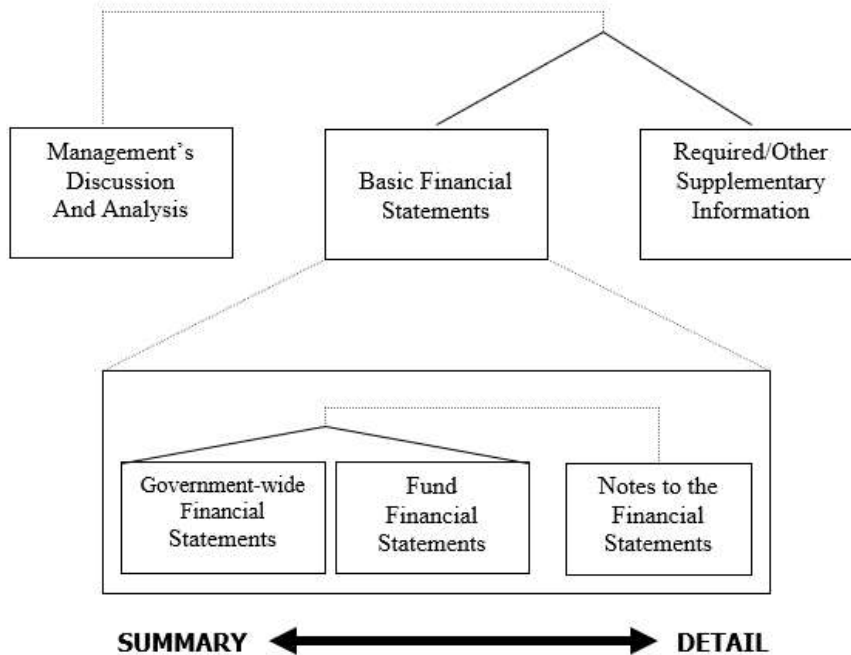
This annual financial report consists of four parts: management's discussion and analysis, the basic financial statements, and required and supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- 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 funds 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.
- 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 financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by both the required and other supplementary information sections that further explain and support the financial statements as well as provide budgetary comparisons for the year. Included are Colorado mandated reports for financial data submissions to the Colorado Department of Education.

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 Weld County School District's RE-4 Annual Financial Report**



**Weld County School District RE-4
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

Table 2 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, found in the basic financial statements.

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

	Government-wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
Required Financial Statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures and changes in fund balances	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	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 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 short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during 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 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 a broad overview of the Weld County School District RE-4’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. These statements provide both short-term and long-term information about the District’s overall financial status.

The *statement of net position* presents information on all of the District’s assets, deferred outflows of

**Weld County School District RE-4
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

resources, liabilities, and deferred inflows of resources with the difference between them 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, additional consideration should be given to non-financial factors such as the condition of school buildings and other facilities.

The *statement of activities* presents information showing how the District’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 revenues (*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, food service, and administration. The District does not report business-type activities.

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:*** Most 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 eight 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 fund, debt service fund, and the building fund, which are considered to be major funds. A budget-to-actual comparison for the general fund is provided in the required supplementary information section. Budget-to-actual comparisons for the other major funds are provided in the supplementary information section. Data from the other governmental funds are combined into a single, aggregated presentation. The other governmental funds consist of the capital projects fund, school development fund, student activity fund, governmental designated purpose grant fund, and the food service fund. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report. Also included in the supplementary information section is budget-to-actual information for all non-major funds as required by state law.

- ***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.

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

- *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 currently has one fiduciary fund, which is a private purpose trust fund. The private-purpose trust fund is used to account for scholarship activity.

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.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and supplementary information. A budget comparison schedule is included in the required supplementary information section for the General Fund. The additional schedules required for pension and other post-employment benefits (OPEB) reporting are also presented in the required supplementary information. Supplementary information includes budget comparisons for funds not included in the required supplementary section, as well as combining statements for nonmajor funds. Additionally, the Colorado Department of Education Auditor's Integrity Report is included in supplementary information.

Financial Analysis of the District as a Whole

Net Position and Changes in Net Position

Net position may serve over time as a useful indicator of the District's financial position. The District's net position was lower on June 30, 2025, than the year before, decreasing from \$23.7 million to \$5.2 million. A portion of this decrease is due to the implementation of GASB 101 which increased the district's liability for compensated absences. The District's net pension and other post-employment liability decreased by \$8.0 million. However, changes in deferred outflows and inflows relating to pensions and other post-employment liabilities resulted in an increase of approximately \$20.8M. The overall impact of changes in pension liability, other post-employment liability, and related deferred outflows and inflows was an increase of approximately \$12.8 million. Inclusion of the pension figure in the government-wide financial statements does not indicate that the District has a liability to pay the amount shown. The District's liability is limited to the annually required contributions established by the Colorado State Legislature.

A portion of the net position is either restricted as to the purpose it can be used for or is invested in capital assets. A large portion of the District's net position reflects its \$41 million investment in capital assets net of depreciation and related debt. The District uses these capital assets to provide educational services to students; consequently, these assets are not available for future spending. Restricted net position decreased by \$0.4 million and includes required TABOR reserves, debt service fund reserves for principal and interest payments, as well as cash-in-lieu of land dedication payments to be utilized for school site purchase and development. Unrestricted net position (deficit) is at (\$72.5) million due to the recording of the net pension and post-employment liability discussed previously. Table 3 provides a summary of the District's net position at June 30, 2025 and 2024.

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

**Table 3
Condensed Statement of Net Position**

	Governmental Activities		Percentage Change
	2025	2024	2025-2024
Assets			
Current Assets	\$ 160,533,662	\$ 259,618,738	-38.2%
Capital Assets, Net	<u>356,347,201</u>	<u>277,101,000</u>	28.6%
Total Assets	516,880,863	536,719,738	-3.7%
Deferred Outflows of Resources	38,476,117	51,012,736	-24.6%
Liabilities			
Current Liabilities	19,648,811	41,758,060	-52.9%
Long-term Liabilities	<u>521,264,866</u>	<u>521,327,456</u>	0.0%
Total Liabilities	540,913,677	563,085,516	-3.9%
Deferred Inflows of Resources	9,279,688	944,240	882.8%
Net Position			
Net Investment in			
Capital Assets	40,991,268	43,831,905	-6.5%
Restricted	36,650,553	37,088,033	-1.2%
Unrestricted	<u>(72,478,206)</u>	<u>(57,217,220)</u>	26.7%
Total Net Position	<u>\$ 5,163,615</u>	<u>\$ 23,702,718</u>	

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

**Table 4
Changes in Net Position from Operating Results**

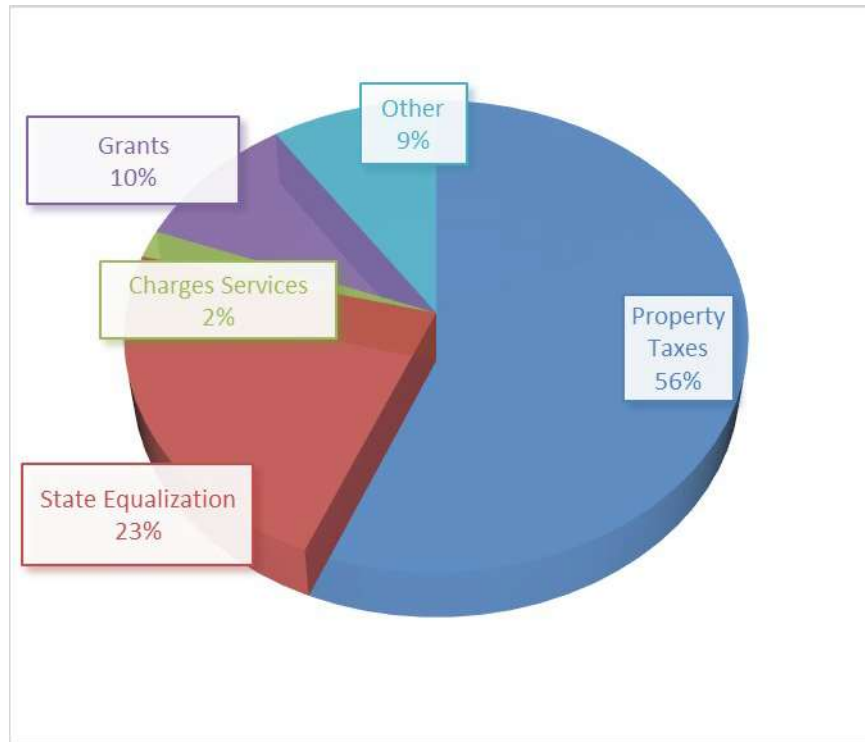
Table 4 provides a comparative summary of the changes in net position. Following Table 4 is specific discussion related to overall revenues and expenses.

	Governmental Activities		Percentage Change
	2025	2024	2025-2024
Revenues			
Program Revenues			
Charges for Services	\$ 3,106,374	\$ 1,829,901	69.8%
Operating Grants and Contributions	15,111,539	11,756,582	28.5%
Capital Grants and Contributions	754,057	759,921	-0.8%
General Revenues			
Property Taxes	92,290,194	103,433,533	-10.8%
State Equalization	37,244,417	17,696,869	110.5%
Other	15,493,501	22,605,877	-31.5%
Total Revenues	164,000,082	158,082,683	3.7%
Expenses			
Instruction	65,678,121	50,523,516	30.0%
Support Services:			
Pupil and instructional	16,775,980	12,441,852	34.8%
General Administration	973,277	1,082,309	-10.1%
School Administration	8,056,077	6,711,660	20.0%
Business Services	1,224,189	1,207,991	1.3%
Maintenance and Operations	12,080,354	8,926,188	35.3%
Pupil Transportation	4,225,903	3,621,513	16.7%
Central Supporting Services	6,995,456	5,406,166	29.4%
Other Facility Services	14,972,053	27,544,312	-45.6%
Community Services and Other	33,670	106,219	-68.3%
Food Service Operations	3,880,709	3,204,539	21.1%
Charter School Funding	23,366,742	21,092,384	10.8%
Arbitrage rebate expense	7,289,673	-	0.0%
Interest on Long Term Debt	13,352,627	14,952,156	-10.7%
Total Expenses	178,904,831	156,820,805	14.1%
Change in Net Position	(14,904,749)	1,261,878	-1281.2%
Net Position at Beginning of Year	23,702,718	22,440,840	
Restatement - Change in Accounting Principal	(3,634,354)	-	
Net Position at End of Year	\$ 5,163,615	\$ 23,702,718	

**Weld County School District RE-4
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

The District’s property tax revenue consists of four separate components which includes the general fund, override, abatement, and debt service mill levies. Per-pupil revenue, which is collected from property taxes, state equalization and a portion of specific ownership taxes account for most of the District’s revenue, accounting for contributing about 56 cents and 23 cents respectively (excluding the specific ownership portion) for every dollar raised (see Table 5). Another 10 cents came from grants and contributions with the remaining 11 cents coming from specific ownership taxes (including the portion included in the per pupil revenue), fees charged for services and other miscellaneous sources, including interest earnings.

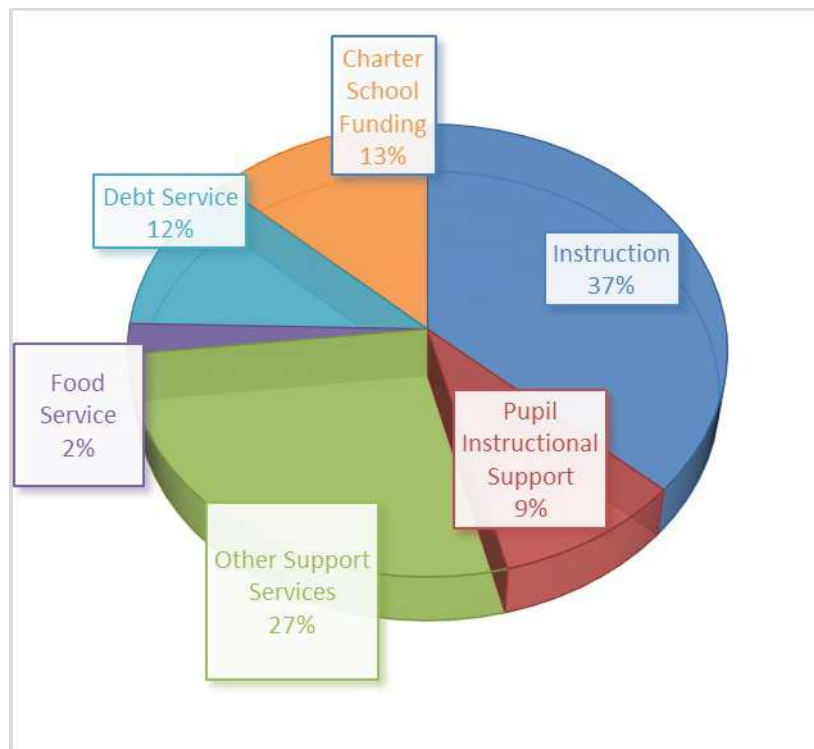
**Table 5
Sources of Revenues for Fiscal Year 2025**



**Weld County School District RE-4
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

The District’s expenses predominantly relate to instruction and support services, which include support for students and instructional staff, administration, operations and maintenance, transportation and others. Given that the District is a service organization providing education services to students, the majority of the expenses are paid in the form of compensation (salaries and benefits) to the District’s employees. All programs were impacted by a higher pension and post-employment liability allocation. In addition to this larger allocation in other support services, expenses were higher in this program area due to the opening of two new elementary schools in August 2024. Several staff members were added as a result of additional administration and support staff hired for the new schools. Other support services represent a higher percent of the total due to continued expenditures related to the 2022 bond proceeds. Detailed below in Table 6 is a chart displaying expenses by program for the total District.

**Table 6
Expenses for Fiscal Year 2025**



**Weld County School District RE-4
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. Under this act, the District received \$10,791 per funded student, representing a 6.9% funding increase from the previous year. For fiscal year 2025, the District continued to be one of the lowest funded districts in the state. Funding for the School Finance Act comes from property taxes, specific ownership tax, and state equalization. The District receives approximately 57 percent of this funding from property taxes, 41 percent from state equalization, and the remaining 2 percent from specific ownership tax. In addition, the District passed mill levy override ballot questions in 2001, 2007, 2016, and 2022 in the amounts of \$595,350, \$2.0 million, \$3.6 million and \$5.0 million, respectively.

The governmental funds monitor cash resources and expenditures. Capital outlay within these funds aggregated approximately \$86.0 million during the fiscal year. This expenditure is not considered an expense on the government-wide statement of activities. Rather, these costs are expensed over time as depreciation expense. As reflected on the reconciliation of governmental funds revenues and expenditures to the government-wide statement of activities, the net difference between capital outlays, disposed assets, and depreciation expense was approximately \$79.2 million for the year ended June 30, 2025.

The statement of activities shows the cost of program services and the related charges for services and grants offsetting those costs. Table 7 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 7
Net Cost of Governmental Activities**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2025	2024	2025-2024	2025	2024	2025-2024
Instruction	\$ 65,678,121	\$ 50,523,516	30.0%	\$ 53,730,810	\$ 42,841,878	25.4%
Pupil and Instructional	16,775,980	12,441,852	34.8%	15,630,432	11,185,962	39.7%
General Administration	973,277	1,082,309	-10.1%	637,218	685,112	-7.0%
School Administration	8,056,077	6,711,660	20.0%	7,966,747	6,711,660	18.7%
Business Services	1,224,189	1,207,991	1.3%	1,212,580	1,177,911	2.9%
Maintenance and Operations	12,080,354	8,926,188	35.3%	11,824,764	8,724,030	35.5%
Pupil Transportation	4,225,903	3,621,513	16.7%	3,500,054	2,999,539	16.7%
Central Supporting Services	6,995,456	5,406,166	29.4%	6,894,186	5,394,623	27.8%
Other Facility Services	14,972,053	27,544,312	-45.6%	14,217,996	26,772,291	-46.9%
Food Service Operations	3,880,709	3,204,539	21.1%	275,362	(138,688)	-298.5%
Charter School Funding	23,366,742	21,092,384	10.8%	23,366,742	21,092,384	10.8%
Arbitrage rebate expense	7,289,673	-	-	7,289,673	-	-
Interest on Long Term Debt	13,352,627	14,952,156	-10.7%	13,352,627	14,952,156	-10.7%
Community Services and Other	33,670	106,219	-68.3%	33,670	75,343	-55.3%
Total	\$ 178,904,831	\$ 156,820,805	14.1%	\$ 159,932,861	\$ 142,474,201	12.3%

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

- The cost of all governmental activities this year was \$178.9 million.
- Some of the cost was financed by the users of the District's programs (\$3.1 million). Revenues in this category include items such as student fees, building rentals, and services purchased by the District's component units, Windsor Charter Academy and American Legacy Academy.
- The federal and state government, as well as local agencies, subsidized certain programs with grants and contributions (\$15.9 million). The primary source of state contributions is related to the state's healthy meals funding, special education and universal preschool funding. The majority of federal grants received is for special education, Title I, National School Lunch funding, and the School to Work Alliance Program.
- Most of the District's costs (\$159.9 million), however, were financed by District and state taxpayers. This portion of governmental activities was financed with \$37.2 million in state equalization from the School Finance Act, \$92.3 million in property taxes, \$4.0 million in specific ownership taxes, and \$11.7 million in interest, cash-in-lieu payments, and other miscellaneous revenue.
- Most programs show increases from prior year due to an increase in the pension and other post-employment expenses allocated to each program. Additionally, most programs also show increases from prior year due to the implementation of GASB 101, Compensated Absences.
- Instructional and instructional support increased due to increased staffing for the new elementary schools, increased salary, as well as library purchases for the new elementary schools and new middle school.
- Transportation expenses increased from prior year due to higher labor costs and higher repairs and maintenance.
- School administration increased primarily due to the addition of administrative staff for the two new elementary schools that opened in August 2024, as well as the hiring of a principal for the new 900 capacity middle school that opened in August 2025.
- Maintenance and Operation expenses increased primary due to additional custodial staff for the two new elementary schools, increased custodial temporary staffing, and higher repairs and maintenance. Additionally, insurance premiums were higher due to the addition of new facilities.
- Other facility services decreased primarily due to reduced spending as projects from the use of bond proceeds are being completed.
- A \$7.3 million expense was recorded for an arbitrage rebate related to the 2023 bond issue. This is an estimated liability to be paid in a future year pending final arbitrage calculations.
- Charter school funding increased \$2.3 million primarily due to higher per pupil funding to both Charter Schools and slightly higher enrollment. The per pupil funding to the Charter Schools increased 6.9%.

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

Financial Analysis of District's Funds

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

Combined fund balances decreased \$89.5 million from \$230.6 million in 2024 to \$141.1 million in 2025. This decrease is primarily due to the expenditure of bond funds for the construction of a new middle school, building additions at Severance Middle School and Severance High School, and the addition of a Career Technical Education Center at Severance High School, among other smaller facility improvement projects.

The general fund is the chief operating fund of the District. Unassigned fund balance represents 11.4% of general fund revenues, while total fund balance represents 20.9% of general fund revenues. The total fund balance remained relatively unchanged from the previous year. Fund balance also includes \$1.1 million of one-time override carryover for the operating costs of the new facilities constructed in 2024 and 2025, as well as a small amount remaining for startup costs of Severance High School. These one-time funds are expected to be utilized over the new year. Approximately \$1.2 of the fund balance is assigned for risk management. Year-end fund balance also includes approximately \$5.9 million of school and district carryover budgets and other assigned expenditures. These funds will be spent down over the next few years.

The District is continually reviewing its reserves and allocating funds to one-time projects if appropriate.

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 exceed revenues by approximately \$5.6 million (not including appropriated fund balance). The actual results for the year showed revenues in excess of expenditures of approximately \$.9 million.

- Actual total revenues were \$2.3 million higher than anticipated. This is primarily due to higher than planned interest earnings of \$0.4 million, higher than budgeted specific ownership taxes (\$1.2 million) and higher than budgeted charges for services to the District's two charter schools (\$0.8 million).
- Actual expenditures were \$22.1 million below budget. A large portion of this difference is due to the appropriated fund balance of \$17.9 million budgeted as a contingency reserve. In addition, one-time override funds collected for the startup of new schools were budgeted to be spent in full, but approximately \$1.1 million was unspent as of June 30, 2025. The District also was under budget in salary and benefits due to vacant positions during the year. Several departments also carried over unspent budgeted funds into the next fiscal year. These unspent budget dollars are included in the \$5.9 million of assigned fund balance.
- The District must maintain a 3 percent emergency reserve as a part of the TABOR Amendment (Taxpayer Bill of Rights). At June 30, 2025, the District's TABOR reserve amounted to \$2,612,909.

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

Capital Assets and Debt Administration

Capital Assets

By the end of fiscal year 2025, the District had invested \$356.3 million, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, site improvements, vehicles and other equipment (See Table 8). This amount represents a net increase of approximately \$79.2 million or 28.6 percent from last year. Total depreciation expense related to governmental activities was \$6.7 million for the year while additions amounted to approximately \$86.0 million. The additions were comprised primarily of the addition of two new elementary schools, construction in progress for a new middle school, a Career and Technical Education Center and building additions at three existing buildings. Additional information on the District's capital assets can be found in Note 4 to the financial statements.

**Table 8
Capital Assets (Net of Depreciation)**

	Governmental Activities		Percentage Change
	2025	2024	2025-2024
Sites	\$ 15,758,372	\$ 15,758,372	0.0%
Water Rights	705,753	705,753	0.0%
Construction in Progress	136,687,006	126,563,431	8.0%
Site Improvements	5,211,908	2,939,085	77.3%
Buildings	193,296,622	126,934,535	52.3%
Equipment	3,285,543	2,880,426	14.1%
Transportation	1,401,997	1,319,398	6.3%
Totals	<u>\$ 356,347,201</u>	<u>\$ 277,101,000</u>	28.6%

Long-Term Debt

At year-end, the District had a total of \$348.2 million outstanding in long-term debt. The decrease was primarily due to principal payments on outstanding bonds. Additionally, the district paid off its financed purchase agreement. More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements.

**Table 9
Outstanding Long-Term Debt**

	Total School District		Percentage Change
	2025	2024	2025-2024
Governmental Activities:			
Bonds Payable	\$ 348,160,000	\$ 359,675,000	-3.2%
Certificates of Participation	-	-	-
Lease Purchase Agreements	-	456,013	-100.0%
Total	<u>\$ 348,160,000</u>	<u>\$ 360,131,013</u>	-3.3%

**Weld County School District RE-4
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

Colorado Revised Statute 22-42-104 states that a school district shall have a limit of bonded indebtedness determined by a specific formula. The District's outstanding debt is below this limit.

Factors Bearing on the District's Future

The local economy, student enrollment trends, school finance and legislative activity, and funding trends affect the financial condition of the District. 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:

- Projections for the Fall of 2025 show District enrollment (including Charter schools) to increase approximately 1.7% from prior year. Current demographic information indicates continued student growth in the District's school boundaries over the next five years.
- The District's per pupil funding indicates a 2.3% increase for the 25-26 school year. Final per pupil funding will be determined in early 2026.
- Preliminary assessed value figures for property tax year 2025, payable in 2026, indicate an increase of total assessed value of approximately 9%. This increase is primarily due to an increase in residential, commercial and oil and gas values. This increase will shift funding under the School Finance Act from state share to local share.
- The State of Colorado is projecting a challenging budget for the next few years. The District will monitor the impacts of the state's budget in terms of per pupil funding impacts for 2025-2026 and projected years out.
- The District is forecasted to have the lowest funded in-school per pupil funding in the state for fiscal year 2026. The District continues to monitor state legislation and its impacts on school funding. In Fiscal Year 2026, the state changed the funding formula for school districts. Based on this new formula, the District does not anticipate any increases outside the required inflation increase.
- The future financial outlook for the District continues to be impacted by the local, state, and federal economy. The state is limited to the amount of revenue that can be retained due to provisions in TABOR, Article X, Section 20 of the Colorado Constitution, which limits the growth in a large portion of State revenue to the sum of inflation plus population growth in the previous calendar year. Revenue collected above the TABOR limit must be returned to taxpayers, unless voters decide the State can retain the revenue.

Component Unit

The District has two component units, Windsor Charter Academy and American Legacy Academy. Their financial information is presented in a separate column in the Government-wide Statement of Net Position and the Statement of Activities. There is also a combining statement of net position and combining statement of activities which provides detail of each charter school separately. Additional information on the financial condition of the schools is available in their separate, audited financial statements.

**Weld County School District RE-4
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 the Office of Finance, Weld County School District RE-4, 1020 Main Street, Windsor, Colorado 80550.

Government-Wide Financial Statements

Weld County School District RE-4
Statement of Net Position
June 30, 2025

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash, cash equivalents and investments	\$ 40,236,329	\$ 10,360,188
Restricted cash, cash equivalents and investments	116,744,921	4,256,479
Receivables	1,731,983	602,151
Due from other governments	726,757	218,013
Inventories	122,282	9,985
Prepaid items	-	4,644
Other assets	971,390	-
Capital assets, not being depreciated	153,151,131	19,429,532
Capital assets, being depreciated, net	<u>203,196,070</u>	<u>19,025,574</u>
Total assets	<u>516,880,863</u>	<u>53,906,566</u>
Deferred outflows of resources		
Deferred loss on refundings	186,501	-
Deferred outflows of resources relating to pensions	37,458,064	7,311,415
Deferred outflows of resources relating to OPEB	<u>831,552</u>	<u>140,099</u>
Total deferred outflows of resources	<u>38,476,117</u>	<u>7,451,514</u>
Liabilities		
Accounts payable	7,899,425	303,775
Accrued salaries and benefits	11,201,403	894,746
Accrued interest payable	219,839	337,480
Due to other governments	196,840	-
Unearned revenues	131,304	13,817
Noncurrent liabilities:		
Due within one year	13,840,216	615,610
Due in more than one year	379,348,276	27,214,488
Arbitrage rebate liability	7,289,673	-
Net pension liability	118,680,966	25,780,983
Net OPEB Liability	<u>2,105,735</u>	<u>457,427</u>
Total liabilities	<u>540,913,677</u>	<u>55,618,326</u>
Deferred inflows of resources		
Deferred gain on refundings	-	311,176
Deferred inflows of resources relating to pensions	8,142,107	112,509
Deferred inflows of resources relating to OPEB	<u>1,137,581</u>	<u>247,116</u>
Total deferred inflows of resources	<u>9,279,688</u>	<u>670,801</u>
Net position		
Net investment in capital assets	40,991,268	14,578,807
Restricted for:		
Emergencies	2,612,909	715,000
Debt service	26,307,068	-
Other	7,730,576	-
Unrestricted	<u>(72,478,206)</u>	<u>(10,224,854)</u>
Total net position	<u>\$ 5,163,615</u>	<u>\$ 5,068,953</u>

See accompanying notes to financial statements.

Weld County School District RE-4
Statement of Activities
Year ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Units Charter Schools
Governmental activities						
Instruction	\$ 65,678,119	\$ 2,496,328	\$ 9,450,983	\$ -	\$ (53,730,808)	\$ -
Supporting services						
Pupil and instructional	16,775,980	-	1,145,548	-	(15,630,432)	-
General administration	973,277	328,722	7,337	-	(637,218)	-
School administration	8,056,077	-	89,330	-	(7,966,747)	-
Business services	1,224,189	-	11,609	-	(1,212,580)	-
Maintenance and operations	12,080,356	189,257	66,333	-	(11,824,766)	-
Pupil transportation	4,225,903	-	725,849	-	(3,500,054)	-
Central supporting services	6,995,456	-	101,270	-	(6,894,186)	-
Other facility services	14,972,053	-	-	754,057	(14,217,996)	-
Community services and other	33,670	-	-	-	(33,670)	-
Food service operations	3,880,709	92,067	3,513,280	-	(275,362)	-
Charter school funding	23,366,742	-	-	-	(23,366,742)	-
Arbitrage rebate expense	7,289,673	-	-	-	(7,289,673)	-
Interest on long-term debt	13,352,627	-	-	-	(13,352,627)	-
Total governmental activities/ primary government	<u>\$ 178,904,831</u>	<u>\$ 3,106,374</u>	<u>\$ 15,111,539</u>	<u>\$ 754,057</u>	<u>(159,932,861)</u>	<u>-</u>
Component units - Charter Schools	<u>\$ 28,306,243</u>	<u>\$ 232,019</u>	<u>\$ 2,410,929</u>	<u>\$ 756,974</u>	-	(24,906,321)
General revenues						
Property taxes levied for:						
General purposes					63,060,136	1,460,403
Debt service					29,230,058	-
Specific ownership taxes for:						
General purposes					3,957,617	-
Intergovernmental:						
State equalization/per pupil funding					37,244,417	21,906,339
Payments to charter schools					-	3,260,750
Payment in lieu of land dedication					1,273,820	-
Unrestricted state aid					-	223,936
Loss on disposal of capital assets					(139,886)	-
Other revenues					1,141,355	1,540,038
Earnings on investments					9,260,595	352,466
Total general revenues					<u>145,028,112</u>	<u>28,743,932</u>
Change in net position					(14,904,749)	3,837,611
Net position at beginning of year (as originally stated)					23,702,718	1,231,342
Restatement - Change in Accounting Principle (See Note 15)					(3,634,354)	-
Net position at beginning of year (as restated)					<u>20,068,364</u>	<u>1,231,342</u>
Net position at end of year					<u>\$ 5,163,615</u>	<u>\$ 5,068,953</u>

Fund Financial Statements

Weld County School District RE-4
Balance Sheet - Government Funds
June 30, 2025

	General Fund	Debt Service Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash, cash equivalents, and investments	\$ 34,594,739	\$ 203,301	\$ -	\$ 5,438,289	\$ 40,236,329
Restricted cash, cash equivalents, and investments	-	25,648,490	84,678,080	6,418,351	116,744,921
Receivables	1,244,304	455,277	31,686	716	1,731,983
Due from other governments	-	-	-	726,757	726,757
Inventories	-	-	-	122,282	122,282
Due from other funds	-	-	-	39,395	39,395
Other assets	2,604	-	850,662	118,124	971,390
Totals assets	\$ 35,841,647	\$ 26,307,068	\$ 85,560,428	\$ 12,863,914	\$ 160,573,057
Liabilities and fund balances					
Liabilities					
Accounts payable	\$ 819,587	\$ -	\$ 7,032,022	\$ 47,816	\$ 7,899,425
Accrued salaries and benefits	10,548,143	-	-	653,260	11,201,403
Unearned revenue	34,361	-	-	96,943	131,304
Due to other governments	67,230	-	129,610	-	196,840
Due to other funds	37,997	-	-	1,398	39,395
Total liabilities	11,507,318	-	7,161,632	799,417	19,468,367
Fund balances					
Nonspendable	-	-	-	122,282	122,282
Restricted	3,925,132	26,307,068	78,398,796	6,418,351	115,049,347
Committed	1,174,266	-	-	3,021,592	4,195,858
Assigned	5,908,821	-	-	2,502,272	8,411,093
Unassigned	13,326,110	-	-	-	13,326,110
Total fund balances	24,334,329	26,307,068	78,398,796	12,064,497	141,104,690
Total liabilities and fund balances	\$ 35,841,647	\$ 26,307,068	\$ 85,560,428	\$ 12,863,914	\$ 160,573,057

Weld County School District RE-4
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position – Governmental Activities
June 30, 2025

Total fund balances - governmental funds \$ 141,104,690

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

Capital assets used in governmental activities are not current financial resources, and therefore, are not reported on the fund financial statements.

Capital assets	\$ 421,617,003	
Less: accumulated depreciation	<u>(65,269,802)</u>	356,347,201

The deferred loss on refunding is not a current financial resource, and therefore, not reported as a deferred outflow of resources in governmental funds. 186,501

Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported on the fund financial statements, as follows:

Deferred outflows of resources	\$ 37,458,064	
Deferred inflows of resources	<u>(8,142,107)</u>	29,315,957

Other post-employment benefit related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year, and therefore, are not reported on the fund financial statements, as follows:

Deferred outflows of resources	\$ 831,552	
Deferred inflows of resources	<u>(1,137,581)</u>	(306,029)

Long-term liabilities, including bonds payable, arbitrage, compensated absences, net pension obligations and other post-employment benefits, are not due and payable from current financial resources, and therefore, are not reported as liabilities on the fund financial statements. Long-term liabilities at year-end consist of:

Bonds payable	\$ (348,160,000)	
Bond premium	(39,977,536)	
Accrued interest payable	(219,839)	
Compensated absences	(5,050,956)	
Arbitrage rebate liability	(7,289,673)	
Net pension liability	(118,680,966)	
Net other post employment liability	<u>(2,105,735)</u>	<u>(521,484,705)</u>
Total net position of governmental activities		<u>\$ 5,163,615</u>

Weld County School District RE-4
Statement of Revenues, Expenditures, and
Changes in Fund Balances – Governmental Funds
Year ended June 30, 2025

	General Fund	Debt Service Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Local	\$ 67,017,753	\$ 29,230,058	\$ -	\$ 2,447,843	\$ 98,695,654
State	44,528,358	-	-	2,660,379	47,188,737
Federal	18,048	-	-	5,062,877	5,080,925
Intermediate	481,759	-	-	-	481,759
Grants and contributions	308,175	-	-	403,575	711,750
Charges for services	1,968,908	-	-	92,067	2,060,975
Earnings on investments	1,459,481	-	7,400,642	400,472	9,260,595
Other	653,638	-	-	5,935	659,573
Total revenues	<u>116,436,120</u>	<u>29,230,058</u>	<u>7,400,642</u>	<u>11,073,148</u>	<u>164,139,968</u>
Expenditures					
Current					
Instruction	48,360,646	-	4,953,656	4,401,970	57,716,272
Supporting services					
Pupil and instructional	13,701,276	-	-	893,691	14,594,967
General administration	836,965	-	-	-	836,965
School administration	6,829,258	-	-	-	6,829,258
Business services	985,998	-	92,552	-	1,078,550
Maintenance and operations	10,926,380	-	-	23,749	10,950,129
Pupil transportation	3,400,755	-	-	5,856	3,406,611
Central supporting services	5,373,596	-	618,121	368,646	6,360,363
Other facility services	842,640	-	8,103,883	31,708	8,978,231
Community services and other	32,865	-	-	805	33,670
Food service operations	-	-	76,000	3,747,858	3,823,858
Charter school funding	23,366,742	-	-	-	23,366,742
Debt service					
Principal	456,013	11,515,000	-	-	11,971,013
Interest expense	20,641	17,610,687	-	-	17,631,328
Capital outlay	407,538	-	84,957,094	677,038	86,041,670
Total expenditures	<u>115,541,313</u>	<u>29,125,687</u>	<u>98,801,306</u>	<u>10,151,321</u>	<u>253,619,627</u>
Excess (deficiency) of revenues over expenditures	<u>894,807</u>	<u>104,371</u>	<u>(91,400,664)</u>	<u>921,827</u>	<u>(89,479,659)</u>
Other financing sources (uses)					
Transfers in	-	-	-	954,970	954,970
Transfers out	(954,970)	-	-	-	(954,970)
Total other financing sources (uses)	<u>(954,970)</u>	<u>-</u>	<u>-</u>	<u>954,970</u>	<u>-</u>
Net change in fund balances	(60,163)	104,371	(91,400,664)	1,876,797	(89,479,659)
Fund balances at beginning of year	<u>24,394,492</u>	<u>26,202,697</u>	<u>169,799,460</u>	<u>10,187,700</u>	<u>230,584,349</u>
Fund balances at end of year	<u>\$ 24,334,329</u>	<u>\$ 26,307,068</u>	<u>\$ 78,398,796</u>	<u>\$ 12,064,497</u>	<u>\$ 141,104,690</u>

Weld County School District RE-4
Reconciliation of the Statement of Revenue, Expenditures,
and Changes in Fund Balances – Governmental Funds
to the Statement of Activities – Governmental Activities
Year ended June 30, 2025

Total net change in fund balances - governmental funds \$ (89,479,659)

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:

Capital outlay	\$ 86,041,670	
Net book value of disposed assets	(139,886)	
Depreciation expense	(6,655,583)	79,246,201

Amortization of the deferred loss on refunding is included in the statement of activities as interest expense, but not reflected on the statement of revenues, expenditures and changes in fund balances. (120,405)

Accretion of the bond premium is included in the statement of activities against interest expense, but not reflected on the statement of revenues, expenditures and changes in fund balances. 3,266,912

Increase in accrued compensated absences liability reflected as an expense on the statement of activities and not reflected on the governmental statement of revenues, expenditures and changes in fund balances. (873,133)

Repayments of bond principal and capital lease obligations are recorded as expenditures in the governmental funds, but as reductions in long-term liabilities in the statement of net position and does not affect the statement 11,971,013

Decrease in accrued interest payable is reflected as an interest expense on the statement of activities, but not reflected on the governmental fund statement of revenues, expenditures and changes in fund balances. 1,132,194

Changes in fair value of the arbitrage rebate liability are reflected as arbitrage rebate expense, or reversal in the statement of activities, but is not reflected in the governmental fund statement of revenues, expenditures and changes in fund balance. (7,289,673)

Changes in the District's net other post-employment benefit liability, deferred outflows of resources, and deferred inflows of resources related to the cost-sharing defined benefit plan for the current year are not reported in the governmental funds but are reported in the Statement of Activities. 570,478

Changes in the District's net pension liability, deferred outflows of resources, and deferred inflows of resources related to the cost-sharing defined benefit plan for the current year are not reported in the governmental funds but are reported in the Statement of Activities. (13,328,677)

Change in net position of governmental activities **\$ (14,904,749)**

Weld County School District RE-4
Statement of Fiduciary Net Position
June 30, 2025

	<u>Scholarship Trust Fund</u>
Assets	
Investments	\$ 489,444
Total assets	<u>489,444</u>
Net position	
Net position held in trust for scholarships	<u>489,444</u>
Total net position	<u><u>\$ 489,444</u></u>

Weld County School District RE-4
Statement of Changes in
Fiduciary Net Position
Year ended June 30, 2025

	Scholarship Trust Fund
Additions	
Contributions	\$ 19,059
Earnings on investments	<u>22,815</u>
Total additions	<u>41,874</u>
Deductions	
Scholarships and awards	<u>9,500</u>
Change in net position	32,374
Net position at beginning of year	<u>457,070</u>
Net position at end of year	<u><u>\$ 489,444</u></u>

Component Unit Financial Statements

Weld County School District RE-4
Combining Statement of Net Position – Component Units
June 30, 2025

	Windsor Charter Academy	American Legacy Academy	Total Discretely Presented
Assets			
Cash, cash equivalents, and investments	\$ 8,022,844	\$ 2,337,344	\$ 10,360,188
Restricted cash, cash equivalents, and investments	4,256,479	-	4,256,479
Accounts receivable	545,270	56,881	602,151
Due from the District	218,013	-	218,013
Inventories	9,985	-	9,985
Prepaid expenses	4,644	-	4,644
Capital assets, not being depreciated	19,429,532	-	19,429,532
Capital assets, being depreciated, net	<u>18,170,650</u>	<u>854,924</u>	<u>19,025,574</u>
Total assets	<u>50,657,417</u>	<u>3,249,149</u>	<u>53,906,566</u>
Deferred Outflows of Resources			
Deferred outflows of resources relating to pensions	5,179,147	2,132,268	7,311,415
Deferred outflows of resources relating to OPEB	<u>121,680</u>	<u>18,419</u>	<u>140,099</u>
Total deferred outflows of resources	<u>5,300,827</u>	<u>2,150,687</u>	<u>7,451,514</u>
Liabilities			
Accounts payable	277,988	25,787	303,775
Accrued salaries and benefits	761,738	133,008	894,746
Accrued interest payable	337,480	-	337,480
Unearned revenues	13,817	-	13,817
Noncurrent liabilities:			
Net pension liability	22,348,522	3,432,461	25,780,983
Net OPEB liability	396,526	60,901	457,427
Due in one year	421,250	194,360	615,610
Due in more than one year	<u>26,891,416</u>	<u>323,072</u>	<u>27,214,488</u>
Total liabilities	<u>51,448,737</u>	<u>4,169,589</u>	<u>55,618,326</u>
Deferred Inflows of Resources			
Deferred gain on refunding	311,176	-	311,176
Deferred inflows of resources relating to pensions	112,509	-	112,509
Deferred inflows of resources relating to OPEB	<u>214,215</u>	<u>32,901</u>	<u>247,116</u>
Total deferred inflows of resources	<u>637,900</u>	<u>32,901</u>	<u>670,801</u>
Net Position			
Net investment in capital assets	14,206,515	372,292	14,578,807
Restricted for emergencies	579,000	136,000	715,000
Unrestricted	<u>(10,913,908)</u>	<u>689,054</u>	<u>(10,224,854)</u>
Total net position	<u>\$ 3,871,607</u>	<u>\$ 1,197,346</u>	<u>\$ 5,068,953</u>

Weld County School District RE-4
Combining Statement of Activities – Component Units
Year ended June 30, 2025

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Windsor Charter Academy					
Instruction	\$ 8,723,164	\$ 232,019	\$ 200,100	\$ -	\$ (8,291,045)
Supporting services	13,050,047	-	2,197,796	608,571	(10,243,680)
Interest on long-term debt	974,450	-	-	-	(974,450)
	<u>22,747,661</u>	<u>232,019</u>	<u>2,397,896</u>	<u>608,571</u>	<u>(19,509,175)</u>
American Legacy Academy					
Instruction	2,507,915	-	-	-	(2,507,915)
Supporting services	3,014,769	-	13,033	148,403	(2,853,333)
Interest on long-term debt	35,898	-	-	-	(35,898)
	<u>5,558,582</u>	<u>-</u>	<u>13,033</u>	<u>148,403</u>	<u>(5,397,146)</u>
Total Component Units					
Instruction	11,231,079	232,019	200,100	-	(10,798,960)
Supporting services	16,064,816	-	2,210,829	756,974	(13,097,013)
Interest on long-term debt	1,010,348	-	-	-	(1,010,348)
	<u>\$ 28,306,243</u>	<u>\$ 232,019</u>	<u>\$ 2,410,929</u>	<u>\$ 756,974</u>	<u>\$ (24,906,321)</u>
			Windsor Charter Academy	American Legacy Academy	Total
Net (expense)/revenue			\$ (19,509,175)	\$ (5,397,146)	\$(24,906,321)
General Revenues					
Per pupil revenue			17,384,784	4,521,555	21,906,339
Mill levy override			1,460,403	-	1,460,403
Transfer from the District			3,260,750	-	3,260,750
Unrestricted state aid			194,104	29,832	223,936
Other revenues			259,936	1,280,102	1,540,038
Earnings on investments			352,466	-	352,466
Total general revenues			<u>22,912,443</u>	<u>5,831,489</u>	<u>28,743,932</u>
Change in net position			3,403,268	434,343	3,837,611
Net position at beginning of year			<u>468,339</u>	<u>763,003</u>	<u>1,231,342</u>
Net position at end of year			<u>\$ 3,871,607</u>	<u>\$ 1,197,346</u>	<u>\$ 5,068,953</u>

Note 1 – The Reporting Entity and Significant Accounting Policies

The financial statements of the Weld County School District RE-4 (the “District”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District’s more significant accounting policies are described below.

Reporting Entity

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as.

1. Appointment of a voting majority of the component unit’s governing board, and either, a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or
2. Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

The District meets the criteria of a primary government: its District Board of Education is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The District is not included in any other governmental reporting entity.

As required by GAAP, these financial statements present the primary government and its component units. Component units are legally separate organizations that are financially accountable to the primary government. The component units discussed below have been included in the District’s financial reporting entity because of the significance of their operational or financial relationship with the District.

Discretely Presented Component Units - Charter Schools

The Legislature of the State of Colorado enacted the “Charter School Act - Colorado Revised Statutes (“C.R.S.”) Section 22-30.5-101” in 1993. This Act permits the District to contract with individuals and organizations for the operation of schools within the District. The statutes define these contracted schools as “Charter Schools.” Charter schools are financed from a portion of the District’s School Finance Act revenues and from revenues generated by the charter schools, within the limits established by the Charter School Act. Charter schools have separate governing boards; however, the District’s Board of Education must approve all charter school applications and budgets. There are two charter schools in the District: the Windsor Charter Academy (“WCA”) and the American Legacy Academy (“ALA”). The charter schools are discretely presented component units because of the significance of their financial accountability with the District.

Complete financial statements for WCA are available at the school’s administration office, 810 Automation Drive, Windsor, Colorado 80550, and for ALA at 1870 Marina Dr., Windsor Colorado 80550.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. Governmental activities, which normally are supported by taxes, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support. Likewise, the primary government is reported separately from its legally separate component unit. The District does not report any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to those who purchase, use, or directly benefit from goods,

services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The governmental fund financial statements are accounted for using the current financial resources measurement focus, whereby only current assets, deferred outflows of resources, liabilities, and deferred inflows of resources generally are included in the balance sheet, and the statement of revenues, expenditures and changes in fund balance present increases and decreases in those categories. These funds use the modified accrual basis of accounting, whereby revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues and intergovernmental revenues to be available if they are collected within 60 days, and 180 days, respectively, of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, and claims and judgments, are recognized only when payment is due (matured).

Property taxes, intergovernmental grants, and earnings on investments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements, reconciliations are presented that briefly explain the adjustments necessary to reconcile the ending net position and the change in net position.

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 capital projects funds.

The following are the District's major governmental funds:

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

Debt Service Fund - The Debt Service Fund is used to account for the resources accumulated for the payments of general long-term debt principal and interest.

Building Fund - The Building Fund is used to account for the resources accumulated for the funding of the District's school improvements and construction of new school buildings.

Additionally, the District reports the following nonmajor governmental funds:

School Development Fund - This fund is a special revenue fund with primary revenues of cash-in-lieu of land dedication fees from agreements the District has with the Town of Windsor, Town of Severance, and Weld County. The fees are paid by developers and their purpose is to assist with the costs to the District associated with growth and expansion within the District boundaries. The funds must be used within ten years of collection and can be utilized for site acquisition and development as well as capital facilities planning.

Governmental Designated Purpose Grants Fund - This special revenue fund is used to account for the revenues and expenditures of specific local, state and federal grant awards.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources received to construct capital assets.

Food Service Fund – This special revenue fund is used to account for revenues and expenditures from food service operations.

Student Activity Fund – This special revenue fund is used to account for financial transactions related to school sponsored pupil intrascholastic and interscholastic athletic and other related activities.

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private- purpose trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District’s own programs. The District has one private- purpose trust fund, the Scholarship Trust Fund.

Budgets and Budgetary Accounting

The following is a summary of the original expenditure/deduction budget, total revisions and revised budget for those funds with amended budgets in fiscal year 2025:

	Original Budget	Total Revisions	Revised Budget
Governmental funds:			
General	\$ 131,321,222	\$ 7,244,151	\$ 138,565,373
Debt Service	55,699,787	(98,027)	55,601,760
Building	183,131,694	(7,332,234)	175,799,460
Governmental Designated Purpose Grants	3,210,259	483,194	3,693,453
Capital Projects	3,208,755	534,785	3,743,540
School Development	5,863,270	221,757	6,085,027
Food Service	5,215,006	163,708	5,378,714
Student Activity	2,935,691	566,400	3,502,091
Fiduciary funds:			
Scholarship Trust	478,003	9,620	487,623
Total funds	\$ 391,063,687	\$ 1,793,354	\$ 392,857,041

Cash and Cash Equivalents

The District considers all highly liquid investments with an original maturity of three months or less, including deposits in local government investment pools, to be cash equivalents.

Investments

Investments are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Receivables

In the government-wide financial statements, receivables are reported at their gross value and, when appropriate, are reduced by the estimated portion that is expected to be uncollectible. No amounts were determined to be uncollectible at June 30, 2025. In the governmental funds, property taxes levied on December 31, but not received by June 30, are identified as property taxes receivable and recorded as revenue if they are collected within 60 days of year end.

Inventories

Inventories consist of purchased and donated food, and non-food supplies. Purchased inventories are stated at the lower of cost or market as determined by the first-in, first-out method. Food donated by the federal government at no cost to the District is stated at cost in accordance with the United States Department of Agriculture (“USDA”) furnished price list.

Capital Assets

Capital assets are defined by the District as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year, except for capital assets acquired with Federal funds, which are capitalized with an individual cost of more than \$5,000. Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are stated at their acquisition value as of the donation date.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are expensed.

Depreciation of capital assets is charged as an expense against operations in the statement of activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Site improvements	10 - 20 years
Buildings and improvements	15 - 50 years
Equipment	3 - 15 years
Transportation	5 - 8 years

The payment for capital assets acquired by the District is recorded as an expenditure in the fund financial statements in the year of acquisition.

Bond Issuance Costs, Premium and Discounts, and Bond Refunding

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest rate method as principal is paid. Bonds payable are reported net of the applicable bond premium and discount. Debt issuance costs are recognized as an expense in the period of issuance.

For bond refundings resulting in the defeasement of debt, the difference between the acquisition price and the net carrying amount of the old debt is deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the period of issuance. The face amount of debt issued is reported as other financing sources. Premiums and discounts on the debt issuance are reported as other financing sources or uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases

The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. As of June 30,

2025, the District was not party to any leases, and therefore no lease related amounts are recorded in the Statement of Net Position.

Key estimates and judgments related to leases include how the District determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Unearned Revenues

The District includes grant funds that have been collected within 180 days of year end, where the corresponding expenditures have not been incurred, in unearned revenues in the financial statements.

Compensated Absences and Accumulated Sick Leave

The District's policy is to allow employees to accumulate earned but unused vacation leave. Only employee's working a year-round contract earn vacation. Vacation is paid out only upon termination, and the payout amount is limited to twice the employee's annual accrual as described in Board policy.

All employee groups are allowed to accumulate earned but unused sick leave. All employee groups receive personal days, but any unused personal days at the end of the year is converted to sick leave. Therefore, any liability associated with unused personal days will be included in the sick leave calculation.

The implementation of GASB Statement No. 101, *Compensated Absences* ("GASB No. 101"), requires a liability to be recorded for compensated absences and reported in the government-wide and proprietary financial statements for (a) leave that has not been used and (b) leave that has been used but not yet paid or settled. Compensated absence liability recorded includes vacation leave and sick leave.

Leave that has not been used is recognized if the following occurs:

- The employee has performed the services required to earn the leave
- The leave accumulates
- The leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means (not including any leave would be more likely than not converted to defined benefit post-employment benefits).

The effect of the implementation of this standard is more fully described in Note 15.

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, claims and judgments and the noncurrent portion of long-term liabilities that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable and available financial resources. In general, payments made within 60 days after year-end are considered to have been made with current available financial resources. Bonds 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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 assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District's deferred outflows of resources relate to the deferred loss on refunding and the District's pension and other post-employment benefits ("OPEB") plans. See notes 9 and 10 for further information relating to the District's pension and OPEB amounts.

In addition to liabilities, the statement of net 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 assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources relate to the District's pension and OPEB plans. See notes 9 and 10 for further information relating to the District's pension and OPEB amounts.

Net Position/Fund Balance

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents the net position of the District, which is not restricted for any project or other purpose. A deficit will require future funding.

As of June 30, 2025, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Education (the "Board"). The Board is the highest level of decision making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Only the Board has the authority to assign amounts for specific purposes.

Unassigned - all other spendable amounts.

As of June 30, 2025, fund balances are composed of the following:

	General Fund	Debt Service Fund	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventories	\$ -	\$ -	\$ -	\$ 122,281	\$ 122,281
Restricted:					
Debt service payments	-	26,307,068	-	-	26,307,068
Building fund	-	-	78,398,796	-	78,398,796
Emergencies	2,612,909	-	-	-	2,612,909
Override funds	1,064,067	-	-	-	1,064,067
School sites	-	-	-	6,418,353	6,418,353
Multi-year obligations	248,156	-	-	-	248,156
Committed:					
Capital projects	-	-	-	3,021,592	3,021,592
Risk management	1,174,266	-	-	-	1,174,266
Assigned:					
Subsequent years' spending	4,454,265	-	-	-	4,454,265
Food Service	-	-	-	1,198,814	1,198,814
Student activities	-	-	-	1,303,457	1,303,457
Other	1,454,556	-	-	-	1,454,556
Unassigned:	13,326,110	-	-	-	13,326,110
Total	\$ 24,334,329	\$ 26,307,068	\$ 78,398,796	\$ 12,064,497	\$ 141,104,690

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

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.

Other Post Employment Benefits

The District participates in the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer defined benefit OPEB fund administered by PERA. The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the 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.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure/expense during the reporting period. Actual results could differ from those estimates.

Financial Policies and Procedures

The District believes it is in compliance with applicable state requirements, which includes adherence to the accounting policies and procedures described in the financial Policies and Procedures Handbook issued by the Colorado Department of Education.

Adoption of New Accounting Pronouncements

During the current year, the District adopted GASB Statement No. 101, *Compensated Absences*. As a result, the liability for compensated absences in the statements of net position of the Governmental Activities has been calculated to comply with this new pronouncement. As the impact of changes caused by the implementation of GASB Statement No. 101 was insignificant and immaterial, the changes were represented prospectively rather than retrospectively on the financial statements.

The GASB has issued several statements not yet implemented by the District. District management has not yet determined the effect the statements will have on the financial statements. However, the District intends to implement all standards by the required dates.

Note 2 – Cash, Cash Equivalents, and Investments

The composition of the District’s cash, cash equivalents, and investments, including restricted cash and cash equivalents and restricted investments, on June 30, 2025, is as follows:

	District
Cash on hand	\$ 12,300
Cash with county treasurer	983,833
Bank deposits	46,461,419
Local government investment pools	52,097,850
Total cash and cash equivalents	99,555,402
 <i>Investments</i>	
Certificates of deposit	11,335,141
U.S. Treasuries	46,580,151
Total investments	57,915,292
Total cash, cash equivalents, and investments	\$ 157,470,694

Cash, cash equivalents and investments per the government-wide statement of net position and fiduciary fund statements are as follows:

	District
Statement of net position	
Cash, cash equivalents and investments	\$ 40,236,329
Restricted cash, cash equivalents and investments	116,744,921
Fiduciary Funds	
Investments	489,444
Total cash, cash equivalents, and investments	\$ 157,470,694

Custodial Credit Risk – Deposits

Colorado state statutes govern the entity deposits of cash. For Deposits in excess of federal insured limits, C.R.S requires the depository institution to maintain collateral on deposit with an official custodian (as authorized by the State Banking Board). The Colorado Public Deposit Protection Act (“PDPA”) requires state regulators to certify eligible depositories for public deposit. PDPA requires eligible depositories with public deposits in excess of the amounts insured by the Federal Deposit Insurance Corporation (“FDIC”) to create a single institutional collateral pool of obligations of the State of Colorado or local Colorado 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. The market value of the assets in the pool must be at least 102% of the uninsured deposit. At June 30, 2025, the District had deposits with financial institutions with a carrying amount of \$46,461,419. The bank balances with the financial institutions were \$70,548,565 of which \$500,000 was covered by federal depository insurance. The remaining balance of \$70,048,565 was collateralized with securities held by the financial institutions’ agents but not in the District’s name.

Custodial Credit Risk – Investments

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a specific policy for custodial credit risk. As of June 30, 2025, the District had no investments exposed to custodial credit risk outside of its investment in the Colorado Secure Assets Fund discussed below.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which school districts may invest, which include:

- Certificates of deposit with an original maturity in excess of three months;
- Obligations of the United States and certain U.S. Government agency securities;
- Certain international agency securities;
- General obligation and revenue bonds of U.S. local government entities;
- Banker’s acceptance of certain banks;
- Commercial paper;
- Written repurchase agreements collateralized by certain authorized securities;
- Certain money market funds;
- Guaranteed investment contracts;
- Local government investment pools.

Fair Value

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted

accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Certificates of deposit totaling \$11,335,141 at June 30, 2025, are valued at cost plus accrued interest, which approximates fair value. The District also had U.S. Treasury securities totaling \$46,580,151, which are classified in Level 2 and are valued by the custodian using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing issued to value securities is based on the securities' relationship to benchmark quoted prices. Management has determined that the pricing models utilized by the custodians provide reasonable estimations of the fair values of the securities.

Local Government Investment Pools

Pooled investment funds (trusts) are supervised by the participating governments and must comply with the same restrictions on cash deposits and investments explained in the preceding paragraphs. Investment funds or money market funds are not categorized because they are not evidenced by securities that exist in physical or book form.

At June 30, 2025, the District had invested approximately \$35.4 million in the Colorado Secure Assets Fund ("CSAFE"), a local government investment pool established in Colorado to pool surplus funds for investment purposes. CSAFE is a highly liquid fund operating similarly to a money market- like fund and each share is equal in value to \$1.00. CSAFE measures all of its investments at amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. CSAFE invests primarily in United States Treasuries, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, AAAM rated money market funds, highly rated corporate bonds and Colorado depositories. The weighted average maturity of the portfolio shall not exceed 60 days and the weighted average life of the portfolio shall not exceed 120 days. CSAFE is rated AAAM by Standard & Poor's and is measured at amortized cost. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investments is the means of limiting exposure to fair value losses arising from increasing interest rates. All investments have a maturities of less than five years.

Note 3 – Individual Fund Interfund Receivables/Payables and Transfers

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 as due from other funds or due to other funds on the fund statement balance sheets. Internal balances are eliminated in the statement of net position. The District considers all interfund receivables and payables to be temporary and in compliance with state law, which requires all balances to be repaid within three months of the year end.

The following table presents receivable and payable balances between funds as of June 30, 2025.

Receivable Fund	Payable Fund	Amount
Grants Fund	General Fund	\$ 37,997
Grants Fund	Food Service Fund	1,398
Total		\$ 39,395

Interfund Transfers

Transfers are used to move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them or use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The following table presents transfers between funds for the year ended June 30, 2025.

	Transfers Out: General Fund
Transfers In:	
Governmental fund:	
Capital Projects Fund	\$ 895,500
Student Activity Fund	59,470
Total transfers	\$ 954,970

Note 4 – Capital Assets

Capital asset activity for Governmental activities for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Sites	\$ 15,758,372	\$ -	\$ -	\$ 15,758,372
Water rights	705,753	-	-	705,753
Construction in Progress	126,563,431	81,512,234	(71,388,659)	136,687,006
Total capital assets not being depreciated	143,027,556	81,512,234	(71,388,659)	153,151,131
Capital assets, being depreciated:				
Site improvements	5,728,689	2,659,088	-	8,387,777
Buildings and improvements	175,764,878	71,781,730	-	247,546,608
Equipment	6,674,843	1,032,643	(519,310)	7,188,176
Transportation	5,346,333	444,634	(447,656)	5,343,311
Total capital assets, being depreciated	193,514,743	75,918,095	(966,966)	268,465,872
Less accumulated depreciation for:				
Site improvements	(2,789,604)	(386,265)	-	(3,175,869)
Buildings and improvements	(48,830,343)	(5,419,643)	-	(54,249,986)
Equipment	(3,794,417)	(508,450)	400,234	(3,902,633)
Transportation	(4,026,935)	(341,225)	426,846	(3,941,314)
Total accumulated depreciation	(59,441,299)	(6,655,583)	827,080	(65,269,802)
Total capital assets, being depreciated, net	134,073,444	69,262,512	(139,886)	203,196,070
Governmental activities capital assets, net	\$ 277,101,000	\$ 150,774,746	\$ (71,528,545)	\$ 356,347,201

Depreciation is allocated to the following activities on the statement of activities:

Instruction	\$	55,670
Business services		9,327
Maintenance and operations		176,034
Pupil transportation		274,039
Central supporting services		89,840
Other facility services		5,993,822
Food service operations		56,851
Depreciation expense allocated to governmental activities	\$	6,655,583

Note 5 – Accrued Salaries and Benefits

Salaries and benefits of certain contractually employed personnel are paid over a twelve month period from October to September, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2025, for the District were \$11,201,403. These accrued salaries and benefits are reflected as a liability in the accompanying financial statements.

Note 6. – Short-term Liabilities

In accordance with state statutes, the State Treasurer is authorized to issue short term debt in order to make interest-free loans to participating Colorado school districts to alleviate temporary general fund cash flow deficits expected to be experienced by such participating districts during each fiscal year as part of the Interest Free Loan Program. Beginning in March, school districts must remit all property taxes received to the Treasury, up to current loan balances; all outstanding loans must be repaid no later than June 25th each year. The District participated in the Interest-Free Loan Program during fiscal year 2025, as follows:

	<u>Balance</u> <u>Beginning</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balance</u> <u>Ending</u>
Short-term debt	\$ -	\$ 3,725,290	\$ (3,725,290)	\$ -

Note 7 – Long-term Obligations

The following is a summary of changes in long-term obligations of the District for the year ended June 30, 2025:

	<u>Balance</u> <u>Beginning</u>	<u>Additions</u>	<u>Reductions/ Amortizations</u>	<u>Balance</u> <u>Ending</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Fianced Equipment Purchase:					
Performance energy	\$ 456,013	\$ -	\$ (456,013)	\$ -	\$ -
Fianced Equipment Purchase	456,013	-	(456,013)	-	-
G.O. Bonds:					
Series 2015 (Refunding)	10,575,000	-	(2,490,000)	8,085,000	2,590,000
Series 2016	86,105,000	-	(3,105,000)	83,000,000	3,260,000
Series 2023	262,995,000	-	(5,920,000)	257,075,000	6,215,000
G.O. bond total	359,675,000	-	(11,515,000)	348,160,000	12,065,000
Unamortized bond premiums	43,244,448		(3,266,912)	39,977,536	n/a
Compensated absences*	4,177,823	873,133	-	5,050,956	1,775,216
Total Long-Term Debt	\$ 407,553,284	\$ 873,133	\$ (15,237,925)	\$ 393,188,492	\$ 13,840,216

* The change in the compensated absences liabilities are presented as a net change. The beginning balance of the compensated absences liabilities are restated as described in Note 15.

Compensated absences and liabilities associated with pensions or OPEB are generally liquidated by the General Fund.

General Obligation Bonds - Series 2015 (Refunding)

On May 5, 2015, the District advance refunded the total balance of the 2007 bond series and a portion of the 2008 bond issuance, with varying interest rates of 1.25% to 4.00%. The bonds were sold at a premium of \$1,839,707, with associated issuance costs of \$187,152. The bonds were issued for a thirteen-year period with final maturity during fiscal year 2027. On May 21, 2015, \$27,953,942 was placed into an escrow account to provide for all future debt service payments on the refunded 2007 and 2008 general obligation bonds. As a result, the total balance of \$9,650,000 of the 2007 series bonds and \$15,365,000 of the 2008 series bonds were considered to be defeased and the liabilities for those bonds were reduced by that amount.

General Obligation Bonds – Series 2016

On December 8, 2016, the District issued general obligation bonds for \$104,800,000, with varying interest rates of 2.00% to 5.25%, for the purpose of acquiring property and construction of new school buildings; and improving, repairing and making additions to existing school buildings. The bonds were issued for a twenty-five-year period with final maturity during fiscal year 2042.

General Obligation Bonds – Series 2023

On January 24, 2023, the District issued general obligation bonds for \$271,000,000, with varying interest rates of 4.00% to 5.25%, for the purpose of acquiring property and construction of new school buildings; and improving, repairing and making additions to existing school buildings. The bonds were issued for a twenty-five-year period with final maturity during fiscal year 2048.

The annual requirements to amortize bonds outstanding as of June 30, 2024, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	\$ 12,065,000	\$ 17,045,388	\$ 29,110,388
2027	12,640,000	16,454,188	29,094,188
2028	13,240,000	15,834,663	29,074,663
2029	10,965,000	15,262,388	26,227,388
2030	11,480,000	14,739,738	26,219,738
2031-2035	66,375,000	64,388,438	130,763,438
2036-2040	84,720,000	45,562,769	130,282,769
2041-2045	84,940,000	23,198,444	108,138,444
2046-2048	51,735,000	4,166,794	55,901,794
	\$ 348,160,000	\$ 216,652,810	\$ 564,812,810

Financed Equipment Purchase

In November of 2010, the District entered into a financed purchase agreement with a third party for energy savings conservation projects to be constructed by an Energy Services Contractor (“ESCO”). The agreement refinanced the two previous financed purchase agreements the District held. The new term is sixteen years and calls for quarterly payments commencing upon project completion varying in amounts from \$36,548 to \$51,670. The balance was fully repaid during the year ended June 30, 2025.

Note 8 – Commitments and Contingencies

Arbitrage

In accordance with Section 148 of the Internal Revenue Code of 1986, as amended, and Sections 1.103-13 to

1.103-15 of the related Treasury Regulations, the District must rebate to the federal government “arbitrage profits” earned on governmental bonds issued after August 31, 1986. Arbitrage profits are the excess of the amount earned on investments over the interest paid on borrowings. At June 30, 2025, the District had arbitrage liabilities totaling \$7,289,673.

Self-Insurance Pool

As discussed in Note 12, the District is a member of the Colorado School Districts’ Self-Insurance Pool. The Pool has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. The ultimate liability to the District resulting from claims not covered by the Pool is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the District’s financial statements.

Construction Commitments

As of June 30, 2025, construction commitments on uncompleted contracts were \$21,986,083.

Grant Programs

The District participates in numerous State and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2025, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Litigation

The District is subject to claims and litigation from outside parties in the ordinary course of operations. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

Note 9 – Defined Benefit Pension Plan

General Information about the Pension Plan

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

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.

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$11,440,310 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 calendar year 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 (“TPL”) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The District’s proportion of the net pension liability was based on the District’s contributions to the SCHDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2025, the District reported a liability of \$118,680,966 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:

The District’s proportionate share of the net pension liability	\$ 118,680,966
The State’s proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	<u>10,659,435</u>
Total	<u>\$ 129,340,401</u>

At December 31, 2024, the District’s proportion was 0.68781%, which was an decrease of 0.02327% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$31,858,862 and revenue of \$1,124,123 for support from the State as a nonemployer contributing entity. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,720,725	\$ -
Net difference between projected and actual earnings on pension plan investments	2,239,180	
Changes of assumptions or other inputs	889,765	-
Changes in proportionate share	21,796,674	8,142,107
District contributions subsequent to the measurement date	<u>5,811,720</u>	<u>-</u>
	<u>\$ 37,458,064</u>	<u>\$ 8,142,107</u>

The \$5,811,720 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

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

Year Ended June 30,	Amortization
2026	\$ 13,413,492
2027	13,872,902
2028	(1,712,303)
2029	(2,069,854)

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

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

¹ 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.

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

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

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

Salary increases, including wage inflation: 4.00%-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.

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

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

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

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

Asset Class	Target Allocation	30 Year Expected 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%	

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- 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 one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

		Current	
	1% Decrease	Discount Rate	1% Increase
	(6.25%)	(7.25%)	(8.25%)
District's proportionate share of the net pension liability	\$ 160,903,884	\$ 118,680,966	\$ 83,313,370

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/investments/pera-financial-reports.

Note 10 – Defined Benefit Other Post Employment Benefit Plan

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.

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.

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.

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 \$572,577 for the year ended June 30, 2025.

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

At June 30, 2025, the District reported a liability of \$2,105,735 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (“TOL”) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The District’s proportion of the net OPEB liability was based on District 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 0.44038%, which was an increase of 0.01498% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense (benefit) of \$(1,952,271). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 464,483
Net difference between projected and actual earnings on pension plan investments	7,139	-
Changes of assumptions or other inputs	24,146	673,098
Changes in proportionate share	509,396	-
District contributions subsequent to the measurement date	290,871	-
	\$ 831,552	\$ 1,137,581

The \$290,871 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026.

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

<u>Year Ended June 30,</u>	<u>Amortization</u>
2026	\$ (149,980)
2027	(43,416)
2028	(170,835)
2029	(117,224)
2030	(76,245)
Thereafter	(39,200)

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

	<u>State Division</u>	<u>School Division</u>	<u>Local Government Division</u>	<u>Judicial Division</u>
Actuarial cost method			Entry age	
Price inflation			2.30%	
Real wage growth			0.70%	
Wage inflation			3.00%	
Salary increases, including wage inflation				
Members other than Safety Officers	3.30%-10.90%	3.40%-11.00%	3.20%-11.30%	2.80%-5.30%
Safety Officers	3.20%-12.40%	N/A	3.20%-12.40%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation			7.25%	
Discount rate			7.25%	
Health care cost trend rates				
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	

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%

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.

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

Year	PERACare Medicare Plans ¹	MAPD PPO #21	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%

¹ 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.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 94% of the rates prior to age 80/ 90% of the rates age 80 and older Females: 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	Males: 112% of the rates prior to age 80/ 94% of the rates age 80 and older Females: 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages Females: 105% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Safety Officers	PubS-2010 Disabled Retiree	N/A

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

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

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

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

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

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

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

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

**Weld County School District RE-4
Notes to Financial Statements**

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

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School Division	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 90% of the rates for all ages Females: 85% of the rates prior to age 85/ 105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School Division	PubT-2010 Healthy Retiree	Males: 106% of the rates for all ages Females: 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 92% of the rates for all ages Females: 100% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

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

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting. As of the most recent reaffirmation of the long-term rate of return, the

target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real
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 %	

Note: 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:

	<u>1% Decrease</u> <u>Trend Rates</u>	<u>Current Trend</u> <u>Rates</u>	<u>1% Increase in</u> <u>Trend Rates</u>
Initial PERACare Medicare trend rate (1)	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate (1)	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate (1)	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$2,049,002	\$2,105,735	\$2,169,942

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.
- 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 (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
District's proportionate share of the net OPEB liability	\$ 2,580,611	\$ 2,105,735	\$ 1,696,335

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.

Note 11. – 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.

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. Employees are immediately vested in their contributions and investment earnings.

Note 12. – Risk Management

The District belongs to the Colorado School Districts' Self-Insurance Pool that was formed in 1981 to give individual districts more buying power and financial stability. By partnering with districts across the state, members gain better access to essential coverage at a competitive price, and more control over the entire risk management function. The coverage provided by the Pool is property, crime, general liability, auto liability and physical damage, and errors and omissions. The Board of Directors is composed of seven persons who are district school board members, superintendents or district business officials. The Pool became self-administered in May 1997 and currently has eleven employees.

Each member's premium contribution is determined by the Pool based on factors including, but not limited to, the aggregate Pool claims, the cost of administrative and other operating expenses, the number of participants, operating and reserve fund adequacy, investment income, and reinsurance expense and profit sharing. Reporting to the Division of Insurance, as well as an audit and actuarial study is conducted annually. These reports may be obtained by contacting the Pool's administrative offices at 6857 South Spruce Street, Centennial, Colorado 80112.

Note 13 – Related Party Transactions

The District provides administrative and other services to the Windsor Charter Academy and the American Legacy Academy, the charter schools shown as discretely presented component units. The amount of charges for services provided to the charter schools for the fiscal year ended June 30, 2025 were \$1,413,755 for the Windsor Charter Academy and \$297,015 for the American Legacy Academy. Reimbursement for these services are included in charges for services in the accompanying Statement of Revenues, Expenditures and Changes in Fund Balances.

During the year ended June 30, 2025, the District distributed \$3,260,750 to Windsor Charter Academy, which is included in Other Facility Services in the Statement of Activities and Statement of Revenues, Expenses and Changes in Fund Balance.

Note 14 – Tax, Savings and Debt Limitations

In November 1992, Colorado voters passed an amendment (the "Amendment" or "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 construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financial sources such as the federal funds, gifts, property sales, fund transfers, damage awards, and fund reserve (balance). 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.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the Amendment, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The District has restricted \$2,612,909, Windsor Charter Academy has restricted \$579,000, and American Legacy Academy has restricted \$136,000 for this purpose.

On November 4, 1997, the voting citizens of the District authorized the District to retain, appropriate, and utilize, by expenditure, retention for reserves, or carryover fund balance the full proceeds and revenues received from every source, without limitation, in 1997 and all subsequent years, notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. This effectively removed all revenue and spending limits imposed by TABOR.

Note 15 – Restatement of Beginning Net Position – Adoption of New Accounting Standard

The District adopted GASB Statement No. 101, *Compensated Absences*, in fiscal year 2025. The restatement of beginning net positions is required due to a change in accounting principle pursuant to GASB Statement No. 100, *Accounting Changes and Error Corrections*.

The implementation of the new accounting standard for compensated absences under GASB Statement No. 101 has led to substantial increases in compensated absence liabilities on the Statement of Net Position for government-wide. For fiscal year 2025, the District reported total compensated absence liabilities of \$5,050,956. In comparison, the amount as of June 30, 2024 was \$543,469. The increase is mainly attributed to the restatement of the beginning balance of \$3,634,354.

Note 16 – Subsequent Events

Management evaluated subsequent events through December 19, 2025 the date these financial statements were available to be issued, identifying the following subsequent events requiring disclosure:

- 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.

Required Supplementary Information

Weld County School District RE-4
Budgetary Comparison Schedule – General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local	\$ 73,416,469	\$ 66,696,483	\$ 67,017,753	\$ 321,270
State	35,959,499	44,072,553	44,528,358	455,805
Federal	-	7,023	18,048	11,025
Intermediate	76,550	481,758	481,759	1
Grants and contributions	80,000	251,502	308,175	56,673
Charges for services	1,211,909	1,211,909	1,968,908	756,999
Earnings on investments	265,000	1,065,000	1,459,481	394,481
Other	93,000	384,653	653,638	268,985
Total revenues	111,102,427	114,170,881	116,436,120	2,265,239
Expenditures				
Current				
Instruction	49,812,970	50,968,307	48,360,648	2,607,659
Supporting services				
Pupil and instructional	13,303,336	14,175,696	13,701,276	474,420
General administration	931,927	860,280	836,965	23,315
School administration	6,920,877	7,173,730	6,829,258	344,472
Business services	1,043,702	1,094,704	985,998	108,706
Maintenance and operations	10,285,734	11,242,367	10,926,380	315,987
Pupil transportation	2,924,181	2,948,777	3,400,755	(451,978)
Central supporting services	6,062,574	6,683,491	5,373,596	1,309,895
Other facility services	511,000	586,000	842,640	(256,640)
Community services and other	52,573	52,573	32,865	19,708
Charter school funding	23,637,492	23,396,384	23,366,742	29,642
Capital outlay	48,410	364,856	407,536	(42,680)
Debt service				
Principal	189,693	189,693	456,013	(266,320)
Interest expense	14,283	14,283	20,641	(6,358)
Reserves	15,156,970	17,861,081	-	17,861,081
Total expenditures	130,895,722	137,612,222	115,541,313	22,070,909
Excess (deficiency) of revenues over expenditures	(19,793,295)	(23,441,341)	894,807	24,336,148
Other financing uses				
Transfers out	(425,500)	(953,151)	(954,970)	(1,819)
Total other financing uses	(425,500)	(953,151)	(954,970)	(1,819)
Net change in fund balance	(20,218,795)	(24,394,492)	(60,163)	24,334,329
Fund balance at beginning of year	20,218,795	24,394,492	24,394,492	-
Fund balance at end of year	\$ -	\$ -	\$ 24,334,329	\$ 24,334,329

Weld County School District RE-4
Schedule of the District's Proportionate
Share of the Net Pension Liability

December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.68781%	0.71108%	0.54201%	0.61837%	0.63550%	0.53035%	0.49114%	0.53977%	0.52163%	0.50267%
District's proportionate share of the net pension liability	\$118,680,966	\$125,743,956	\$ 98,697,682	\$ 71,961,975	\$ 96,074,132	\$ 79,233,877	\$ 86,966,895	\$174,545,493	\$155,308,584	\$ 76,879,145
State's proportionate share of the net pension liability associated with the District**	10,659,435	2,757,192	28,761,497	8,249,521	-	10,049,810	11,891,515	-	-	-
Total	\$129,340,401	\$128,501,148	\$127,459,179	\$ 80,211,496	\$ 96,074,132	\$ 89,283,687	\$ 98,858,410	\$174,545,493	\$155,308,584	\$ 76,879,145
District's covered payroll	\$ 53,140,249	\$ 47,009,002	\$ 41,790,349	\$ 38,646,141	\$ 33,542,146	\$ 31,154,328	\$ 26,769,044	\$ 24,899,388	\$ 23,411,562	\$ 22,989,144
District's proportionate share of the net pension liability as a percentage of its covered payroll	223.34%	267.49%	236.17%	186.21%	286.43%	254.33%	324.88%	701.00%	663.38%	334.41%
Plan fiduciary net position as a percentage of the total pension liability	67.17%	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%	59.20%

* The amounts for each fiscal year were determined as of December 31 based on the measurement date of the Plan.

** A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200. House Bill 20-1379 suspended the direct distribution payable July 1, 2020 in fiscal year 2021.

Weld County School District RE-4
Schedule of the District Contributions - Pensions

Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 11,440,310	\$ 10,238,640	\$ 8,964,828	\$ 8,241,339	\$ 6,866,979	\$ 6,450,985	\$ 5,481,205	\$ 4,848,257	\$ 4,429,989	\$ 4,050,396
Contributions in Relation to the Statutorily Required Contribution	<u>11,440,310</u>	<u>10,238,640</u>	<u>8,964,828</u>	<u>8,241,339</u>	<u>6,866,979</u>	<u>6,450,985</u>	<u>5,481,205</u>	<u>4,848,257</u>	<u>4,429,989</u>	<u>4,050,396</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 56,134,985	\$ 50,238,665	\$ 43,988,362	\$ 41,455,425	\$ 34,542,146	\$ 33,286,816	\$ 28,652,402	\$ 25,676,379	\$ 24,098,879	\$ 22,839,459
Contributions as a Percentage of Covered Payroll	20.38%	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%	17.73%

Weld County School District RE-4
Schedule of the District's Proportionate
Share of the Net OPEB Liability

December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability	0.44038%	0.42540%	0.41182%	0.40375%	0.36746%	0.34648%	0.31925%	0.30700%	0.29600%
District's proportionate share of the net OPEB liability	\$ 2,105,735	\$ 3,036,208	\$ 3,362,448	\$ 3,481,543	\$ 3,491,701	\$ 3,894,465	\$ 4,343,467	\$ 3,985,881	\$ 3,844,212
District's covered payroll	\$ 53,140,249	\$ 47,009,002	\$ 41,790,349	\$ 38,646,141	\$ 33,542,146	\$ 31,154,328	\$ 26,769,044	\$ 24,899,388	\$ 23,411,562
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	3.96%	6.46%	8.05%	9.01%	10.41%	12.50%	16.23%	16.01%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	59.83%	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

* The amounts for each fiscal year were determined as of 12/31.

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information will be presented for the years available.

**Weld County School District RE-4
Schedule of the District Contributions - OPEB**

Years Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 572,577	\$ 512,434	\$ 448,681	\$ 422,845	\$ 352,330	\$ 339,526	\$ 292,256	\$ 261,899	\$ 245,809	\$ 232,962
Contributions in Relation to the Statutorily Required Contribution	572,577	512,434	448,681	422,845	352,330	339,526	292,256	261,899	245,809	232,962
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 56,134,985	\$ 50,238,665	\$ 43,988,362	\$ 41,455,425	\$ 34,542,146	\$ 33,286,816	\$ 28,652,401	\$ 25,676,379	\$ 24,098,879	\$ 22,839,459
Contributions as a Percentage of Covered Employee Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

Note 1 – Budget and Budgetary Accounting

Budgets are adopted by the Board of Education. Annual budgets are adopted on a basis consistent with GAAP.

The District adheres to the following procedures in establishing the budgetary data:

1. Budgets are required by state law for all funds. During May, 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. A public hearing is conducted by the Board of Education to obtain comments.
3. Prior to June 30, the budget is adopted by formal resolution.

Colorado law requires that all funds have legally adopted budgets and total expenditures for each fund cannot exceed the amount appropriated. The fund level of classification is the level of classification at which expenditures may not legally exceed appropriations. All appropriations lapse at the end of each fiscal year. Appropriations for a fund may be increased provided they are offset by unanticipated resources.

Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Board throughout the year.

Note 2 - Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (Pension Plan)

2024 Changes in Plan Provisions Since 2023

- There were no changes made to the plan provisions.

Note 3 – Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information (Pension Plan)

2024 Changes in Assumptions or Other Inputs Since 2023

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.

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

Note 4 - Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (OPEB Plan)

2024 Changes in Plan Provisions Since 2023

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for

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

Note 5 - Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information (OPEB Plan)

2024 Changes in Assumptions or Other Inputs Since 2023

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

Supplementary Information

Weld County School District RE-4
Budgetary Comparison Schedule – Debt Service Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local	\$ 29,399,063	\$ 29,399,063	\$ 29,230,058	\$ (169,005)
Total revenues	<u>29,399,063</u>	<u>29,399,063</u>	<u>29,230,058</u>	<u>(169,005)</u>
Expenditures				
Debt service				
Principal	11,515,000	11,515,000	11,515,000	-
Interest expense	17,613,488	17,613,488	17,610,687	2,801
Operating reserves				
Reserves	<u>26,571,299</u>	<u>26,473,272</u>	<u>-</u>	<u>26,473,272</u>
Total expenditures	<u>55,699,787</u>	<u>55,601,760</u>	<u>29,125,687</u>	<u>26,476,073</u>
Net change in fund balance	(26,300,724)	(26,202,697)	104,371	26,307,068
Fund balance at beginning of year	<u>26,300,724</u>	<u>26,202,697</u>	<u>26,202,697</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,307,068</u>	<u>\$ 26,307,068</u>

Weld County School District RE-4
Budgetary Comparison Schedule – Building Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Earnings on investments	\$ 5,000,000	\$ 6,000,000	\$ 7,400,642	\$ 1,400,642
Total revenues	<u>5,000,000</u>	<u>6,000,000</u>	<u>7,400,642</u>	<u>1,400,642</u>
Expenditures				
Current				
Instruction	3,401,820	3,795,115	4,953,656	(1,158,541)
Business services	100,000	61,508	92,552	(31,044)
Central supporting services	-	426,598	618,121	(191,523)
Other facility services	14,070,041	12,245,000	8,103,883	4,141,117
Food service operations	-	-	76,000	(76,000)
Capital outlay	111,188,946	87,012,935	84,957,094	2,055,841
Reserves	54,370,887	72,258,304	-	72,258,304
Total expenditures	<u>183,131,694</u>	<u>175,799,460</u>	<u>98,801,306</u>	<u>76,998,154</u>
Net change in fund balance	(178,131,694)	(169,799,460)	(91,400,664)	78,398,796
Fund balance at beginning of year	<u>178,131,694</u>	<u>169,799,460</u>	<u>169,799,460</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,398,796</u>	<u>\$ 78,398,796</u>

Weld County School District RE-4
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Capital Projects Fund	Food Service Fund	School Development Fund	Student Activity Fund	Governmental Designated Purpose Grants Fund	Total Nonmajor Governmental Funds
Assets						
Cash, cash equivalents and investments	\$ 3,021,592	\$ 1,071,950	\$ -	\$ 1,344,747	\$ -	\$ 5,438,289
Restricted cash, cash equivalents and investments	-	-	6,418,351	-	-	6,418,351
Accounts receivable	-	716	-	-	-	716
Inventories	-	122,282	-	-	-	122,282
Due from other governments	-	302,616	-	-	424,141	726,757
Due from other funds	-	-	-	-	39,395	39,395
Other assets	-	118,124	-	-	-	118,124
Total assets	<u>\$ 3,021,592</u>	<u>\$ 1,615,688</u>	<u>\$ 6,418,351</u>	<u>\$ 1,344,747</u>	<u>\$ 463,536</u>	<u>\$ 12,863,914</u>
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ -	\$ 6,462	\$ -	\$ 41,292	\$ 62	\$ 47,816
Accrued salaries and benefits	-	242,385	-	-	410,875	653,260
Unearned revenue	-	44,344	-	-	52,599	96,943
Due to other funds	-	1,398	-	-	-	1,398
Total liabilities	<u>-</u>	<u>294,589</u>	<u>-</u>	<u>41,292</u>	<u>463,536</u>	<u>799,417</u>
Fund balances						
Nonspendable	-	122,282	-	-	-	122,282
Restricted	-	-	6,418,351	-	-	6,418,351
Committed	3,021,592	-	-	-	-	3,021,592
Assigned	-	1,198,817	-	1,303,455	-	2,502,272
Total fund balances	<u>3,021,592</u>	<u>1,321,099</u>	<u>6,418,351</u>	<u>1,303,455</u>	<u>-</u>	<u>12,064,497</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,021,592</u>	<u>\$ 1,615,688</u>	<u>\$ 6,418,351</u>	<u>\$ 1,344,747</u>	<u>\$ 463,536</u>	<u>\$ 12,863,914</u>

Weld County School District RE-4
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2025

	Capital Projects Fund	Food Service Fund	School Development Fund	Student Activity Fund	Governmental Designated Purpose Grants Fund	Total Nonmajor Governmental Funds
Revenues						
Local	\$ -	\$ -	\$ -	\$ 2,447,843	\$ -	\$ 2,447,843
State	-	1,873,081	-	-	787,298	2,660,379
Federal	-	1,640,199	1,273,820	-	2,148,858	5,062,877
Grants and contributions	-	-	-	-	403,575	403,575
Charges for services	-	92,067	-	-	-	92,067
Earnings on investments	107,552	33,392	259,504	24	-	400,472
Other	-	5,935	-	-	-	5,935
Total revenues	<u>107,552</u>	<u>3,644,674</u>	<u>1,533,324</u>	<u>2,447,867</u>	<u>3,339,731</u>	<u>11,073,148</u>
Expenditures						
Current						
Instruction	33,425	-	-	2,268,779	2,099,766	4,401,970
Supporting services						
Pupil and instructional	-	-	-	-	893,691	893,691
Maintenance and operations	23,749	-	-	-	-	23,749
Transportation	5,856	-	-	-	-	5,856
Central supporting services	364,361	-	-	-	4,285	368,646
Other facility services	31,708	-	-	-	-	31,708
Community services and other	-	-	-	-	805	805
Food service operations	-	3,747,858	-	-	-	3,747,858
Capital outlay	270,401	34,203	-	31,250	341,184	677,038
Total expenditures	<u>729,500</u>	<u>3,782,061</u>	<u>-</u>	<u>2,300,029</u>	<u>3,339,731</u>	<u>10,151,321</u>
Excess (deficiency) of revenues over expenditures	<u>(621,948)</u>	<u>(137,387)</u>	<u>1,533,324</u>	<u>147,838</u>	<u>-</u>	<u>921,827</u>
Other financing sources						
Transfers in	895,500	-	-	59,470	-	954,970
Net change in fund balances	<u>273,552</u>	<u>(137,387)</u>	<u>1,533,324</u>	<u>207,308</u>	<u>-</u>	<u>1,876,797</u>
Fund balances at beginning of year	<u>2,748,040</u>	<u>1,458,486</u>	<u>4,885,027</u>	<u>1,096,147</u>	<u>-</u>	<u>10,187,700</u>
Fund balances at end of year	<u>\$ 3,021,592</u>	<u>\$ 1,321,099</u>	<u>\$ 6,418,351</u>	<u>\$ 1,303,455</u>	<u>\$ -</u>	<u>\$ 12,064,497</u>

Weld County School District RE-4
Budgetary Comparison Schedule – School Development Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Cash in lieu of land dedication	\$ 1,000,000	\$ 1,000,000	\$ 1,273,820	\$ 273,820
Earnings on investments	100,000	200,000	259,504	59,504
Total revenues	<u>1,100,000</u>	<u>1,200,000</u>	<u>1,533,324</u>	<u>333,324</u>
Expenditures				
Capital outlay	1,000,000	1,000,000	-	1,000,000
Operating reserves	4,863,270	5,085,027	-	5,085,027
Total expenditures	<u>5,863,270</u>	<u>6,085,027</u>	<u>-</u>	<u>6,085,027</u>
Net change in fund balance	(4,763,270)	(4,885,027)	1,533,324	6,418,351
Fund balance at beginning of year	<u>4,763,270</u>	<u>4,885,027</u>	<u>4,885,027</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,418,351</u>	<u>\$ 6,418,351</u>

Weld County School District RE-4
Budgetary Comparison Schedule – Capital Projects Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Earnings on investments	\$ 50,000	\$ 100,000	\$ 107,552	\$ 7,552
Total revenues	<u>50,000</u>	<u>100,000</u>	<u>107,552</u>	<u>7,552</u>
Expenditures				
Current				
Instruction	33,500	33,500	33,425	75
Maintenance and operations	76,216	76,216	23,749	52,467
Transportation	-	-	5,856	(5,856)
Central supporting services	350,000	450,000	364,361	85,639
Other facility services	-	-	31,708	(31,708)
Capital outlay	380,500	275,531	270,401	5,130
Reserves	2,368,539	2,908,293	-	2,908,293
Total expenditures	<u>3,208,755</u>	<u>3,743,540</u>	<u>729,500</u>	<u>3,014,040</u>
Deficiency of revenues over expenditures	<u>(3,158,755)</u>	<u>(3,643,540)</u>	<u>(621,948)</u>	<u>3,021,592</u>
Other financing sources				
Transfers in	395,500	895,500	895,500	-
Total other financing sources	<u>395,500</u>	<u>895,500</u>	<u>895,500</u>	<u>-</u>
Net change in fund balance	(2,763,255)	(2,748,040)	273,552	3,021,592
Fund balance at beginning of year	<u>2,763,255</u>	<u>2,748,040</u>	<u>2,748,040</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,021,592</u>	<u>\$ 3,021,592</u>

Weld County School District RE-4
Budgetary Comparison Schedule – Food Service Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues				
Food sales	\$ 99,100	\$99,600	\$ 92,067	\$ (7,533)
USDA reimbursements	1,262,182	1,577,544	1,401,342	(176,202)
Donated commodities	143,288	300,838	238,857	(61,981)
Earnings on investments	40,000	40,000	33,392	(6,608)
State reimbursement	2,108,232	1,900,247	1,873,081	(27,166)
Miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>5,935</u>	<u>3,935</u>
Total revenues	<u>3,654,802</u>	<u>3,920,229</u>	<u>3,644,674</u>	<u>(275,555)</u>
Expenditures				
Salaries and benefits	1,928,735	1,946,154	1,790,384	155,770
Supplies and materials	1,500,000	1,508,591	1,573,550	(64,959)
USDA commodities	143,288	300,838	238,857	61,981
Other	133,750	137,150	145,067	(7,917)
Capital outlay	48,000	548,602	34,203	514,399
Operating reserves	<u>1,461,233</u>	<u>937,379</u>	<u>-</u>	<u>937,379</u>
Total expenditures	<u>5,215,006</u>	<u>5,378,714</u>	<u>3,782,061</u>	<u>659,274</u>
Net change in fund balance	(1,560,204)	(1,458,486)	(137,387)	383,719
Fund balance at beginning of year	<u>1,560,204</u>	<u>1,458,486</u>	<u>1,458,486</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,321,099</u>	<u>\$ 1,321,099</u>

Weld County School District RE-4
Budgetary Comparison Schedule – Student Activity Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local	\$ 1,830,000	\$ 2,348,294	\$ 2,447,843	\$ 99,549
Earnings on investments	-	-	24	24
Total revenues	<u>1,830,000</u>	<u>2,348,294</u>	<u>2,447,867</u>	<u>99,573</u>
Expenditures				
Current				
Instruction	1,915,000	2,196,200	2,268,779	(72,579)
Capital outlay	-	-	31,250	(31,250)
Reserves	<u>1,020,691</u>	<u>1,305,891</u>	-	<u>1,305,891</u>
Total expenditures	<u>2,935,691</u>	<u>3,502,091</u>	<u>2,300,029</u>	<u>1,202,062</u>
Excess of revenues over expenditures	<u>(1,105,691)</u>	<u>(1,153,797)</u>	<u>147,838</u>	<u>1,301,635</u>
Other financing sources				
Transfers in	<u>30,000</u>	<u>57,650</u>	<u>59,470</u>	<u>1,820</u>
Total other financing sources	<u>30,000</u>	<u>57,650</u>	<u>59,470</u>	<u>1,820</u>
Net change in fund balance	(1,075,691)	(1,096,147)	207,308	1,303,455
Fund balance at beginning of year	<u>1,075,691</u>	<u>1,096,147</u>	<u>1,096,147</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,303,455</u>	<u>\$ 1,303,455</u>

Weld County School District RE-4
Budgetary Comparison Schedule –
Governmental Designated Purpose Grants Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Federal	\$ 2,297,961	\$ 2,354,731	\$ 2,148,858	\$ (205,873)
State	787,298	787,298	787,298	-
Grants and contributions	125,000	551,424	403,575	(147,849)
Total revenues	<u>3,210,259</u>	<u>3,693,453</u>	<u>3,339,731</u>	<u>(353,722)</u>
Expenditures				
Current				
Instruction	2,232,754	2,731,865	2,099,766	632,099
Supporting services				
Pupil and instructional	948,813	919,618	893,691	25,927
Central and other support services	16,692	37,230	4,285	32,945
Community services and other	12,000	4,740	805	3,935
Capital outlay	-	-	341,184	(341,184)
Total expenditures	<u>3,210,259</u>	<u>3,693,453</u>	<u>3,339,731</u>	<u>353,722</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Weld County School District RE-4
Budgetary Comparison Schedule – Scholarship Trust Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Additions				
Contributions	\$ -	\$ 7,060	\$ 19,059	\$ 11,999
Earnings on investments	20,604	23,493	22,815	(678)
Total additions	<u>20,604</u>	<u>30,553</u>	<u>41,874</u>	<u>11,321</u>
Deductions				
Scholarships and awards	11,500	11,500	9,500	2,000
Reserves	466,503	476,123	-	476,123
Total deductions	<u>478,003</u>	<u>487,623</u>	<u>9,500</u>	<u>478,123</u>
Change in net position	(457,399)	(457,070)	32,374	489,444
Net position at beginning of year	<u>457,399</u>	<u>457,070</u>	<u>457,070</u>	<u>-</u>
Net position at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489,444</u>	<u>\$ 489,444</u>

Weld County School District RE-4
Auditor's Integrity Report
 Year Ended June 30, 2025



Colorado Department of Education
 Auditors Integrity Report
 District: 3100 - Weld RE-4
 Fiscal Year 2024-25
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	-	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
Governmental							
10 General Fund	23,713,667		89,334,850		88,888,455		23,160,063
18 Risk Mgmt Sub-Fund of General Fund	680,023		2,779,559		2,286,116		1,174,266
19 Colorado Preschool Program Fund	0		0		0		0
Sub- Total	24,394,490		92,114,409		92,174,571		24,334,328
11 Charter School Fund	6,980,590		28,054,384		27,227,467		9,807,847
2026-29 Special Revenue Fund	4,865,027		1,533,324		0		6,418,351
06 Supplemental Cap Const, Tech, Main, Fund	0		0		0		0
07 Total Program Reserve Fund	0		0		0		0
21 Food Service Spec. Revenue Fund	1,458,485		4,583,161		4,603,413		1,438,233
22 Govt Designated-Purpose Grants Fund	0		3,339,731		3,339,731		0
23 Pupil Activity Special Revenue Fund	1,740,123		4,285,723		3,282,747		2,753,099
25 Transportation Fund	0		0		0		0
31 Bond Redemption Fund	26,202,697		29,230,058		29,125,688		26,307,067
39 Certificate of Participation (COP) Debt Service Fund	0		0		0		0
41 Building Fund	169,799,459		7,400,642		96,801,306		78,398,795
42 Special Building Fund	0		0		0		0
43 Capital Reserve Capital Projects Fund	2,748,040		1,003,052		729,500		3,021,592
46 Supplemental Cap Const, Tech, Main Fund	0		0		0		0
Totals	240,209,251		171,524,483		259,284,421		152,448,312
Proprietary							
50 Other Enterprise Funds	0		0		0		0
64 (63) Risk-Related Activity Fund	0		0		0		0
60,65-69 Other Internal Service Funds	-5,116,804		260,440		88,017		-4,944,381
Totals	-5,116,804		260,440		88,017		-4,944,381
Fiduciary							
70 Other Trust and Agency Funds	0		0		0		0
72 Private Purpose Trust Fund	457,071		41,875		9,500		489,446
73 Agency Fund	0		0		0		0
74 Pupil Activity Agency Fund	0		0		0		0
79 GASB 34/Retirement Fund	0		0		0		0
85 Foundations	0		0		0		0
Totals	457,071		41,875		9,500		489,446
			FINAL				

Single Audit Section



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

Members of the Board of Education
Weld County School District RE-4
Windsor, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of Weld County School District RE-4 (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2025. Our report includes a reference to other auditors who audited the financial statements of Windsor Charter Academy and American Legacy Academy, as described in our report on the District's financial statements. The financial statements of Windsor Charter Academy and American Legacy Academy were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Windsor Charter Academy and American Legacy Academy or that are reported on separately by those auditors who audited the financial statements of Windsor Charter Academy and American Legacy Academy.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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



Purpose of This Report

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

Clinger Hagerman, LLC

Greeley, Colorado
December 19, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Board of Education
Weld County School District RE-4
Windsor, Colorado

Report on Compliance for Each Major Federal Program

Opinion on the District's Major Federal Program

We have audited Weld County School District RE-4's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2025. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the District's Major Federal Program

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

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

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The District's basic financial statements include the operations of the Windsor Charter Academy or American Legacy Academy, discretely presented component units, which expended federal awards which are not included in the District's schedule of expenditures of federal awards during the year ended June 30, 2025. Our compliance audit, described in the "Opinion on the District's Major Federal Program," does not include the operations of Windsor Charter Academy or American Legacy Academy because the organizations did not meet the threshold for an audit of compliance.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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



likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in cursive script that reads 'Clinger Hagerman, LLC'.

Greeley, Colorado
December 19, 2025

Weld County School District RE-4
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass - Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
<i>Child Nutrition Cluster</i>			
Passed through Colorado Department of Human Services:			
National School Lunch Program (Donated Commodities)	10.555	4555	\$ 238,857
Passed Through Colorado Department of Education:			
School Breakfast Program	10.553	4553	312,625
National School Lunch Program	10.555	4555	1,061,172
National School Lunch Program	10.555	6555	<u>27,544</u>
<i>Child Nutrition Cluster Subtotal</i>			1,640,198
Summer Electronic Benefit Transfer (S-EBT)	10.646	4646	<u>3,025</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>1,643,223</u>
U.S. Department of Health and Human Services			
Passed Through Colorado Department of Public Health to Colorado Department of Education:			
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	7354	8,000
Passed Through Colorado Department of Early Childhood:			
Child Care and Development Fund	93.575	7575	<u>7,023</u>
<i>CCDF Cluster Subtotal</i>			<u>7,023</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>15,023</u>
U.S. Department of Education			
Passed Through Colorado Department of Education:			
Title I Grants to Local Educational Agencies	84.010	4010	494,114
English Language Acquisition State Grants	84.365	4365, 7365	26,411
Supporting Effective Instruction State Grants	84.367	4367	129,550
Student Support and Academic Enrichment Program	84.424	4424	31,557
Special Education Cluster (IDEA)			
Special Education Grants to States	84.027A	4027	1,396,822
Special Education Preschool Grants	84.173A	4173	<u>26,544</u>
<i>Special Education Cluster (IDEA) Subtotal</i>			1,423,366
Passed Through Colorado Community Colleges System:			
Career and Technical Education - Basic Grants to States	84.048	4048	<u>43,860</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>2,148,858</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,807,104</u>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Weld County School District RE-4 (the "District") under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

The District's basic financial statements include the operations of Windsor Charter Academy, a discretely presented component unit, which received federal awards which are not included in the District's schedule of expenditures of federal awards for the year ended June 30, 2025.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The District has elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 - Subrecipients

There were no subrecipients of federal awards during the year ended June 30, 2025.

Note 5 - Donated Commodities

Commodities donated to the District by the U.S. Department of Agriculture ("USDA") are valued based on the USDA's Donated Commodity Price List and values provided by the USDA. The commodities are recognized as revenue and expenditures when the commodities are used. During the year ended June 30, 2025, the District received food commodities totaling \$238,857.

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) Yes No

Identification of Major Federal Programs and Type of Auditor's Report Issued on Compliance For Major Federal Programs:

<i>Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
10.553 / 10.555	Child Nutrition Cluster	Unmodified

Dollar threshold used to distinguish between Type A and Type B Programs: \$750,000

Auditee qualifies as a low-risk auditee? Yes No

Section II – Financial Statement Findings

No matters were identified that were required to be reported.

Section III – Federal Award Findings and Questioned Costs

No matters were identified that were required to be reported.