WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2

FINANCIAL STATEMENTS
With Independent Auditors' Report

Year Ended June 30, 2025

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Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Woodland Park School District Number RE-2

Unmodified and Disclaimer of Opinions

We have audited the accompanying financial statements of the Discretely Presented Component Unit and we were engaged to audit the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information of Woodland Park School District Number RE-2, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Woodland Park School District Number RE-2's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Disclaimer
Discretely Presented Component Unit	Unmodified
General Fund	Disclaimer
Designated Purpose Grants Fund	Disclaimer
Capital Projects Fund	Disclaimer
Aggregate Remaining Fund Information	Disclaimer

Disclaimer of Opinion on the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information

We do not express an opinion on the financial statements of the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and the Aggregate Remaining Fund Information of Woodland Park School District Number RE-2. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and the Aggregate Remaining Fund Information section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and the Aggregate Remaining Fund Information.

Unmodified Opinion on the Discretely Presented Component Unit

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Discretely Presented Component Unit of Woodland Park School District Number RE-2, 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.

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Basis for Disclaimer of Opinion on the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information

Because of inadequacies in Woodland Park School District Number RE-2's accounting records, we were unable to form opinions on the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and the Aggregate Remaining Fund Information because of unsubstantiated amounts recorded as revenues and expenses in the accompanying Statement of Activities of Governmental Activities and unsubstantiated amounts recorded as revenues and expenditures in the accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances of the General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information.

Basis for Unmodified Opinion

We conducted our audit of the financial statements of the Discretely Presented Component Unit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Woodland Park School District Number RE-2, 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 unmodified audit opinion.

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 Woodland Park School District Number RE-2'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

Auditor's Responsibilities for the Audit of the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information

Our responsibility is to conduct an audit of Woodland Park School District Number RE-2's financial statements in accordance with generally accepted auditing standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion on the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information.

We are required to be independent of Woodland Park School District Number RE-2 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

Auditor's Responsibilities for the Audit of the Discretely Presented Component Unit

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Woodland Park School District Number RE-2'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 Woodland Park School District Number RE-2'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information 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 Woodland Park School District Number RE-2's basic financial statements. The accompanying combining and individual fund statements and schedules 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 fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hoelting & Company Inc.

Colorado Springs, Colorado
April 27, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
June 30, 2025

Fiscal Year 2025 was a period of significant operational and financial transition for the District. The year was marked by disruptions in financial reporting processes that resulted in a disclaimer of opinion on the District's governmental financial statements. Management has since implemented corrective actions to stabilize operations, strengthen internal controls, and restore financial reporting integrity.

The discussion and analysis of Woodland Park School District Re-2 financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the notes to the financial statements to broaden their understanding of the District's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

The fund balance for the General Fund decreased by **$1,596,093** during the fiscal year. Actual revenues were slightly less than budgeted, while expenditures were significantly below the appropriated amount, primarily due to unspent contingency reserves. Excluding contingency, operational expenditures were $1,438,136 over budget.

Food Service operations in the District exhibited stable performance, with a modest decrease in fund balance of **$12,915** resulting in an ending balance of **$344,306**. This reflects effective administration of the National School Lunch Program while minimizing cost impacts to students.

The Capital Projects Fund ended the year with a **deficit fund balance of $934,744**, as expenditures exceeded appropriations by **$115,384**. This deficit is expected to be addressed through planned transfers in the subsequent fiscal year.

At the government-wide level, the District reported a **decrease in net position of $475,637**, an improvement from the prior year decrease, indicating progress toward financial alignment.

In addition to the financial results summarized above, the District experienced significant transitions in its financial reporting environment during FY2025 that impacted the audit outcome. These matters are discussed in the following section.

Audit Results and Financial Reporting Environment

For the fiscal year ended June 30, 2025, the District received a **disclaimer of opinion** on its governmental activities, major governmental funds, and aggregate remaining fund information. This means the auditors were **unable to obtain sufficient appropriate audit evidence** to support certain financial statement balances and transactions. This outcome reflects a period of operational disruption and transition during FY2025. However, it is important to clearly explain the context and the actions taken to address the underlying conditions.

Context and Contributing Factors

Fiscal Year 2025 was a period of **significant organizational disruption and transition** within the District's finance and administrative functions.

During the period surrounding the implementation of a new Enterprise Resource Planning (ERP) system, the District experienced:

- Turnover in key leadership positions, including multiple transitions in the Chief Financial Officer role and the resignation of the Superintendent
- The departure of critical accounting and payroll personnel, resulting in a substantial loss of institutional knowledge
- A stalled ERP system implementation, which limited the effectiveness of financial reporting processes
- The outsourcing of payroll processing to a third-party provider, which did not perform as expected and contributed to operational and reporting challenges.

As a result of these combined factors:

- Certain revenues were not recorded in the accounting system in a timely manner
- Bank and investment account reconciliations were not consistently completed across multiple accounts
- Grant reimbursement processes were delayed
- Supporting documentation for certain transactions was incomplete at the time of audit

These conditions impacted the District's ability to fully support all balances and activity included in the financial statements as of year-end.

Stabilization and Corrective Actions

Beginning in the latter part of Fiscal Year 2025 and continuing into Fiscal Year 2026, the District took **decisive steps to stabilize and rebuild its financial operations**.

Key actions included:

- Appointment of new financial leadership, including a Chief Financial Officer and the addition of experienced accounting professionals, including a controller-level resource with prior audit experience
- Engagement of supplemental accounting support to accelerate the restoration of core financial processes
- Reestablishment of internal payroll processing to improve accuracy, control, and timeliness
- Completion of bank and investment account reconciliations across all accounts
- Recording of previously unentered financial activity, including revenues and expenditures
- Advancement of grant reimbursement submissions to align revenues with eligible expenditures
- Reestablishment of standard monthly close procedures and internal controls

These efforts have significantly improved the **accuracy, completeness, and timeliness** of the District's financial records.

Looking Forward

The District views the Fiscal Year 2025 audit outcome as a **reflection of a period of transition**, not of the current state of its financial operations.

With a strengthened team, restored processes, and improved internal controls now in place, the District is focused on:

- Maintaining disciplined monthly close and reconciliation procedures
- Completing the stabilization and optimization of its financial systems
- Ensuring full documentation and support for all financial activity
- Returning to a **standard unmodified audit opinion** in future reporting periods

Management acknowledges responsibility for the financial reporting environment and has taken corrective actions to address these conditions and is committed to transparency, accountability, and continuous improvement in its financial reporting practices. The progress made to date provides a strong foundation for restoring confidence in the District's financial statements and supporting long-term financial stability.

The financial analysis that follows should be considered in the context of these conditions and the corrective actions undertaken by management.

Using the Basic Financial Statements

The Basic Financial Statements consist of Government-wide Financial Statements, Fund Financial Statements, and Notes to Financial Statements. This report also contains other supplementary information and compliance information in addition to the basic financial statements themselves.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District's operations in more detail. The governmental fund statements tell how general District services were financed in the short term as well as what remains for future spending. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the District as a Whole

The District's total net position was a deficit of **$15,185,626** as of June 30, 2025. This continues to reflect the long-term impact of **GASB 68 (pensions)** and **GASB 75 (OPEB)**, which require the recognition of proportionate shares of statewide liabilities.

Total revenues for governmental activities were approximately **$26.1 million**, representing a decrease from the prior year. This decline was driven primarily by changes in **Per Pupil Revenue (PPR)** funding components and a reduction in sales tax from $2,904,560 to $1,755,336, or $1,149,224.

Under the Colorado School Finance Act, PPR is determined based on **funded pupil count**, local property taxes, specific ownership taxes, and state equalization. As enrollment fluctuates, total program funding is directly impacted, making student count the most significant driver of District revenue.

Total expenses decreased by $2,262,470 from FY24 to approximately **$26.6 million**, reflecting reductions in instructional and support service expenditures as the District adjusted its cost structure in response to available funding.

The District experienced an approximate $3.6 million structural shift in available resources during FY2025, driven by the loss of roughly $3.0 million in annual City sales tax revenue and an additional $600,000 reallocation of Per Pupil Revenue (PPR) associated with enrollment growth at Merit Academy.

As a result, the District's operating deficit narrowed compared to the prior year, indicating progress toward financial alignment, although a structural imbalance between revenues and expenditures remains.

Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private businesses. The statements of net position include all of the government's assets and liabilities. 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.

The two government-wide statements report the District's net position and how it has changed. The change in net position is important because it tells the reader that for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions and required educational programs.

In the Statement of Net Position and the Statement of Activities, the District has one type of activity.

Governmental Activities – The District's programs and services are reported here including instruction, support services, operations and maintenance of plant, pupil transportation, extracurricular activities, and food service.

The District continues to rely primarily on **general fund revenues**, including property taxes and state equalization, which together comprise the majority of funding. Program revenues, including charges for services and operating grants, totaled approximately **$6.0 million**, highlighting the District's reliance on general funding sources to support core operations.

An allocation of the District's Net Position is as follows:

TABLE 1 - CONDENSED STATEMENT OF NET POSITION

	2025 Governmental Activities	2024 Governmental Activities
Current Assets	$ 10,951,267	$ 12,088,004
Capital Assets - Net	17,934,827	18,030,863
Total Assets	28,886,094	30,118,867
Deferred Outflows of Resources	6,389,656	10,522,000
Current Liabilities	3,989,725	2,602,491
Long-Term Liabilities	40,692,129	49,477,257
Total Liabilities	44,681,854	52,079,748
Deferred Inflows of Resources	5,779,522	3,271,108
Net Position:		
Net investment in capital assets	10,311,485	9,910,667
Restricted	1,298,580	915,536
Unrestricted	(26,795,691)	(25,536,192)
Total Net Position	**$ (15,185,626)**	**$ (14,709,989)**

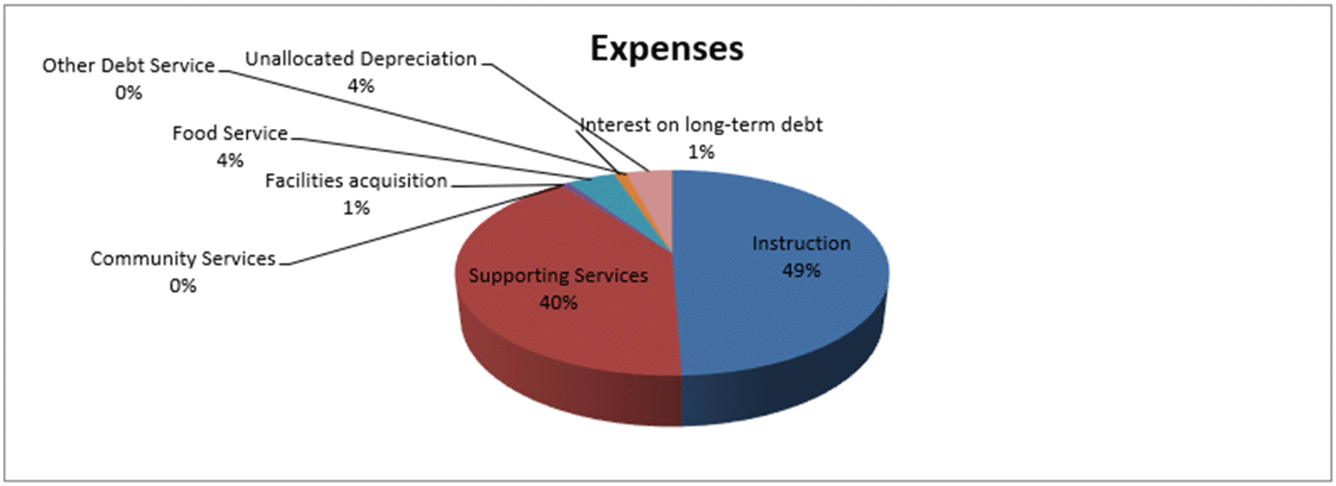
A portion of the District's net position is invested in capital assets (buildings, land, and equipment). The remaining net position is a combination of restricted and unrestricted amounts. The restricted net position is an amount set aside by management to finance future purchases or capital projects as planned by the District, to repay general obligation debt and to satisfy the Colorado constitutional requirement of an emergency reserve.

A summary of the District's activities is as follows:

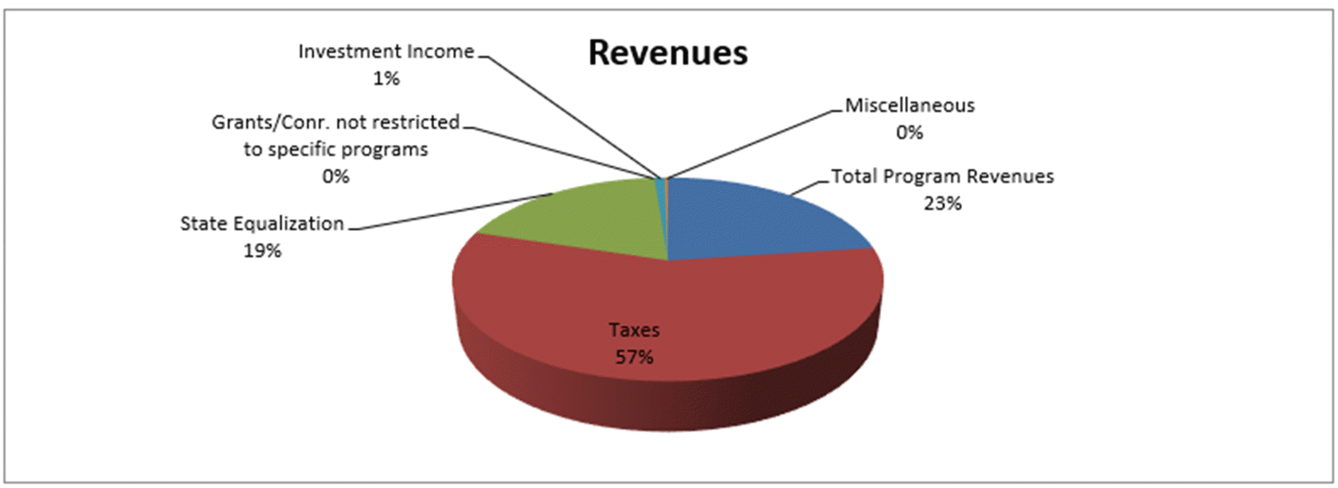
TABLE 2 - CONDENSED STATEMENT OF ACTIVITES

	2025 Governmental Activities	2024 Governmental Activities
Program Revenues:		
Charges for Services	$ 1,708,931	$ 1,436,633
Operating Grants	4,272,343	4,883,621
Total Program Revenues	5,981,274	6,320,254
General Revenues:		
Taxes	14,857,388	15,278,458
State Equalization	4,953,635	6,132,350
Grants/Conr. not restricted to specific programs	-	1,821
Investment Income	250,017	263,576
Miscellaneous	66,759	64,386
Total General Revenues	20,127,799	21,740,591
Total Revenues	26,109,073	28,060,845
Expenses		
Instruction	13,140,299	14,835,171
Supporting Services	10,706,623	10,844,438
Community Services	4,940	1,178,619
Facilities acquisition	200,673	2,695
Food Service	1,140,894	525,417
Interest on long-term debt	292,193	383,158
Other Debt Service	1,500	1,575
Unallocated Depreciation	1,097,588	1,076,107
Total Expenses	26,584,710	28,847,180
Change in Net Position	(475,637)	(786,335)
Net Position - Beginning	(14,709,989)	(13,923,654)
Net Position - Ending	$ (15,185,626)	$ (14,709,989)

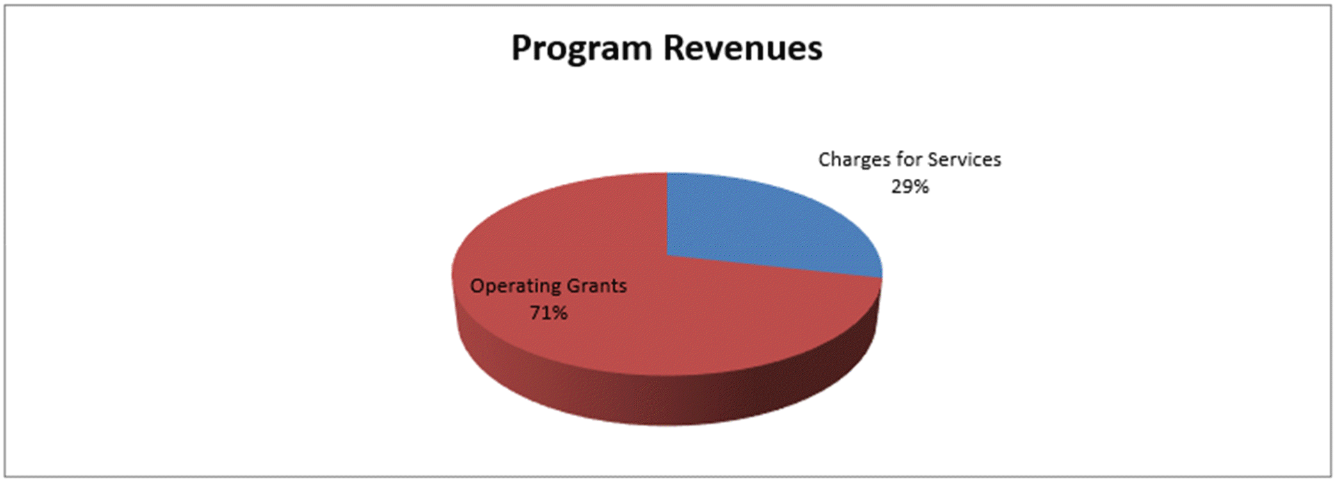
The District's largest activity is the instruction of students. The District also provides related services that support the educational activity. The distribution of the District's cost to provide these activities is as follows:



The District funds these costs through a combination of program specific and general revenues. An allocation of these sources is as follows:



Program revenues consist of charges for services, operating grants and contributions and capital grants and contributions. Charges for services, operating grants, and capital grants are shown below:



Reporting the District's Most Significant Funds

The District's major funds begins on page 3 of the basic financial statements**.** Fund financial reports provide detailed information about the District's major funds. The District has three major funds: General Fund, Designated Purpose Grants Fund, and Capital Projects Fund.

Governmental Funds

Most of District's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the district's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements of the Governmental Funds.

Fund Financial Statements

As of June 30, 2025, the District's governmental funds reported a combined fund balance of **$6,795,428**, a decrease of **$2,520,610** from the prior year balance of $9,316,038.

This decrease reflects the use of fund balance to support operations and capital expenditures in a year where revenue growth did not keep pace with expenditure demands.

The **General Fund**, which is primarily supported by **Per Pupil Revenue (PPR)**, reported a decrease of **$1,596,093**. This decline reflects both the loss of the City sales tax revenue and the continued impact of enrollment dynamics on total program funding.

Because PPR is driven by **funded pupil count**, shifts in enrollment—including changes in charter school participation—directly affect the District's available resources. **Merit Academy continued to grow during FY2025, reaching 452 funded pupils, up from 398.5 in the prior year.** This increase represents a meaningful shift in enrollment distribution and impacts the allocation of total program funding within the District.

The **Designated Purpose Grants Fund** remained balanced, while the **Capital Projects Fund** reported a **deficit fund balance of $934,744** due to capital expenditures exceeding available resources. This deficit is expected to be resolved through planned transfers.

Nonmajor funds, including Food Service, Transportation, and Pupil Activity funds, reported a combined ending balance of **$1,059,377**, reflecting stable operations.

Capital Assets

As of June 30, 2025, the District reported **$17,934,827** in capital assets, net of accumulated depreciation and amortization. This represents a **net decrease of approximately $96,036** from the prior year, as depreciation exceeded current-year capital additions.

The District continues to maintain its existing facilities while managing capital investment levels in alignment with available financial resources.

Please see Note 5 on page 20 of the financial statements for additional information related to the District's capital assets.

Debt Administration

As of June 30, 2025, the outstanding balance of Certificates of Participation (COPs) was **$6,700,000**, reflecting scheduled principal repayments during the year.

Additional long-term liabilities include:

- **$586,571 in compensated absences**
- **$907,180 in lease liabilities**
- **$38,265 in subscription-based IT arrangements (SBITAs)**

These obligations are incorporated into the District's long-term financial planning.

Please see Note 8 starting on page 22 of the financial statements for additional information related to the District's long-term liabilities.

General Fund Budget

The Board of Education adopts the District's budget in June of each year. Changes are then made mid-year after student enrollment is finalized. The adoption of supplemental budgets is allowed throughout the year when unanticipated additional revenues are received. The majority of changes to the General Fund budget are in the area of salary and benefits due to staff changes. The Designated Purpose Grants budget is revised, as final allocations become known. Revenues generated from the District's Program Funding (Colorado School Finance Act) change throughout the year. Program funding is based upon student enrollment on October 1st of each year. This per pupil funding is based on a combination of Property Tax, State Equalization, and Specific Ownership Tax. Because these factors are not known in June when the budget is adopted, the portion of revenue from each source is an estimate. The general fund revenues posted $284,642 under the final budget, while expenditures were $6.25 million below budget, primarily due to unspent contingency reserves. Excluding contingency, operational expenditures exceeded budget by approximately $1.4 million.

Economic Factors

Funding for Colorado school districts is governed by the **School Finance Act**, under which total program funding is determined by **Per Pupil Revenue (PPR)** multiplied by the District's **funded pupil count**.

During FY2025, the District experienced a **significant structural shift in its revenue base** due to the **expiration of the City sales tax in March 2025**, which had historically generated approximately **$3 million annually**. The loss of this local revenue source reduced financial flexibility and increased reliance on state-controlled funding mechanisms.

A key component of PPR is **At-Risk funding**, which provides additional resources based on the proportion of students eligible for free and reduced lunch. This funding is embedded within total program funding and fluctuates with both enrollment and student demographics.

The District's financial position continues to be influenced by:

- **Enrollment trends**, which directly affect funded pupil count and total PPR
- **Growth in charter school enrollment**, particularly at Merit Academy, which increased from **398.5 funded pupils to 452 in FY2025**
- **State equalization funding levels**, which adjust based on the relationship between local property tax revenues and total program funding requirements
- **Loss of local revenue sources**, including the City sales tax

Because many District costs—particularly staffing and facilities—are relatively fixed in the short term, reductions in revenue—whether from enrollment changes or the loss of local funding sources—create structural financial pressure.

In response, the District has taken steps to align expenditures with available resources, resulting in a reduction in total expenses and an improved year-over-year operating result. However, long-term financial stability will depend on enrollment trends, future funding policy decisions at the state level, and the District's ability to continue adjusting its cost structure to match available revenues.

Requests for Information

This financial report is designed to provide a general overview of the Woodland Park School District Number RE-2's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Business Services, P.O. Box 99, Woodland Park, Colorado 80866.

BASIC FINANCIAL STATEMENTS

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government	Component Unit
	Governmental Activities	**Charter School**
ASSETS		
Cash and investments	$ 9,039,787	$ 1,066,593
Cash with County Treasurer	252,390	-
Taxes receivable	537,023	-
Intergovernmental receivables	639,431	15,078
Other receivables	20,860	31,777
Lease receivables	57,143	-
Due from component units	375,646	-
Inventories and prepaid expenses	28,987	8,853
Deposits	-	34,354
Capital assets, net of accumulated depreciation/amortization	17,934,827	29,755
Total assets	28,886,094	1,186,410
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pension outflows	6,318,241	2,912,486
Deferred OPEB outflows	71,415	200,082
Total deferred outflows of resources	6,389,656	3,112,568
LIABILITIES		
Accounts payable and other current liabilities	1,436,340	409,631
Accrued salaries and benefits	2,250,050	637,682
Due to components units	13,064	-
Unearned revenue	259,298	6,075
Accrued interest	30,973	-
Long-term liabilities		
Due within one year	652,935	28,961
Due in more than one year	7,556,978	177,570
Net pension liability	31,915,937	7,621,999
Net OPEB liability	566,279	135,236
Total liabilities	44,681,854	9,017,154
DEFERRED INFLOWS OF RESOURCES		
Deferred lease inflows	57,143	-
Deferred pension inflows	5,182,422	-
Deferred OPEB inflows	539,957	73,058
Total deferred inflows of resources	5,779,522	73,058
NET POSITION		
Net investment in capital assets	10,311,485	-
Restricted for:		
Emergency reserve (TABOR)	720,000	196,500
Preschool	578,580	-
Unrestricted	(26,795,691)	(4,987,734)
Total net position	$ (15,185,626)	$ (4,791,234)

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

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenue			Net (Expense) Revenue and Changes in Net Position	
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Component Unit**
Primary government						
Governmental activities:						
Instruction	$ 13,140,299	$ 817,379	$ 2,781,381	$ -	$ (9,541,539)	$ -
Supporting services	10,706,623	798,048	402,178	-	(9,506,397)	-
Food service operations	1,140,894	93,504	1,088,784	-	41,394	-
Community services	4,940	-	-	-	(4,940)	-
Facilities acquisition	200,673	-	-	-	(200,673)	-
Interest on long-term debt	292,193	-	-	-	(292,193)	-
Other debt service	1,500	-	-	-	(1,500)	-
Depreciation - unallocated	1,097,588	-	-	-	(1,097,588)	-
Total primary government	$ 26,584,710	$ 1,708,931	$ 4,272,343	$ -	(20,603,436)	
Component unit						
Charter school	$ 8,796,135	$ 169,555	$ 630,737	$ 77,406		$ (7,918,437)
General revenues:						
Property and sales taxes					13,706,042	672,033
Specific ownership taxes					1,151,346	-
State equalization					4,953,635	-
Per pupil revenue					-	5,086,415
Grants and contributions not restricted to specific programs					-	51,720
Unrestricted investment earnings					250,017	10
Miscellaneous					66,759	12,636
Total general revenues					20,127,799	5,822,814
Change in net position					(475,637)	(2,095,623)
Net position - beginning (deficit)					(14,709,989)	(2,695,611)
Net position - ending (deficit)					$ (15,185,626)	$ (4,791,234)

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

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Governmental Designated-Purpose Grants Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 7,976,057	$ -	$ -	$ 1,063,730	$ 9,039,787
Cash with County Treasurer	252,390	-	-	-	252,390
Taxes receivable	537,023	-	-	-	537,023
Intergovernmental receivables	18,935	524,890	-	95,606	639,431
Other receivables	-	-	-	20,860	20,860
Lease receivables	57,143	-	-	-	57,143
Due from component units	375,646	-	-	-	375,646
Due from other funds	1,406,478	-	-	51,992	1,458,470
Inventories and prepaids	-	-	-	28,987	28,987
Total assets	$ 10,623,672	$ 524,890	$ -	$ 1,261,175	$ 12,409,737
LIABILITIES					
Accounts payable and other current liabilities	$ 1,415,630	$ 1,228	$ 6,478	$ 13,004	$ 1,436,340
Accrued salaries and benefits	2,150,076	99,974	-	-	2,250,050
Due to other funds	51,992	308,042	928,266	170,170	1,458,470
Due to component units	12,858	206	-	-	13,064
Unearned revenue	125,234	115,440	-	18,624	259,298
Total liabilities	3,755,790	524,890	934,744	201,798	5,417,222
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	139,944	-	-	-	139,944
Unavailable revenue-leases	57,143	-	-	-	57,143
Total deferred inflows of resources	197,087	-	-	-	197,087
FUND BALANCES					
Nonspendable for:					
Inventories and prepaid expenses	-	-	-	28,987	28,987
Restricted for:					
Emergency reserve (TABOR)	720,000	-	-	-	720,000
Preschool	578,580	-	-	-	578,580
Committed for:					
Food service operations	-	-	-	315,319	315,319
Transportation	-	-	-	78,428	78,428
Pupil Activities	-	-	-	636,643	636,643
Unassigned	5,372,215	-	(934,744)	-	4,437,471
Total fund balances	6,670,795	-	(934,744)	1,059,377	6,795,428
Total liabilities, deferred inflows of resources, and fund balances	$ 10,623,672	$ 524,890	$ -	$ 1,261,175	$ 12,409,737

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

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

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

Total fund balance - governmental funds		$ 6,795,428
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, net of accumulated depreciation/amortization		17,934,827
Property tax receivable is not available to pay current period expenditures and, therefore, is not reported in the funds.		139,944
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:		
Net pension liabilities	$ (31,915,937)	
Pension outflows	6,318,241	
Pension inflows	(5,182,422)	
Net OPEB liabilities	(566,279)	
OPEB outflows	71,415	
OPEB inflows	(539,957)	
Accrued interest	(30,973)	
Compensated absences	(586,571)	
Leases	(945,445)	
Certificates of participation	(6,700,000)	
Unamortized discount	22,103	(40,055,825)
Net position of governmental activities in the statement of net position		$ (15,185,626)

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

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Governmental Designated-Purpose Grants Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Local sources	$ 15,987,303	$ 49,610	$ -	$ 730,489	$ 16,767,402
State sources	6,059,173	516,106	-	688,111	7,263,390
Federal sources	599,569	503,867	-	642,883	1,746,319
Total revenues	22,646,045	1,069,583	-	2,061,483	25,777,111
EXPENDITURES					
Instruction	12,810,196	564,934	-	564,707	13,939,837
Supporting services	10,631,518	499,709		256,239	11,387,466
Food service operations	-	-	-	1,195,203	1,195,203
Community services	8,163	4,940	-	-	13,103
Facilities acquisition and construction	-	-	969,851	-	969,851
Debt service	924,107	-	-	-	924,107
Total expenditures	24,373,984	1,069,583	969,851	2,016,149	28,429,567
Excess (deficiency) of revenues over expenditures	(1,727,939)	-	(969,851)	(924,517)	(2,652,456)
OTHER FINANCING SOURCES (USES)					
Other long-term debt proceeds	131,846	-	-	-	131,846
Total other financing sources (uses)	131,846	-	-	-	131,846
Net change in fund balances	(1,596,093)	-	(969,851)	45,334	(2,520,610)
Fund balances - beginning	8,266,888	-	35,107	1,014,043	9,316,038
Fund balances - ending	$ 6,670,795	$ -	$ (934,744)	$ 1,059,377	$ 6,795,428

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

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds:		$ (2,520,610)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays	$ 1,001,552	
Depreciation/amortization	(1,097,588)	(96,036)
Governmental funds do not present property tax revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		49,346
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Repayment of principal	$ 630,644	
Lease and SBITA proceeds	(131,846)	498,798
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on long-term debt	$ 1,714	
Amortization of premiums and discounts and deferred on refunding	(1,944)	
Compensated absences	(130,095)	
Changes in pension related items	1,473,319	
Changes in OPEB related items	249,871	1,592,865
Change in net position of governmental activities		$ (475,637)

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Woodland Park School District Number RE-2 (the District) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. REPORTING ENTITY

Woodland Park School District Number RE-2 encompasses the northern half of Teller County. The District is home to three PK-5 elementary schools; one 6-8 middle school; one 9-12 high school; and one charter school.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

Discretely Presented Component Unit. The District's Board of Education has authorized one charter school for operation, Merit Academy (Merit). The charter school is fiscally dependent on the District since the District provides the majority of support to the school in the form of per pupil revenue. Also, the potential exists that their exclusion from the District's reporting entity would cause the District's statements to be misleading or incomplete.

Separately issued financial statements for the charter school may be obtained by writing to the following:

Merit Academy
500 E. Kelley's Road
Woodland Park, Colorado 80863

B. GOVERNMENT-WIDE AND FUND 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 non-fiduciary activities of the primary government and its component units. Any fiduciary activities are reported only in the fund financial statements. *Governmental activities* are supported by taxes and intergovernmental revenues. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to students or other service users 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as *general revenues* rather than as program revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for interfund services provided and used, the elimination of which would distort the direct costs and program revenues reported for the various functions.

The emphasis of fund financial statements is on major funds. Major individual funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The District reports the following major governmental funds:

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

The *Designated Purpose Grants Fund* is used to record financial transactions for grants received for designated programs funded by federal, state or local governments.

The *Capital Projects Fund* account for the proceeds, construction, and acquisition of capital assets.

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes.

The *Food Service Fund* accounts for transactions related to food service operations. It also accounts for USDA school breakfast/lunch money.

The *Pupil Activity Fund* accounts for financial transactions related to school sponsored pupil intra-scholastic and interscholastic athletic and other related activities.

The *Transportation Fund* accounts for revenues from a tax levied or fee imposed for the purpose of paying excess transportation costs pursuant to the provisions of § 22-40-102(1.7)(a), C.R.S., or § 22-32-113(5)(a), C.R.S., respectively.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 the 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, interest, and charges for services 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. Specific ownership taxes collected and held by the county at year-end on behalf of the District are also recognized as revenue. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the District.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/ FUND BALANCE

Cash and cash equivalents

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the cash account is available to meet current operating requirements. Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are reported at net asset value.

Receivables

All receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories and prepaid items

Inventories are recorded as expenditures/expenses when consumed rather than when purchased. General warehouse inventory is valued at cost using the first-in/first-out (FIFO) method. Food Service inventory is stated at cost using the weighted average method except for commodities. USDA donated food commodities are valued at estimated acquisition value at the date of receipt.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets

Capital assets include tangible and intangible assets that are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for lease assets, are defined by the District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. For lease assets, only those intangible lease assets that cost more than $50,000 are reported as capital assets.

As the District constructs or acquires capital assets each period they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1 D. *Leases* below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land and construction in progress are not depreciated. The other tangible and intangible assets of the District are depreciated/amortized using the straight-line method over the following estimated useful lives:

Buildings	5-50 years
Site improvements	5-20 years
Vehicles	3-8 years
Furniture & Equipment	3-15 years

Accrued Salaries and Benefits

Salaries and benefits of teachers and other contracted personnel are paid over a twelve-month period, but are earned during a school year of approximately nine months. The salaries and benefits earned, but unpaid, are reported as a liability in the respective funds and have been fully funded as of the fiscal year end.

Unearned Revenue

Unearned revenue includes resources received by the District before the related revenue can be recognized because the earnings process is not complete.

Deferred outflows/inflows of resources

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

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

Leases

Lessee: The District is a lessee for noncancellable leases. The District recognizes a lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of $50,000 or more.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses 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 lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the 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.

Lessor: The District is a lessor for noncancellable leases. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Long-term liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

Woodland Park School District Number RE-2 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 Benefit (OPEB) Plan

Woodland Park School District Number RE-2 participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Net position

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund balance classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal resolution of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

E. REVENUES AND EXPENDITURES/EXPENSES

Property Taxes

Property taxes for the current year are certified in arrears to the County by December 15, and attach as an enforceable lien on property the following January 1. Property taxes are payable in full by April 30, or are payable in two equal installments due February 28 and June 15. The County Treasurer bills and collects the District's property tax. District property tax revenues are recognized when levied to the extent they result in current receivables.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt. The tax rate for the year ended December 31, 2024 is 29.257 mills for general operating expenses. The District's assessed valuation for the collection year 2024 is $429,146,870. Taxes are assessed on $416,460,713 which is the assessed valuation net of tax increment financing.

Specific Ownership Taxes

Specific ownership taxes are collected by the county for motor vehicle and other personal property registered in the District's assessment area. The tax receipts collected by the county are remitted to the District in the subsequent month and are considered unrestricted intergovernmental revenues. Specific ownership taxes are recorded as revenue when collected by the county.

Compensated Absences

The District recognizes a liability for compensated absences in accordance with the provisions of GASB Statement No. 101, *Compensated Absences*. Under this standard, a liability is reported for leave that is attributable to services already rendered, is to be used for time off, and is more likely than not to be used for time off or otherwise paid.

Vacation leave that meets these criteria is accrued when earned in the government-wide financial statements. Sick leave is accrued only to the extent that it is reasonably expected to be paid upon separation or used in future periods. The amount reported as a liability is based on the pay rates in effect at the end of the reporting period and includes applicable salary-related payments.

In the governmental fund financial statements, compensated absences are recognized as expenditures only when due.

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets are required by State law for all funds, except fiduciary funds. The Superintendent submits a proposed budget to the Board of Education for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the District and the manner in which the budget proposes to fulfill such objectives. Public hearings are conducted by the Board of Education to obtain public comments.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

On or before June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board may not review or change the budget except where money for a specific purpose from other than ad valorem taxes becomes available which could not have been reasonable foreseen at the time of the adoption of the budget. Expenditures may not legally exceed appropriations at the fund level.

Authorization to transfer budgeted amounts between line items within any fund rests with the Superintendent. Revisions that alter the total expenditures in any fund must be approved by the Board of Education. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances as established by the Board of Education.

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). GAAP-basis accounting requires that expenditures of salaries and related benefits be recorded in the fiscal year earned. Thus, the District budgets for all accrued salaries and related benefits earned but unpaid at June 30. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Superintendent and/or Board of Education throughout the year. All appropriations lapse at the end of each fiscal year.

Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the Capital Projects Fund by $115,384. The District will address the excess of expenditures over appropriations by reducing expenditures in subsequent years.

Deficit Fund Equity

At June 30, 2025, the Capital Projects Fund has a deficit fund balance of $934,744 due to transfers from the General Fund not taking place. This deficit will be eliminated through a budgeted transfer from the General Fund during the 2025-2026 fiscal year.

NOTE 3 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of June 30, 2025 is as follows:

Deposits	$ 1,242,519
Investments	7,797,268
Total	$ 9,039,787

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

Cash and investments	$ 9,039,787
Total	$ 9,039,787

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits with financial institutions

Custodial Credit Risk—deposits: Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the District's deposits at June 30, 2025 was $1,242,519 and the bank balances were $1,735,302. Of the bank balances, $250,000 were covered by federal deposit insurance, and the remaining balance was uninsured but collateralized in accordance with the provisions of the PDPA.

Investments

The District is authorized by Colorado statutes to invest in the following:

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

At June 30, 2025 the District's investment balances were as follows:

Investment Type	Year-end Balance	Measurement	Maturity	Standard & Poor's Rating
ColoTrust	$ 6,167,936	Net asset value	Less than 90 days	AAAm
Money Market	630,959	Amortized cost	Less than 90 days	AAA
Corporate Bonds	44,794	Fair market value	Up to 5 years	AAA
US Agencies	953,579	Fair market value	Up to 5 years	AA+
	$ 7,797,268			

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Local Government Investment Pools. The Colorado Local Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating the pools, which operate in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended, which includes the maintenance of each share equal in value to $1.00. Investments are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodians' internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to interest rate risk, the District has a board approved investment policy that limits investment maturities to five years or less. Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and District policy limit investments to those described above.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be caused by the District's investment in a single issuer. The District places no limit on the amount it may invest in any one issuer. More than 20 percent of the District's investments are in ColoTrust. These investments are 79.10% of the District's total investments.

Fair value of investments. The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

All of the District's investments that are measured at fair market value are categorized as Level 2 investments. District investments measured at net asset value or amortized cost fall under the existing exemptions to fair value measurement.

NOTE 4 – INTERFUND RECEIVABLES AND PAYABLES

Receivables and Payables

Interfund receivables and payables are created in conjunction with the District's pooled cash and investment portfolios. Balances are routinely cleared as a matter of practice.

The composition of interfund balances as of June 30, 2025, is as follows:

	Due From Other Funds	Due To Other Funds
General Fund	$ 1,406,478	$ 51,992
Governmental Designated Purpose Grants Fund	-	308,042
Capital Projects Fund	-	928,266
Nonmajor Funds	51,992	170,170
Total	$ 1,458,470	$ 1,458,470

NOTE 5 - CAPITAL ASSETS

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

Governmental activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Construction in progress	$ 3,600	$ 2,672	$ (6,272)	$ -
Total capital assets, not being depreciated	3,600	2,672	(6,272)	-
Capital assets being depreciated:				
Buildings and Improvements	38,045,708	476,222	-	38,521,930
Site Improvements	1,872,355	334,129	-	2,206,484
Vehicles	1,007,331	-	(118,471)	888,860
Furniture & Equipment	2,957,638	62,955	(5,155)	3,015,438
Total capital assets being depreciated	43,883,032	873,306	(123,626)	44,632,712
Less accumulated depreciation for:				
Buildings and Improvements	(22,167,034)	(741,549)	-	(22,908,583)
Site Improvements	(1,335,278)	(64,999)	-	(1,400,277)
Vehicles	(892,421)	(34,390)	118,471	(808,340)
Furniture & Equipment	(2,348,370)	(77,747)	5,155	(2,420,962)
Total accumulated depreciation	(26,743,103)	(918,685)	123,626	(27,538,162)
Total capital assets being depreciated, net	17,139,929	(45,379)	-	17,094,550
Lease assets being amortized:				
Furniture & Equipment	1,322,515	75,804	-	1,398,319
Total lease assets being amortized	1,322,515	75,804	-	1,398,319
Less accumulated amortization for:				
Furniture & Equipment	(435,181)	(160,222)	-	(595,403)
Total accumulated amortization	(435,181)	(160,222)	-	(595,403)
Total lease assets being amortized, net	887,334	(84,418)	-	802,916
SBITA assets being amortized:				
Software	-	56,042	-	56,042
Total SBITA assets being amortized	-	56,042	-	56,042
Less accumulated amortization for:				
Software	-	(18,681)	-	(18,681)
Total accumulated amortization	-	(18,681)	-	(18,681)
Total SBITA assets being amortized, net	-	37,361	-	37,361
Capital assets, net of accumulated depreciation/amortization	18,027,263	(92,436)	-	17,934,827
Total governmental activities capital assets	$18,030,863	$ (89,764)	$ (6,272)	$17,934,827

NOTE 6 – LEASES

District as lessee

The District, as a lessee, has entered into lease agreements for equipment with lease terms ranging from 3 to 16 years. The total costs of these right-to-use lease assets are recorded as $1,398,319, less accumulated amortization of $595,403. The District has determined that as of June 30, 2025, there is no loss associated with an impairment of the right-to-use lease asset.

The future lease payments under lease agreements as of June 30, 2025 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	$ 159,269	$ 29,240	$ 188,509
2027	171,257	23,516	194,773
2028	183,845	17,384	201,229
2029	197,083	8,418	205,501
2030	195,726	3,792	199,518
Total	$ 907,180	$ 82,350	$ 989,530

District as lessor

The District, as a lessor, has entered into lease agreements with a third party involving buildings. The lease is for 5 years and the District will receive monthly payments of $5,000. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was $60,000. As of June 30, 2025, the District receivable for lease payments was $57,143. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2025, the balance of the deferred inflow of resources was $57,143.

NOTE 7 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT

During the current fiscal year, the Woodland Park School District entered into a three-year subscription based information technology arrangement (SBITA) for the use of a vendor's cloud-based accounting software. An initial subscription liability was recorded in the amount of $56,042 during the current fiscal year, which is the value of the SBITA liability as of June 30, 2025. The Woodland Park school District is required to make annual subscription payments of $20,579 through March 1, 2028. The SBITA has an interest rate of 5 percent. The value of the subscription asset et the end of the current fiscal year was $56,042 and had accumulated amortization of $18,681.

NOTE 7 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (CONTINUED)

The future principal and interest subscription payments as of June 20, 2025, were as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	$ 18,666	$ 1,913	$ 20,579
2027	19,599	980	20,579
Total	$ 38,265	$ 2,893	$ 41,158

NOTE 8 – LONG-TERM LIABILITIES

Certificate of Participation

Certificates of participation (COPs) are lease-financing agreements used by the District to provide funds for the acquisition and construction of major capital facilities. Under such agreements, the District makes regular payments over an annually renewable contract for the acquisition and use of the property. COPs have been issued for governmental activities. COPs are not considered general obligations of the District. COPs are secured by lease revenues through a lease-financing agreement.

Certificates of participation outstanding at June 30, 2025 are as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-end
Governmental Activities				
Certificates of Participation 2016	$ 10,085,000	1.45% - 3.20%	2037	$ 6,700,000

Annual debt service requirements to maturity for certificates of participation are as follows:

Fiscal Year Ending June 30	Governmental Activities Principal	Governmental Activities Interest
2026	$ 475,000	$ 240,418
2027	490,000	225,215
2028	505,000	208,538
2029	520,000	190,600
2030	545,000	171,963
2031 – 2035	2,870,000	545,525
2036 – 2037	1,295,000	52,299
Total	$ 6,700,000	$ 1,634,558

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

Changes in Long-Term Liabilities

Changes in the District's long-term liabilities for the year ended June 30, 2025, are as follows:

Governmental Activities	Beginning Balance	Debt Issued and Additions	Reductions	Ending Balance	Due Within One Year
Cetificates of participation	$ 7,165,000	$ -	$ (465,000)	$ 6,700,000	$ 475,000
Discount	(24,047)	-	1,944	(22,103)	-
Total	7,140,953	-	(463,056)	6,677,897	475,000
Leases	979,243	75,804	(147,867)	907,180	159,269
SBITAs	-	56,042	(17,777)	38,265	18,666
Compensated absences	456,476	130,095	-	586,571	-
Net pension liability	39,936,284	239,278	(8,259,625)	31,915,937	-
Net OPEB liability	964,301	72,733	(470,755)	566,279	-
Total Governmental Activities	$ 49,477,257	$ 573,952	$ (9,359,080)	$ 40,692,129	$ 652,935

The change in compensated absence liability is presented as a net change.

General obligation bonds are liquidated in the debt service fund. Leases are liquidated in the general fund. Approximately 90% of compensated absences, net pension liabilities, and net OPEB liabilities are normally liquidated in the general fund, with remaining amounts liquidated in other governmental funds.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the Woodland Park School District Number RE-2 are provided with pensions through the SCHDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

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.

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.

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

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

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit.

- $15 times the first 10 years of service credit plus $20 times the service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and 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.

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions provisions as of June 30, 2025: Eligible employees of, Woodland Park School District Number RE-2 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 Woodland Park School District Number RE-2 is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Woodland Park School District Number RE-2 were $2,540,646 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 $225 million direct distribution each year to PERA starting on July 1, 2018. For 2024, a portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund.

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

The net pension liability for the SCHDTF was measured as of December 31, 2024, and the total pension liability (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 Woodland Park School District Number RE-2 proportion of the net pension liability was based on Woodland Park School District Number RE-2 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.

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

At June 30, 2025, the Woodland Park School District Number RE-2 reported a liability of $31,915,937 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the Woodland Park School District Number RE-2 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 Woodland Park School District Number RE-2 were as follows:

Woodland Park School District Number RE-2 proportionate share of the net pension liability	$ 31,915,937
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Woodland Park School District Number RE-2	2,866,558
Total	$ 34,782,495

At December 31, 2024, the Woodland Park School District Number RE-2 proportion was 0.1849673928%, which was a decrease of 0.0408728547% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the Woodland Park School District Number RE-2 recognized pension expense of $1,067,328 and revenue of $302,301 for support from the State as a nonemployer contributing entity. At June 30, 2025, the Woodland Park School District Number RE-2 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
Difference between expected and actual experience	$ 1,807,352	$ -
Changes of assumptions or other inputs	239,278	-
Net difference between projected and actual earnings on pension plan investments	602,165	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,410,679	5,182,422
Contributions subsequent to the measurement date	1,258,767	N/A
Total	$ 6,318,241	$ 5,182,422

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

$1,258,767 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:	
2026	$ 1,090,857
2027	938,098
2028	(1,722,440)
2029	(429,463)
2030	-
Thereafter	-

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% – 11.00%
Long-term investment rate of return, net of 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.

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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%.

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

NOTE 9 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Woodland Park School District Number RE-2 *proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 43,270,613	$ 31,915,937	$ 22,404,808

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

Significant Changes in Plan Provisions Affecting Trends in Actuarial Information
2024 Changes in Plan Provision Since 2023

- There were no changes made to the plan provisions.

Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information
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%.

Subsequent Events

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

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

General Information about the OPEB Plan

Plan description. Eligible employees of the Woodland Park School District Number RE-2 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.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

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 Woodland Park School District Number RE-2 is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Woodland Park School District Number RE-2 were $127,157 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 Woodland Park School District Number RE-2 reported a liability of $566,279 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 Woodland Park School District Number RE-2 proportion of the net OPEB liability was based on Woodland Park School District Number RE-2 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 Woodland Park School District Number RE-2 proportion was 0.1184270571%, which was a decrease of 0.0166808911% from its proportion measured as of December 31, 2023.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

For the year ended June 30, 2025, the Woodland Park School District Number RE-2 recognized OPEB expense of $122,715. At June 30, 2025, the Woodland Park School District Number RE-2 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
Difference between expected and actual experience	$ -	$ 124,910
Changes of assumptions or other inputs	6,493	181,011
Net difference between projected and actual earnings on OPEB plan investments	1,920	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	234,036
Contributions subsequent to the measurement date	63,002	N/A
Total	$ 71,415	$ 539,957

$63,002 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:

Year ended June 30:	
2026	$ (145,360)
2027	(104,839)
2028	(111,757)
2029	(79,337)
2030	(59,658)
Thereafter	(30,593)

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2033
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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, as 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.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. 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.
enrollees not eligible for premium-free Medicare Part A.

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

[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.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
School Division	PubT-2010 Employee	N/A

Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
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

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

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.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

Salary increases, including wage inflation 4.00%-13.40%

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

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

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

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

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Pre-Retirement	Mortality Table	Adjustments, as Applicable
School Division	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
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
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

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.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Sensitivity of the Woodland Park School District Number RE-2 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:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate[1]	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate[1]	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 551,022	$ 566,279	$ 583,546

[1]For the January 1, 2025, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

- 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.

NOTE 10 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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 Woodland Park School District Number RE-2 *proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 693,984	$ 566,279	$ 456,182

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.

Significant Changes in Plan Provisions Affecting Trends in Actuarial Information
2024 Changes in Plan Provision 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.

Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information
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.

NOTE 11 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, and natural disasters. The District accounts for and finances its risk activities in the General Fund. The District purchases commercial insurance for property, liability and worker's compensation risks of loss. Settlements have not exceeded premiums for each of the past three fiscal years.

NOTE 12 – JOINTLY GOVERNED ORGANIZATION

Ute Pass Board of Cooperative Educational Services

The District in conjunction with other surrounding districts created the Ute Pass Board of Cooperative Educational Services (BOCES). The BOCES is an organization that provides member districts educational services at a shared lower cost per district. The District does not have an ongoing financial interest in or responsibility for the BOCES. Financial statements for the BOCES can be obtained from their office at 151 Panther Way, Woodland Park, Colorado 80863.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Grants

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under terms of the grant. However, in the opinion of the District, any such adjustments will not have a material adverse effect on the financial position of the District.

Legal

In March 2026, the District entered into a settlement agreement related to a lawsuit that was outstanding as of June 30, 2025. The settlement requires a one-time payment of $188,078. Because the underlying conditions existed at June 30, 2025 and the settlement was finalized prior to the issuance of these financial statements, the District has recorded an accrued liability and related expenditure/expense of $188,078 in the accompanying financial statements as of June 30, 2025.

The District is involved in pending or threatened lawsuits and claims. The District estimates that potential claims not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the District.

NOTE 14 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments, including school districts.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The District is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. At June 30, 2025 there is a $720,000 reservation of fund balance in the General Fund for the amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

On November 3, 1998, voters of the District elected out of compliance with the Tabor Amendment with passage of the following election question:

> Shall the Woodland Park School District RE-2 be authorized and permitted to retain, appropriate, and utilize, by retention for reserve, carryover, fund balance, or expenditure, the full proceeds and revenues received from every source whatever, without limitation, in 1998 and all subsequent years, notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution, provided, however, that no local tax rate or property mill levy shall be increased at any time, nor shall any new tax be imposed, without the prior consent of the voters of the Woodland Park School District RE-2?

On April 5, 2016, voters of the City of Woodland Park passed the following election question:

> Shall the City of Woodland Park, Colorado, taxes be increased by $2.296 million in the first full fiscal year and by such amounts as may be generated annually thereafter by an additional sales tax at the rate of 1.09% commencing July 1, 2016, and continuing thereafter, to be used exclusively by Woodland Park School District RE-2 for educational purposes?

The passage of this question enabled the District to refinance its existing general obligation debt with the issuance of certificates of participation and reduced property taxes by 6.725 mills.

The amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

NOTE 15 – COLORADO SCHOOL DISTRICT/BOCES, ELECTRONIC DATA INTEGRITY CHECK FIGURES

The School Finance Act requires inclusion of the Colorado School District/BOCES, Electronic Financial Data Integrity Check Figures as a supplement schedule to the audited financial statements. The Report is based on a prescribed basis of accounting that demonstrates compliance with the financial policies and procedures of the Colorado Department of Education.

REQUIRED SUPPLEMENTARY INFORMATION

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2025

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.1849673928%	0.2258402475%	0.1863207477%	0.2201452348%	0.2604049683%	0.2339465591%	0.2372314330%	0.2643529622%	0.2614084077%	0.2628276915%
District's proportionate share of the net pension liability (asset)	$ 31,915,937	$ 39,936,284	$ 33,928,011	$ 25,619,107	$ 39,367,979	$ 34,951,108	$ 42,006,698	$ 85,482,353	$ 77,831,392	$ 40,197,640
State's proportionate share of the net pension liability (asset) associated with the District	2,866,558	875,684	9,886,963	2,936,903	-	4,433,104	5,743,833	-	-	-
Total	$ 34,782,495	$ 40,811,968	$ 43,814,974	$ 28,556,010	$ 39,367,979	$ 39,384,212	$ 47,750,531	$ 85,482,353	$ 77,831,392	$ 40,197,640
District's covered payroll	$ 14,293,287	$ 14,930,079	$ 14,372,494	$ 13,758,383	$ 13,929,877	$ 13,747,499	$ 13,041,886	$ 12,194,290	$ 11,732,477	$ 11,453,971
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	223.29%	267.49%	236.06%	186.21%	282.62%	254.24%	322.09%	701.00%	663.38%	350.95%
Plan fiduciary net position as a percentage of the total pension liability	67.2%	64.7%	61.8%	74.9%	67.0%	64.5%	57.0%	44.0%	43.1%	59.2%

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

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - PENSION
JUNE 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 2,540,646	$ 2,888,345	$ 3,081,448	$ 2,753,338	$ 2,737,211	$ 2,714,172	$ 2,567,433	$ 2,368,456	$ 2,209,755	$ 2,037,969
Contributions in relation to the contractually required contribution	(2,540,646)	(2,888,345)	(3,081,448)	(2,753,338)	(2,737,211)	(2,714,172)	(2,567,433)	(2,368,456)	(2,209,755)	(2,037,969)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 12,466,367	$ 14,172,450	$ 15,119,963	$ 13,849,790	$ 13,768,667	$ 14,005,013	$ 13,420,976	$ 12,544,789	$ 12,022,604	$ 11,494,468
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%

* The amounts presented for each fiscal year were determined as of 6/30.

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
JUNE 30, 2025

	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.1184270571%	0.1351079482%	0.1415526825%	0.1437381589%	0.1506346130%	0.1528929755%	0.1541919701%	0.1501339357%	0.1485915540%
District's proportionate share of the net OPEB liability (asset)	$ 566,279	$ 964,301	$ 1,155,748	$ 1,239,461	$ 1,431,368	$ 1,718,514	$ 2,097,847	$ 1,951,141	$ 1,926,540
District's covered payroll	$ 14,293,287	$ 14,930,079	$ 14,372,494	$ 13,758,383	$ 13,929,877	$ 13,747,499	$ 13,041,886	$ 12,194,290	$ 11,732,477
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	3.96%	6.46%	8.04%	9.01%	10.28%	12.50%	16.09%	16.00%	16.42%
Plan fiduciary net position as a percentage of the total OPEB liability	59.8%	46.2%	38.6%	39.4%	32.8%	24.5%	17.0%	17.5%	16.7%

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

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS - OPEB
JUNE 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 127,157	$ 144,559	$ 154,182	$ 141,268	$ 140,413	$ 142,853	$ 137,043	$ 127,853	$ 122,555
Contributions in relation to the contractually required contribution	(127,157)	(144,559)	(154,182)	(141,268)	(140,413)	(142,853)	(137,043)	(127,853)	(122,555)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 12,466,367	$ 14,172,450	$ 15,119,963	$ 13,849,790	$ 13,768,667	$ 14,005,002	$ 13,420,976	$ 12,544,789	$ 12,022,604
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of 6/30.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance with Final Budget**
REVENUES				
Property taxes	$ 13,605,628	$ 11,946,759	$ 11,901,361	$ (45,398)
Specific ownership taxes	899,627	873,424	1,151,346	277,922
Sales Tax	2,582,270	2,582,270	1,755,336	(826,934)
State sources	4,792,821	5,664,573	6,059,173	394,600
Federal sources	611,546	611,546	599,569	(11,977)
Investment earnings	215,000	215,000	250,017	35,017
Other local revenue	1,012,114	1,037,115	929,243	(107,872)
Total revenues	23,719,006	22,930,687	22,646,045	(284,642)
EXPENDITURES				
Instruction	13,058,371	12,548,371	12,810,196	(261,825)
Supporting services				
Student support	965,300	965,300	1,703,426	(738,126)
Instructional staff	1,119,457	1,119,457	996,116	123,341
General administration	1,252,912	1,252,912	1,247,133	5,779
School administration	1,268,637	1,268,637	1,378,240	(109,603)
Business services	539,090	539,090	523,318	15,772
Operations and maintenance	2,232,379	2,082,379	2,499,411	(417,032)
Student transportation	1,109,717	1,009,717	1,067,529	(57,812)
Central support service	1,113,743	1,113,743	1,086,842	26,901
Other support services	62,961	62,961	129,503	(66,542)
Food Service	3,000	3,000	8,163	(5,163)
Capital outlay	94,073	94,073	-	94,073
Debt service	876,207	876,208	924,107	(47,899)
Contingency reserves	7,716,681	7,688,361	-	7,688,361
Total expenditures	31,412,528	30,624,209	24,373,984	6,250,225
Excess (deficiency) of revenues over expenditures	(7,693,522)	(7,693,522)	(1,727,939)	5,965,583
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	131,846	131,846
Net change in fund balances	(7,693,522)	(7,693,522)	(1,596,093)	6,097,429
Fund balance - beginning	7,693,522	7,693,522	8,266,888	573,366
Fund balance - ending	$ -	$ -	$ 6,670,795	$ 6,670,795

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
BUDGETARY COMPARISON SCHEDULE
GOVERNMENTAL DESIGNATED-PURPOSE GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Local sources	$ 61,505	$ 61,505	$ 49,610	$ (11,895)
State sources	551,852	551,852	516,106	(35,746)
Federal sources	523,589	523,589	503,867	(19,722)
Total revenues	1,136,946	1,136,946	1,069,583	(67,363)
EXPENDITURES				
Instruction	600,514	600,514	564,934	35,580
Supporting services				
Student support	169,793	169,793	159,733	10,060
Instructional staff	186,924	186,924	175,849	11,075
General administration	140,159	140,159	131,855	8,304
Business services	34,305	34,305	32,272	2,033
Community services	5,251	5,251	4,940	311
Total expenditures	1,136,946	1,136,946	1,069,583	67,363
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

See the accompanying independent auditor's report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
EXPENDITURES				
Facilities acquisition and construction	$ 854,467	$ 854,467	$ 969,851	$ (115,384)
Total expenditures	854,467	854,467	969,851	(115,384)
Net change in fund balances	(854,467)	(854,467)	(969,851)	854,467
Fund balances - beginning	854,467	854,467	35,107	(819,360)
Fund balances - ending	$ -	$ -	$ (934,744)	$ 35,107

See the accompanying independent auditor's report.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. The District has the following Special Revenue Funds:

Food Service Fund

This fund accounts for transactions related to food service operations. It also accounts for USDA school breakfast/lunch money.

Pupil Activity Fund

This fund is used to record and monitor financial transactions related to school sponsored pupil intra and interscholastic athletics and other student activities.

Transportation Fund

The Transportation Fund is authorized by Colorado state law to account for revenues from a tax levied or fee imposed for the purpose of paying excess transportation costs.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Special Revenue Funds			
	Food Service Fund	Pupil Activity Fund	Transportation Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 180,097	$ 807,624	$ 76,009	$ 1,063,730
Intergovernmental receivables	95,606	-	-	95,606
Other receivables	20,860	-	-	20,860
Due from other funds	49,573	-	2,419	51,992
Inventories	28,987	-	-	28,987
Total assets	$ 375,123	$ 807,624	$ 78,428	$ 1,261,175
LIABILITIES				
Accounts payable	$ 12,193	$ 811	$ -	$ 13,004
Due to other funds	-	170,170	-	170,170
Unearned revenue	18,624	-	-	18,624
Total liabilities	30,817	170,981	-	201,798
FUND BALANCES				
Nonspendable:				
Inventory	28,987	-	-	28,987
Committed:				
Food Service	315,319	-	-	315,319
Transportation	-	-	78,428	78,428
Pupil Activities	-	636,643	-	636,643
Total fund balances	344,306	636,643	78,428	1,059,377
Total liabilities and fund balances	$ 375,123	$ 807,624	$ 78,428	$ 1,261,175

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Funds			
	Food Service Fund	**Pupil Activity Fund**	**Transportation Fund**	**Total Nonmajor Governmental Funds**
REVENUES				
Local sources	$ 95,922	$ 619,548	$ 15,019	$ 730,489
State sources	443,483	-	244,628	688,111
Federal sources	642,883	-	-	642,883
Total revenues	1,182,288	619,548	259,647	2,061,483
EXPENDITURES				
Instruction	-	564,707	-	564,707
Supporting services	-	-	256,239	256,239
Food services	1,195,203	-	-	1,195,203
Total expenditures	1,195,203	564,707	256,239	2,016,149
Net change in fund balances	(12,915)	54,841	3,408	45,334
Fund balances - beginning	357,221	581,802	75,020	1,014,043
Fund balances - ending	$ 344,306	$ 636,643	$ 78,428	$ 1,059,377

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOOD SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources	$ 80,901	$ 95,922	$ 15,021
State sources	797,362	443,483	(353,879)
Federal sources	298,146	642,883	344,737
Total revenues	1,176,409	1,182,288	5,879
EXPENDITURES			
Food services	1,203,350	1,195,203	8,147
Total expenditures	1,203,350	1,195,203	8,147
Net change in fund balances	(26,941)	(12,915)	14,026
Fund balance - beginning	224,623	357,221	132,598
Fund balance - ending	$ 197,682	$ 344,306	$ 146,624

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUPIL ACTIVITY FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources	$ 835,000	$ 619,548	$ (215,452)
Total revenues	835,000	619,548	(215,452)
EXPENDITURES			
Instruction	835,000	564,707	270,293
Total expenditures	835,000	564,707	270,293
Net change in fund balances	-	54,841	54,841
Fund balance - beginning	609,514	581,802	(27,712)
Fund balance - ending	$ 609,514	$ 636,643	$ 27,129

See the accompanying independent auditors' report.

WOODLAND PARK SCHOOL DISTRICT NUMBER RE-2
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources	$ 35,000	$ 15,019	$ (19,981)
State sources	286,981	244,628	(42,353)
Total revenues	321,981	259,647	(62,334)
EXPENDITURES			
Supporting services	301,715	256,239	45,476
Total expenditures	301,715	256,239	45,476
Net change in fund balance	20,266	3,408	(16,858)
Fund balance - beginning	85,836	75,020	(10,816)
Fund balance - ending	$ 106,102	$ 78,428	$ (27,674)

See the accompanying independent auditors' report.

STATE COMPLIANCE

Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON COLORADO SCHOOL DISTRICT/BOCES AUDITOR'S INTEGRITY REPORT

To the Board of Education
Woodland Park School District Number RE-2

We have audited the accompanying financial statements of the Discretely Presented Component Unit and we were engaged to audit the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and Aggregate Remaining Fund Information, of Woodland Park School District Number RE-2, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Woodland Park School District Number RE-2's basic financial statements as listed in the table of contents. Our report thereon, dated April 27, 2026, expressed an unmodified opinion on the Discretely Presented Component Unit and a disclaimer of opinion over the Governmental Activities, General Fund, Designated Purpose Grants Fund, Capital Projects Fund, and the Aggregate Remaining Fund Information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Woodland Park School District Number RE-2's basic financial statements. The accompanying *Colorado School District/BOCES, Auditor's Integrity Report* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 *Colorado School District/BOCES, Auditor's Integrity Report* is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hoelting & Company Inc.

Colorado Springs, Colorado
April 27, 2026

31 East Platte Avenue, Suite 300 • Colorado Springs, CO 80903 • (719) 630-1091 • Fax (719) 630-0522 • www.hoeltingco.com

Colorado Department of Education
Auditors Integrity Report
District: 3020 - Woodland Park Re-2
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	8,807,279	22,776,591	23,824,623	7,759,247
18 Risk Mgmt Sub-Fund of General Fund	-540,391	1,300	549,361	-1,088,452
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	**8,266,888**	**22,777,891**	**24,373,984**	**6,670,795**
11 Charter School Fund	252,329	6,647,890	6,796,953	103,266
20,26-29 Special Revenue Fund	0	0	0	0
06 Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07 Total Program Reserve Fund	0	0	0	0
21 Food Service Spec Revenue Fund	357,221	1,182,288	1,195,202	344,307
22 Govt Designated-Purpose Grants Fund	0	1,069,582	1,069,582	0
23 Pupil Activity Special Revenue Fund	581,801	619,548	564,706	636,643
25 Transportation Fund	75,020	259,647	256,239	78,428
31 Bond Redemption Fund	0	0	0	0
39 Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	35,107	0	969,851	-934,744
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	**9,568,366**	**32,556,846**	**35,226,517**	**6,898,695**
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	**0**	**0**	**0**	**0**
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	**0**	**0**	**0**	**0**

FINAL