COLORADO MOUNTAIN COLLEGE

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2025

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Colorado Mountain College
Glenwood Springs, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of the Colorado Mountain College, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Colorado Mountain College's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the Colorado Mountain College, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Colorado Mountain College Foundation (the Foundation), which represents 100% of the discretely presented component unit of Colorado Mountain College. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Colorado Mountain College Foundation, is based solely on the report of the other auditors.

Basis for Opinions

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

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 Colorado Mountain College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Colorado Mountain College'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 Colorado Mountain College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, the schedule of pension contributions and related ratios, the schedule of proportionate share of the net OPEB liability, and the schedule of OPEB contributions and related ratios, 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 GAAS, 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 Colorado Mountain College's basic financial statements. The actual to budget comparison schedule – collegewide and the Schedule of Federal Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the actual to budget comparison schedule – collegewide and the Schedule of Federal Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2026, on our consideration of the Colorado Mountain College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Colorado Mountain College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Colorado Mountain College's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
March 13, 2026

Following is a discussion of Colorado Mountain College's (the College or CMC) financial performance for the fiscal year ended June 30, 2025. It should be read in conjunction with the College's financial statements, which begin on page 15.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- CMC continued to make significant progress on the "Mountain Futures: CMC 2023-30," CMC's strategic plan which centers around four commitments: Equity, Care, Innovation, and Integrity. These values represent a compass to guide future directions – both internally and externally.
- Conferred 911 credentials to 828 graduates during the Spring Semester, marking another consecutive year of the largest graduating class in the college's history.
- For the second year in a row, voluntarily certified a temporary mill levy rate reduction that ensured needed revenues were preserved and relief could be provided to our community members faced with rising property taxes. In total, CMC's decision to reduce its mill levy provided more than $45M in tax relief to local property owners over the past two years.
- Advanced its capital portfolio by launching construction on the Vail Valley Campus "Building 3" workforce housing project during the Spring of 2025.
- Strengthened its housing strategy by completing a feasibility study—supported by a $300,000 commitment from the Lake County Board of County Commissioners—that confirmed the viability of at least two new residential buildings on the Leadville Campus.
- Completed renovations to the automotive training center in Glenwood Springs and successfully launched the first automotive program in the Roaring Fork School District in more than 20 years.
- Evaluated and improved compensation for adjunct faculty by adopting a new three-tier adjunct pay model, aligned with professional experience and teaching performance.
- Finalized an institution-wide exploratory effort to assess the feasibility of implementing alternative term lengths, specifically 8-week course structures with a strong emphasis on deep stakeholder engagement and operational analysis.
- Advanced its commitment to digital accessibility by achieving an Ally score above 90%, training 84% of employees, and completing half of all required website remediation tasks, positioning the institution for compliance with HB21-1110.
- Significantly expanded multilingual and equity-centered student support by implementing the MAPAS initiative's year-two deliverables, launching the first credit-bearing English for Academic Purposes certificate in Colorado, and hiring new bilingual advising and instructional staff.
- Strengthened regional partnerships through large-scale community and outreach events—including mobile consulate visits serving 300–600 attendees per event—enhancing trust, visibility, and access for Latino and international community members across the district.
- Successfully launched its inaugural President's Student Leadership Council, creating a sustained channel for diverse student input and strengthening student voice in institutional planning and executive decision-making.

- Annually, the College adjusts the net pension liability to reflect the College's share of the overall plan liability (as provided by Colorado's Public Employee Retirement Association (PERA)) in accordance with GASB 68. For the fifth year in a row, the amounts booked against expense are in the opposite direction of normal balances, due to changes in actuarial assumptions that span multiple years, though in a much smaller amount. For FY2024-2025 the net pension liability decreased by $8.5 million while the OPEB liabilities decreased by $0.5 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows represent the activities of the College as a whole, with all operating funds combined into one statement.

Financial highlights are presented in this discussion and analysis to help your assessment of the College's financial activities. Since the presentation includes highly summarized data, it should be read in conjunction with the financial statements, which have the following parts:

- Independent Auditors' Report, which presents an unmodified opinion prepared by our auditors, CliftonLarsonAllen LLP, an independent certified public accounting firm, on the fairness, in all material respects, of our financial statements.
- Statement of Net Position, which presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the College at June 30, 2025. Its purpose is to present a financial snapshot of the College. It aids readers in determining the assets available to continue College operations; how much the College owes to employees, vendors, and creditors; and a picture of net position and their availability for expenditure by the College.
- Statement of Revenues, Expenses and Changes in Net Position, which presents the total revenues, earned and expenses incurred by the College for operating, nonoperating and other related activities during the fiscal year ended June 30, 2025. Its purpose is to assess the College's operating and nonoperating activities.
- Statement of Cash Flows, which presents the cash receipts and disbursements of the College for the fiscal year ended June 30, 2025. Its purpose is to assess the College's ability to generate net cash flows to meet its obligations as they come due.
- Notes to the Financial Statements, which present additional information to support the financial statements and are commonly referred to as "Notes". Their purpose is to clarify and expand on the information in the financial statements.

Required Supplementary Information, which presents this Management's Discussion and Analysis, and schedules providing additional net pension liability and OPEB information as required by the Governmental Accounting Standards Board.

Reporting the College as a Whole

The analysis shows the financial activity of the College as a whole (all funds and locations combined) and begins on page 15. The Statement of Net Position includes all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting. Increases or decreases in net position are an indicator of the College's financial position. The Statement of Revenues, Expenses, and Changes in Net Position demonstrates the Change in Net Assets. Both reports display amounts regardless of the fund transactions are recorded in.

There are other factors that contribute to the College's financial position. They include, but are not limited to:

- Student enrollment
- State funding
- Property tax base
- Condition of CMC-owned property

Enrollment Highlights

The Board of Trustees raised tuition rates by 4% for all students to remain aligned with inflation and support sustaining revenue diversification in FY2024-2025.

Associate and Bachelor degree tuition rates from 2020-2021 to 2024-2025:

Tuition Category	2020-21 Rate/Credit Hr.	2021-22 Rate/Credit Hr.	2022-23 Rate/Credit Hr.	2023-24 Rate/Credit Hr.	2024-25 Rate/Credit Hr.
In-District	$ 85.00	$ 90.00	$ 95.00	$ 100.00	$ 104.00
Service Area*	$ 175.00	$ 180.00	$ 185.00	$ -	$ -
In-State	$ 185.00	$ 190.00	$ 195.00	$ 200.00	$ 208.00
Out of State	$ 466.00	$ 466.00	$ 480.00	$ 510.00	$ 530.00
Industry Rate	$ 185.00	$ 190.00	$ 195.00	$ 200.00	$ 208.00

*The Board of Trustees voted to end the Service Area tuition rate to reflect changes at the state level. Students in these areas will be charged the In-State rate going forward.

Enrollments are generally measured in full-time equivalents (FTE) where a full-time student is counted as taking 30 credit hours per year. The following is an enrollment comparison with last year:

FTE Category	2023-24 Actual	2024-25 Actual	% Change
Credit FTE	3,408.4	3,492.6	2.5%
Non-Credit FTE	264.8	172.2	-35.0%
High School Equivalency FTE	72.2	129.6	79.5%
ESL FTE	263.3	302.4	14.8%
Total	**4,008.7**	**4,096.8**	**2.2%**

The most notable highlight was the large spike (79.5%) in High School Equivalency courses, which reflects the successful Adult High School Diploma program. The 2.5% growth in credit enrollments was on the heels of the prior year having the largest increase in this category in the past decade, and such growth helped bring the total credit enrollments even closer to pre-pandemic levels. Finally, ESL already experienced substantial increase in the prior year, so this year's 14.8% increase helped fully solidify this upward trend. All combined, the annual enrollment for all FTE types increased 2.2%.

Additionally, gross tuition revenue increased by $1,647,412, but with an upward shift in the scholarship allowance, the total tuition and fees, net of scholarship allowance presentation in the financials actually increased by $297,940 and can be better understood when considering the following detail:

	2024-25	2023-24
Gross Tuition	$ 15,692,564	$ 15,840,680
Ongoing Discounts	(1,510,146)	(2,889,139)
Total Tuition and Fees	14,182,418	12,951,541
Less Scholarship Allowance	(5,305,029)	(4,372,092)
Total Tuition and Fees, Net of Scholarship Allowance	$ 8,877,389	$ 8,579,449

Net Position

The College's net position (Table 1) is $201,847,017 at June 30, 2025, reflecting an increase of $9.0 million from last year, due to a variety of increases to revenue and also to noncash pension contra-expense entries. Total current assets increased by $8.5 million seen mostly through increases in property tax receivables and other receivables. Total noncurrent assets increased by $10.0 million due to a land purchase and an increase in Building and Improvements added during the current year for completed of a variety of major construction projects. There was also a material increase in the Right-of-Use Asset – SBITA, that reflects the College's second phase of Workday software implementation.

A number of minor capital projects were started during FY2024-2025 but are not complete, and thus are reflected in the Construction in Progress totals. The Construction in Progress projects from the prior year were completed and capitalized into the appropriate capital asset category and annual depreciation recorded. The net impact of these transactions along with equipment additions and facility improvements, offset by depreciation, was a $9.2 million increase in net investment in capital assets.

The Facilities Master Plan (FMP) provides recommendations for how to deliver the right facilities in the right locations at the right time to achieve CMC's strategic goals. While the FMP confirms there is room to accommodate standard enrollment growth in existing facilities, the plan asserts that classrooms for specialized programs, such as Dental Hygiene, enables investments in critical programs with unmet demand throughout our local communities, and that classroom technology expansions are needed for better campus interconnectivity. The plan also recognizes the importance of investing in affordable housing for both students and employees.

GASB 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27 implemented during FY2014-15, establishes accounting and financial reporting standards for governments that provide their employees' pension benefits. The College participates in Colorado Public Employee Retirement Association (PERA), a cost-sharing pension plan. GASB 68 requires each employer involved in a cost-sharing pension plan, such as PERA, to report their proportionate share of the total unfunded net pension liability and expense of the plan. Having employers record their share of the unfunded liability provides transparency to financial statement users as to the entire net pension liability and pension expense of the cost-sharing plan. GASB 68 also requires an annual adjustment to the pension liability, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions, based on the change in the College's portion of the total Colorado's PERA liability and the changes in actuarial assumptions used to value the overall PERA plan liability. These changes for FY2024-2025 resulted in an decrease to the College's portion of the liability in the amount of $8.5 million or a total liability of $52.5 million at June 30, 2025.

The pension expense is reflected in the Operating Expenses section of the Statement of Revenues, Expenses and Changes in Net Position, and is allocated proportionately to the functional areas by percentage of salary. The actual cost of operations, without this expense, is displayed in the far right column below:

Operating Expenses	Financial Statement Presentation	Remove Pension Contra Expense	Actual Operating Expenses
Instruction	$ 33,266,086	$ 290,161	$ 33,556,247
Community Service	396,834	3,461	400,295
Academic Support	5,219,197	45,524	5,264,721
Student Services	10,012,332	87,332	10,099,664
Institutional Support	38,485,648	325,993	38,811,641
Operation and Maintenance of Plant	3,849,446	120,141	3,969,587
Scholarships	9,945,567	133,022	10,078,589
Auxiliary Enterprises	12,155,911	106,029	12,261,940
Depreciation	9,924,395	-	9,924,395
Total Operating Expenses	123,255,416	1,111,663	124,367,079

* Note: the removed amount shown here is the difference between pension expense (or contra expense) and contributions made to PERA related to the defined benefit pension plan during the year.

GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB), is also reflected in the financial statements. Eligible employees of the College are provided with OPEB through the Health Care Trust Fund (HCTF) – a cost-sharing multiemployer other postemployment benefit (OPEB) plan administered by PERA. The PERA Board has the authority 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. More details concerning GASB 68 and 75 are provided in the notes to these financial statements.

Long-term debt owed by the College in the form of Certificates of Participation Series 2 issued for $26,775,000, has a balance of $22,585,000 remaining at June 30, 2025. In addition, the Series 2021 issued for $33,530,000 has a balance of $31,290,000 remaining at June 30, 2025.

Overall, liabilities decreased $8.2 million. While most liabilities were steady from year to year, the SBITAs and Leases Payable increased by $1.4 million, but the pension and retirement liabilities decreased by a net of $9.0 million year over year.

Restricted net position includes the required legal emergency reserve in compliance with the TABOR amendment, grant funds and loan funds.

The following table breaks the net position down further:

Table 1
Net Position

	2025	2024
Capital Assets, Net	$ 254,402,137	$ 244,135,941
Other Assets	80,002,447	81,737,922
Total Assets	334,404,584	325,873,863
Deferred Outflows of Resources	7,754,234	14,504,868
Long-Term Liabilities	116,971,296	125,593,926
Other Liabilities	18,706,751	18,312,306
Total Liabilities	135,678,047	143,906,232
Deferred Inflows of Resources	4,633,754	3,587,363
Net Investment in Capital Assets	187,688,688	178,191,437
Restricted Net Position	3,500,000	3,325,000
Unrestricted Net Position	10,658,329	11,368,699
Total Net Position	$ 201,847,017	$ 192,885,136

The College sustained its positive unrestricted net position as of June 30, 2025 regardless of changes to the net pension liability due to PERA investment performance and state legislation that supports PERA. The College has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefit, or annual required contribution decisions made by PERA. Unrestricted net position strictly from "College Operations" equals a surplus of approximately $63,190,457 as detailed in Note 11. Within Unrestricted Net Position, a Board of Trustee initiative requires the College to carry a reserve for the purpose of backfilling revenues if they decline, equal to 15% of the total operating revenue budget. Though over recent years they allowed for use of this revenue reserve to purchase residential real estate for employee housing up to $7.5 million. Additional reserves are established to support specific initiatives and contribute to the net position of the College.

Following is a recap of the change in net position:

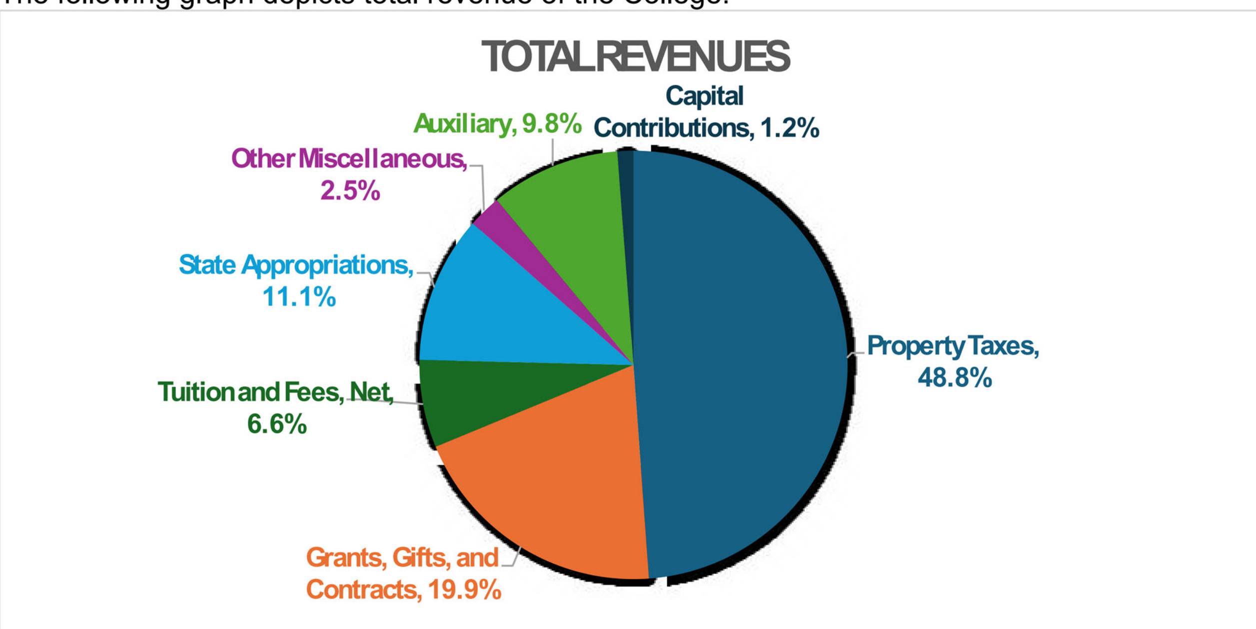
Table 2
Change in Net Position

	2025	2024
Operating Revenues:		
Tuition and Fees, Net	$ 8,877,389	$ 8,579,449
Federal, State, Private Grants, and Contracts	22,829,609	11,298,049
Auxiliary Enterprises	13,163,948	12,806,421
Other	340,622	2,397,468
Total Operating Revenues	45,211,568	35,081,387
Nonoperating Revenues:		
State Appropriations	14,847,600	11,930,298
Federal Nonoperating	3,362,764	4,040,756
Property Taxes	65,503,457	66,227,636
Investment Income	3,014,972	3,075,055
Gifts	566,437	1,760,309
Gain (Loss) on Disposal of Capital Assets	52,110	5,155
Unrealized Loss on Investments	-	55,814
Total Nonoperating Revenues	87,347,340	87,095,023
Capital Contributions	1,663,578	1,829,837
Total Revenues	134,222,486	124,006,247
Operating Expenses:		
Instruction	33,266,086	30,679,432
Community Service	396,834	579,212
Academic Support	5,219,197	6,701,146
Student Services	10,012,332	10,493,249
Institutional Support	38,485,648	23,644,320
Operation and Maintenance of Plant	3,849,446	8,655,335
Scholarships	9,945,567	7,780,336
Auxiliary Enterprises	12,155,911	11,651,161
Depreciation	9,924,395	7,995,703
Total Operating Expenses	123,255,416	108,179,894
Nonoperating Expenses:		
Interest Expense on Capital Debt	1,989,538	2,092,259
Bond Trustee and Other Related Fees	-	2,775
Amortization of Prepaid Bond Insurance	15,651	15,651
Total Nonoperating Expenses	2,005,189	2,110,685
Total Expenses	125,260,605	110,290,579
Change in Net Position	$ 8,961,881	$ 13,715,668

Revenues

The College experienced an increase in total operating revenues over last year in the amount of $8.5 million, while net nonoperating revenues were slightly reduced. The largest increase was in Federal, State, Private Grants, and Contracts due to two large construction grants related to housing and Dental Hygiene. These changes in revenue also include an increase in tuition and fees as well as state funding, which represents the average percentage received by all Colorado institutions of higher education. Property taxes, which account for 49.5% of the total revenues, are classified as nonoperating revenue in accordance with accounting principles generally accepted in the United States of America (GAAP). Property Tax valuations for residential and commercial categories remained high, so CMC voluntarily certified a temporary mill levy rate reduction that ensured needed revenues were preserved and relief could be provided to community members faced with rising property taxes. In total, CMC's decision to reduce its mill levy provided an additional $20 million in tax relief to local property owners while maintaining an overall 4% revenue increase to keep pace with inflation. Nonoperating income related to investments remained high due to the interest rate environment remaining strong throughout the entire year.

The following graph depicts total revenue of the College:



Revenues from all sources total $134,222,486, with $43,111,755 generated from operating revenues and $91,110,731 from nonoperating revenues and capital contributions.

Expenses

Total operating expenses increased by $15.1 million from the prior year, due primarily to inflationary cost increases, fewer vacancies across the college and subsequently less salary savings, and a significantly smaller GASB 68 contra-expense adjustment. The Institutional Support function saw the largest portion of this increase because of large reserve investments in the ERP Software conversion. This contra expense reflects the College's portion of the PERA pension liability and is a reversal of $0.5 million of expense this year, a fifth straight year of the entry reducing expenses following last year's contra expense of $2.9 million. Actual operating expenses with the pension contra expense removed are displayed on page 8.

CAPITAL ASSETS AND DEBT

Capital Assets

At June 30, 2025, the College had $254,352,036 invested in capital assets, net of depreciation, consisting of buildings, right-to-use buildings and subscription-based information technology arrangements (SBITAs), land, land improvements, equipment, infrastructure, library materials and construction in progress. Following is a breakdown of those assets:

Table 3
Capital Assets at Year End
Net of Depreciation

	2025	2024
Land	$ 16,799,677	$ 13,517,611
Library Materials	418,708	449,898
Construction in Progress	3,274,742	2,432,948
Land Improvements	775,950	775,950
Buildings	209,952,131	211,130,998
Right of Use Asset - Buildings	912,514	14,541
Right of Use Asset - SBITAs	10,561,304	6,072,882
Equipment and Software	5,403,606	5,106,400
Infrastructure	5,946,931	4,230,929
Other Fixed Assets	356,574	403,784
Total Capital Assets	$ 254,402,137	$ 244,135,941

Depreciation and Amortization expense of $9,924,395 was recorded during FY2024-2025.

Debt

The College has two debt issues outstanding, both of which are certificates of participation (COPs). The first series was issued in 2017 for the purpose of refunding the 2007 COPs and funding improvements on the Spring Valley campus, purchase of housing units in Breckenridge, and other capital facilities of the College designated by the Board. The COPs were issued for $26,775,000, with a premium of $999,118, and the outstanding principal balance at June 30, 2025 is $22,585,000. The bonds are scheduled to be paid off in FY2047.

The second series was issued in June 2021 for the purpose of constructing apartment-style affordable housing for students on four campuses. The COPs were issued for $33,530,000, with a premium of $6,824,899, and the outstanding principal balance at June 30, 2025 is $31,290,000. The bonds are scheduled to be paid off in FY2051.

COLORADO MOUNTAIN COLLEGE FOUNDATION

The Colorado Mountain College Foundation (the Foundation) is a discretely presented component unit of the College. The Foundation's primary purpose is to fundraise to help support College initiatives and student scholarships. The Foundation's financial statements have been audited by Kundinger, Corder & Montoya, P.C. an audit firm, different than the College's audit firm. The Foundation's financial statements are included in the basic financial statements in accordance with GAAP.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The economic environment entering FY2025–26 reflects gradual normalization following several years of volatility. Inflation, while moderating, continues to influence costs for Colorado's mountain communities, particularly in the areas of housing, construction, and energy. Labor markets also remain tight, though workforce participation has improved marginally from the historic lows seen in 2023. These pressures continue to pose challenges for recruitment and retention, especially for rural employers like CMC that rely on highly skilled faculty, staff, and student-facing professionals.

At the same time, CMC is seeing favorable signs of stability in interest rates, supply chains, and broader economic conditions. Declining inflationary pressures are beginning to provide operating relief, even as essential goods and housing remain elevated across mountain regions. Recognizing these realities, the College has continued to invest in strategic housing solutions—including construction at the Vail Valley Campus (Building 3), ongoing progress toward new housing at Leadville, purchase of a central piece of land in Glenwood Springs, and the continuation of an employee home-purchase buy-down program—to help employees live and thrive in the communities they serve.

Financially, the College remains on strong footing due to its diversified revenue structure, responsible fiscal stewardship, and stabilizing state appropriations. Tuition rates for FY2025–26 maintain CMC's long-standing commitment to affordability while ensuring modest inflationary adjustments that support revenue resilience and expanded services for students. Property tax revenues continue to provide a reliable foundation for long-term planning, and the College's statutory authority to certify temporary mill levy adjustments enables trustees to responsibly calibrate revenue growth with regional economic conditions and inflationary benchmarks. Most notably, in November 2025, voters overwhelmingly approved Ballot Issue 7C, authorizing CMC to waive the 5.25% property tax revenue cap imposed by the state of Colorado for ten years. This enables the college to invest in expanding skilled trades programs (including automotive, welding, and construction); train nurses, firefighters, and first responders; and advance housing solutions that help retain local talent.

The FY2025–26 budget is balanced and reflects the College's disciplined approach to financial management. The budget supports competitive compensation practices, including continued implementation of retention adjustments, market alignment corrections, and a performance-based bonus structure linked to institutional student success measures. It also invests in core operational needs such as instructional equipment, accessibility compliance, digital platforms—including Workday and Coursedog—and capital renewal projects that protect the long-term health of CMC's physical assets across the district. CMC continues to distinguish itself as a forward-looking, student-centered, and community-rooted institution.

Overall, the FY2025–26 financial plan places Colorado Mountain College on a sustainable and innovative path forward. Through prudent, thoughtful, and mission-aligned fiscal management, the College remains well-positioned to navigate economic uncertainty, strengthen student outcomes, support employees, and steward resources responsibly for the communities it serves.

ACCREDITATION

The College's method of accreditation is the Standard Pathway within the Higher Learning Commission (HLC). Reaffirmation occurred during 2023-24 and CMC met all criteria and compliance items without any concerns. The Comprehensive Evaluation Components included an Assurance Review that demonstrated CMC's compliance with HLC's Criteria for Accreditation and provided examples of evidence of high-quality academic, programmatic, and enrollment progress. Additionally, the evaluation included a Federal Compliance Review, a Student Opinion Survey conducted with students by HLC prior to the visit, and an on-site HLC Peer Review Team visit that occurred during April 2024. Throughout the 2024-25 year, College leadership continued its review of all Board policies to ensure the policies accurately reflected current practice, were clearly written, and were consistent with applicable state and federal laws.

CONTACTING THE COLLEGE

The purpose of this financial report is to provide our students, taxpayers, investors, creditors, and the general public with an overview of the College's finances. The financial statements show that the College is accountable for the funds it receives and is committed to being good stewards of these public funds. If you have any questions about this report or need additional information, please contact the office of the Vice President of Finance and Administration at 802 Grand Avenue, Glenwood Springs, Colorado 81601.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	$ 48,593,610
Restricted Cash and Cash Equivalents	13,667
Short-Term Investments	8,499,704
Property Tax Receivable, Net of Allowance of $256,423	14,134,266
Student Accounts Receivable, Net of Allowance of $176,000	485,407
Leases Receivable	150,861
Other Accounts Receivable	6,456,576
Inventories	62,221
Prepaid Expenses	786,695
Total Current Assets	79,183,007
NONCURRENT ASSETS	
Restricted Cash and Cash Equivalents	127,902
Leases Receivable	597,365
Other Noncurrent Assets	94,173
Nondepreciable Capital Assets:	
Land	16,799,677
Other Fixed Assets	356,574
Construction in Progress	3,274,742
Depreciable Capital Assets (Net):	
Buildings and Improvements	209,952,131
Right-of-Use Asset - Buildings	912,514
Right-of-Use Asset - SBITAs	10,561,304
Infrastructure and Improvements	6,722,881
Equipment and Software	5,403,606
Library Materials	418,708
Total Noncurrent Assets	255,221,577
Total Assets	334,404,584
DEFERRED OUTFLOWS OF RESOURCES (NOTE 8)	7,754,234

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2025

LIABILITIES

CURRENT LIABILITIES	
Accounts Payable	$ 4,139,725
Deposits Payable	649,315
Accrued Salaries	4,855,589
Accrued Interest Payable	493,519
Other Accrued Liabilities	1,379,682
Unearned Revenue	1,488,813
Certificates of Participation, SBITAs, and Leases Payable	3,348,990
Compensated Absences, Due Within One Year	2,351,118
Total Current Liabilities	18,706,751
NONCURRENT LIABILITIES	
Certificates of Participation, SBITAs, and Leases Payable	63,245,071
Compensated Absences	261,235
Land Obligation Payable	6,773
OPEB Liabilities (Note 9)	965,072
Net Pension Liability (Note 8)	52,493,145
Total Noncurrent Liabilities	116,971,296
Total Liabilities	135,678,047
DEFERRED INFLOWS OF RESOURCES (NOTE 8)	4,633,754

NET POSITION

Net Investment in Capital Assets	$ 187,688,688
Restricted for:	
TABOR Reserve	3,500,000
Unrestricted	10,658,329
Total Net Position	$ 201,847,017

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
COLORADO MOUNTAIN COLLEGE FOUNDATION, INC.
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS	
Cash and Cash Equivalents	$ 3,113,055
Accounts Receivable	269,065
Contributions Receivable, Net	1,339,315
Investments	27,080,577
Cash Surrender Value of Life Insurance	32,152
Property and Equipment, Net	38,372
Total Assets	$ 31,872,536
LIABILITIES AND NET ASSETS	
Accounts Payable	$ 1,505,656
Refundable advance	500,000
Total Liabilities	2,005,656
Net Assets:	
Without Donor Restrictions	7,228,031
With Donor Restrictions	22,638,849
Total Net Assets	29,866,880
Total Liabilities and Net Assets	$ 31,872,536

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025

OPERATING REVENUES	
Tuition and Fees, Net of Scholarship Allowance of $5,305,029	$ 8,877,389
Federal, State, Private Grants, and Contracts	20,729,796
Auxiliary Enterprises	13,163,948
Other Operating Revenues	340,622
Total Operating Revenues	43,111,755
EXPENSES	
Operating Expenses:	
Instruction	34,734,722
Community Service	520,870
Academic Support	5,847,230
Student Services	11,180,296
Institutional Support	27,060,940
Operation and Maintenance of Plant	8,806,389
Student Aid	13,024,663
Auxiliary Enterprises	12,155,911
Depreciation and Amortization	9,924,395
Total Operating Expenses	123,255,416
OPERATING LOSS	(80,143,661)
NONOPERATING REVENUES (EXPENSES)	
State Appropriations	14,847,600
Federal Nonoperating Revenue	5,462,577
Property Taxes	65,503,457
Investment Income	2,988,625
Gifts	566,437
Gain on Disposal of Capital Assets	52,110
Unrealized Gain on Investments	26,347
Amortization of Prepaid Bond Insurance	(15,651)
Interest Expense on Capital Debt	(1,989,538)
Net Nonoperating Revenues	87,441,964
INCOME BEFORE OTHER REVENUES	7,298,303
Capital Contributions	1,663,578
CHANGE IN NET ASSETS	8,961,881
Net Position - Beginning of Year	192,885,136
NET POSITION - END OF YEAR	$ 201,847,017

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
COLORADO MOUNTAIN COLLEGE FOUNDATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND SUPPORT			
Contributions	$ 451,049	$ 3,579,317	$ 4,030,366
In-Kind Contributions:			
Colorado Mountain College	1,288,156	-	1,288,156
Other	53,237	-	53,237
Investment Return, Net of Investment	680,957	1,806,276	2,487,233
Net Assets Released from Restrictions	4,235,354	(4,235,354)	-
Total Revenues, Gains, and Support	6,708,753	1,150,239	7,858,992
EXPENSES			
Program Services:			
Scholarships	2,021,681	-	2,021,681
Distributions to or for the Benefit of Colorado Mountain College	2,510,817	-	2,510,817
Scholarship Administration and Other Program Expenses	295,762	-	295,762
Total Program Services	4,828,260	-	4,828,260
Supporting Services:			
Management and General	731,574	-	731,574
Development and Fund Raising	512,653	-	512,653
Total Supporting Services	1,244,227	-	1,244,227
Total Expenses	6,072,487	-	6,072,487
CHANGE IN NET ASSETS	636,266	1,150,239	1,786,505
Net Assets - Beginning of Year	6,591,765	21,488,610	28,080,375
NET ASSETS - END OF YEAR	$ 7,228,031	$ 22,638,849	$ 29,866,880

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received:	
Tuition and Fees	$ 8,922,554
Contracts and Grants (Operating Revenue)	15,406,760
Sales and Services of Auxiliary Enterprises	13,041,736
Other Operating Receipts	1,099,207
Cash Payments:	
Payments to Suppliers	(15,552,710)
Payments to Employees	(71,760,425)
Payments for Auxiliary Enterprises	(11,800,813)
Scholarships Disbursed	(13,024,663)
Net Cash Used by Operating Activities	(73,668,354)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Appropriations	14,847,600
Property Taxes	63,398,542
Federal Nonoperating Revenue	5,462,577
Gifts	566,437
Net Cash Provided by Noncapital Financing Activities	84,275,156
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Gifts and Grants for Capital Purposes	1,663,578
Acquisition or Construction of Capital Assets	(16,495,984)
Proceeds from Sale of Capital Assets	306,905
Principal Paid on Capital Debt	(2,850,007)
Interest Payments on Capital Debt and Leases	(2,264,256)
Net Cash Used by Capital and Related Financing Activities	(19,639,764)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	3,423,973
Investment Income	2,988,625
Net Cash Provided by Investing Activities	6,412,598
DECREASE IN CASH AND CASH EQUIVALENTS	(2,620,364)
Cash and Cash Equivalents - Beginning of Year	51,355,543
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 48,735,179

See accompanying Notes to Financial Statements.

COLORADO MOUNTAIN COLLEGE
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2025

RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and Cash Equivalents	$ 48,593,610
Restricted Cash and Cash Equivalents - Current	13,667
Restricted Cash and Cash Equivalents - Noncurrent	127,902
Total	$ 48,735,179
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	$ (78,043,848)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation and Amortization	9,924,395
Amortization of Land Obligation Payable	(69,649)
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:	
Receivables, Net	(2,643,930)
Inventories	14,729
Prepaid Expenses	435,950
Pension Liability and Related Items	(637,375)
OPEB Liability and Related Items	(539,808)
Accounts Payable and Accrued Liabilities	1,954,735
Deposits Payable	379,265
Unearned Revenue	(2,188,163)
Net Cash Used by Operating Activities	$ (71,413,699)
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	
Accounts Payable Incurred for Purchase of Capital Assets	$ 112,615
Subscription Based IT Arrangements Acquired with Long-Term Liability	2,978,317
Leases Acquired with Long-Term Liability	1,216,686
Amortization of Prepaid Bond Insurance	15,651
Unrealized Gain on Investments	26,347
Amortization of Bond Premium	260,801
Tuition Provided Under Land Obligation Agreement	69,649

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Colorado Mountain College (the College or CMC) is a self-governing local college district with taxing authority. The College was formed in 1965 to serve post-high school education needs, including vocation and adult education.

The financial statements of the College include all of the integral parts of the College's operations. The College applied various criteria to determine if it is financially accountable for any organization that would require that organization to be included in the College's reporting entity. These criteria include fiscal dependency, financial benefit/burden relationship, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present the College (primary government) and its component unit. The component unit discussed below is included in the College's reporting entity because of the significance of its operational or financial relationships with the College.

Discretely Presented Component Unit

The College's financial statements include one supporting organization as a discretely presented component unit.

Colorado Mountain College Foundation, Inc. (the Foundation) is a separate nonprofit 501(c)(3) corporation formed to promote the welfare, development and being of the College. The Foundation is a separate legal entity with its own board of trustees. Although the College does not control the timing or amount of receipts from the Foundation, the majority of the Foundation's resources and related income are restricted by donors for the benefit of the College. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. Separately issued financial statements are available by contacting the Foundation at 802 Grand Avenue, Glenwood Springs, Colorado 81601.

Basis of Accounting and Presentation

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when an obligation is incurred.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Presentation (Continued)

The Foundation reports under FASB Standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences. Because the Foundation uses a GAAP reporting model that is different from the College's reporting model, the College has chosen to report the Foundation financial statements on separate pages as permitted by GASB Statement No. 39.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred outflows and inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The College considers all liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2025, cash and cash equivalents consisted primarily of cash on hand, demand deposits and money market funds with brokers.

Investments and Investment Income

Investments in equity and debt securities are carried at fair value. Fair value is determined using quoted market prices.

Short-term investments consist of investments with original or remaining maturities of one year or less from the financial statement date. Long-term investments consist of investments with maturities of greater than one year from the financial statement date.

Investment income consists of interest and dividend income. The unrealized gain (loss) on investments represents the net change for the year in the fair value of investments carried at fair value.

Accounts Receivable

Accounts receivable consists of tuition and fees charged to students and charges for auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also includes amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Student accounts receivable are recorded net of estimated uncollectible amounts. Other accounts receivable include federal, state, and other grant receivables that are considered fully collectible and therefore do not include an estimated allowance.

Inventories

Inventories are stated at cost, determined using the first-in, first-out (FIFO) method, except for bookstore inventories, which are determined utilizing the retail method.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on February 28 and June 15, or in full on April 30. An allowance for uncollectible taxes of $256,423 has been recorded based on an analysis of historical trends. The original January 1, 2025 levy for the College was 2.977 mills.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset with a full-month convention for assets additions. The following estimated useful lives are being used by the College:

Land Improvements	15 Years
Buildings and Improvements	20 to 50 Years
Infrastructure	20 to 50 Years
Equipment and Software	3 to 10 Years
Library Materials	20 Years

The College follows the state of Colorado’s guidelines on capitalization criteria, as stated in the State of Colorado Higher Education Accounting Standard #5, *Capital Asset Reporting*. The policy applies to all forms of capital assets including land, land improvements, building, building improvements, leasehold improvements, equipment, computer software, library materials, and artwork. A physical inventory of all plant assets is updated annually with appropriate adjustments made to the financial records. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred.

Due to requirements in GASB Statement No. 87, when operating as a lessee, the College is required to recognize a lease liability and an intangible right-to-use lease asset, and when operating as a lessor, the College is required to recognize a lease receivable and a deferred inflow of resources. The expected payments are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using the college’s incremental borrowing rate. Amortization is computed using the straight-line method over the estimated useful life of asset or term of the lease, whichever is less.

Due to requirements in GASB Statement No. 96, for subscription-based information technology arrangements (SBITAs), the College is required to recognize a subscription liability and an intangible right-to-use subscription asset. The expected payments are discounted using the interest rate charged on the SBITA, if available, or are otherwise discounted using the college’s incremental borrowing rate. Amortization is computed using the straight-line method over the estimated useful life of asset or term of the SBITA contract, whichever is less.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

College policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. In accordance with GASB Statement No. 101, a liability for compensated absences is recognized when earned and attributable to services already rendered, and when it is probable that the District will compensate employees for such benefits, either through paid time off or cash payment. Compensated absence liabilities are computed using the regular pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments. The current portion represents estimated amounts that will be paid out within one year.

Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net assets by the College that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net assets by the College that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Unearned Revenue

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues for summer tuition and fees are calculated based on the number of days falling within each respective fiscal year. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned as the eligibility requirements associated with the grants have not been met.

Budget

The board of trustees adopts an annual budget to authorize and control spending from the various accounting funds of the College. The 2024-2025 budget was amended in July 2024 and June 2025. The College's expenditures for a fund may not exceed the amount budgeted. Budgets are adopted on a basis consistent with GAAP.

Original Budget	$	131,480,998
Supplemental Appropriation	$	11,434,682
Revised Budget	$	142,915,680

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost-Sharing Defined Benefit Pension and Other Postemployment Benefits Plans

The College participates in the State Division Trust Fund (SDTF), a cost-sharing multiemployer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA) and the Health Care Trust Fund (HCTF), a cost-sharing multiemployer other postemployment benefit (OPEB) plan administered by PERA. The net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources, pension expense, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF and HCTF 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 by the plans when earned by the employees in accordance with the benefit terms. The plans' investments are reported at fair value.

Net Position

Net position of the College is classified in three components. Net investment in capital assets consist of capital assets net of accumulated depreciation and amortization and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position is comprised of noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the College or imposed by law through constitutional provisions or enabling legislation, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or nonoperating revenues according to the following criteria:

Operating – Revenues or expenses generally resulting from providing goods and services for instruction, community service or related support services to an individual or entity separate from the College.

Nonoperating – Revenues or expenses that do not meet the definition of operating. Nonoperating revenues include property taxes, state appropriations, gifts, federal nonoperating grants, investment income, and insurance reimbursements.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the statement of revenues, expenses, and changes in net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Scholarship Discounts and Allowances

Scholarship allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, are recorded as nonoperating revenues and other governmental grants are recorded as operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship allowance. The scholarship allowances on tuition and fees for the year ended June 30, 2025 was $5,305,029.

Application of Restricted and Unrestricted Resources

The College's policy is to first apply an expense against restricted resources then toward unrestricted resources when both restricted and unrestricted resources are available to pay an expense.

Related Party

In 2012, the College and Garfield County Public Library District (the Library) entered into an agreement to jointly participate in the construction of a building at the corner of 8th Street and Cooper Avenue in downtown Glenwood Springs, Colorado.

A related condominium association was established in November 2013, with a board of directors comprised of an equal number of representatives from the College and the Library. Title of the building has been conveyed to the College and the Library based on ownership detailed in the Project Development Agreement. The College owns all parking spots and approximately 9,873 square feet on the second floor, while the Library owns approximately 14,030 square feet on the ground floor, 1,428 square feet on the second floor and the plaza unit. Other project components are considered as common elements and total 4,022 square feet. The College has ongoing financial responsibility related to maintenance over common areas and College-owned portions of the building.

Newly Adopted Accounting Pronouncements

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The College implemented this statement effective for the fiscal year ended June 30, 2025; however, there was no immediate impact to the College's financial statements as a result of the implementation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Newly Adopted Accounting Pronouncements (Continued)

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The College implemented this statement effective for the fiscal year ended June 30, 2025; however there was no immediate impact to the College's financial statements as a result of the implementation.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents as of June 30, 2025 is comprised of the following:

Deposits	$ 10,769,978
ColoTrust PLUS+	18,165,403
ColoTrust EDGE	7,645,139
Money Market Funds	12,006,032
Cash on Hand	7,058
Total Unrestricted Cash and Cash Equivalents	48,593,610
Restricted Cash and Cash Equivalents:	
Restricted Deposit	127,902
Government Money Market Funds	13,667
Total	$ 48,735,179

The restricted cash and cash equivalents consist of 1) funds held for payment to bondholders with the outstanding 2017 and 2021 COPs and 2) deposit accounts restricted for tenant security deposits at campus apartments.

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The College's deposit policy for custodial credit risk requires compliance with the provisions of state law.

The Colorado Public Deposit Protection Act (PDPA) requires eligible depositories with public deposits in excess of the federal insurance levels to create a single institution collateral pool of defined eligible assets having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes obligations of the United States, obligations of the state of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state.

NOTE 2 CASH AND CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Deposits (Continued)

At June 30, 2025, the amount of the College's deposits totaled $10,769,978 of which $1,500,000 was insured by federal deposit insurance and the remainder was collateralized in accordance with PDPA. The College also had cash on hand of $7,058 at June 30, 2025.

Investments

It is the policy of the College to invest public funds in a manner that will provide preservation of capital, meet the daily liquidity needs of the College, diversify the College's investments, conform to all local and state statutes governing the investment of public funds, and generate reasonable rates of return. This policy shall apply to all forms of investments including U.S. Treasury Obligations, Federal Instrumentality Securities, Commercial Paper, Corporate Debt, Certificates of Deposit, Local Government Investment Pools, and Municipal Bonds.

At June 30, 2025, the College has invested a total of $25,810,542 in the Colorado Government Liquid Asset Trust (ColoTrust), an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing ColoTrust.

ColoTrust PLUS+ operates similarly to a money market fund and each share is equal in value to $1. As of June 30, 2025, the College's $18,165,403 investment in ColoTrust PLUS+ was rated AAAm by Standard's and Poor's. The Trust records its investments at fair value and the College records its investment using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

ColoTrust EDGE is an external investment pool established for local government entities in Colorado to pool surplus funds. The external investment pool is measured at net asset value per share and is managed to an approximately $10 transactional share price. As of June 30, 2025, the College's $7,645,139 investment in ColoTrust EDGE was rated AAAf/S1 by Fitch Ratings. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

There are no unfunded commitments and the redemption frequency is daily with a five business day notice period.

In addition, the College has invested in the following other types of money market funds, as follows:

US Bank Money Market Fund – This is a FLIXX money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2025 was $2,323,841. The maturity for the fund was less than 30 days.

Zions Bank – Total balance in this fund as of June 30, 2025 was $851. The maturity for the fund was less than 30 days.

NOTE 2 CASH AND CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Investments (Continued)

BNY Mellon Bank – Total balance in this fund as of June 30, 2025 was $12,816. The maturity for the fund was less than 30 days.

1st Bank – This is an Apartment Housing money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2025 was $2,334,451. The maturity for the fund was less than 30 days.

Alpine Bank – Is a money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2025 was $5,786,243. The maturity for the fund was less than 30 days.

STIFEL – Is a money market fund, which maintains a net asset value per share of $1. Total balance in this fund as of June 30, 2025 was $1,561,498. The maturity for the fund was less than 30 days.

In addition, the College had the following investments as of June 30, 2025:

	Current Market Value	Cost Basis	Current Yield	Maturity	Fair Value Level	Credit Rating Moody's	Credit Rating S&P
Government Issued or Guaranteed Bonds							
Federal Home Loan Bank	$ 8,499,704	$ 8,475,099	5.75 %	6/12/2026	2	Aaa	AA+
Total	8,499,704	8,475,099					
Total Investments	$ 8,499,704	$ 8,475,099					
Statement of Net Position Classification							
Long-Term Investments	$ -						
Short-Term Investments	8,499,704						
Total	$ 8,499,704						

Fair Value Measurement – The College categorizes its fair value measurements within the fair value hierarchy established by GAAP. Certain investments, such as ColoTrust and money market funds, are exempt from being measured at fair value and thus are excluded from the fair value hierarchy.

The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. See table above for levels associated with applicable investments.

NOTE 2 CASH AND CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Investments (Continued)

Custodial Credit Risk – The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. State law limits investments in commercial paper and corporate bonds to at least two credit ratings from any of the nationally recognized credit rating agencies and must not be rated below "AA- or AA3" by any credit rating agency. See table above for ratings associated with the government issued or guaranteed bonds.

None of the College's money market funds are deemed to be exposed to custodial credit risk as they are considered open-ended money market mutual funds (i.e., a fund that does not have restrictions on the number of shares it can issue).

Concentration of Credit Risk – is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government are excluded from this requirement. The College aims to diversify its investments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions or maturities while remaining flexible in order to respond to the outlook for the economy, the securities markets and the College's anticipated cash flow needs.

A summary of the College's concentration limits is as follows:

Security Type	Maximum Portfolio %	Maximum Issuer %	Maturity Restrictions
U.S. Treasuries	100 %	100 %	5 Years
Federal Agencies and Instrumentalities	100	100	5 Years
Commercial Paper	25	5	270 Days
Corporate Bonds	25	5	3 Years
Time Deposit/CD	75	5	5 Years
Local Government Investment Pools	100	100	N/A
Municipal Bonds	20	10	5 Years

Interest Rate Risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. State law allows the investment of public funds in any security issued by, guaranteed by, or the credit of which is pledged for payment by the United States, a federal farm credit bank, the federal land bank, a federal home loan bank, the federal home loan mortgage corporation, the federal national mortgage association, or the government national mortgage association.

NOTE 3 RECEIVABLES

Other accounts receivable balance is made up of the following as of June 30, 2025:

Type of Receivable	FY2025 Amount
Federal Government Grant Receivable	$ 4,216,669
State Government Grant Receivable	110,828
Private Foundation Grant Receivable	95,916
Capital Projects Receivable	1,017,827
Miscellaneous Receivable	1,015,336
Total	$ 6,456,576

NOTE 4 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025 is:

	Balance July 1 ,2024	Additions	Retirements	Transfers In (Out)	Balance June 30 ,2025
Nondepreciable Capital Assets:					
Artwork & Other Fixed Assets	$ 403,784	$ 111,569	$ (158,779)	$ -	$ 356,574
Land	13,517,611	3,282,066	-	-	16,799,677
Construction in Progress	2,432,948	3,274,742	-	(2,432,948)	3,274,742
Total Nondepreciable Capital Assets	16,354,343	6,668,377	(158,779)	(2,432,948)	20,430,993
Depreciable Capital Assets:					
Buildings and Improvements	270,446,483	3,750,871	-	687,025	274,884,379
ROU - Buildings	523,470	1,216,685	-	-	1,740,155
ROU - SBITAs	7,754,892	6,321,061	-	-	14,075,953
Equipment	14,701,323	1,998,914	(540,986)	-	16,159,251
Library Materials	3,094,467	25,258	(47,808)	-	3,071,917
Software	727,270	-	-	-	727,270
Infrastructure and Improvements	9,866,135	464,220	-	1,745,923	12,076,278
Total Depreciable Capital Assets	307,114,040	13,777,009	(588,794)	2,432,948	322,735,203
Less: Accumulated Depreciation and Amortization:					
Buildings and Improvements	59,315,485	5,616,763	-	-	64,932,248
ROU - Buildings	508,929	318,712	-	-	827,641
ROU - SBITAs	1,682,010	1,832,639	-	-	3,514,649
Equipment	9,594,923	1,605,692	(444,970)	-	10,755,645
Library Materials	2,644,569	56,448	(47,808)	-	2,653,209
Software	727,270	-	-	-	727,270
Infrastructure and Improvements	4,859,256	494,141	-	-	5,353,397
Total Accumulated Depreciation	79,332,442	9,924,395	(492,778)	-	88,764,059
Net Depreciable Capital Assets	227,781,598	3,852,614	(96,016)	2,432,948	233,971,144
Net Carrying Amount	$ 244,135,941	$ 10,520,991	$ (254,795)	$ -	$ 254,402,137

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of long-term obligation transactions for the College for the year ended June 30, 2025:

	Balance July 1 ,2024	Additions	Retirements	Balance June 30 ,2025	Amounts Due Within One Year
Certificates of Participation (COPs)	$ 55,020,000	$ -	$ 1,145,000	$ 53,875,000	$ 1,205,000
COPs Premiums	6,908,398	-	260,801	6,647,597	260,801
Leases	20,141	1,216,686	315,414	921,413	480,000
SBITAs	3,561,326	2,978,317	1,389,593	5,150,050	1,403,189
Compensated Absences	2,675,258	2,342,274	2,405,179	2,612,353	2,351,118
Total	$ 68,185,123	$ 6,537,277	$ 5,515,987	$ 69,206,413	$ 5,700,108

On January 1, 2008, the College issued $19,580,000 in COPs, Series 2007, at a premium of $7,353, with interest rates varying from 3.75% to 4.375%. The COP Series 2007 were refinanced during fiscal year 2017 as part of the 2017 COPs issued for $26,775,000, at a premium of $999,118, and with interest rates ranging from 2.00% to 5.00%.

On June 8, 2021, the College issued $33,530,000 in COPs, Series 2021, at a premium of $6,824,899, with interest rates varying from 4.00% to 5.00%.

The premiums on the COPs of $999,118 and $6,824,899, and the prepaid bond insurance costs of $291,825, are being amortized over the life of the COPs. The balance of the premiums at June 30, 2025 is $6,647,597, and reported within debt balance, and the unamortized balance of the prepaid bond insurance cost is $39,973 included in other noncurrent assets. The amount of the prepaid bond insurance costs amortized for the year was $15,651.

The following is a schedule of the future COPs payments as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,205,000	$ 2,205,506	$ 3,410,506
2027	1,265,000	2,143,756	3,408,756
2028	1,330,000	2,078,881	3,408,881
2029	1,400,000	2,010,631	3,410,631
2030	1,470,000	1,938,881	3,408,881
2031-2035	8,460,000	8,583,209	17,043,209
2036-2040	10,295,000	6,741,206	17,036,206
2041-2045	12,565,000	4,473,100	17,038,100
2046-2050	12,220,000	1,815,000	14,035,000
2051-2053	3,665,000	148,100	3,813,100
Total	$ 53,875,000	$ 32,138,270	$ 86,013,270

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

Lease Obligations

The College is committed long-term under one building space lease. Under this lease the College will pay $480,000 annually to Salida School District R32J until the lease expires on June 30, 2027. On that date the College has an option to purchase the building for $3,612,000, at which point $432,000 of the annual lease payments would be credited toward the purchase price. The following is a schedule of the remaining principal and interest lease payments as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 451,578	$ 28,422	$ 480,000
2027	469,835	10,165	480,000
Total	$ 921,413	$ 38,587	$ 960,000

SBITA Obligations

The following is a schedule of the remaining principal and interest lease payments as of June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,201,380	$ 201,812	$ 1,403,192
2027	1,138,860	154,752	1,293,612
2028	881,410	110,059	991,469
2029	935,760	75,535	1,011,295
2030	992,640	38,882	1,031,522
2031-2035	-	-	-
Total	$ 5,150,050	$ 581,040	$ 5,731,090

NOTE 6 LESSOR RECEIVABLES

The College, as lessor, rents classrooms as real estate, as well as office and parking lot spaces, generally for periods of one year or less. These inflows are accounted for as received. In accordance with GASB 87, the college also has larger leases for cell towers, a solar field, and a piece of land as summarized in the following chart:

Beginning Asset Balance	New Addition	Principal Payments	Ending Asset Balance	Amounts Due Within One Year	Interest Payments
$ 798,327	$ 108,678	$ (158,779)	$ 748,226	$ 150,861	$ (21,896)

NOTE 7 COMPENSATED ABSENCES

Most employees receive annual leave, which may accumulate to 240 hours. Unused leave is paid upon termination. The liability for unused annual leave at June 30, 2025 is $2,612,353.

NOTE 8 DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

At June 30, 2025, the College had deferred outflows and inflows of resources comprised the following:

Deferred Outflows of Resources:	
Pension:	
Difference Between Expected and Actual Experience	$ 1,540,675
Changes in Proportion	1,964,754
Difference in Earnings on Plan Investments Actual vs Projected	1,156,258
Contributions Subsequent to the Measurement Date	2,940,585
OPEB:	
Changes of Assumptions or Other Inputs	11,066
Contributions Subsequent to the Measurement Date	137,625
Earnings on Pension Plan Investments	3,271
Changes Proportion	
Total	$ 7,754,234
Deferred Inflows of Resources:	
Pension:	
Changes in Assumptions	$ 407,038
Changes in Proportion	2,834,453
OPEB:	
Difference Between Expected and Actual Experience	212,875
Changes of Assumptions or Other Inputs	308,485
Net Change in Proportion	157,240
Leases	713,663
Total	$ 4,633,754

NOTE 9 PENSION PLAN

Summary of Significant Accounting Policies

The College participates in the State Division Trust Fund (SDTF), a cost-sharing multiemployer 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 SDTF 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.

NOTE 9 PENSION PLAN (CONTINUED)

Plan Description (PERA)

Eligible employees of the College, those with a minimum of one year previous PERA service, are provided with pensions through SDTF – a cost-sharing multiemployer 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 (IRC). Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

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

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

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

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

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

NOTE 9 PENSION PLAN (CONTINUED)

Plan Description (PERA) (Continued)

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments (COLAs), 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 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 (CPI-W) for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the SDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions

Eligible employees and the College are required to contribute to the SDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Employee contribution rates for the period of July 1, 2024 through June 30, 2025 are 11%. Employer contribution rates for the period of July 1, 2024 through June 30, 2025 are summarized in the table below:

	July 1, 2024 through December 31, 2024	January 1, 2025 through June 30, 2025
Employer Contribution Rate[1]	11.40 %	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]	(1.02)	(1.02)
Amount Apportioned to the SDTF[1]	10.38	10.38
Amortization Equalization Disbursement (AED)	5.00	5.00
as Specified in C.R.S. 24-51-411[1]	5.00	5.00
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. 24-51-208(1)(f)1	0.21	0.23
Total Employer Contribution Rate to the SDTF[1]	20.59 %	20.61 %

[1] Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42)

NOTE 9 PENSION PLAN (CONTINUED)

Plan Description (PERA) (Continued)

Contributions (Continued)

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and the College is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from the College were $5,730,976 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 SDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a $225 million direct distribution each year to PERA starting on July 1, 2018. For 2024, a portion of the direct distribution payment is allocated to the SDTF based on the proportionate amount of annual payroll of the SDTF to the total annual payroll of the SDTF, School 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 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 College's proportion of the net pension liability was based on College contributions to the SDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity for participating employers of the SDTF that are outside the State's financial reporting entity.

At June 30, 2025, the College reported a liability for its proportionate share of the net pension liability. The total portion of the net pension liability that was associated with the College were as follows:

College's Proportionate Share of the Net Pension Liability	$ 52,493,145

At December 31, 2024, the College proportion was 0.552%, which was a decrease of 0.051% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the College recognized a pension expense of $5,305,664. At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 9 PENSION PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 1,540,675	$ 407,038
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,156,258	-
Changes in Proportion	1,964,754	2,834,453
Contributions Subsequent to the Measurement Date	2,940,585	-
Total	$ 7,602,272	$ 3,241,491

$2,940,585 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 for the year ending June 30, 2025. 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 Ending June 30,	Amount
2026	$ 462,707
2027	379,359
2028	289,065
2029	289,065
Total	$ 1,420,196

Actuarial Assumptions

The TPL in the December 31, 2023 actuarial valuation used the following actuarial cost method, actuarial assumptions, and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30 %
Real Wage Growth	0.70 %
Wage Inflation	3.00 %
Salary Increases, Including Wage Inflation	3.30 – 10.90 %
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Inflation	7.25 %
Discount Rate	7.25 %
Future Postretirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007 and DPS Benefit Structure, Compounded Annually	1.00 %
PERA Benefit Structure Hired After December 31, 2006[1] (Ad Hoc, Substantively Automatic)	Financed by the Annual Increase Reserve

1 Postretirement 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 PENSION PLAN (CONTINUED)

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

Actuarial Assumptions (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.

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Nondisabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubG-2010 Healthy Retiree	**Males**: 94% of the rates prior to age 80/ 90% of the rates age 80 and older **Females**: 87% of the rates prior to age 80/ 107% of the rates age 80 and older
Post-Retirement (Beneficiary), Nondisabled	**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 actuarial assumptions used in the December 31, 2023, valuations 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:	
Members other than Safety Officers	2.70%-13.30%

Salary scale assumptions were altered to better reflect actual experience.

NOTE 9 PENSION PLAN (CONTINUED)

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

Actuarial Assumptions (Continued)

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

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

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

Pre-Retirement	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Employee	N/A

Post-Retirement (Retiree), Nondisabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubG-2010 Healthy Retiree	**Males**: 90% of the rates for all ages **Females**: 85% of the rates prior to age 85/ 105% of the rates age 85 and older

Post-Retirement (Beneficiary), Nondisabled	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 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 dated January 3, 2025.

NOTE 9 PENSION PLAN (CONTINUED)

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

Actuarial Assumptions (Continued)

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

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

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

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

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 rate 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.

NOTE 9 PENSION PLAN (CONTINUED)

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

Discount Rate (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessment. 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 SDTF'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 PENSION PLAN (CONTINUED)

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	$ 69,943,366	$ 52,493,145	$ 37,793,754

Pension Plan Fiduciary Net Position

Detailed information about the SDTF's FNP is available in PERA's comprehensive annual financial report, which can be obtained at www.copera.org/investments/pera-financial-reports.

Additional Voluntary Options

Employees of the College that are also members of the SDTR may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Plan Description (DCP-Legacy and DCPII)

The secondary and third retirement programs available are the Defined Contribution Plan Legacy (DCP-L) and the Defined Contribution Plan II (DCP2). Both are administered by two fund sponsors, Corebridge Financial and TIAA-CREF.

The Defined Contribution Plan – Legacy (DCP-L) was established October 1, 1994 and is administered by two fund sponsors, VALIC and TIAA-CREF. Effective on and after September 1, 2017, the majority of new employees are able to elect a new Defined Contribution Plan II (DCP2), which is also administered by Corebridge and TIAA-CREF. No new employees are eligible to select the DCP-L plan.

Covered payrolls for the DCP-L for the fiscal year ended June 30, 2025 were $7,546,827. For the current fiscal year, the employer's contribution to the DCP-L, recognized as pension expense, was $1,520,694, which is 20.15% of covered payrolls. Contributions by employees were $603,755 which is 8% of covered payrolls.

Covered payrolls for the DCP2 for the fiscal year ended June 30, 2025 were $17,576,410. For the current fiscal year, the employer's contribution to the DCP2, recognized as pension expense, was $2,107,227, which is 20.15% of covered payrolls. Contributions by employees were $1,406,155 which is 8% of covered payrolls.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS

PERA Health Care Trust OPEB Plan

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

Plan Description

Eligible employees of the College are provided with OPEB through the HCTF—a cost-sharing multiemployer 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.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

PERA Health Care Trust OPEB Plan (Continued)

General Information about the OPEB Plan (Continued)

Benefits Provided (Continued)

Enrollment in 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 basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5% reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

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

Contributions

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the College is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from College were $271,577 for the year ended June 30, 2025.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

At June 30, 2025, the College reported a liability of $965,072 for its proportionate share of the net OPEB liability. The net OPEB liability 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 College's proportion of the net OPEB liability was based on the College's contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the College's proportion was 0.202%, which was a decrease of 0.005% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the College recognized negative OPEB expense of $264,610. At June 30, 2025, the College 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	$ -	$ 212,875
Changes of Assumptions or Other Inputs	11,066	308,485
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,271	-
Changes in Proportion	-	157,240
Contributions Subsequent to the Measurement Date	137,625	-
Total	$ 151,962	$ 678,600

$137,625 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 ending 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 Ending June 30,	Amount
2026	$ (233,923)
2027	(120,155)
2028	(137,383)
2029	(82,900)
2030	(58,101)
Thereafter	(31,801)
Total	$ (664,263)

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions

The TOL in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30 %
Real Wage Growth	0.70 %
Wage Inflation	3.00 %
Salary Increases, Including Wage Inflation	3.30-10.90 %
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25 %
Discount Rate	7.25 %
Health Care Cost Trend Rates:	
Service-based Premium Subsidy	0.00 %
PERACare Medicare Plans	6.75 % in 2025 Gradually Decreasing to 4.5% in 2034
Medicare Part A Premiums	3.50% in 2024 Gradually Increasing to 4.5% in 2033

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

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

Age-Related Morbidity Assumptions

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

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

	MAPD PPO #1 with Medicare Part A Retiree/Spouse		MAPD PPO #1 without Medicare Part A Retiree/Spouse	
Sample Age	Male	Female	Male	Female
65	$ 1,710	$ 1,420	$ 6,536	$ 5,429
70	1,921	1,589	7,341	6,073
75	2,122	1,670	8,110	6,385

	MAPD PPO #2 with Medicare Part A Retiree/Spouse		MAPD PPO #2 without Medicare Part A Retiree/Spouse	
Sample Age	Male	Female	Male	Female
65	$ 585	$ 486	$ 4,241	$ 3,523
70	657	544	4,764	3,941
75	726	571	5,262	4,143

	MAPD HMO (Kaiser) with Medicare Part A Retiree/Spouse		MAPD HMO (Kaiser) without Medicare Part A Retiree/Spouse	
Sample Age	Male	Female	Male	Female
65	$ 1,897	$ 1,575	$ 7,063	$ 5,866
70	2,130	1,763	7,933	6,563
75	2,353	1,853	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 below.

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

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

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

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

Year Ending June 30,	PERACare Medicare Plans	Medicare Part A Premiums
2024	16.00%	3.50%
2025	6.75%	3.75%
2026	6.50%	3.75%
2027	6.25%	4.00%
2028	6.00%	4.00%
2029	5.75%	4.00%
2030	5.50%	4.25%
2031	5.25%	4.25%
2032	5.00%	4.25%
2033	4.75%	4.50%
2034+	4.50%	4.50%

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

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A

Post-Retirement (Retiree), Nondisabled	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	**Males**: 94% of the rates prior to age 80/ 90% of the rates age 80 and older **Females**: 87% of the rates prior to age 80/ 107% of the rates age 80 and older

Post-Retirement (Beneficiary), Nondisabled	**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

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

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

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

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

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

	State Division	School Division	Local Government Division	Judicial Division
Salary increases, including wage inflation	2.70% - 13.30%	4.00% - 13.40%	3.40% - 13.00%	2.30% - 4.70%

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

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

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.

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Employee	N/A
Post-Retirement (Retiree), Nondisabled	**Mortality Table**	**Adjustments, as Applicable**
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	**Males**: 90% of the rates for all ages **Females**: 85% of the rates prior to age 80/ 105% of the rates age 85 and older
Post-Retirement (Beneficiary), Nondisabled	**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.

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.

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Actuarial Assumptions (Continued)

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51.00 %	5.60 %
Fixed Income	23.00	2.60
Private Equity	10.00	7.60
Real Estate	10.00	4.10
Alternatives	6.00	5.20
Total	100.00 %	

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

NOTE 10 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare 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:

	Trend Rates	Rates	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
Proportionate Share of the Net OPEB Liability	$ 939,071	$ 965,072	$ 994,499

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

Discount Rate

The discount rate used to measure the TOL 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:

- 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 POSTEMPLOYMENT HEALTH CARE PLANS (CONTINUED)

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

Discount Rate (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 does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (6.25%)	Current Discount Rate	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 939,071	$ 965,072	$ 994,499

OPEB Plan Fiduciary Net Position

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

NOTE 11 UNRESTRICTED NET POSITION

Unrestricted net position is comprised of the following as of June 30, 2025:

College Operations	$ 62,894,756
Net Pension Liability	(52,493,145)
Pension Related Deferred Outflows	7,602,272
Pension Related Deferred Inflows	(3,241,491)
Net OPEB Liability	(965,072)
OPEB Related Deferred Outflows	151,962
OPEB Related Deferred Inflows	(678,600)
Compensated Absences Liability	(2,612,353)
Total Unrestricted Net Position	$ 10,658,329

NOTE 12 COMMITMENTS AND CONTINGENCIES

Tax, Spending and Debt Limitations

In 1992 the Colorado voters approved the "Taxpayer's Bill of Rights" (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards or property sales. Also required by TABOR are emergency reserves of at least 3% of fiscal year spending. During 2000, the voters in the district passed an initiative allowing the College to retain all revenues from whatever source without increasing the mill levy. The College believes it is in compliance with the requirements of TABOR.

Federally Assisted Grant Programs

The College is currently participating in numerous grants from various departments and agencies of the federal and state governments. The expenditures of grant proceeds must be for allowable and eligible purposes. Single audits and audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. Upon notification of final approval by the granting department or agency, the grants are considered closed.

Contracts

The College has negotiated an intergovernmental agreement related to the purchase of property in Edwards, Colorado. The College has paid $800,000 in cash and $800,000 in exchange for providing Eagle County and Eagle school district employees to receive credit towards classes taken at the College for up to $400,000 for each entity. Through June 30, 2025, $793,227 has been used. The remaining obligation of $6,773 is reflected as land obligation payable on the Statement of Net Position.

Construction Commitments

As of June 30, 2025, the College had various contracts for the acquisition and construction of projects, which totaled $8,825,152.

NOTE 13 RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses and natural disasters. The College maintains a broad commercial insurance program for claims that may arise from such matters, which includes property, liability, workers compensation/employers liability, errors & omissions, crime cyber and foreign liability insurance. Claims have not exceeded the policy limits in any of the three preceding years. There have been no significant decreases in insurance coverage or limits.

NOTE 14 COMPONENT UNIT – FOUNDATION

During fiscal year 2025, the Foundation provided the College support totaling $2,510,817 for campus facilities and other program activities. The Foundation also provided scholarships to the College for students totaling $2,021,681 in 2025.

The following details the investments held by the Foundation at June 30, 2025:

Publicly Traded Mutual Funds Invested in:	
Fixed Income	$ 13,213,456
U.S. Large Cap Equities	6,044,748
Other Equities	6,139,415
Foreign Large Cap Equities	187,584
Other Foreign Equities	594,764
Cash and Cash Equivalents	900,610
Total Investments	$ 27,080,577

Investments are recorded in the following net asset balance at June 30, 2025:

Net Assets Without Donor Restrictions	$ 6,913,753
Net Assets With Donor Restrictions	20,166,824
Total	$ 27,080,577

The following table summarizes the valuation of the Foundation's investments by the fair value hierarchy levels as of June 30, 2025:

Description	Fair Value	Level 1	Level 2	Level 3
Cash and Cash Equivalents	$ 900,610	$ 900,610	$ -	$ -
Equity Mutual Funds	12,966,511	12,966,511	-	-
Fixed Income Mutual Funds	13,213,456	13,213,456	-	-
Total	$ 27,080,577	$ 27,080,577	$ -	$ -

All assets have been valued using a market approach. There were no changes in valuation techniques during the current year.

Net assets with donor-imposed restrictions are available for the Foundation to provide scholarships to students of the College, support the faculty and leaders of the College, fund College facilities' construction and maintenance, and support various academic and community programs.

NOTE 14 COMPONENT UNIT – FOUNDATION (CONTINUED)

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

Contributions Received or Receivable, Restricted for Specific Purposes or by Time	$ 2,316,400
Endowments:	
Scholarships	11,622,828
Unspent Earnings	8,699,621
Total Endowment Funds	20,322,449
Total Net Assets with Donor Restrictions	$ 22,638,849

Net assets totaling $4,235,354 were released from restriction in 2025 as donor-imposed restrictions were met.

Unconditional contributions receivable consists of the following at June 30:

Receivable in Less than One Year	$ 1,024,199
Receivable in One to Five Years	321,657
Total Unconditional Contributions Receivable	1,345,856
Less: Discount to Net Present Value	(6,541)
Contributions Receivable, Net	$ 1,339,315

Pledges due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 3.81%.

Contributions receivable are recorded in the following net asset classes at June 30:

Net Assets Without Donor Restrictions	$ 37,923
Net Assets With Donor Restrictions	1,301,392
Total Contributions Receivable	$ 1,339,315

Conditional contributions receivable, which have not been recognized in the accompanying financial statements because the conditions have not been met, consist of the following at June 30, 2025:

Conditional Opportunity Scholarships Initiative Grants,	
Conditioned upon Operating a Dental Clinic for Five Years	$ 600,000
Conditioned upon Actual Spending	66,793
Total Conditional Contributions Receivable	$ 666,793

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS

Year Ended	College's Proportion of the Net Pension Liability (Asset)	College's Proportionate Share of the Net Pension Liability (Asset)	College's Covered Payroll	College's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Position as a Percentage of the Total Pension Liability
12/31/2024	0.552%	$ 52,493,145	$ 25,013,434	209.86%	67.44%
12/31/2023	0.603%	60,953,904	24,098,399	252.94%	64.37%
12/13/2022	0.487%	53,003,590	22,435,272	236.25%	60.63%
12/31/2021	0.566%	41,713,709	21,656,313	192.62%	73.05%
12/31/2020	0.636%	60,280,480	21,525,828	280.04%	65.34%
12/13/2019	0.628%	60,977,633	22,974,055	265.42%	62.24%
12/31/2018	0.698%	79,382,434	24,578,790	323.00%	55.11%
12/31/2017	0.886%	177,361,268	26,406,021	671.67%	43.20%
12/31/2016	0.920%	168,999,576	26,646,762	634.22%	43.80%
12/31/2015	0.964%	101,536,835	26,962,425	376.60%	56.10%

Information above is presented as of the measurement date December 31.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS

Year Ended	Contractually Required Pension Contribution	Contributions in Relation to the Contractually Required Pension Contribution	Contribution Deficiency (Excess)	College's Covered Payroll	Pension Contributions as a Percentage of Covered Payroll
6/30/2025	$ 5,408,401	$ 5,408,401	$ -	$ 27,473,022	19.69%
6/30/2024	4,842,285	4,842,285	-	24,004,809	20.17%
6/30/2023	4,644,069	4,644,069	-	23,439,826	19.81%
6/30/2022	4,050,323	4,050,323	-	21,933,773	18.47%
6/30/2021	4,040,886	4,040,886	-	21,220,148	19.04%
6/30/2020	4,194,339	4,194,339	-	22,257,781	18.84%
6/30/2019	4,468,863	4,468,863	-	23,649,339	18.90%
6/30/2018	4,842,192	4,842,192	-	25,707,008	18.84%
6/30/2017	4,778,605	4,778,605	-	26,406,021	18.10%
6/30/2016	4,705,020	4,705,020	-	26,646,762	17.66%

Information above is presented as of the College's fiscal year.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST EIGHT FISCAL YEARS *

Year Ended	College's Proportion of the Net OPEB Liability (Asset)	College's Proportionate Share of the Net OPEB Liability (Asset)	College's Covered Payroll	College's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2024	0.202%	$ 965,072	$ 24,156,852	4.00%	59.83%
12/31/2023	0.207%	1,478,521	24,098,399	6.14%	46.16%
12/13/2022	0.207%	1,690,696	22,435,272	7.54%	38.57%
12/31/2021	0.211%	1,825,078	21,656,313	8.43%	39.40%
12/31/2020	0.218%	2,074,816	21,525,828	9.64%	32.78%
12/13/2019	0.242%	2,723,000	22,974,055	11.85%	24.49%
12/31/2018	0.277%	3,768,356	24,578,790	15.33%	17.03%
12/31/2017	0.317%	4,122,435	26,406,021	15.61%	17.53%

Information above is presented as of the measurement date December 31.

*Information is not currently available for prior years; additional years will be displayed as they become available.

COLORADO MOUNTAIN COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST NINE FISCAL YEARS *

Fiscal Year Ended	Contractually Required OPEB Contribution	Contributions in Relation to the Contractually Required OPEB Contribution	Contribution Deficiency (Excess)	College's Covered Payroll	OPEB Contributions as a Percentage of Covered Payroll
6/30/2025	$ 271,577	$ 271,577	$ -	$ 27,473,022	0.99%
6/30/2024	238,382	238,382	-	24,004,809	0.99%
6/30/2023	223,840	223,840	-	23,439,826	0.95%
6/30/2022	216,118	216,118	-	21,933,773	0.99%
6/30/2021	208,279	208,279	-	21,220,148	0.98%
6/30/2020	214,801	214,801	-	22,257,781	0.97%
6/30/2019	229,570	229,570	-	23,649,339	0.97%
6/30/2018	253,770	253,770	-	25,707,008	0.99%
6/30/2017	265,939	265,939	-	26,406,021	1.01%

Information above is presented as of the College's fiscal year.

*Information is not currently available for prior years; additional years will be displayed as they become available.

Notes to Required Supplementary Information (Net Pension Liability) – Fiscal Year 2025

Changes in Benefit Terms and Actuarial Assumptions

Changes in assumptions or other input effective for the December 31, 2024 measurement period are as follows:

- 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%.

Changes in assumptions or other input effective for the December 31, 2023 measurement period are as follows:

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the $225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus $10 million from General Fund, totaling $14.561 million.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a “12-pay” method to a “non-12-pay” method. The default service accrual method for positions with an employment patter on at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

Changes in assumptions or other input effective for the December 31, 2022 measurement period are as follows:

- HB 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled $225 million direct distribution, a warrant to PERA in the amount of $380 million with reduction to future direct distributions. The July 1, 2023 direct distribution will be reduced by $190 million to $35 million. The July 1, 2024 direct distribution will not be reduced from $225 million due a negative investment return in 2022.

Changes in assumptions or other input effective for the December 31, 2021 measurement period are as follows:

- The projected benefit payments reflect the lowered annual increase cap from 1.25% to 1.00%, resulting from the 2020 AAP assessment, effective July 1, 2022.
- Assumptions on employer and employee contributions were updated to include the additional 0.50% resulting from the 2020 AAP assessment, effective July 1, 2022.

Changes in assumptions or other input effective for the December 31, 2020 measurement period are as follows:

- The price inflation assumption was lowered from 2.40% to 2.30%, and the wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Notes to Required Supplementary Information (Net Pension Liability) – Fiscal Year 2025 (Continued)

Changes in Benefit Terms and Actuarial Assumptions (Continued)

- The pre-retirement mortality assumption for the State Division (members other than Safety Officers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.
- The post-retirement nondisabled mortality assumption for the State Division (Members other than Safety Officers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement nondisabled mortality assumption for Safety Officers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (Members other than Safety Officers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The disability mortality assumption for Safety Officers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

Changes in assumptions or other input effective for the December 31, 2019 measurement period are as follows:

- The assumption used to value the annual increase (AI) cap benefit provision was changed from 1.50% to 1.25%.

Changes in assumptions or other inputs effective for the December 31, 2018 measurement period are as follows:

- The assumed investment rate of return of 7.25% was used as the discount rate, rather than using the blended rate of 4.72%.

Changes in assumptions or other inputs effective for the December 31, 2017 measurement period are as follows:

- The discount rate was lowered from 5.26% to 4.72%.

Changes in assumptions or other inputs effective for the December 31, 2016 measurement period are as follows:

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.

Notes to Required Supplementary Information (Net Pension Liability) – Fiscal Year 2025 (Continued)

Changes in Benefit Terms and Actuarial Assumptions (Continued)

- The real rate of investment return assumption increased from 4.70% per year, net of investment expenses, to 4.85% per year, net of investment expenses.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for active employees, RP2014 Healthy Annuitant Mortality tables projected to 2020 using the MP-2015 projection scale for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
- The discount rate was lowered from 7.50% to 5.26%.

There were no changes in terms or assumptions for the December 31, 2015 measurement period for pension compared to the prior year.

There were no changes in terms or assumptions for the December 31, 2014 measurement period for pension compared to the prior year.

Changes in assumptions or other input effective for the December 31, 2013 measurement period are as follows:

- The investment return assumption was lowered from 8.00% to 7.50%.
- The price inflation assumption was lowered from 3.50% to 2.80%.
- The wage inflation assumption was lowered from 4.25% to 3.90%.

Notes to Required Supplementary Information (Other Postemployment Benefits) – Fiscal Year 2025

Changes in Benefit Terms and Actuarial Assumptions

Changes in assumptions or other input effective for the December 31, 2023 measurement period are as follows:

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

Changes in assumptions or other input effective for the December 31, 2022 measurement period are as follows:

- Per capital health costs were developed by plan option based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend.
- Health care cost trend rates were revised to reflect an expectation of future increases in rates of inflation.
- The timing of the retirement decrement was adjusted to middle-of-year.

There were no changes in assumptions or other inputs effective for the December 31, 2021 measurement period for OPEB.

Changes in assumptions or other input effective for the December 31, 2020 measurement period are as follows:

- The price inflation assumption was lowered from 2.40% to 2.30%, and the wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than Safety Officers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.

Notes to Required Supplementary Information (Other Postemployment Benefits) – Fiscal Year 2025 (Continued)

Changes in Benefit Terms and Actuarial Assumptions (Continued)

- The post-retirement non-disabled mortality assumption for the State Division (Members other than Safety Officers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:
- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for Safety Officers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019. The post-retirement nondisability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
    - Males: 97% of the rates for all ages, with generational projection using scale MP-2019.
    - Females: 105% of the rates for all ages, with generational projection using scale MP-2019.
    - The disabled mortality assumption for the Division Trust Funds (Members other than Safety Officers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
    - The disability mortality assumption for Safety Officers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

There were no changes in assumptions or other inputs effective for the December 31, 2019 measurement period for OPEB.

There were no changes in assumptions or other inputs effective for the December 31, 2018 measurement period for OPEB compared to the prior year.

There were no changes in assumptions or other inputs effective for the December 31, 2017 measurement period for OPEB.

COLORADO MOUNTAIN COLLEGE
SUPPLEMENTARY INFORMATION
ACTUAL TO BUDGET COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Operating Revenues:			
Tuition and Fees	$ 13,277,059	$ 14,182,418	$ 905,359
Federal, State, Private Grants, and Contracts	20,427,451	20,729,796	302,345
Auxiliary Enterprises	13,529,329	13,163,948	(365,381)
Other Operating Revenue	892,554	340,622	(551,932)
Total Operating Revenues	48,126,393	48,416,784	290,391
EXPENSES			
Operating Expenses:			
Instruction	33,544,925	34,734,722	(1,189,797)
Community Service	426,309	520,870	(94,561)
Academic Support	5,661,716	5,847,230	(185,514)
Student Services	9,874,018	11,180,296	(1,306,278)
Institutional Support	45,662,124	27,060,940	18,601,184
Operation and Maintenance of Plant	10,487,429	8,806,389	1,681,040
Student Aid	15,458,608	18,329,692	(2,871,084)
Auxiliary Enterprises	13,515,869	12,155,911	1,359,958
Depreciation	6,000,000	9,924,395	(3,924,395)
Total Operating Expenses	140,630,998	128,560,445	12,070,553
NONOPERATING REVENUES (EXPENSES)			
State Appropriations	14,769,029	14,847,600	78,571
Federal Nonoperating Revenue	5,437,999	5,462,577	24,578
Property Taxes	65,774,325	65,503,457	(270,868)
Investment Income	1,441,270	2,988,625	1,547,355
Gifts	-	566,437	566,437
Loss on Disposal of Capital Assets	-	52,110	52,110
Bond Trustee and Other Related Fees	(4,775)	-	4,775
Amortization of Prepaid Bond Insurance	(15,651)	(15,651)	-
Interest Expense on Capital Debt	(2,264,256)	(1,989,538)	274,718
Net Nonoperating Revenues	85,137,941	87,441,964	2,304,023
CAPITAL CONTRIBUTIONS	3,345,798	1,663,578	(1,682,220)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,020,866)	8,961,881	12,982,747
Fund Balance - Beginning of Year	192,885,136	192,885,136	-
FUND BALANCE - END OF YEAR	$ 188,864,270	$ 201,847,017	$ 12,982,747

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

Board of Trustees
Colorado Mountain College
Glenwood Springs, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Colorado Mountain College (the College), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated March 13, 2026. Our report includes a reference to other auditors who audited the financial statements of the Colorado Mountain College Foundation, a discretely presented component unit, as described in our report on the College's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
March 13, 2026

CliftonLarsonAllen LLP
CLAconnect.com

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

Board of Trustees
Colorado Mountain College
Glenwood Springs, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Board of Trustees
Colorado Mountain College

Report on Internal Control Over Compliance

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

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

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

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
March 13, 2026

COLORADO MOUNTAIN COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of the Treasury					
(COVID-19) Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Community College System	SLFRP0126	$ -	$ 996,159
(COVID-19) Coronavirus State and Local Fiscal Recovery Funds	21.027	Career Wise Colorado	SLFRP0126	-	318,953
Total Department of the Treasury				-	1,315,112
Department of State					
Academic Exchange Programs	19.009	World Learning	IDEAS23-CMC01	-	5,712
Total Department of State				-	5,712
Department of Agriculture					
U.S. Forest Service CMC Partnership-Winter Internship Pilot	10.699	United States Forest Service	16-PA-11021500-051	-	41,976
Total Department of Agriculture				-	41,976
Department of Education					
Student Financial Assistance Cluster:					
Federal Supplemental Educational Opportunity Grants	84.007	N/A	N/A	-	152,988
Federal Work-Study Program	84.033	N/A	N/A	-	70,178
Federal Pell Grant Program	84.063	N/A	N/A	-	5,249,120
Federal Direct Student Loans	84.268	N/A	N/A	-	2,645,582
Total Student Financial Assistance Cluster				-	8,117,868
Trio Cluster:					
Trio Student Support Services	84.042	N/A	N/A	-	324,650
Trio Student Support Services	84.042A	N/A	N/A	-	285,942
Trio Upward Bound	84.047	N/A	N/A	-	548,510
Total Trio Cluster				-	1,159,102
Office of Post Secondary Education					
Title III-Higher Education Institutional Aid	84.031A	N/A	N/A	-	339,274
Total Post Secondary Education				-	339,274

See accompanying Notes to Schedule of Expenditures of Federal Awards.

COLORADO MOUNTAIN COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of Education (Continued)					
Colorado Community College System					
Career and Technical Education - Basic Grants to States (Perkins)	84.048A	Colorado Community College System	1622	$ -	$ 346,389
Bilingual Workforce Development	84.116	Colorado Community College System	1622	-	19,125
Total Colorado Community College System				-	365,514
Total Department of Education				-	9,981,758
Department of Health and Human Services					
Community Project Funding/ Congressionally Directed Spending - Construction	93.493	N/A	N/A	-	2,997,903
Total Department of Health and Human Services				-	2,997,903
Department of Commerce					
State of Colorado Office of Economic Development & International Trade	11.307	State of Colorado Office of Economic Development & International Trade	POGG1,EDAA,202400 003196	-	18,541
Total Department of Commerce				-	18,541
National Science Foundation					
NSF Planning Rural and Tribal Community College AS	47.076	N/A	N/A	-	75,017
Total Department of Commerce				-	75,017
Total Expenditures of Federal Awards				$ -	$ 14,436,019

See accompanying Notes to Schedule of Expenditures of Federal Awards.

NOTE 1 GENERAL

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Colorado Mountain College (the College). The Schedule includes federally funded projects received directly from federal agencies and the federal amounts of pass-through awards received by the College through the state of Colorado or other nonfederal entities. The College's reporting entity is defined in Note 1 in the College's basic financial statements for the year ended June 30, 2025.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

NOTE 2 BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements or reports to federal agencies and pass-through grantors. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years, if any. The College has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 PASS-THROUGH GRANTOR'S NUMBER

For federal awards expended by the College as a subrecipient, the Schedule includes identification of the pass-through grantor, and the identifying number assigned to the grant by the pass-through grantor where the pass-through grantor has supplied such number to the College.

COLORADO MOUNTAIN COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:

   - Material weakness(es) identified? ______ yes __X__ no
   - Significant deficiency(ies) identified? ______ yes __X__ none reported

3. Noncompliance material to financial statements noted? ______ yes __X__ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? ______ yes __X__ no
   - Significant deficiency(ies) identified? ______ yes __X__ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ______ yes __X__ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.493	Community Project Funding/ Congressionally Directed Spending - Construction

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

Auditee qualified as low-risk auditee? __X__ yes ______ no

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Program

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a)