

***Weld County School District RE-9***  
**Ault, Colorado**

**Financial Statements**

**For the Year Ended June 30, 2024**

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## **Independent Auditors' Report**

Board of Education  
Weld County School District RE-9  
Ault, Colorado

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Weld County School District RE-9 (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

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

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

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

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

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension and other post-employment benefit information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of

America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

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

The debt compliance schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Sterling, Colorado  
October 17, 2024

**WELD COUNTY SCHOOL DISTRICT RE-9  
Management's Discussion and Analysis  
June 30, 2024**

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The discussion and analysis of Weld County School District RE-9's (the "District") financial performance provides an overall review of the district's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the financial statements, financial statement footnotes, budgetary comparison schedules and additional supplementary information to broaden their understanding of the District's financial performance.

**Financial Highlights**

The fund balance for Governmental Funds increased by \$3,510,229 for the 2024 fiscal year.

Outlays for capital assets included various district improvements and purchases. Significant outdoor renovations were completed including the replacement of parking lot lights on the Ault campus and the addition of a security gate at the transportation maintenance facility. Additionally, a maintenance building was renovated and the district purchased and installed a new scoreboard for the primary athletic field. Capital equipment repairs and purchases include a zero turn mower for the maintenance department and a transmission rebuild for a route bus. An indoor project that was completed was the renovation of the gym floor in the high school. The District decreased its principal long-term debt by \$780,000 for general obligation bonds and \$14,604 for leased business equipment.

The funded student count decreased in 2024 to 989.2 from 1,033 from fiscal year 2023.

The District's fund balance continues to remain sufficient to accommodate cash flow needs.

**Using the Basic Financial Statements**

The basic financial statements consist of the Management Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can first understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

The remaining statements are fund financial statements that focus on individual parts of the District's operations in more detail. The governmental fund statements tell how general District services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

## Financial Analysis of the District as a Whole

As of June 30, 2024, the District's total net position was \$18,372,250. The total net position of the District increased from the previous year by \$3,316,210 with the PERA Net Pension Liability increasing by \$3,151,447 for a total PERA Net Pension Liability of \$16,435,267 and a decrease to Capital Assets being depreciated.

## Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private businesses. The statements of net position include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the District is made up of Governmental Activities:

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

A condensed summary of the District's net position is as follows:

**Table 1**  
**NET POSITION**

|                                  | <u>2024</u>                 | <u>2023</u>                 |
|----------------------------------|-----------------------------|-----------------------------|
| Current and other assets         | \$ 18,369,517               | \$ 15,041,740               |
| Capital assets                   | <u>21,866,194</u>           | <u>22,182,464</u>           |
| Total assets                     | 40,235,711                  | 37,224,204                  |
| Deferred outflows of resources   | 4,025,492                   | 2,855,154                   |
| Long-term liabilities            | 23,029,577                  | 20,817,025                  |
| Other liabilities                | <u>1,788,098</u>            | <u>1,964,369</u>            |
| Total liabilities                | 24,817,675                  | 22,781,394                  |
| Deferred inflows of resources    | 1,071,278                   | 2,241,924                   |
| Net position                     |                             |                             |
| Net investment in capital assets | 15,838,027                  | 15,274,759                  |
| Restricted                       | 2,690,551                   | 2,345,202                   |
| Unrestricted (deficit)           | <u>(156,328)</u>            | <u>(2,563,921)</u>          |
| <b>Total net position</b>        | <b><u>\$ 18,372,250</u></b> | <b><u>\$ 15,056,040</u></b> |



Most of the District’s net position is invested in capital assets (buildings, land, equipment and vehicles). The remaining unrestricted net position is a combination of restricted and unrestricted amounts. The restricted balances are amounts set aside for the repayment of debt, or set aside as required by Colorado statutes for emergencies.

A condensed Statement of Activities and Changes in Net Position is as follows:

**Table 2**  
**CHANGES IN NET POSITION**

|                                    | <u>2024</u>                 | <u>2023</u>                 |
|------------------------------------|-----------------------------|-----------------------------|
| Program revenues                   |                             |                             |
| Charges for services               | \$ 189,515                  | \$ 295,368                  |
| Operating grants                   | 1,392,344                   | 2,334,826                   |
| Capital grants                     | -                           | 165,000                     |
| General revenues                   |                             |                             |
| Taxes                              | 13,869,155                  | 11,700,262                  |
| State equalization                 | -                           | 470,073                     |
| Earnings on investments            | 618,718                     | 262,453                     |
| Sale of assets                     | -                           | -                           |
| Other                              | 1,607,747                   | 704,726                     |
| Total revenues                     | <u>17,677,479</u>           | <u>15,932,708</u>           |
| Expenses                           |                             |                             |
| Instruction                        | 7,754,043                   | 7,532,267                   |
| Supporting services                | 5,770,903                   | 5,779,954                   |
| Unallocated depreciation           | 683,169                     | 667,644                     |
| Interest on long-term debt         | 153,154                     | 179,435                     |
| Total expenses                     | <u>14,361,269</u>           | <u>14,159,300</u>           |
| Change in net position             | 3,316,210                   | 1,773,408                   |
| Net position at beginning of year  | <u>15,056,040</u>           | <u>13,282,632</u>           |
| <b>Net position at end of year</b> | <b><u>\$ 18,372,250</u></b> | <b><u>\$ 15,056,040</u></b> |

The major source of the District’s revenue is from local property taxes. The District received \$11,024 per funded pupil. Overall, the District’s revenue exceeded expenses for the governmental activities of the year.

**Reporting the District’s Most Significant Funds**

The analysis of the District’s major funds begins on page 16. Fund financial reports provide detailed information about the District’s major funds. The District’s major funds are the General and Bond Redemption Funds.

## **Governmental Funds.**

Most of District's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements of the Governmental Funds. The District's governmental funds consist of the General, Total Program Reserve, Capital Projects, Food Service, Pupil Activity and Bond Redemption. The General Fund accounts for the majority of the District's instruction and support operations. The Total Program Reserve Fund accounts for the revenues from a specific tax levy pursuant to Section 22-54-107(5) C.R.S. The Food Service Fund accounts for financial transactions related to the food service operations. The Pupil Activity Fund accounts for financial transactions related to school-sponsored pupil organizations and activities. The Capital Projects Fund accounts for the District's funding for capital needs, and the Bond Redemption Fund accounts for the repayment of the District's general obligation debt.

## **Fund Financial Statements**

As of June 30, 2024, the District's governmental funds reported a combined fund balance of \$16,553,174. The following is additional information, by fund, which contributed to the total.

General Fund showed an increase to fund balance of \$3,285,359. Information regarding the District's General Fund is shown below. The District also has five other governmental funds, the Capital Projects Fund, the Bond Redemption Fund, the Total Program Reserve Fund, the Food Service Fund and the Pupil Activity Fund.

The Bond Redemption Fund showed an increase of \$32,864 in ending fund balance to \$1,221,650.

The Capital Reserve Capital Projects Fund showed an increase of \$45,084 in fund balance to \$658,851 which was due primarily to in lieu payments.

The 2024 Capital Projects Fund carryover will be held in reserve to use for future student transportation fleet upgrades.

The District's Total Program Reserve Fund showed a \$167,329 increase in fund balance to \$167,329.

The District's Food Service Fund showed a \$44,374 decrease in fund balance to \$219,179.

The District's Pupil Activity Fund showed a \$23,967 increase in fund balance to \$244,693.

## Capital Assets

As of June 30, 2024, the District had \$21,866,194 invested in a broad range of capital assets, including land, buildings, equipment and vehicles. This amount represents a decrease (including additions, deletions, and depreciation) of \$316,270 from last year. A summary of the District's Capital Assets is as follows:

|   |                             |
|---|-----------------------------|
| Capital assets, not being depreciated       |                             |
| Land  | \$ <u>455,977</u>           |
| Total capital assets, not being depreciated | 455,977                     |
| Capital assets, being depreciated           |                             |
| Land improvements                           | 4,569,055                   |
| Buildings and improvements                  | 24,692,513                  |
| Food service equipment                      | 141,554                     |
| Equipment                                   | 833,216                     |
| Transportation equipment                    | <u>1,964,109</u>            |
| Total capital assets, being depreciated     | <u>32,200,447</u>           |
| Total capital assets                        | 32,656,424                  |
| Less accumulated depreciation               |                             |
| Land improvements                           | (1,769,153)                 |
| Buildings and improvements                  | (7,231,126)                 |
| Food service equipment                      | (71,746)                    |
| Equipment                                   | (458,784)                   |
| Transportation equipment                    | <u>(1,259,421)</u>          |
| Total accumulated depreciation              | <u>(10,790,230)</u>         |
| <b>Capital assets, net</b>                  | <b><u>\$ 21,866,194</u></b> |

## Debt Administration

As of June 30, 2024, the District had total outstanding long-term debt as follows:

|                      |                            |
|----------------------|----------------------------|
| Compensated absences | \$ 169,297                 |
| Financed purchases   | 8,911                      |
| Bonds payable        | 5,375,000                  |
| Bond premium         | <u>644,256</u>             |
| <b>Total</b>         | <b><u>\$ 6,197,464</u></b> |

The financed purchases represent extended obligations for the purchase of copier equipment, the bonds payable were utilized for building improvements, and the accrued compensated absences represent the liability for earned but unused sick leave and severance pay. Additional information related to the District's debt can be found in Note G to the financial statements.

## **General Fund Budget**

The Board of Education adopts the District's budget in June of each year. Changes may be made prior to January 31<sup>st</sup>. The majority of changes from the original budget, which is adopted by June 30<sup>th</sup>, and the final January budget is mainly due to the student count and state equalization funding, actual teachers' contracts, any special needs of students that may impact the budget and final grant allocations.

## **Economic Factors and Next Year's Budget**

Student enrollment is a major factor in funding. Enrollment is calculated using the higher count of either current or an average of previous years. The student count has increased from 960 students in 2023 to 974 in October 2024.

The district's preliminary assessed valuation for 2024 increased to \$669,648,150. Successful tax collections at the local level and responsible spending practices have resulted in an acceptable general fund balance.

The district continues to work on ways to increase salaries for faculty and staff in an effort to attract and retain high quality teachers for our students. The board of education has approved financial bonuses for teacher retention and has awarded funds for the Snow Hook scholarship program.

The student transportation department continues to replace outdated vehicles with new vehicles to improve safety. It is likely the district will purchase two additional buses during the fiscal year.

Weld Re-9 has benefitted from oil and gas production on district owned property. While additional revenue is anticipated, the amount is unknown and will not be relied upon as a consistent source.

Anticipated improvements include a new scoreboard for the baseball field, the completion of a fence around the perimeter of the transportation/maintenance facility.

Our board of education has determined that using fund balance to secure land for future school buildings is a solid investment. As it goes, the district is in the process of purchasing property in the Pierce area to bank for future use. Along with land acquisition is the need for water to supply the new buildings. The district will explore the purchase of water.

Weld Re-9 is participating in the 2024 election with a ballot issue that if passed will result in a bond of \$88 million. These funds will be used to construct a new K-8 school on existing land in Ault. A master plan was completed in 2023 and it was determined that a new facility would be preferable over trying to maintain two buildings that are now over 100 years old.

In summary, Weld Re-9 has remained in stable financial condition.

### **Requests for Information**

This financial report is designed to provide a general overview of Weld County School District RE-9's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Manager, Weld County School District RE-9, Box 1390, Ault Colorado, 80610.

## **Basic Financial Statements**

The basic financial statements of the District include the following:

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Statement of Net Position**  
**June 30, 2024**

|   | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| Assets  |                                    |
| Cash  | \$ 1,871,387                       |
| Cash with fiscal agent  | 48,897                             |
| Investments   | 15,870,146                         |
| Receivables   | 574,368                            |
| Inventory   | 4,719                              |
| Capital assets, net of depreciation                               | <u>21,866,194</u>                  |
| Total assets  | 40,235,711                         |
| Deferred outflows of resources                                    |                                    |
| Pension benefit deferrals   | 3,965,295                          |
| Other post-employment benefit deferrals                           | <u>60,197</u>                      |
| Total deferred outflows of resources                              | <u>4,025,492</u>                   |
| Total assets and deferred outflows of resources                   | <u><u>\$ 44,261,203</u></u>        |
| Liabilities   |                                    |
| Accounts payable  | \$ 88,009                          |
| Accrued salaries and benefits                                     | 1,128,605                          |
| Unearned revenue  | 1,591                              |
| Unearned grant revenue  | 551,314                            |
| Accrued interest  | 18,579                             |
| Noncurrent liabilities  |                                    |
| Due within one year   | 818,911                            |
| Due in more than one year   | 5,378,553                          |
| Net pension liability   | 16,435,267                         |
| Net OPEB liability  | <u>396,846</u>                     |
| Total liabilities   | 24,817,675                         |
| Deferred inflows of resources                                     |                                    |
| Pension benefit deferrals   | 943,349                            |
| Other post-employment benefit deferrals                           | <u>127,929</u>                     |
| Total deferred inflows of resources                               | 1,071,278                          |
| Net position  |                                    |
| Net investment in capital assets                                  | 15,838,027                         |
| Restricted for:   |                                    |
| Emergencies   | 450,000                            |
| Universal preschool   | 34,446                             |
| Total program reserve   | 167,329                            |
| Land dedication   | 597,947                            |
| Debt service  | 1,221,650                          |
| Food service  | 219,179                            |
| Unrestricted (deficit)  | <u>(156,328)</u>                   |
| Total net position  | <u>18,372,250</u>                  |
| Total liabilities, deferred inflows of resources and net position | <u><u>\$ 44,261,203</u></u>        |

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

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**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

|                               | Expenses             | Program Revenues     |                                    |                                  |
|-------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
|                               |                      | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental activities       |                      |                      |                                    |                                  |
| Instruction                   | \$ 7,754,043         | \$ 128,229           | \$ 580,925                         |                                  |
| Supporting services           |                      |                      |                                    |                                  |
| Students                      | 382,853              |                      | 1,857                              |                                  |
| Instructional staff           | 523,767              |                      | 58,058                             |                                  |
| General administration        | 306,708              |                      |                                    |                                  |
| School administration         | 846,424              |                      |                                    |                                  |
| Business services             | 375,338              |                      | 800                                |                                  |
| Operations and maintenance    | 1,527,346            |                      | 83,821                             |                                  |
| Student transportation        | 956,300              | 28,537               |                                    |                                  |
| Central support services      | 60,273               |                      |                                    |                                  |
| Other support services        | 32,208               |                      |                                    |                                  |
| Food service operations       | 759,686              | 32,749               | 666,883                            |                                  |
| Unallocated depreciation *    | 683,169              |                      |                                    |                                  |
| Interest and fiscal charges   | 153,154              |                      |                                    |                                  |
| Total governmental activities | <u>\$ 14,361,269</u> | <u>\$ 189,515</u>    | <u>\$ 1,392,344</u>                | <u>\$ -</u>                      |

General revenues

Taxes

Property taxes, levied for general purposes  
Property taxes, levied for debt service  
Property taxes, levied for total program reserve  
Specific ownership taxes  
Delinquent taxes, interest and abatements

Earnings on investments

Other

Total general revenues

Change in net position

Net position at beginning of year

Net position at end of year

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

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

---

Net (Expenses)  
Revenues and  
Changes in  
Net Position

Total  
Governmental  
Activities

\$ (7,044,889)

(380,996)

(465,709)

(306,708)

(846,424)

(374,538)

(1,443,525)

(927,763)

(60,273)

(32,208)

(60,054)

(683,169)

(153,154)

---

(12,779,410)

12,030,591

1,057,223

298,232

473,460

9,649

618,718

1,607,747

---

16,095,620

3,316,210

---

15,056,040

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\$ 18,372,250

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**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

|  | General<br>Fund      | Bond<br>Redemption<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|----------------------------|--------------------------------|--------------------------------|
| <b>Assets</b>  |                      |                            |                                |                                |
| Cash   | \$ 1,306,642         |                            | \$ 564,745                     | \$ 1,871,387                   |
| Cash with fiscal agent   | 46,824               | \$ 991                     | 1,082                          | 48,897                         |
| Investments  | 13,886,579           | 1,222,129                  | 761,438                        | 15,870,146                     |
| Property taxes receivable  | 144,577              | 13,178                     | 3,712                          | 161,467                        |
| Due from other funds   | 11,253               |                            | 3,183                          | 14,436                         |
| Grants receivable  | 226,152              |                            |                                | 226,152                        |
| Other receivables  | 186,664              |                            | 85                             | 186,749                        |
| Inventory  |                      |                            | 4,719                          | 4,719                          |
| <b>Total assets</b>  | <b>\$ 15,808,691</b> | <b>\$ 1,236,298</b>        | <b>\$ 1,338,964</b>            | <b>\$ 18,383,953</b>           |
| <b>Liabilities</b>   |                      |                            |                                |                                |
| Due to other funds   | \$ 3,183             | \$ 11,253                  |                                | \$ 14,436                      |
| Accounts payable   | 85,819               |                            | \$ 2,190                       | 88,009                         |
| Accrued salaries and benefits  | 1,092,799            |                            | 35,806                         | 1,128,605                      |
| Unearned revenue   | 1,591                |                            |                                | 1,591                          |
| Unearned grant revenues  | 551,314              |                            |                                | 551,314                        |
| <b>Total liabilities</b>   | <b>1,734,706</b>     | <b>11,253</b>              | <b>37,996</b>                  | <b>1,783,955</b>               |
| <b>Deferred inflows of resources</b>                                     |                      |                            |                                |                                |
| Deferred property tax revenues   | 32,513               | 3,395                      | 10,916                         | 46,824                         |
| <b>Fund balance</b>  |                      |                            |                                |                                |
| Nonspendable inventory   |                      |                            | 4,719                          | 4,719                          |
| Restricted for emergencies   | 450,000              |                            |                                | 450,000                        |
| Restricted for universal preschool                                       | 34,446               |                            |                                | 34,446                         |
| Restricted for total program reserve                                     |                      |                            | 167,329                        | 167,329                        |
| Restricted for land dedication   |                      |                            | 597,947                        | 597,947                        |
| Restricted for debt service  |                      | 1,221,650                  |                                | 1,221,650                      |
| Restricted to food service   |                      |                            | 214,460                        | 214,460                        |
| Committed to pupil activities  |                      |                            | 244,693                        | 244,693                        |
| Assigned to insurance costs  | 114,130              |                            |                                | 114,130                        |
| Assigned to capital projects   |                      |                            | 60,904                         | 60,904                         |
| Unassigned   | 13,442,896           |                            |                                | 13,442,896                     |
| <b>Total fund balance</b>  | <b>14,041,472</b>    | <b>1,221,650</b>           | <b>1,290,052</b>               | <b>16,553,174</b>              |
| <b>Total liabilities, deferred inflows of resources and fund balance</b> | <b>\$ 15,808,691</b> | <b>\$ 1,236,298</b>        | <b>\$ 1,338,964</b>            | <b>\$ 18,383,953</b>           |

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

**WELD COUNTY SCHOOL DISTRICT RE-9**

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
June 30, 2024**

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

|   |                             |
|---|-----------------------------|
| Total fund balance - governmental funds   | \$ 16,553,174               |
| Capital assets, net used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.   | 21,866,194                  |
| Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.  | 46,824                      |
| Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.  | (18,579)                    |
| Deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.  | 4,025,492                   |
| Long-term liabilities, including bonds payable, lease payables, net pension and OPEB liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds. | (23,029,577)                |
| Deferred inflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.   | <u>(1,071,278)</u>          |
| Net position of the governmental activities   | <u><u>\$ 18,372,250</u></u> |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

|   | General<br>Fund      | Bond<br>Redemption<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|----------------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>   |                      |                            |                                |                                |
| Local sources   | \$ 13,346,350        | \$ 1,052,195               | \$ 885,948                     | \$ 15,284,493                  |
| Intermediate sources                                    | 1,041,448            |                            |                                | 1,041,448                      |
| State sources   | 256,496              |                            | 215,570                        | 472,066                        |
| Federal sources   | 389,612              |                            | 451,313                        | 840,925                        |
| <b>Total revenues</b>                                   | <b>15,033,906</b>    | <b>1,052,195</b>           | <b>1,552,831</b>               | <b>17,638,932</b>              |
| <b>Expenditures</b>                                     |                      |                            |                                |                                |
| Instruction   | 6,713,633            |                            | 481,710                        | 7,195,343                      |
| Supporting services                                     | 4,799,858            |                            | 744,763                        | 5,544,621                      |
| Capital outlay  | 353,839              |                            |                                | 353,839                        |
| Debt service  |                      |                            |                                |                                |
| Principal retirement                                    |                      | 780,000                    | 14,604                         | 794,604                        |
| Interest and fiscal charges                             |                      | 239,331                    | 965                            | 240,296                        |
| <b>Total expenditures</b>                               | <b>11,867,330</b>    | <b>1,019,331</b>           | <b>1,242,042</b>               | <b>14,128,703</b>              |
| <b>Excess of revenues over<br/>(under) expenditures</b> | <b>3,166,576</b>     | <b>32,864</b>              | <b>310,789</b>                 | <b>3,510,229</b>               |
| <b>Other financing sources (uses)</b>                   |                      |                            |                                |                                |
| Transfers in  | 134,352              |                            | 15,569                         | 149,921                        |
| Transfers out   | (15,569)             |                            | (134,352)                      | (149,921)                      |
| <b>Total other financing sources<br/>(uses)</b>         | <b>118,783</b>       | <b>-</b>                   | <b>(118,783)</b>               | <b>-</b>                       |
| <b>Net change in fund balances</b>                      | <b>3,285,359</b>     | <b>32,864</b>              | <b>192,006</b>                 | <b>3,510,229</b>               |
| <b>Fund balance at beginning of year</b>                | <b>10,756,113</b>    | <b>1,188,786</b>           | <b>1,098,046</b>               | <b>13,042,945</b>              |
| <b>Fund balance at end of year</b>                      | <b>\$ 14,041,472</b> | <b>\$ 1,221,650</b>        | <b>\$ 1,290,052</b>            | <b>\$ 16,553,174</b>           |

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

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

|  |                            |
|--|----------------------------|
| Net change in fund balances - governmental funds   | \$ 3,510,229               |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the current period.     | (316,270)                  |
| Because some property taxes will not be collected for several months after the fiscal year ends, they are not considered to be "available" revenues in the governmental funds and are, instead, counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities.  | 4,814                      |
| In the statement of activities, certain expenses related to the pension and OPEB liabilities and related deferred outflows and inflows, compensated absences, interest, and amortization are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). | (677,167)                  |
| Repayment of principal on general obligation bonds and capital lease obligations are expenditures in the governmental funds, but the repayment reduces the long-term debt liability in the statement of net position.  | <u>794,604</u>             |
| Change in net position of governmental activities  | <u><u>\$ 3,316,210</u></u> |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

This summary of the Weld County School District RE-9’s significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

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

**A.1 – Reporting entity**

The Weld County School District RE-9 is a school district governed by an elected five-member board of education. The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The reporting entity’s financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

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

**A.2 – Fund accounting**

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

Expenditures include all costs associated with the daily operation of the schools, except for certain programs funded by grants from federal and state governments, certain capital outlay expenditures, debt service, food service operations and pupil activities.

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

The following are the District’s nonmajor governmental funds:

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

Food Service Fund – This fund is a special revenue fund used to account for the financial activities associated with the District’s food service operations.

Pupil Activity Fund – This fund is a special revenue fund used to record transactions related to school-sponsored pupil organizations and activities.

Capital Reserve Capital Projects Fund – This fund is a capital projects fund used to account for and report financial resources that have been designated for capital outlays acquisition or construction of major capital facilities and other capital assets.

**Note A.3 – Basis of presentation**

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

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



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

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

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

**A.4 – Basis of accounting**

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

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

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

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

**A.5 – Encumbrances**

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

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

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

**A.7 – Inventories**

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

**A.8 – Capital assets**

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

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

Interest is capitalized on assets reported in the governmental activities that are acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized in the current period.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

| <u>Description</u>         | <u>Governmental<br/>Activities</u> |
|----------------------------|------------------------------------|
| Land and improvements      | 20 years                           |
| Buildings and improvements | 10-50 years                        |
| Food service equipment     | 8-15 years                         |
| Equipment                  | 5-20 years                         |
| Transportation equipment   | 6-15 years                         |

**A.9 – Compensated absences**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Personal leave benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services rendered and it is probable that the District will compensate the employees for the benefits earned. The District permits full-time employees with ten years or more of continuous service to receive severance pay upon retirement in the amount of \$125 for each year of service. Employees working less than full-time receive a reduced benefit as outlined in the policies. The District will pay professional staff \$80 per day for all accumulated sick leave over ten days upon separation of employment from the District. For support staff, the District pays \$50 per day for accumulated sick leave over ten days upon separation of employment from the District. Compensated absences also include accrued vacation carryover for eligible employees.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account “accrued compensated absences” in the fund from which the employees who have accumulated unpaid leave are paid.

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due. Bond premiums and discounts, and amounts deferred upon refunding are amortized over the life of the bonds using the straight-line method.

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

**A.11 – Fund balance**

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

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

- *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),
- *Restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- *Committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the board of education (the District's highest level of decision-making authority),
- *Assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and
- *Unassigned* fund balance is the residual classification for the District's general fund and includes all spendable amounts not contained in the other classifications.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

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

**A.12 – Net Position**

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

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

**A.13 – Interfund transactions**

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

**A.14 – Extraordinary and special items**

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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**Note B – Cash and investments**

**Cash and deposits**

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

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of year-end, the District had total deposits of \$2,771,856, of which \$250,000 was insured and \$2,521,856 was collateralized with securities held by the pledging institution's trust department or agent but not in the District's name.

**Investments**

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

During the year, the District invested in Colostrust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. As of June 30, 2024, the District had invested \$15,870,146 in COLOTRUST PLUS+, an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments.

As of June 30, 2024, the District had invested in COLOTRUST PLUS+.

|                          |                      | <u>Investment maturities (in years)</u> |             |             |
|--------------------------|----------------------|---|-------------|-------------|
| <u>Investment type</u>   | <u>Fair value</u>    | <u>Less<br/>than 1</u>                  | <u>1-5</u>  | <u>6-10</u> |
| Investment in Colostrust | <u>\$ 15,870,146</u> | <u>\$ 15,870,146</u>                    | <u>\$ -</u> | <u>\$ -</u> |

The investments in Colostrust are maintained in the General, Total Program Reserve, Bond Redemption and Capital Reserve Capital Projects funds.

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



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

The following table provides a reconciliation of cash, cash with fiscal agent, and investments on the statement of net position:

|   |                      |
|---|----------------------|
| Cash                                      | \$ 1,871,167         |
| Cash on hand                              | 220                  |
| Cash with fiscal agent                    | 48,897               |
| Investments – Colotrust                   | 14,648,018           |
| Investments – UMB (Third party custodian) | <u>1,222,128</u>     |
| Total                                     | <u>\$ 17,790,430</u> |
| <br><u>Statement of net position</u>      |                      |
| Cash                                      | \$ 1,871,387         |
| Cash with fiscal agent                    | 48,897               |
| Investments                               | <u>15,870,146</u>    |
| Total                                     | <u>\$ 17,790,430</u> |

**Note C – Receivables**

Receivables at year-end consist of the following:

|                           |                                    |
|---------------------------|------------------------------------|
|                           | <u>Governmental<br/>Activities</u> |
| Property taxes receivable | \$ 161,467                         |
| Grants receivable         | 226,152                            |
| Other receivables         | <u>186,749</u>                     |
| Total                     | <u>\$ 574,368</u>                  |

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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**Note D - Interfund transactions**

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

|                           | <u>Interfund<br/>Receivables</u> | <u>Interfund<br/>Payables</u> |
|---------------------------|----------------------------------|-------------------------------|
| <u>Governmental funds</u> |                                  |                               |
| General Fund              | \$ 11,253                        | \$ 3,183                      |
| Bond Redemption Fund      | -                                | 11,253                        |
| Other Governmental Funds  | <u>3,183</u>                     | <u>-</u>                      |
| Total                     | <u>\$ 14,436</u>                 | <u>\$ 14,436</u>              |

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

|                           | <u>Transfers<br/>In</u> | <u>Transfers<br/>Out</u> |
|---------------------------|-------------------------|--------------------------|
| <u>Governmental funds</u> |                         |                          |
| General fund              | \$ 134,352              | \$ 15,569                |
| Other governmental funds  | <u>15,569</u>           | <u>134,352</u>           |
| Total                     | <u>\$ 149,921</u>       | <u>\$ 149,921</u>        |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The District transferred funds in the amount of \$134,352 from the Total Program Reserve Fund to the General Fund in accordance with C.R.S. Section 22-45-103(k) as well as \$15,569 from the General Fund to the Other Governmental Funds for capital expenses.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

**Note E – Capital assets**

Capital asset activity for the year was as follows:

|   | <u>Beginning<br/>Balance</u> | <u>Additions/<br/>Adjustments</u> | <u>Deletions/<br/>Transfers</u> | <u>Ending<br/>Balance</u> |
|---|------------------------------|-----------------------------------|---------------------------------|---------------------------|
| <b>Governmental activities</b>              |                              |                                   |                                 |                           |
| Capital assets, not being depreciated:      |                              |                                   |                                 |                           |
| Land  | \$ 455,977                   | \$ -                              | \$ -                            | \$ 455,977                |
| Total capital assets, not being depreciated | 455,977                      | -                                 | -                               | 455,977                   |
| Capital assets, being depreciated:          |                              |                                   |                                 |                           |
| Land improvements                           | 4,518,271                    | 50,784                            | -                               | 4,569,055                 |
| Buildings and improvements                  | 24,322,174                   | 370,339                           | -                               | 24,692,513                |
| Food service equipment                      | 141,554                      | -                                 | -                               | 141,554                   |
| Equipment                                   | 725,531                      | 107,685                           | -                               | 833,216                   |
| Transportation equipment                    | <u>1,949,379</u>             | <u>14,730</u>                     | -                               | <u>1,964,109</u>          |
| Total capital assets, being depreciated     | <u>31,656,909</u>            | <u>543,538</u>                    | -                               | <u>32,200,447</u>         |
| Total capital assets                        | 32,112,886                   | 543,538                           | -                               | 32,656,424                |
| Less accumulated depreciation for:          |                              |                                   |                                 |                           |
| Land improvements                           | (1,566,462)                  | (202,691)                         | -                               | (1,769,153)               |
| Buildings and improvements                  | (6,750,648)                  | (480,478)                         | -                               | (7,231,126)               |
| Food service equipment                      | (56,093)                     | (15,653)                          | -                               | (71,746)                  |
| Equipment                                   | (404,112)                    | (54,672)                          | -                               | (458,784)                 |
| Transportation equipment                    | <u>(1,153,107)</u>           | <u>(106,314)</u>                  | -                               | <u>(1,259,421)</u>        |
| Total accumulated depreciation              | <u>(9,930,422)</u>           | <u>(859,808)</u>                  | -                               | <u>(10,790,230)</u>       |
| Governmental activities capital assets, net | <u>\$ 22,182,464</u>         | <u>\$ (316,270)</u>               | <u>\$ -</u>                     | <u>\$ 21,866,194</u>      |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

| <b>Governmental activities</b> |                   |
|--------------------------------|-------------------|
| Instruction                    | \$ 14,478         |
| Operations and maintenance     | 33,437            |
| Student transportation         | 106,314           |
| Central supporting services    | 6,757             |
| Food services                  | 15,653            |
| Unallocated                    | <u>683,169</u>    |
| Total depreciation expense     | <u>\$ 859,808</u> |

**Note F – Accrued salaries and benefits**

Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned but not paid at year-end are estimated to be \$1,128,605. Accordingly, this accrued compensation is reflected as a liability in the accompanying financial statements.

**Note G – Long-term debt**

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

|                                | <u>Beginning<br/>Balances</u> | <u>Additions/<br/>Adjustments</u> | <u>Reductions/<br/>Adjustments</u> | <u>Ending<br/>Balances</u> | <u>Due within<br/>one year</u> |
|--------------------------------|-------------------------------|-----------------------------------|------------------------------------|----------------------------|--------------------------------|
| <b>Governmental activities</b> |                               |                                   |                                    |                            |                                |
| Compensated absences           | \$ 172,794                    | \$ -                              | \$ (3,497)*                        | \$ 169,297                 | \$ -                           |
| Financed purchases             | 23,515                        | -                                 | (14,604)                           | 8,911                      | 8,911                          |
| Bonds payable                  | 6,155,000                     | -                                 | (780,000)                          | 5,375,000                  | 810,000                        |
| Bond premium                   | <u>729,190</u>                | <u>-</u>                          | <u>(84,934)</u>                    | <u>644,256</u>             | <u>-</u>                       |
| Total                          | <u>\$ 7,080,499</u>           | <u>\$ -</u>                       | <u>\$ (883,035)</u>                | <u>\$ 6,197,464</u>        | <u>\$ 818,911</u>              |

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

Payments on the financed purchases and bonds payable are made in the Capital Reserve Capital Projects and Bond Redemption Funds, respectively. The District believes that the current portion of compensated absences is negligible and is therefore not reported.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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**Note G – Long-term debt (Continued)**

**Financed purchases**

Office equipment obligation – In November 2019, the District entered into an agreement Konica Minolta Premier Finance to finance the costs of acquiring nine digital copiers. The agreement called for a term of one year with annual renewal options. Monthly payments of \$1,297 are due on the 15<sup>th</sup> of each month, with a final payment due on January 15, 2025. The average interest rate over the term is 5.70%.

The agreement contains a provision that, in the event of default, the lessor may (1) declare the entire balance of the unpaid payments for the then current original term or renewal term immediately due and payable, (2) sue for and receive all payments and any other payments then accrued or accelerated under this purchase, (3) charge the District interest on all monies due at the rate of eighteen percent per year from the date of default until paid, (4) require the District return the equipment, and (5) require the District to pay all expenses incurred in connection with the enforcement of any remedies, including reasonable attorneys' fees.

**Bonds payable**

General obligation bonds payable consist of the following individual issues:

|  |                     |
|--|---------------------|
| \$8,500,000 general obligation bonds, dated December 10, 2014, due in annual installments beginning in fiscal year 2016 ranging from \$265,000 to \$780,000; varying annual interest rates ranging from 2.00% to 4.00%, payable semi-annually on June 1 <sup>st</sup> and December 1 <sup>st</sup> . | \$ 4,235,000        |
| \$2,200,000 general obligation bonds, dated January 14, 2015, due in annual installments ranging from \$80,000 to \$210,000; varying annual interest rates ranging from 2.00% to 5.00%, payable semi-annually on December 1 <sup>st</sup> and June 1 <sup>st</sup> .                                 | <u>1,140,000</u>    |
| Total general obligation bonds   | <u>\$ 5,375,000</u> |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

**Note G – Long-term debt (Continued)**

The following schedule represents the District’s debt service requirements to maturity for the outstanding long-term debt at year-end:

| Year Ending<br>June 30, | Financed Purchases |               | Bonds Payable       |                   |
|-------------------------|--------------------|---------------|---------------------|-------------------|
|                         | Principal          | Interest      | Principal           | Interest          |
| 2025                    | \$ 8,911           | \$ 171        | \$ 810,000          | \$ 206,750        |
| 2026                    | -                  | -             | 840,000             | 173,750           |
| 2027                    | -                  | -             | 875,000             | 138,525           |
| 2028                    | -                  | -             | 910,000             | 100,925           |
| 2029                    | -                  | -             | 950,000             | 61,725            |
| 2030                    | -                  | -             | 990,000             | 20,850            |
| Totals                  | <u>\$ 8,911</u>    | <u>\$ 171</u> | <u>\$ 5,375,000</u> | <u>\$ 702,525</u> |

**Note H – Defined benefit pension plan**

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

*Benefits provided as of December 31, 2023.* 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. Section 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

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

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

*Contributions provisions as of June 30, 2024:* Eligible employees of the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024. Employer contribution requirements are summarized in the table below:

|  | July 1, 2023<br>Through<br><u>June 30, 2024</u> |
|--|---|
| Employer contribution rate   | 11.40%  |
| Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. Section 24-51-208(1)(f) | <u>(1.02)%</u>                                  |
| Amount apportioned to the SCHDTF   | 10.38%  |
| Amortization Equalization Disbursement (AED) as specified in C.R.S. Section 24-51-411                                    | 4.50%   |
| Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. Section 24-51-411                      | <u>5.50%</u>                                    |
| Total employer contribution rate to the SCHDTF   | <u><u>20.38%</u></u>                            |

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



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$1,316,654 for the year ended June 30, 2024.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. The direct distribution from the State was suspended in 2020. To compensate PERA for the suspension, C.R.S. §§ 24-51-414(6-8) required restorative payment by providing an accelerated payment in 2022. In 2022, the State Treasurer issued payment for the direct distribution of \$225 million plus an additional amount of \$380 million. Due to the advanced payment made in 2022, the State reduced the distribution in 2023 to \$35 million. Additionally, the newly added C.R.S. § 24-51-414(9) providing compensatory payment of \$14.561 million for 2023 only.

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

The net pension liability for the SCHDTF was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total pension liability to December 31, 2023. The District’s proportion of the net pension liability was based on the District’s contributions to the SCHDTF for the calendar year 2023 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At year end, the District reported a liability of \$16,435,267 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

|  |                      |
|--|----------------------|
| District’s proportionate share of the net pension liability  | \$ 16,435,267        |
| The State’s proportionate share of the net pension liability as a nonemployer contributing entity associated with the District | <u>360,377</u>       |
| Total  | <u>\$ 16,795,644</u> |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

At December 31, 2023, the District’s proportion was 0.0929%, which was an increase of 0.0199% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$2,221,926 and revenue of \$27,457 for support from the State as a nonemployer contributing entity. At year-end, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|---|---|--|
| Difference between expected and actual experience   | \$ 774,773                                    | \$ -   |
| Changes of assumptions or other inputs  | -   | -  |
| Net difference between projected and actual earnings on pension plan investments                                | 384,935                                       | -  |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 2,135,757                                     | 943,349                                      |
| Contributions subsequent to the measurement date  | <u>669,830</u>                                | <u>-</u>                                     |
| Total   | <u>\$ 3,965,295</u>                           | <u>\$ 943,349</u>                            |

\$669,830 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ended<br/>June 30,</u> | <u>Amount</u>       |
|--------------------------------|---------------------|
| 2025                           | \$ 264,868          |
| 2026                           | 1,297,334           |
| 2027                           | 1,118,416           |
| 2028                           | <u>(328,502)</u>    |
| Totals                         | <u>\$ 2,352,116</u> |

*Actuarial assumptions.* The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

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

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon 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.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

The actuarial assumptions used in the December 31, 2022, valuation were based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by the PERA Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies prepared at least every five years and asset/liability studies performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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 Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

| <u>Asset Class</u> | <u>Target<br/>Allocation</u> | <u>30 Year Expected<br/>Geometric Real<br/>Rate of Return</u> |
|--------------------|------------------------------|---|
| Global Equity      | 54.00%                       | 5.60%   |
| Fixed Income       | 23.00%                       | 1.30%   |
| Private Equity     | 8.50%                        | 7.10%   |
| Real Estate        | 8.50%                        | 4.40%   |
| Alternatives       | <u>6.00%</u>                 | 4.70%   |
| Total              | <u>100.00%</u>               |   |

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projections test.

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

*Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate.* The following presents the 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<br><u>(6.25%)</u> | Current<br>Discount Rate<br><u>(7.25%)</u> | 1% Increase<br><u>(8.25%)</u> |
|--|-------------------------------|--|-------------------------------|
| Proportionate share of the net pension liability | <u>\$ 21,976,686</u>          | <u>\$ 16,435,267</u>                       | <u>\$ 11,814,394</u>          |

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

Payables to the pension plan

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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**Note I – Defined contribution pension plan**

Voluntary Investment Program (PERAPlus 401(k) Plan)

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

*Funding policy* - The PERAPlus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The District does not offer matching contributions to its employees. Employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2024, program members contributed \$89,888 for the PERAPlus 401(k) Plan.

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

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

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

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

*PERA Benefit Structure*

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

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

*DPS Benefit Structure*

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$65,897 for the year ended June 30, 2024.

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

At year-end, the District reported a liability of \$396,846 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2023. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

At December 31, 2023, the District’s proportion was 0.0556%, which was an increase of 0.0002% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2024, the District recognized OPEB expense of \$(10,380). At year-end, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|---|---|--|
| Difference between expected and actual experience   | \$ -  | \$ 80,935                                    |
| Changes of assumptions or other inputs  | 4,702   | 41,952                                       |
| Net difference between projected and actual earnings on OPEB plan investments                                   | 12,120  | -  |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 9,851   | 5,042  |
| Contributions subsequent to the measurement date  | <u>33,524</u>                                 | <u>-</u>                                     |
| Total   | <u>\$ 60,197</u>                              | <u>\$ 127,929</u>                            |

\$33,524 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Year Ended<br/>June 30,</u> | <u>Amount</u>       |
|--------------------------------|---------------------|
| 2025                           | \$ (45,516)         |
| 2026                           | (23,223)            |
| 2027                           | (8,164)             |
| 2028                           | (18,249)            |
| 2029                           | (5,054)             |
| 2030                           | <u>(1,050)</u>      |
| Total                          | <u>\$ (101,256)</u> |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

*Actuarial assumptions.* The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs for the School Division:

|  |  |
|--|--|
| Actuarial cost method  | Entry age  |
| Price inflation  | 2.30%  |
| Real wage growth   | 0.70%  |
| Wage inflation   | 3.00%  |
| Salary increases, including wage inflation   | 3.40%-11.00%   |
| Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation | 7.25%  |
| Discount rate  | 7.25%  |
| Health care cost trend rates   |  |
| PERA benefit structure:  |  |
| Service-based premium subsidy  | 0.00%  |
| PERACare Medicare plans  | 7.00% in 2023,<br>gradually decreasing to<br>4.50% in 2033 |
| Medicare Part A premiums <sup>1</sup>  | 3.50% in 2023,<br>gradually increasing to<br>4.50% in 2035 |
| DPS benefit structure:   |  |
| Service-based premium subsidy  | 0.00%  |
| PERACare Medicare plans  | N/A  |
| Medicare Part A premiums   | N/A  |

<sup>1</sup> UnitedHealthcare MAPD PPO plans are 0% for 2023.

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

| Sample Age | MAPD PPO #1 with Medicare Part A |         | MAPD PPO #2 with Medicare Part A |        | MAPD HMO (Kaiser) with Medicare Part A |         |
|------------|----------------------------------|---------|----------------------------------|--------|--|---------|
|            | Retiree/Spouse                   |         | Retiree/Spouse                   |        | Retiree/Spouse                         |         |
|            | Male                             | Female  | Male                             | Female | Male                                   | Female  |
| 65         | \$1,692                          | \$1,406 | \$579                            | \$481  | \$1,913                                | \$1,589 |
| 70         | \$1,901                          | \$1,573 | \$650                            | \$538  | \$2,149                                | \$1,778 |
| 75         | \$2,100                          | \$1,653 | \$718                            | \$566  | \$2,374                                | \$1,869 |

| Sample Age | MAPD PPO #1 without Medicare Part A |         | MAPD PPO #2 without Medicare Part A |         | MAPD HMO (Kaiser) without Medicare Part A |         |
|------------|-------------------------------------|---------|-------------------------------------|---------|---|---------|
|            | Retiree/Spouse                      |         | Retiree/Spouse                      |         | Retiree/Spouse                            |         |
|            | Male                                | Female  | Male                                | Female  | Male                                      | Female  |
| 65         | \$6,469                             | \$5,373 | \$4,198                             | \$3,487 | \$6,719                                   | \$5,581 |
| 70         | \$7,266                             | \$6,011 | \$4,715                             | \$3,900 | \$7,546                                   | \$6,243 |
| 75         | \$8,026                             | \$6,319 | \$5,208                             | \$4,101 | \$8,336                                   | \$6,563 |

The 2023 Medicare Part A premium is \$506 per month.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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. Effective December 31, 2022, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

| <u>Year</u> | <u>PERACare<br/>Medicare Plans</u> | <u>Medicare Part A<br/>Premiums</u> |
|-------------|------------------------------------|-------------------------------------|
| 2023        | 7.00%                              | 3.50%                               |
| 2024        | 6.75%                              | 3.50%                               |
| 2025        | 6.50%                              | 3.75%                               |
| 2026        | 6.25%                              | 3.75%                               |
| 2027        | 6.00%                              | 4.00%                               |
| 2028        | 5.75%                              | 4.00%                               |
| 2029        | 5.50%                              | 4.00%                               |
| 2030        | 5.25%                              | 4.25%                               |
| 2031        | 5.00%                              | 4.25%                               |
| 2032        | 4.75%                              | 4.25%                               |
| 2033        | 4.50%                              | 4.25%                               |
| 2034        | 4.50%                              | 4.25%                               |
| 2035+       | 4.50%                              | 4.50%                               |

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the total OPEB liability for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

Pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon 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.

Disabled mortality assumptions for members other than Safety Officers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

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, 2022, 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 have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums.

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

The actuarial assumptions used in the December 31, 2022, 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.

The long-term expected return on plan assets is reviewed as part of regularly scheduled experience studies performed at least every five years, and asset/liability studies, performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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 Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

| <u>Asset Class</u> | <u>Target<br/>Allocation</u> | <u>30 Year Expected<br/>Geometric Real<br/>Rate of Return</u> |
|--------------------|------------------------------|---|
| Global Equity      | 54.00%                       | 5.60%   |
| Fixed Income       | 23.00%                       | 1.30%   |
| Private Equity     | 8.50%                        | 7.10%   |
| Real Estate        | 8.50%                        | 4.40%   |
| Alternatives       | <u>6.00%</u>                 | 4.70%   |
| Total              | <u>100.00%</u>               |   |

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

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

|   | <u>1% Decrease<br/>in Trend Rates</u> | <u>Current<br/>Trend Rates</u> | <u>1% Increase<br/>in Trend Rates</u> |
|---|---------------------------------------|--------------------------------|---------------------------------------|
| Initial PERACare Medicare trend rate <sup>1</sup> | 5.75%                                 | 6.75%                          | 7.75%                                 |
| Ultimate PERACare Medicare trend rate             | 3.50%                                 | 4.50%                          | 5.50%                                 |
| Initial Medicare Part A trend rate                | 2.50%                                 | 3.50%                          | 4.50%                                 |
| Ultimate Medicare Part A trend rate               | <u>3.50%</u>                          | <u>4.50%</u>                   | <u>5.50%</u>                          |
| Net OPEB Liability                                | \$ 385,456                            | \$ 396,846                     | \$ 409,235                            |

<sup>1</sup>For the January 1, 2024, plan year.

*Discount rate.* The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions 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, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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 total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

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

|   | 1% Decrease<br><u>(6.25%)</u> | Current<br>Discount Rate<br><u>(7.25%)</u> | 1% Increase<br><u>(8.25%)</u> |
|---|-------------------------------|--|-------------------------------|
| Proportionate share of the net OPEB liability | \$ <u>468,725</u>             | \$ <u>396,846</u>                          | \$ <u>335,353</u>             |

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

Payables to the OPEB plan

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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**Note K – Risk management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Colorado School Districts Self-Insurance Pool (the Pool). The Pool's objectives are to provide member school districts defined property and liability coverages through self-insurance and excess insurance purchased from commercial companies. The District pays an annual contribution to the Pool for its insurance coverages. The District's contribution for the year was \$227,045. The District continues to carry commercial insurance for all other risks of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three fiscal years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

**Note L – Commitments and contingencies**

**TABOR Amendment**

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth in student enrollment. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the District under specified voting requirements by the entire electorate. On November 3, 1998, the voters of the District approved a ballot initiative permitting the District to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of TABOR. However, the District has made certain interpretations of TABOR's language in order to determine its compliance. The District has reserved funds in the General Fund in the amount of \$450,000 for the emergency reserve.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Financial Statements**

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

Federal and state funding

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

**Note M – Joint venture**

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

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

This is a jointly governed organization with twelve other school districts with the District being represented by one member on the governing board of the cooperative. This board has final authority for all budgeting and financing of the joint venture. Separate financial statements of the BOCES are available by contacting their administrative office in Greeley, Colorado.

For the year, the District's financial contribution to the BOCES was \$26,027.

### **Required Supplementary Information**

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

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

|   | Budgeted Amounts |                 | Actual        | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|---|------------------|-----------------|---------------|---|
|   | Original         | Final           |               |   |
| Revenues  |                  |                 |               |   |
| Local sources                                   | \$ 12,334,655    | \$ 12,526,269   | \$ 13,346,350 | \$ 820,081  |
| Intermediate sources                            | 154,625          | 186,562         | 1,041,448     | 854,886   |
| State sources                                   | 758,015          | 1,067,345       | 256,496       | (810,849)   |
| Federal sources                                 | 395,992          | 451,648         | 389,612       | (62,036)  |
| Total revenues                                  | 13,643,287       | 14,231,824      | 15,033,906    | 802,082   |
| Expenditures                                    |                  |                 |               |   |
| Instruction                                     | 7,565,940        | 7,715,314       | 6,713,633     | 1,001,681   |
| Supporting services                             | 5,737,411        | 5,782,328       | 4,799,858     | 982,470   |
| Capital outlay                                  | 500,000          | 485,000         | 353,839       | 131,161   |
| Reserve for contingency                         | 9,309,780        | 11,021,934      |               | 11,021,934  |
| Total expenditures                              | 23,113,131       | 25,004,576      | 11,867,330    | 13,137,246  |
| Excess of revenues over<br>(under) expenditures | (9,469,844)      | (10,772,752)    | 3,166,576     | 13,939,328  |
| Other financing sources (uses)                  |                  |                 |               |   |
| Transfers in                                    |                  | 132,208         | 134,352       | 2,144   |
| Transfers out                                   | (115,569)        | (115,569)       | (15,569)      | 100,000   |
| Total other financing sources<br>(uses)         | (115,569)        | 16,639          | 118,783       | 102,144   |
| Net change in fund balance                      | \$ (9,585,413)   | \$ (10,756,113) | 3,285,359     | \$ 14,041,472   |
| Fund balance at beginning of year               |                  |                 | 10,756,113    |   |
| Fund balance at end of year                     |                  |                 | \$ 14,041,472 |   |

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**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**PERA's School Division Trust Fund**  
**June 30, 2024**

|  | <u>June 30, 2024</u> | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>June 30, 2021</u> |
|--|----------------------|----------------------|----------------------|----------------------|
| District's proportion of the net pension liability   | 0.0929%              | 0.0730%              | 0.0859%              | 0.0957%              |
| District's proportionate share of the net pension liability  | \$ 16,435,267        | \$ 13,283,820        | \$ 9,997,650         | \$ 14,470,083        |
| State's proportionate share of the net pension liability   | <u>360,377</u>       | <u>3,871,039</u>     | <u>1,146,103</u>     | <u>-</u>             |
| Total  | <u>\$ 16,795,644</u> | <u>\$ 17,154,859</u> | <u>\$ 11,143,753</u> | <u>\$ 14,470,083</u> |
| District's covered payroll   | \$ 6,144,281         | \$ 5,626,485         | \$ 5,369,096         | \$ 5,119,411         |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 267.49%              | 236.09%              | 186.21%              | 282.65%              |
| Plan fiduciary net position as a percentage of the total pension liability                         | 64.74%               | 61.79%               | 74.86%               | 66.99%               |

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

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| <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 0.0835%              | 0.0839%              | 0.0959%              | 0.0960%              | 0.0948%              | 0.0976%              |
| \$ 12,467,562        | \$ 14,847,767        | \$ 31,022,516        | \$ 28,678,529        | \$ 14,498,600        | \$ 13,226,131        |
| <u>1,581,352</u>     | <u>2,030,226</u>     | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             |
| <u>\$ 14,048,914</u> | <u>\$ 16,877,993</u> | <u>\$ 31,022,516</u> | <u>\$ 28,678,529</u> | <u>\$ 14,498,600</u> | <u>\$ 13,226,131</u> |
| \$ 4,903,639         | \$ 4,609,808         | \$ 4,425,446         | \$ 4,323,065         | \$ 4,131,251         | \$ 4,088,138         |
| 254.25%              | 322.09%              | 701.00%              | 663.38%              | 350.95%              | 323.52%              |
| 64.52%               | 57.01%               | 43.96%               | 43.10%               | 59.20%               | 62.84%               |



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Schedule of District Contributions**  
**PERA's School Division Trust Fund**  
**June 30, 2024**

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|   | <u>June 30, 2024</u> | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>June 30, 2021</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Contractually required contribution                                     | \$ 1,316,654         | \$ 1,184,640         | \$ 1,091,569         | \$ 1,034,106         |
| Contributions in relation to the<br>contractually required contribution | <u>(1,316,654)</u>   | <u>(1,184,640)</u>   | <u>(1,091,569)</u>   | <u>(1,034,106)</u>   |
| Contribution deficiency (excess)  | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| District's covered payroll  | \$ 6,460,505         | \$ 5,812,744         | \$ 5,490,761         | \$ 5,201,717         |
| Contributions as a percentage of<br>covered payroll                     | 20.38%               | 20.38%               | 19.88%               | 19.88%               |

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| <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 982,777           | \$ 905,579           | \$ 848,504           | \$ 807,307           | \$ 750,723           | \$ 683,234           |
| <u>(982,777)</u>     | <u>(905,579)</u>     | <u>(848,504)</u>     | <u>(807,307)</u>     | <u>(750,723)</u>     | <u>(683,234)</u>     |
| <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| \$ 5,071,077         | \$ 4,733,815         | \$ 4,493,126         | \$ 4,388,422         | \$ 4,232,436         | \$ 4,046,014         |
| 19.38%               | 19.13%               | 18.88%               | 18.40%               | 17.74%               | 16.89%               |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability <sup>1</sup>**  
**PERA's Health Care Trust Fund**  
**June 30, 2024**

|   | <u>June 30, 2024</u> | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>June 30, 2021</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| District's proportion of the net OPEB liability   | 0.0556%              | 0.0554%              | 0.0561%              | 0.0554%              |
| District's proportionate share of the net OPEB liability  | \$ 396,846           | \$ 452,706           | \$ 483,690           | \$ 526,046           |
| District's covered payroll  | \$ 6,144,281         | \$ 5,626,485         | \$ 5,369,096         | \$ 5,119,411         |
| District's proportionate share of the net OPEB liability as a percentage of its covered payroll | 6.46%                | 8.05%                | 9.01%                | 10.28%               |
| Plan fiduciary net position as a percentage of the total OPEB liability                         | 46.16%               | 38.57%               | 39.40%               | 32.78%               |

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

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

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| <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|----------------------|----------------------|----------------------|----------------------|
| 0.0545%              | 0.0545%              | 0.0545%              | 0.0548%              |
| \$ 612,982           | \$ 741,555           | \$ 708,423           | \$ 709,853           |
| \$ 4,903,639         | \$ 4,609,808         | \$ 4,425,446         | \$ 4,323,039         |
| 12.50%               | 16.09%               | 16.01%               | 16.42%               |
| 24.49%               | 17.03%               | 17.53%               | 16.72%               |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Schedule of District Contributions <sup>1</sup>**  
**PERA's Health Care Trust Fund**  
**June 30, 2024**

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|   | <u>June 30, 2024</u> | <u>June 30, 2023</u> | <u>June 30, 2022</u> | <u>June 30, 2021</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Contractually required contribution                                     | \$ 65,897            | \$ 59,290            | \$ 56,006            | \$ 53,058            |
| Contributions in relation to the<br>contractually required contribution | <u>(65,897)</u>      | <u>(59,290)</u>      | <u>(56,006)</u>      | <u>(53,058)</u>      |
| Contribution deficiency (excess)  | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| District's covered payroll  | \$ 6,460,505         | \$ 5,812,744         | \$ 5,490,761         | \$ 5,201,717         |
| Contributions as a percentage of<br>covered payroll                     | 1.02%                | 1.02%                | 1.02%                | 1.02%                |

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

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| <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> | <u>June 30, 2017</u> |
|----------------------|----------------------|----------------------|----------------------|
| \$ 51,725            | \$ 48,285            | \$ 45,830            | \$ 44,762            |
| <u>(51,725)</u>      | <u>(48,285)</u>      | <u>(45,830)</u>      | <u>(44,762)</u>      |
| <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| \$ 5,071,077         | \$ 4,733,815         | \$ 4,493,126         | \$ 4,388,422         |
| 1.02%                | 1.02%                | 1.02%                | 1.02%                |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to the Required Supplementary Information**

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**Note A – Budgetary data**

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

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

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

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

### **Other Supplementary Information**

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



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## **General Fund**

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**General Fund**  
**Budgetary Comparison Schedule - Revenues**  
**For the Year Ended June 30, 2024**

|                               | Budgeted Amounts |               | Actual        | Variance with |
|-------------------------------|------------------|---------------|---------------|---------------|
|                               | Original         | Final         |               | Final Budget  |
|                               |                  |               |               | Favorable     |
|                               |                  |               |               | (Unfavorable) |
| Revenues                      |                  |               |               |               |
| Local sources                 |                  |               |               |               |
| Property taxes                | \$ 11,545,217    | \$ 11,345,217 | \$ 12,035,082 | \$ 689,865    |
| Specific ownership taxes      | 397,000          | 439,244       | 468,363       | 29,119        |
| Delinquent taxes and interest | 16,800           | 16,800        | 8,731         | (8,069)       |
| Tuition                       | 40,000           | 79,150        | 98,363        | 19,213        |
| Transportation                | 2,700            | 16,370        | 28,537        | 12,167        |
| Earnings on investments       | 246,500          | 491,841       | 585,108       | 93,267        |
| Other local revenue           | 86,438           | 137,647       | 119,066       | (18,581)      |
| Services within the BOCES     |                  |               | 3,100         | 3,100         |
| Total local sources           | 12,334,655       | 12,526,269    | 13,346,350    | 820,081       |
| Intermediate sources          | 154,625          | 186,562       | 1,041,448     | 854,886       |
| State sources                 |                  |               |               |               |
| ELPA professional development |                  |               | 3,765         | 3,765         |
| English language proficiency  |                  | 35,337        |               | (35,337)      |
| Vocational education          | 18,000           | 21,442        | (21,442)      | (42,884)      |
| Special education             | 25,000           | 30,629        | (374,961)     | (405,590)     |
| Gifted and talented           | 11,439           | 12,181        | (16,584)      | (28,765)      |
| Transportation                | 125,000          | 159,404       |               | (159,404)     |
| Library grant                 |                  | 5,000         | 4,500         | (500)         |
| Small rural funding           | 326,635          | 490,636       | 385,604       | (105,032)     |
| At risk funding               | 5,000            | 5,000         | 5,630         | 630           |
| READ Act                      | 31,941           | 38,413        | 36,371        | (2,042)       |
| MOE hold harmless             |                  |               | 30,421        | 30,421        |
| State on-behalf payment       | 175,000          | 175,000       | 27,457        | (147,543)     |
| Other agency state grants     | 40,000           | 94,303        | 129,472       | 35,169        |
| Services within the BOCES     |                  |               | 46,263        | 46,263        |
| Total state sources           | 758,015          | 1,067,345     | 256,496       | (810,849)     |

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|                                | Budgeted Amounts     |                      | Actual               | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--------------------------------|----------------------|----------------------|----------------------|---|
|                                | Original             | Final                |                      |   |
| Federal sources                |                      |                      |                      |   |
| Title I                        | 259,749              | 315,405              | 196,476              | (118,929)   |
| Title II-A                     |                      |                      | 29,550               | 29,550  |
| ARP ESSER III (90% allocation) | 136,243              | 136,243              | 138,071              | 1,828   |
| Title IV                       |                      |                      | 9,707                | 9,707   |
| Summer EBT                     |                      |                      | 800                  | 800   |
| Services within the BOCES      |                      |                      | 15,008               | 15,008  |
| Total federal sources          | 395,992              | 451,648              | 389,612              | (62,036)  |
| Total revenues                 | <u>\$ 13,643,287</u> | <u>\$ 14,231,824</u> | <u>\$ 15,033,906</u> | <u>\$ 802,082</u>   |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended June 30, 2024**

|                                     | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|-------------------------------------|------------------|------------------|------------------|---|
|                                     | Original         | Final            |                  |   |
| <b>Expenditures</b>                 |                  |                  |                  |   |
| <b>Instruction</b>                  |                  |                  |                  |   |
| Salaries                            | \$ 4,761,149     | \$ 4,861,306     | \$ 4,522,409     | \$ 338,897  |
| Employee benefits                   | 1,884,660        | 1,868,405        | 1,610,722        | 257,683   |
| Purchased services                  | 463,640          | 579,089          | 277,245          | 301,844   |
| Supplies and materials              | 368,441          | 319,666          | 272,165          | 47,501  |
| Property                            | 81,900           | 80,080           | 25,474           | 54,606  |
| Other                               | 6,150            | 6,768            | 5,618            | 1,150   |
| <b>Total instruction</b>            | <b>7,565,940</b> | <b>7,715,314</b> | <b>6,713,633</b> | <b>1,001,681</b>  |
| <b>Supporting services</b>          |                  |                  |                  |   |
| <b>Students</b>                     |                  |                  |                  |   |
| Salaries                            | 237,008          | 258,278          | 226,910          | 31,368  |
| Employee benefits                   | 101,084          | 93,814           | 74,911           | 18,903  |
| Purchased services                  | 68,550           | 56,550           | 31,114           | 25,436  |
| Supplies and materials              | 16,943           | 36,777           | 21,981           | 14,796  |
| Property                            | 3,150            | 3,150            | 220              | 2,930   |
| Other                               | 550              | 550              | 235              | 315   |
| <b>Total students</b>               | <b>427,285</b>   | <b>449,119</b>   | <b>355,371</b>   | <b>93,748</b>   |
| <b>Instructional staff</b>          |                  |                  |                  |   |
| Salaries                            | 260,115          | 262,040          | 239,540          | 22,500  |
| Employee benefits                   | 80,340           | 84,710           | 68,314           | 16,396  |
| Purchased services                  | 166,953          | 169,273          | 78,011           | 91,262  |
| Supplies and materials              | 26,100           | 24,999           | 11,189           | 13,810  |
| Property                            | 120,800          | 144,516          | 97,702           | 46,814  |
| <b>Total instructional staff</b>    | <b>654,308</b>   | <b>685,538</b>   | <b>494,756</b>   | <b>190,782</b>  |
| <b>General administration</b>       |                  |                  |                  |   |
| Salaries                            | 141,435          | 142,510          | 139,565          | 2,945   |
| Employee benefits                   | 69,676           | 68,676           | 53,261           | 15,415  |
| Purchased services                  | 92,850           | 82,350           | 63,373           | 18,977  |
| Supplies and materials              | 23,975           | 24,475           | 20,388           | 4,087   |
| Property                            | 700              | 700              | 680              | 20  |
| Other                               | 15,000           | 15,000           | 12,538           | 2,462   |
| <b>Total general administration</b> | <b>343,636</b>   | <b>333,711</b>   | <b>289,805</b>   | <b>43,906</b>   |

|                                  | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|----------------------------------|------------------|-----------|-----------|---|
|                                  | Original         | Final     |           |   |
| School administration            |                  |           |           |   |
| Salaries                         | 631,312          | 595,997   | 566,571   | 29,426  |
| Employee benefits                | 234,273          | 217,123   | 187,070   | 30,053  |
| Purchased services               | 6,900            | 9,028     | 9,280     | (252)   |
| Supplies and materials           | 10,000           | 9,663     | 8,491     | 1,172   |
| Property                         | 4,500            | 5,345     | 4,195     | 1,150   |
| Other                            | 2,750            | 2,870     | 2,198     | 672   |
| Total school administration      | 889,735          | 840,026   | 777,805   | 62,221  |
| Business services                |                  |           |           |   |
| Salaries                         | 210,941          | 210,465   | 210,389   | 76  |
| Employee benefits                | 74,204           | 75,304    | 62,144    | 13,160  |
| Purchased services               | 82,400           | 81,350    | 72,594    | 8,756   |
| Supplies and materials           | 3,800            | 4,800     | 3,271     | 1,529   |
| Property                         | 1,500            | 1,500     |           | 1,500   |
| Other                            | 1,500            | 1,500     | 729       | 771   |
| Total business services          | 374,345          | 374,919   | 349,127   | 25,792  |
| Operations and maintenance       |                  |           |           |   |
| Salaries                         | 387,756          | 356,671   | 302,083   | 54,588  |
| Employee benefits                | 163,283          | 154,733   | 119,059   | 35,674  |
| Purchased services               | 870,395          | 910,468   | 741,392   | 169,076   |
| Supplies and materials           | 417,900          | 427,900   | 335,407   | 92,493  |
| Property                         | 217,772          | 246,297   | 134,351   | 111,946   |
| Total operations and maintenance | 2,057,106        | 2,096,069 | 1,632,292 | 463,777   |
| Student transportation           |                  |           |           |   |
| Salaries                         | 461,235          | 463,535   | 407,048   | 56,487  |
| Employee benefits                | 154,811          | 144,561   | 119,378   | 25,183  |
| Purchased services               | 40,600           | 60,600    | 83,334    | (22,734)  |
| Supplies and materials           | 192,870          | 192,870   | 194,638   | (1,768)   |
| Property                         | 26,500           | 21,500    | 11,019    | 10,481  |
| Other                            | 30               | 30        |           | 30  |
| Total student transportation     | 876,046          | 883,096   | 815,417   | 67,679  |

(continued)

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**General Fund**  
**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended June 30, 2024**

| (continued)                    | Budgeted Amounts     |                      | Actual               | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--------------------------------|----------------------|----------------------|----------------------|---|
|                                | Original             | Final                |                      |   |
| Central support services       |                      |                      |                      |   |
| Purchased services             | 58,000               | 62,000               | 49,145               | 12,855  |
| Supplies and materials         | 3,650                | 3,650                | 3,103                | 547   |
| Other                          | 26,200               | 27,100               | 1,268                | 25,832  |
| Total central support services | 87,850               | 92,750               | 53,516               | 39,234  |
| Other support services         |                      |                      |                      |   |
| Salaries                       |                      |                      | 3,625                | (3,625)   |
| Employee benefits              | 100                  | 100                  | 2,117                | (2,017)   |
| Purchased services             | 27,000               | 27,000               | 26,027               | 973   |
| Total other support services   | 27,100               | 27,100               | 31,769               | (4,669)   |
| Total supporting services      | 5,737,411            | 5,782,328            | 4,799,858            | 982,470   |
| Capital outlay                 |                      |                      |                      |   |
| Facilities acquisition         |                      |                      |                      |   |
| Purchased services             | 500,000              | 485,000              | 348,893              | 136,107   |
| Supplies                       |                      |                      | 4,946                | (4,946)   |
| Total capital outlay           | 500,000              | 485,000              | 353,839              | 131,161   |
| Reserve for contingency        | 9,309,780            | 11,021,934           |                      | 11,021,934  |
| Total expenditures             | <u>\$ 23,113,131</u> | <u>\$ 25,004,576</u> | <u>\$ 11,867,330</u> | <u>\$ 13,137,246</u>  |

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

The District reports the following nonmajor governmental funds:

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

- Total Program Reserve Fund – This fund is used to account for the revenues from a specific tax levy pursuant to § 22-54-107(5), C.R.S.
- Food Service Fund – This fund is used to record financial transactions related to the District’s food service operations.
- Pupil Activity Fund – This fund is used to record transactions related to school-sponsored pupil organizations and activities.

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

- Capital Reserve Capital Projects Fund – This fund is a capital projects fund used to account for and report financial resources that have been designated for capital outlays acquisition or construction of major capital facilities and other capital assets.



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2024**

|  | Total<br>Program<br>Reserve<br>Fund | Food<br>Service<br>Fund | Pupil<br>Activity<br>Fund | Capital<br>Reserve<br>Capital<br>Projects Fund |
|--|-------------------------------------|-------------------------|---------------------------|--|
| <b>Assets</b>  |                                     |                         |                           |  |
| Cash   |                                     | \$ 259,148              | \$ 244,693                | \$ 60,904                                      |
| Cash with fiscal agent   | \$ 1,082                            |                         |                           |  |
| Investments  | 163,491                             |                         |                           | 597,947  |
| Property taxes receivable  | 3,712                               |                         |                           |  |
| Due from other funds   |                                     | 3,183                   |                           |  |
| Other receivable   |                                     | 85                      |                           |  |
| Inventory  |                                     | 4,719                   |                           |  |
| <b>Total assets</b>  | <b>\$ 168,285</b>                   | <b>\$ 267,135</b>       | <b>\$ 244,693</b>         | <b>\$ 658,851</b>                              |
| <b>Liabilities</b>   |                                     |                         |                           |  |
| Accounts payable   |                                     | \$ 2,190                |                           |  |
| Accrued salaries and benefits  |                                     | 35,806                  |                           |  |
| <b>Total liabilities</b>   | <b>\$ -</b>                         | <b>37,996</b>           | <b>\$ -</b>               | <b>\$ -</b>                                    |
| <b>Deferred inflows of resources</b>                                     |                                     |                         |                           |  |
| Deferred property tax revenues   | 956                                 | 9,960                   |                           |  |
| <b>Fund balance</b>  |                                     |                         |                           |  |
| Nonspendable inventory   |                                     | 4,719                   |                           |  |
| Restricted for total program reserve                                     | 167,329                             |                         |                           |  |
| Restricted for land dedication   |                                     |                         |                           | 597,947  |
| Restricted to food service   |                                     | 214,460                 |                           |  |
| Committed to pupil activities  |                                     |                         | 244,693                   |  |
| Assigned to capital projects   |                                     |                         |                           | 60,904   |
| <b>Total fund balance</b>  | <b>167,329</b>                      | <b>219,179</b>          | <b>244,693</b>            | <b>658,851</b>                                 |
| <b>Total liabilities, deferred inflows of resources and fund balance</b> | <b>\$ 168,285</b>                   | <b>\$ 267,135</b>       | <b>\$ 244,693</b>         | <b>\$ 658,851</b>                              |

---

Total

\$ 564,745  
1,082  
761,438  
3,712  
3,183  
85  
4,719

\$ 1,338,964

\$ 2,190  
35,806

37,996

10,916

4,719

167,329

597,947

214,460

244,693

60,904

1,290,052

\$ 1,338,964

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended June 30, 2024**

|   | Total<br>Program<br>Reserve<br>Fund | Food<br>Service<br>Fund | Pupil<br>Activity<br>Fund | Capital<br>Reserve<br>Capital<br>Projects Fund |
|---|-------------------------------------|-------------------------|---------------------------|--|
| Revenues  |                                     |                         |                           |  |
| Local sources                                   | \$ 302,411                          | \$ 32,776               | \$ 505,677                | \$ 45,084                                      |
| State sources                                   |                                     | 215,570                 |                           |  |
| Federal sources                                 |                                     | 451,313                 |                           |  |
| Total revenues                                  | 302,411                             | 699,659                 | 505,677                   | 45,084   |
| Expenditures                                    |                                     |                         |                           |  |
| Instruction                                     |                                     |                         | 481,710                   |  |
| Supporting services                             | 730                                 | 744,033                 |                           |  |
| Debt service                                    |                                     |                         |                           |  |
| Principal retirement                            |                                     |                         |                           | 14,604   |
| Interest and fiscal charges                     |                                     |                         |                           | 965  |
| Total expenditures                              | 730                                 | 744,033                 | 481,710                   | 15,569   |
| Excess of revenues over<br>(under) expenditures | 301,681                             | (44,374)                | 23,967                    | 29,515   |
| Other financing sources (uses)                  |                                     |                         |                           |  |
| Transfers in                                    |                                     |                         |                           | 15,569   |
| Transfers out                                   | (134,352)                           |                         |                           |  |
| Total other financing sources<br>(uses)         | (134,352)                           | -                       | -                         | 15,569   |
| Net change in fund balances                     | 167,329                             | (44,374)                | 23,967                    | 45,084   |
| Fund balance at beginning of year               | -                                   | 263,553                 | 220,726                   | 613,767  |
| Fund balance at end of year                     | \$ 167,329                          | \$ 219,179              | \$ 244,693                | \$ 658,851                                     |

---

Total

|             |           |
|-------------|-----------|
| \$          | 885,948   |
|             | 215,570   |
|             | 451,313   |
| <hr/>       |           |
|             | 1,552,831 |
|             |           |
|             | 481,710   |
|             | 744,763   |
|             |           |
|             | 14,604    |
|             | 965       |
| <hr/>       |           |
|             | 1,242,042 |
| <hr/>       |           |
|             | 310,789   |
|             |           |
|             | 15,569    |
|             | (134,352) |
| <hr/>       |           |
|             | (118,783) |
| <hr/>       |           |
|             | 192,006   |
|             |           |
|             | 1,098,046 |
| <hr/>       |           |
| \$          | 1,290,052 |
| <hr/> <hr/> |           |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Total Program Reserve Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

|   | Budgeted Amounts |            | Actual     | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|---|------------------|------------|------------|---|
|   | Original         | Final      |            |   |
| Revenues  |                  |            |            |   |
| Local sources                                   |                  |            |            |   |
| Property taxes                                  |                  | \$ 295,793 | \$ 294,837 | \$ (956)  |
| Specific ownership taxes                        |                  |            | 5,097      | 5,097   |
| Delinquent taxes and interest                   |                  |            | 36         | 36  |
| Earnings on investments                         |                  |            | 2,441      | 2,441   |
| Total revenues                                  | \$ -             | 295,793    | 302,411    | 6,618   |
| Expenditures                                    |                  |            |            |   |
| Supporting services                             |                  |            |            |   |
| Purchased services                              |                  |            | 730        | (730)   |
| Appropriated reserves                           |                  | 163,585    |            | 163,585   |
| Total expenditures                              | -                | 163,585    | 730        | 162,855   |
| Excess of revenues over<br>(under) expenditures | -                | 132,208    | 301,681    | 169,473   |
| Other financing uses                            |                  |            |            |   |
| Transfers out                                   |                  | (132,208)  | (134,352)  | (2,144)   |
| Net change in fund balance                      | \$ -             | \$ -       | 167,329    | \$ 167,329  |
| Fund balance at beginning of year               |                  |            | -          |   |
| Fund balance at end of year                     |                  |            | \$ 167,329 |   |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Food Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

|                                   | Budgeted Amounts    |                     | Actual          | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|-----------------------------------|---------------------|---------------------|-----------------|---|
|                                   | Original            | Final               |                 |   |
| <b>Revenues</b>                   |                     |                     |                 |   |
| Local revenues                    | \$ 168,775          | \$ 20,670           | \$ 32,776       | \$ 12,106   |
| State sources                     | 8,575               | 195,059             | 215,570         | 20,511  |
| Federal sources                   | 275,000             | 404,491             | 451,313         | 46,822  |
| <b>Total revenues</b>             | <b>452,350</b>      | <b>620,220</b>      | <b>699,659</b>  | <b>79,439</b>   |
| <b>Expenditures</b>               |                     |                     |                 |   |
| Supporting services               |                     |                     |                 |   |
| Salaries                          | 319,317             | 324,317             | 281,632         | 42,685  |
| Employee benefits                 | 91,853              | 86,533              | 74,244          | 12,289  |
| Purchased services                | 17,800              | 16,800              | 14,018          | 2,782   |
| Supplies and materials            | 309,050             | 362,391             | 363,115         | (724)   |
| Property                          | 10,000              | 22,000              | 9,799           | 12,201  |
| Other                             | 1,100               | 1,250               | 1,225           | 25  |
| Appropriated reserves             | 22,585              | 70,482              |                 | 70,482  |
| <b>Total expenditures</b>         | <b>771,705</b>      | <b>883,773</b>      | <b>744,033</b>  | <b>139,740</b>  |
| <b>Net change in fund balance</b> | <b>\$ (319,355)</b> | <b>\$ (263,553)</b> | <b>(44,374)</b> | <b>\$ 219,179</b>   |
| Fund balance at beginning of year |                     |                     | 263,553         |   |
| Fund balance at end of year       |                     |                     | \$ 219,179      |   |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Pupil Activity Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

|                                   | Budgeted Amounts |              | Actual     | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|-----------------------------------|------------------|--------------|------------|---|
|                                   | Original         | Final        |            |   |
| Revenues                          |                  |              |            |   |
| Fundraising and other events      | \$ 438,000       | \$ 438,000   | \$ 505,677 | \$ 67,677   |
| Total revenues                    | 438,000          | 438,000      | 505,677    | 67,677  |
| Expenditures                      |                  |              |            |   |
| Instruction                       |                  |              |            |   |
| Purchased services                | 132,250          | 132,250      | 165,028    | (32,778)  |
| Supplies and materials            | 229,000          | 229,000      | 295,362    | (66,362)  |
| Property                          | 8,750            | 8,750        | 8,518      | 232   |
| Other                             | 22,000           | 22,000       | 12,802     | 9,198   |
| Appropriated reserves             | 308,689          | 266,726      |            | 266,726   |
| Total expenditures                | 700,689          | 658,726      | 481,710    | 177,016   |
| Net change in fund balance        | \$ (262,689)     | \$ (220,726) | 23,967     | \$ 244,693  |
| Fund balance at beginning of year |                  |              | 220,726    |   |
| Fund balance at end of year       |                  |              | \$ 244,693 |   |

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Capital Reserve Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

|   | Budgeted Amounts |              | Actual     | Variance with                              |
|---|------------------|--------------|------------|--|
|   | Original         | Final        |            | Final Budget<br>Favorable<br>(Unfavorable) |
| Revenues  |                  |              |            |  |
| Local sources                                   |                  |              |            |  |
| Earnings on investments                         | \$ 27,790        | \$ 46,460    | \$ 31,142  | \$ (15,318)                                |
| Other local revenue                             |                  |              | 13,942     | 13,942                                     |
| Total revenues                                  | 27,790           | 46,460       | 45,084     | (1,376)                                    |
| Expenditures                                    |                  |              |            |  |
| Capital outlay                                  |                  |              |            |  |
| Property  | 122,000          | 122,000      |            | 122,000                                    |
| Debt service                                    |                  |              |            |  |
| Principal retirement                            | 14,604           | 14,604       | 14,604     | -  |
| Interest and fiscal charges                     | 965              | 965          | 965        | -  |
| Appropriated reserves                           | 529,505          | 638,227      |            | 638,227                                    |
| Total expenditures                              | 667,074          | 775,796      | 15,569     | 760,227                                    |
| Excess of revenues over<br>(under) expenditures | (639,284)        | (729,336)    | 29,515     | 758,851                                    |
| Other financing sources                         |                  |              |            |  |
| Transfers in                                    | 115,569          | 115,569      | 15,569     | (100,000)                                  |
| Net change in fund balance                      | \$ (523,715)     | \$ (613,767) | 45,084     | \$ 658,851                                 |
| Fund balance at beginning of year               |                  |              | 613,767    |  |
| Fund balance at end of year                     |                  |              | \$ 658,851 |  |



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

The District reports the following major debt service fund:

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

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Bond Redemption Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2024**

|                                   | Budgeted Amounts |                | Actual       | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|-----------------------------------|------------------|----------------|--------------|---|
|                                   | Original         | Final          |              |   |
| Revenues                          |                  |                |              |   |
| Local sources                     |                  |                |              |   |
| Property taxes                    | \$ 1,016,200     | \$ 1,016,200   | \$ 1,051,313 | \$ 35,113   |
| Delinquent taxes and interest     | 6,500            | 6,500          | 882          | (5,618)   |
| Total revenues                    | 1,022,700        | 1,022,700      | 1,052,195    | 29,495  |
| Expenditures                      |                  |                |              |   |
| Debt service                      |                  |                |              |   |
| Purchased services                | 3,500            | 3,900          | 3,131        | 769   |
| Principal retirement              | 780,000          | 780,000        | 780,000      | -   |
| Interest and fiscal charges       | 236,200          | 236,200        | 236,200      | -   |
| Appropriated reserves             | 1,177,588        | 1,191,386      |              | 1,191,386   |
| Total expenditures                | 2,197,288        | 2,211,486      | 1,019,331    | 1,192,155   |
| Net change in fund balance        | \$ (1,174,588)   | \$ (1,188,786) | 32,864       | \$ 1,221,650  |
| Fund balance at beginning of year |                  |                | 1,188,786    |   |
| Fund balance at end of year       |                  |                | \$ 1,221,650 |   |

## **Single Audit Section**

The Single Audit Section contains the following:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- 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*
- Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2024**

| Federal Grantor / Pass-through Grantor /<br>Program or Cluster Title                            | Federal AL<br>Number | Pass-through<br>Entity<br>Identifying<br>Number | Federal<br>Expenditures  |
|---|----------------------|---|--------------------------|
| <b>U.S. Department of Agriculture</b>   |                      |   |                          |
| Child Nutrition Cluster   |                      |   |                          |
| Pass-through program from:  |                      |   |                          |
| Colorado Department of Human Services<br>Donated Commodities                                    | 10.555               | 4555  | \$ 34,897                |
| Colorado Department of Education<br>School Breakfast Program                                    | 10.553               | 4553  | 98,838                   |
| National School Lunch Program   | 10.555               | 4555  | 293,087                  |
| National School Lunch Program   | 10.555               | 6555  | <u>24,491</u>            |
| Total AL Number 10.555  |                      |   | <u>352,475</u>           |
| Total Child Nutrition Cluster   |                      |   | 451,313                  |
| Pass-through program from:  |                      |   |                          |
| Colorado Department of Education:<br>Summer Electronic Benefit Transfer Program<br>for Children | 10.646               | 4646  | <u>800</u>               |
| Total U.S. Department of Agriculture  |                      |   | 452,113                  |
| <b>U.S. Department of Education</b>   |                      |   |                          |
| Pass-through programs from:   |                      |   |                          |
| Colorado Department of Education:<br>Title I Grants to Local Educational Agencies               | 84.010               | 4010  | 196,476                  |
| Supporting Effective Instruction State Grants   | 84.367               | 4367  | 29,550                   |
| Student Support and Academic Enrichment<br>Program  | 84.424A              | 4424  | 9,707                    |
| COVID-19 Education Stabilization Fund   | 84.425U              | 4414  | <u>138,071</u>           |
| Total U.S. Department of Education  |                      |   | <u>373,804</u>           |
| Total expenditures of federal awards  |                      |   | <u><u>\$ 825,917</u></u> |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Notes to Schedule of Expenditures of Federal Awards**

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**Note A – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Weld County School District RE-9 under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Weld County School District RE-9, it is not intended to and does not present the financial position, changes in net position, or cash flows of Weld County School District RE-9.

**Note B – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the financial statement(s) of the federal program. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note C – Indirect Cost Rate**

Weld County School District RE-9 has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Note D – Subrecipients**

Weld County School District RE-9 did not pass through any federal grants to subrecipients.

**Note E – Nonmonetary assistance**

Federal nonmonetary assistance is reported in the Schedule at the fair value of the items received and disbursed during the year. Weld County School District RE-9 received nonmonetary assistance for the year as follows:

|               |                               |                  |
|---------------|-------------------------------|------------------|
| AL No. 10.555 | National School Lunch Program | \$ <u>34,897</u> |
|---------------|-------------------------------|------------------|

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**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 Education  
Weld County School District RE-9  
Ault, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Weld County School District RE-9 (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 17, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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



## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

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

Sterling, Colorado  
October 17, 2024

**Independent Auditors' Report on Compliance for Each Major Program  
and on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Education  
Weld County School District RE-9  
Ault, Colorado

**Report on Compliance of Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Weld County School District RE-9's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

**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; 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 District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major program. Our audit does not provide a legal determination of the District'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 District'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 above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

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

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

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the 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 define 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 in 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.

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

Sterling, Colorado  
October 17, 2024

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Summary of audit results**

1. The auditors' report expresses an unmodified opinion on the basic financial statements of the Weld County School District RE-9 (the District).
2. No significant deficiencies relating to the audit of the basic financial statements are reported in the 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*.
3. No instances of noncompliance material to the basic financial statements of the District were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs for the District expresses an unmodified opinion on all major federal programs.
6. The audit did not disclose any findings relative to the major federal award programs of the District.
7. The program tested as major was:  

|                         |                           |
|-------------------------|---------------------------|
| Child Nutrition Cluster | AL Nos. 10.553 and 10.555 |
|-------------------------|---------------------------|
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. The District qualified as a low-risk auditee.

**Findings – Financial statement audit**

We noted no findings that are required to be reported under *Government Auditing Standards*.

**Findings and Questioned Costs**

We noted no findings or questioned costs that are required to be reported in accordance with the Uniform Guidance.

**Prior year findings**

There were no findings or questioned costs reported for the year ended June 30, 2023.

**Colorado Department of Education  
Supplementary Schedule**

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



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 3145 - Ault-Highland RE-9  
 Fiscal Year 2023-24  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

| Fund Type & Number                                      | Beg Fund Balance & Prior Per Adj (6880*) | + | 1000 - 5999 Total Revenues & Other Sources | 0001-0999 Total Expenditures & Other Uses | = | 6700-6799 & Prior Per Adj (6880*) Ending Fund Balance |
|---|--|---|--|---|---|---|
| <b>Governmental</b>                                     |  |   |  |   |   |   |
| 10 General Fund   | 10,648,067                               |   | 14,919,560                                 | 11,640,285                                |   | 13,927,342  |
| 18 Risk Mgmt Sub-Fund of General Fund                   | 108,046                                  |   | 233,129                                    | 227,045                                   |   | 114,130   |
| 19 Colorado Preschool Program Fund                      | 0  |   | 0  | 0   |   | 0   |
| <b>Sub-Total</b>  | <b>10,756,113</b>                        |   | <b>15,152,689</b>                          | <b>11,867,330</b>                         |   | <b>14,041,472</b>                                     |
| 11 Charter School Fund                                  | 0  |   | 0  | 0   |   | 0   |
| 20,26-29 Special Revenue Fund                           | 0  |   | 0  | 0   |   | 0   |
| 06 Supplemental Cap Const. Tech. Main. Fund             | 0  |   | 0  | 0   |   | 0   |
| 07 Total Program Reserve Fund                           | 0  |   | 168,059                                    | 730                                       |   | 167,329   |
| 21 Food Service Spec Revenue Fund                       | 263,553                                  |   | 699,659                                    | 744,032                                   |   | 219,179   |
| 22 Govt Designated-Purpose Grants Fund                  | 0  |   | 0  | 0   |   | 0   |
| 23 Pupil Activity Special Revenue Fund                  | 220,726                                  |   | 505,677                                    | 481,710                                   |   | 244,693   |
| 25 Transportation Fund                                  | 0  |   | 0  | 0   |   | 0   |
| 31 Bond Redemption Fund                                 | 1,188,786                                |   | 1,052,196                                  | 1,019,331                                 |   | 1,221,650   |
| 39 Certificate of Participation (COP) Debt Service Fund | 0  |   | 0  | 0   |   | 0   |
| 41 Building Fund  | 0  |   | 0  | 0   |   | 0   |
| 42 Special Building Fund                                | 0  |   | 0  | 0   |   | 0   |
| 43 Capital Reserve Capital Projects Fund                | 613,767                                  |   | 60,653                                     | 15,569                                    |   | 658,851   |
| 46 Supplemental Cap Const. Tech. Main Fund              | 0  |   | 0  | 0   |   | 0   |
| <b>Totals</b>   | <b>13,042,945</b>                        |   | <b>17,638,933</b>                          | <b>14,128,703</b>                         |   | <b>16,553,174</b>                                     |
| <b>Proprietary</b>                                      |  |   |  |   |   |   |
| 50 Other Enterprise Funds                               | 0  |   | 0  | 0   |   | 0   |
| 64 (63) Risk-Related Activity Fund                      | 0  |   | 0  | 0   |   | 0   |
| 60,65-69 Other Internal Service Funds                   | 0  |   | 0  | 0   |   | 0   |
| <b>Totals</b>   | <b>0</b>                                 |   | <b>0</b>                                   | <b>0</b>                                  |   | <b>0</b>  |
| <b>Fiduciary</b>  |  |   |  |   |   |   |
| 70 Other Trust and Agency Funds                         | 0  |   | 0  | 0   |   | 0   |
| 72 Private Purpose Trust Fund                           | 0  |   | 0  | 0   |   | 0   |
| 73 Agency Fund  | 0  |   | 0  | 0   |   | 0   |
| 74 Pupil Activity Agency Fund                           | 0  |   | 0  | 0   |   | 0   |
| 79 GASB 34/Permanent Fund                               | 0  |   | 0  | 0   |   | 0   |
| 85 Foundations  | 0  |   | 0  | 0   |   | 0   |
| <b>Totals</b>   | <b>0</b>                                 |   | <b>0</b>                                   | <b>0</b>                                  |   | <b>0</b>  |

FINAL

## **Debt Compliance Schedules**



**WELD COUNTY SCHOOL DISTRICT RE-9**  
**History of District Mill Levies**

| Levy/Collection<br>Year | Mill Levies          |                       |                             |          |       |           | Total  |
|-------------------------|----------------------|-----------------------|-----------------------------|----------|-------|-----------|--------|
|                         | General<br>Operating | Categorical<br>Buyout | Total<br>Program<br>Reserve | Override | Bond  | Abatement |        |
| 2019/2020               | 16.880               | -                     | -                           | 4.535    | 5.194 | 0.021     | 26.630 |
| 2020/2021               | 16.880               | -                     | -                           | 3.004    | 3.449 | 0.023     | 23.356 |
| 2021/2022               | 17.880               | -                     | -                           | 2.786    | 3.189 | 0.034     | 23.889 |
| 2022/2023               | 18.880               | -                     | -                           | 1.844    | 2.109 | 0.005     | 22.838 |
| 2023/2024               | 18.316               | 1.049                 | 0.515                       | 1.567    | 1.828 | 0.007     | 23.282 |

Source: State of Colorado Department of Education and the District.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**History of Assessed Valuations and Mill Levies for the District**

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| <u>Levy/Collection Year</u> | <u>Assessed Valuation</u> | <u>Percent Change</u> |
|-----------------------------|---------------------------|-----------------------|
| 2019/2020                   | 198,467,300               | 11.49%                |
| 2020/2021                   | 299,668,750               | 50.99%                |
| 2021/2022                   | 323,091,530               | 7.82%                 |
| 2022/2023                   | 488,213,650               | 51.11%                |
| 2023/2024                   | 574,355,450               | 17.64%                |

Source: State of Colorado Department of Education and Weld County Assessor's Office.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**History of District's Actual Valuation**

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| <u>Levy/Collection Year</u> | <u>Assessed Valuation</u> | <u>Percent Change</u> |
|-----------------------------|---------------------------|-----------------------|
| 2019/2020                   | 1,093,480,294             | 16.65%                |
| 2020/2021                   | 1,366,476,713             | 24.97%                |
| 2021/2022                   | 1,620,268,058             | 18.57%                |
| 2022/2023                   | 1,902,297,507             | 17.41%                |
| 2023/2024                   | 2,167,143,399             | 13.92%                |

Source: State of Colorado Department of Education and Weld County Assessor's Office.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**Historical Property Tax Collections**

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| Levy/Collection<br>Year | Taxes Levied (1) | Current<br>Collections (2) | Collection Rate |
|-------------------------|------------------|----------------------------|-----------------|
| 2019/2020               | 5,281,016        | 5,150,219                  | 97.52%          |
| 2020/2021               | 6,992,171        | 6,967,805                  | 99.65%          |
| 2021/2022               | 7,707,348        | 7,649,089                  | 99.24%          |
| 2022/2023               | 11,147,382       | 11,105,395                 | 99.62%          |
| 2023/2024               | 13,368,123       | 13,331,249                 | 99.72%          |

- (1) Levies do not include abatements or other adjustments.
- (2) The Weld County Treasurer's collection fees have not been deducted from these amounts.
- (3) Includes delinquent taxes and interest on current and delinquent taxes.

Source: Weld County Treasurer's Office and the District.

**WELD COUNTY SCHOOL DISTRICT RE-9**  
**District Enrollment**

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| <u>School Year</u> | <u>Enrollment</u> | <u>Percent Change</u> |
|--------------------|-------------------|-----------------------|
| 2019/20            | 943               | 0.86%                 |
| 2020/21            | 901               | -4.45%                |
| 2021/22            | 1,013             | 12.43%                |
| 2022/23            | 993               | -1.97%                |
| 2023/24            | 960               | -3.32%                |

Source: The District.

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**WELD COUNTY SCHOOL DISTRICT RE-9**  
**General Fund Revenues, Expenditures and Changes in Fund Balance (GAAP Basis)**

|   | Fiscal Year Ended June 30, |              |              |               |
|---|----------------------------|--------------|--------------|---------------|
|   | 2020                       | 2021         | 2022         | 2023          |
| Revenues  |                            |              |              |               |
| Local sources                                   | \$ 4,697,273               | \$ 6,383,662 | \$ 7,271,433 | \$ 11,218,797 |
| Intermediate sources                            | 150,037                    | 150,037      | 150,037      | 155,380       |
| State sources                                   | 5,420,428                  | 3,209,980    | 4,290,028    | 1,539,834     |
| Federal sources,                                | 281,941                    | 1,608,343    | 637,938      | 375,005       |
| Total revenues                                  | 10,549,679                 | 11,352,022   | 12,349,436   | 13,289,016    |
| Expenditures                                    |                            |              |              |               |
| Instruction                                     | 5,769,357                  | 5,918,100    | 6,177,191    | 6,585,986     |
| Supporting services                             | 3,845,462                  | 3,657,351    | 4,234,662    | 5,044,418     |
| Capital outlay                                  | 331,073                    | 747,450      | 586,032      | 30,022        |
| Debt service                                    | -                          | -            | -            | -             |
| Total expenditures                              | 9,945,892                  | 10,322,901   | 10,997,885   | 11,660,426    |
| Excess of revenues over<br>(under) expenditures | 603,787                    | 1,029,121    | 1,351,551    | 1,628,590     |
| Other financing sources (uses)                  |                            |              |              |               |
| Transfers in (out), net                         | (56,769)                   | (92,628)     | (15,569)     | (65,569)      |
| Net change in fund balance                      | 547,018                    | 936,493      | 1,335,982    | 1,563,021     |
| Fund balance at beginning of year               | 6,373,599                  | 6,920,617    | 7,857,110    | 9,193,092     |
| Fund balance at end of year                     | \$ 6,920,617               | \$ 7,857,110 | \$ 9,193,092 | \$ 10,756,113 |

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Fiscal Year  
Ended June 30,

2024

\$ 13,346,350  
1,041,448  
256,496  
389,612

15,033,906

6,713,633  
4,799,858  
353,839  
-

11,867,330

3,166,576

118,783

3,285,359

10,756,113

\$ 14,041,472