FINANCIAL REPORT

Year Ended June 30, 2025

ANDERSON & WHITNEY

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A Professional Corporation of
Certified Public Accountants

Independent Auditors' Report

Board of Education
Weld County School District RE-5(J)
Milliken, Colorado

Opinions

We have audited the financial statements of the governmental activities, each major fund, the discretely presented component unit of Knowledge Quest Academy and the aggregate remaining fund information of Weld County School District RE-5(J) (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements (collectively, the financial statements).

In our opinion, based on our audits and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely presented component unit of Knowledge Quest Academy and the aggregate remaining fund information of Weld County School District RE-5(J) as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of CIVICA Colorado, whose assets totaled $9,318,367 and whose revenues totaled $2,740,605 of the discretely presented component units and remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for CIVICA Colorado, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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.

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Emphasis of Matter

As discussed in Note 11 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 100 *Accounting Changes and Error Corrections* in regards to a misstatement, and Statement No. 101 *Compensated Absences.* Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 management discussion and analysis, budgetary comparisons, and pension and OPEB information be presented to supplement the basic financial statements. Such information, 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.

Other Supplementary Information

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

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2025 on our consideration of the Weld County School District RE-5(J) internal control over financial reporting and 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 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 Weld County School District RE-5(J)'s internal control over financial reporting and compliance.

Anderson r Whitney, P.C.

December 16, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of Weld County School District RE-5(J) (the District) for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

- The District's assets and deferred outflows exceed liabilities and deferred inflows by $48,395,808 at June 30, 2025 (Net Position).
- The General Fund balance was $5,431,838 as of June 30, 2025. Of this amount, $1,573,591 is restricted for emergencies.
- The June 30, 2025 General Fund balance is $1,111,968 less than the previous year-end. The total fund balance is 11.6% of 2025 General Fund operating expenditures plus operating transfers.
- The Bond Redemption Fund has a fund balance of $22,136,885 as of June 30, 2025. This balance is a debt service reserve.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements contain three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the District's financial position is improving or deteriorating.

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

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into one category: governmental funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources, as well as on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenue, expenditures, and changes in fund balances for the General Fund, Capital Reserve Projects Fund, Building Fund, and Bond Redemption Fund, all of which are considered to be major funds.

The basic governmental fund financial statements can be found on pages 15 and 17 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 through 61 of this report.

Budgetary Comparisons. The District adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on pages 68 to 71 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of June 30, 2025, assets exceeded liabilities by $48.4 million.

The following table provides a summary of the District's net position:

June 30	2025 Governmental Activities	2024 Governmental Activities
Assets		
Current and other assets	$ 38,339,490	$ 49,124,804
Capital assets	232,217,484	226,958,932
Total Assets	270,556,974	276,083,736
Deferred Outflows of Resources	15,025,409	22,429,926
Liabilities		
Current and other liabilities	10,527,341	15,819,783
Long-term liabilities	225,706,924	232,636,869
Total Liabilities	236,234,265	248,456,652
Deferred Inflows of Resources	952,310	726,737
Net Position		
Net investment in capital assets	89,703,281	87,474,182
Restricted	23,710,476	20,979,187
Unrestricted	(65,017,949)	(59,123,097)
Total Net Position	$ 48,395,808	$ 49,330,272

A significant portion of the District's net position represents an unrestricted net deficit of ($65,017,949) which may be used to meet the District's ongoing obligations to students and patrons.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to students; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The long-term debt includes the bonds issued for construction of District schools.

An additional $23,710,476 of the District's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserves of $1,573,591 and $22,136,885 in reserves for debt service.

The following table indicates the changes in net position:

Years Ended June 30	2025 Governmental Activities	2024 Governmental Activities
Revenues:		
Program revenues:		
Charges for services	$ 1,875,611	$ 1,495,766
Operating grants	8,563,282	8,756,798
Capital grants	2,937,912	15,958,412
General revenues:		
Property taxes levied for general purpose	43,142,900	45,424,561
Specific ownership	1,748,483	1,416,131
State categorical aid	15,014,059	9,603,741
Unrestricted grants and contributions	977,480	706,410
Investment earnings	801,968	1,259,686
Other revenue	1,580,947	1,888,007
Total Revenues	76,642,642	86,509,512
Expenses:		
Instruction	36,975,713	31,387,242
Students	2,949,139	1,739,393
Instructional staff	3,529,040	2,527,783
General administration	2,666,643	2,233,546
School administration	2,699,945	2,524,057
Business services	709,037	745,087
Operations and maintenance	6,433,962	4,609,456
Student transportation	2,680,546	2,335,123
Food service operations	2,442,573	2,169,227
Central support services	3,304,109	2,225,052
Payments to component unit	6,672,539	6,289,226
Interest and fiscal charges	5,714,787	5,415,701
Total Expenses	76,778,033	64,200,893
Increase in Net Position	$ (135,391)	$ 22,308,619

Governmental Activities. Governmental activities decreased the District's net position by $(135,391) in 2025. Key elements of this increase are as follows:

- Decrease in revenue from capital grants from the District's utilization of BEST grant awards for new school construction.
- Increase in State categorical aid was offset by Decrease in property tax revenue.
- Increase in Salaries and benefits for district to remain competitive and retain teachers and to staff growing needs and newly opened schools.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

As of June 30, 2025, the total fund balances of the District's governmental funds were $33,786,962. Approximately 3.4% of this consists of unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is reserved or assigned to indicate that it is not available for new spending because it is for the following purposes: (1) a state-constitution mandated emergency reserve ($1,573,591); (2) debt service ($22,136,885); (3) food service ($1,325,509); (4) capital outlay ($609,340) and ($3,571,780); (5) board assigned ($2,710,422), (6) student activities ($711,610) and (7) multi-year obligations ($236,593).

The District has four major governmental funds. These are the General Fund, Building Fund, Capital Reserve Projects Fund and the Bond Redemption Fund.

1. **General Fund.** This is the primary operating fund of the District. It accounts for the District's core services, such as instruction and student services. The General Fund balance was $5,431,838 as of June 30, 2025. The 2025 fund balance is $1,111,968 less than the previous year.

2. **Bond Redemption Fund.** This is the fund which receives bond redemption property taxes and made bond payments of $4,090,605 during the year. The fund balance increased $2,625,855 during the year to $22,136,885.

3. **Capital Reserve Projects Fund.** The Capital Reserve Projects Fund accounts for the financial resources that have been designated for capital outlay acquisition or construction of major facilities and other capital assets. The fund balance decreased $549,539 from construction projects to $3,571,780.

4. **Building Fund.** The Building fund is used to account for the resources accumulated for the funding of the District's school improvements and construction of new school buildings. The fund balance decreased $6,371,557 from construction projects to $609,340.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

2025 General Fund

	Actual	Final Budget
Beginning Fund Balance	$ 6,543,806	$6,543,806
Revenue	52,453,030	52,978,569
Expenditures	46,536,361	47,973,572
Other financing uses	(7,028,637)	(7,021,099)
Ending Fund Balance	$5,431,838	$ 4,527,704

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets for its governmental type activities as of June 30, 2025 totals $232.2 million (net of accumulated depreciation). This investment includes all land, buildings, and equipment. The total increase in investment (net) in capital assets for the current year was $5.2 million.

The District implemented the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated.

Additional information on the District's capital assets can be found in Note 3 of this report.

Long-term Debt. At June 30, 2025, the District had $137.5 million of bonds payable, primarily funded from a bond redemption property tax. The district also had lease obligations of $5 million and certificates of participation debt of $680 thousand. Additional information on the District's debt can be found in Note 5.

OTHER MATTERS

The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2026 budget:

- Increase of per pupil funding from the State to $11,308 per student in 2025-26 up from $10,970 per student in 2024-25.
- The District is budgeting for growth of 75 students in 2025-26.
- An increase in the base rate for the District's Certified Salary Schedule to $50,500 with a step increase granted to all certified staff. Additionally, the district's eligible certified staff were awarded lane changes. The district's classified and administration staff received a 4.41% COLA increase with no step. These increases will result in approximately a 4.41% salary increase for 2024-25 across all district employee groups.
- The District's voter-approved building program is continuing on time and on budget. The District opened Roosevelt Middle School on the renovated former high school campus site in January 2025. The district's voter-approved building program is concluding with this project being completed.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Weld County School District RE-5(J) finances for all those with an interest in the District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, 110 S. Centennial Drive #A, Milliken, Colorado 80534.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

STATEMENTS OF NET POSITION

June 30, 2025	Primary Government Governmental Activities	Component Units Knowledge Quest Academy	Component Units CIVICA Colorado
ASSETS			
Current Assets:			
Cash	$ 23,129,806	$ 3,442,660	$ 1,356,283
Local government investment pools	12,525,912	-	-
Due from primary government	-	70,240	-
Property taxes receivable	560,105	-	-
Prepaid items	59,702	9,353	-
Grants receivable	788,089	-	8,692
Other receivables	832,980	-	43,946
Total Current Assets	37,896,594	3,522,253	1,408,921
Noncurrent Assets:			
Capital assets	266,706,036	8,442,535	8,598,419
Less: Accumulated depreciation	(34,488,552)	(2,170,492)	(688,973)
Total Capital Assets	232,217,484	6,272,043	7,909,446
Lease receivable	442,896	-	-
Total Noncurrent Assets	232,660,380	6,272,043	7,909,446
TOTAL ASSETS	270,556,974	9,794,296	9,318,367
Deferred Outflows of Resources:			
Deferred loss on refunding	401,039	-	-
Other postemployment benefits	108,245	10,027	42,321
Pension plan	14,516,125	1,350,902	533,476
Total Deferred Outflows of Resources	$ 15,025,409	$ 1,360,929	$ 575,797

Continued on next page

WELD COUNTY SCHOOL DISTRICT RE-5(J)

STATEMENTS OF NET POSITION

June 30, 2025	Primary Government Governmental Activities	Component Units Knowledge Quest Academy	Component Units CIVICA Colorado
LIABILITIES			
Current Liabilities:			
Accounts payable	$ 917,201	$ 16,465	$ 48,472
Accrued salaries and benefits	2,566,715	279,393	45,602
Unearned revenue	625,716	-	-
Accrued interest	560,404	8,390	63,587
Current portion of long-term debt	5,857,305	243,041	79,583
Total Current Liabilities	10,527,341	547,289	237,244
Noncurrent Liabilities:			
Long-term debt	137,266,238	2,845,421	7,892,084
Bond premiums	27,702,143	-	-
Accrued compensated absences	1,388,779	-	26,080
Net postemployment benefits liability	1,005,066	94,718	32,895
Net pension liability	58,344,698	5,498,428	2,020,526
TOTAL LIABILITIES	236,234,265	8,985,856	10,208,829
Deferred Inflows of Resources:			
Lease	409,343		
Other postemployment benefits	542,967	51,170	17,979
Pension plan	-	-	-
Total Deferred Inflows of Resources	952,310	51,170	17,979
NET POSITION			
Net investment in capital assets	89,703,281	3,183,581	17,362
Restricted:			
Debt service	22,136,885	569,548	-
Emergencies	1,573,591	158,807	65,500
National school lunch	-	-	33,056
Nonexpendable	-	-	15,393
Unrestricted	(65,017,949)	(1,793,737)	(463,955)
TOTAL NET POSITION (DEFICIT)	$ 48,395,808	$ 2,118,199	$ (332,644)

See Accompanying Notes to Financial Statements

WELD COUNTY SCHOOL DISTRICT RE-5(J)

STATEMENTS OF ACTIVITIES

Year Ended June 30, 2025	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Functions/Programs:			
Governmental Activities:			
Instruction	$ 36,975,713	$ -	$ 5,874,857
Support services:			
Students	2,949,139	1,640,629	-
Instructional staff	3,529,040	-	158,761
General administration	2,666,643	-	-
School administration	2,699,945	-	-
Business services	709,037	-	-
Operations and maintenance	6,433,962	-	-
Student transportation	2,680,546	-	303,163
Central support services	3,304,109	-	-
Food service operations	2,442,573	234,982	2,226,501
Payments to component unit	6,672,539	-	-
Interest and fiscal charges	5,714,787	-	-
Total governmental activities/primary government	39,802,320	1,875,611	2,688,425
TOTAL GOVERNMENTAL ACTIVITIES	$ 76,778,033	$ 1,875,611	$ 8,563,282
Component Units:			
Knowledge Quest Academy	5,464,745	32,391	195,551
CIVICA Colorado	3,198,428	401,525	78,252
General Revenues:			
Taxes:			
Property taxes			
Specific ownership taxes			
State categorical aid			
Unrestricted grants and contributions			
Earnings on investments			
Other			
Receipts from primary government			
Changes in Net Position			
Net Position - Beginning			
Aggregate restatement			
NET POSITION - Ending			

See Accompanying Notes to Financial Statements.

	Net (Expense) Revenue and Changes in Net Position		
Capital Grants and Contributions	Governmental Activities	Knowledge Quest Academy	CIVICA Colorado
$ -	$ (31,100,856)	$ -	$ -
-	(1,308,510)	-	-
-	(3,370,279)	-	-
-	(2,666,643)	-	-
-	(2,699,945)	-	-
-	(709,037)	-	-
2,937,912	(3,496,050)	-	-
-	(2,377,383)	-	-
-	(3,304,109)	-	-
-	18,910	-	-
-	(6,672,539)	-	-
-	(5,714,787)	-	-
2,937,912	(32,300,372)	-	-
$ 2,937,912	$ (63,401,228)	$ -	$ -
158,115	-	(5,078,688)	-
59,827	-	-	(2,658,824)
	43,142,900	-	-
	1,748,483	-	-
	15,014,059	-	-
	977,480	-	-
	801,968	-	38,568
	1,580,947	207,561	267,679
	-	4,777,785	1,894,754
	63,265,837	4,985,346	2,201,001
	(135,391)	(93,342)	(457,823)
	49,330,272	2,211,541	125,179
	(799,073)	-	-
	$ 48,395,808	$ 2,118,199	$ (332,644)

WELD COUNTY SCHOOL DISTRICT RE-5(J)

BALANCE SHEET - Governmental Funds

June 30, 2025	General Fund	Bond Redemption Fund	Capital Reserve Projects Fund	Building Fund	Nonmajor Governmental Funds	Total
ASSETS						
Cash and Investments	$ 768,202	$ 21,983,162	$ 109,886	$ 3,335	$ 265,221	$ 23,129,806
Local Government Investment Pools	6,978,234	-	3,222,295	650,242	1,675,141	12,525,912
Property Taxes Receivable	406,382	153,723	-	-	-	560,105
Prepaid Items	59,702	-	-	-	-	59,702
Grants Receivables	-	-	-	29,625	758,464	788,089
Interfund Receivables	271,000	-	-	-	-	271,000
Other Receivables	199,943	-	494,024	-	139,013	832,980
TOTAL ASSETS	$ 8,683,463	$ 22,136,885	$ 3,826,205	$ 683,202	$ 2,837,839	$ 38,167,594
LIABILITIES AND FUND BALANCES						
Accounts Payable	$ 330,933	$ -	$ 254,024	$ 73,862	$ 258,382	$ 917,201
Accrued Salaries and Benefits	2,473,241	-	-	-	93,474	2,566,715
Unearned Revenue	447,451	-	401	-	177,864	625,716
Interfund Payables	-	-	-	-	271,000	271,000
Total Liabilities	3,251,625	-	254,425	73,862	800,720	4,380,632
Fund Balances:						
Non-spendable	59,702	-	-	-	-	59,702
Restricted:						
Debt service	-	22,136,885	-	-	-	22,136,885
Capital outlay	-	-	-	609,340	-	609,340
Emergencies	1,573,591	-	-	-	-	1,573,591
Multi-year obligations	236,593	-	-	-	-	236,593
Assigned:						
Capital outlay	-	-	3,571,780	-	-	3,571,780
Student activities	-	-	-	-	711,610	711,610
Food service	-	-	-	-	1,325,509	1,325,509
Board assigned	2,710,422	-	-	-	-	2,710,422
Unassigned	851,530	-	-	-	-	851,530
Total Fund Balances	5,431,838	22,136,885	3,571,780	609,340	2,037,119	33,786,962
TOTAL LIABILITIES AND FUND BALANCES	$ 8,683,463	$ 22,136,885	$ 3,826,205	$ 683,202	$ 2,837,839	$ 38,167,594

See Accompanying Notes to Financial Statements.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION

June 30, 2025

Amounts reported for governmental activities in the statement of net position are different because:		
Total Governmental Funds Fund Balance	$	33,786,962
Capital assets used in governmental activities are not financial resources and therefore not reported as net position in governmental funds.		
Cost of capital assets		266,706,036
Accumulated depreciation		(34,488,552)
The deferred loss on refunding is not available to satisfy current obligations, and, therefore, is not reported as deferred outflows of resources in the fund financial statements		401,039
Amount recognized as lease receivable in the government-wide financial statements that are not reported in the governmental funds balance sheet		442,896
Deferred inflows and outflows of resources related to pensions, other postemployment benefits and leases included in the government-wide financial statements that are not reported in the governmental funds balance sheet		13,672,060
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
Compensated absences - long-term portion		(1,388,779)
Debt payable		(143,123,543)
Bonds payable - premium		(27,702,143)
Accrued interest		(560,404)
Net pension liability		(58,344,698)
Net other postemployment benefits liability		(1,005,066)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	$	48,395,808

See Accompanying Notes to Financial Statements.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - Governmental Funds

Year Ended June 30, 2025	General Fund	Bond Redemption Fund	Capital Reserve Projects Fund	Building Fund	Nonmajor Governmental Funds	Total
Revenue:						
Local sources	$ 33,680,201	$ 12,274,950	$ -	$ -	$ 2,037,362	$ 47,992,513
State sources	18,602,236	-	-	2,937,912	1,902,305	23,442,453
Federal sources	-	-	-	-	3,072,800	3,072,800
Other	170,593	-	1,806,144	49,459	75,127	2,101,323
Total Revenue	52,453,030	12,274,950	1,806,144	2,987,371	7,087,594	76,609,089
Expenditures:						
Instruction	27,019,271	-	-	-	1,431,848	28,451,119
Supporting services	19,159,466	-	1,715,156	-	5,207,314	26,081,936
Capital outlay	347,442	-	1,609,485	9,358,928	429,523	11,745,378
Debt service	10,182	9,649,095	995,240	-	57,234	10,711,751
Total Expenditures	46,536,361	9,649,095	4,319,881	9,358,928	7,125,919	76,990,184
Revenue Over (Under) Expenditures	5,916,669	2,625,855	(2,513,737)	(6,371,557)	(38,325)	(381,095)
Other Financing Sources (Uses):						
Payments to charter schools	(6,672,539)	-	-	-	-	(6,672,539)
Proceeds from leases	-	-	1,608,100	-	-	1,608,100
Operating transfers in (out)	(356,098)	-	356,098	-	-	-
Total Other Financing Sources (Uses)	(7,028,637)	-	1,964,198	-	-	(5,064,439)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,111,968)	2,625,855	(549,539)	(6,371,557)	(38,325)	(5,445,534)
Fund Balances, Beginning of Year	6,543,806	19,511,030	4,121,319	6,980,897	2,075,444	39,232,496
Fund Balances, End of Year	$ 5,431,838	$ 22,136,885	$ 3,571,780	$ 609,340	$ 2,037,119	$ 33,786,962

See Accompanying Notes to Financial Statements.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Total net change in governmental funds fund balances	$	(5,445,534)
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 depreciation expense in the statement of activities:		
Capital Outlay		10,525,981
Depreciation Expense		(5,267,429)
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term debt in the statement of net position and does not affect the statement of activities		4,950,204
Proceeds from leases are treated as an other financial source in the governmental fund financial statements, but are an increase in long-term debt in the government wide financial statements		(1,608,100)
Accretion and addition of the bond premium is included in the statement of activities against interest expense, but not reflected on the statement of revenues, expenditures and changes in fund balance		630,507
Decrease (Increase) in accrued leave		(64,115)
Decrease in accrued interest payable is reflected against interest expense on the stat met of activities, but not reflected on the governmental fund statement of revenues, expenditures and changes in fund balances		46,760
Payments received for leases are recognized as revenue in governmental funds and the difference resulting in decreasing the lease receivable and deferred inflow for statement of net position is a reconciling item		33,553
The governmental funds report District pension and OPEB contributions as expenditures. However, in the statement of activities, the cost of pension and OPEB benefits earned, net of employee contributions, is reported as pension and OPEB expense		(3,937,218)
Change in Net Position of Governmental Activities	$	(135,391)

See Accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Weld County School District RE-5(J) (the District) conform to generally accepted accounting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the District's financial statements.

Reporting Entity:

The financial report of the District includes all of the integral parts of the District's operations. The District has determined that it has no fiscal accountability for any other agency which would require it to be in the reporting entity, except for Knowledge Quest Academy and CIVICA Colorado.

In 2001, the District entered into an agreement with Knowledge Quest Academy to operate a charter school. The Academy receives 100% of the applicable per-pupil funding from the District, less applicable administrative charges. Funded enrollment for the 2024-2025 school year was approximately 394 pupils.

The District passed through $4,321,825 in per pupil funding, $455,960 in mill levy override, and $272,820 in other State and Federal grants for a total of $5,050,605 in other instructional expenditures. Administrative costs of $98,545 were withheld by the District. The District includes a payable at June 30, 2025 of $76,401 in accounts payable. Knowledge Quest Academy is included in these financial statements as a discretely presented component unit.

In 2021, the District entered into an agreement with CIVICA Colorado to operate a charter school. The School receives 100% of the applicable per-pupil funding from the District, less applicable administrative charges. Funded enrollment for the 2024-2025 school year was approximately 157 pupils.

The District passed through $1,722,149 in per pupil funding, $172,605 in mill levy override, and $75,844 in other State and Federal grants for a total of $1,970,598 in other instructional expenditures. Administrative costs of $21,774 were withheld by the District. The District includes a payable at June 30, 2025 of $3,200 in accounts payable. CIVICA Colorado is included in these financial statements as a discretely presented component unit.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Basis of Presentation:

Government-wide Financial Statements:

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

The statement of net position and the statement of activities display information about the District as a whole. The government-wide statement of net position is presented on a consolidated basis. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements.

The government-wide statement of activities reflects both the direct expenses and net cost of each function of the District's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program. Grants and contributions that are restricted to meeting the operational requirements of a particular program are included in operating grants and contributions. Grants and contributions that are restricted to capital requirements of a particular program are included in capital grants and contributions. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

The financial transactions of the District are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category – governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Any remaining governmental funds would be aggregated and presented as non-major funds.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

The District reports the following major funds:

General Fund:

The General Fund is the general operating fund of the District and accounts for all financial resources of the District that are not properly accounted for in other funds. Major revenue sources include local property taxes, specific ownership taxes, State of Colorado equalization funding, as determined by the School finance Act of 1994, as amended.

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

Bond Redemption Fund:

The Debt Service Fund accounts for the revenues from a specific tax levy for the purpose of the repayment of long-term debt principal, interest and other fiscal charges.

Capital Reserve Projects Fund:

The Capital Reserve Projects Fund accounts for the receipt and spending of certain resources used for equipment purchases.

Building Fund:

This Capital Projects Fund is used to account for the resources accumulated for the funding of the District's school improvements and construction of new school buildings.

The following are the District's nonmajor funds:

Food Service Fund:

This Special Revenue fund is used to account for the financial activities associated with the District's food service operations.

Pupil Activity Fund:

This Special Revenue Fund is used to record transactions related to school-sponsored pupil organization and activities.

Designated Purpose Grants Fund

This Special Revenue Fund is used to account for the receipt and spending of state and federal grants restricted for certain educational purposes. This was a new fund in 2024. The fund balance was $-0- as of June 30, 2025.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Capital Assets and Long-Term Obligations:

The accounting and reporting treatment applied to the capital assets and long-term obligations are determined by its measurement focus as discussed above.

Capital Assets:

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Only capital assets with a cost of more than $5,000 are added to capital assets.

Depreciation has been provided using the straight-line method over the estimated useful lives as follows:

Land and improvements	0-20 years
Buildings and improvements	20-50 years
Furniture and equipment	5-25 years
Licensed vehicles	5-10 years

Long-Term Obligations:

During the year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB 101 establishes standards for recognizing and measuring liabilities and expenses related to compensated absences, including vacation leave, sick leave, and other paid time off.

Employee Vacation: Some employees receive noncumulative vacation leave. No accrual or liability is made as vacation leave accrues July 1 each year and the amount outstanding at year end is lost if not used by June 30 the following year.

Employee Sick Leave: Some employees also receive sick leave. Sick leave accrues July 1 each year and the amount outstanding at year end is rolled into employee's sick leave balance. This is accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the district will compensate the employees for the benefits through paid time off or some other means.

All full-time employees receive up to ten days sick leave each year (5 days for employees with less than two years of service), which can be accumulated up to eighty days. At the end of each school year, accumulated sick leave days beyond eighty are reimbursed at a rate of $75 per day. Employees Retiring from the school district with an accumulated sick leave balance and who are eligible for PERA benefits shall be paid at $100 per day. Employees that terminate from the district without retiring from the district are not eligible for a sick leave payment.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Long-Term Obligations - Continued:

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

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

Measurement Focus:

Governmental-wide Statements:

The government-wide statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include per pupil revenue, grants and donations. Revenue from per pupil revenue is recognized in the fiscal year for which the funding is provided. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Under the terms of grant agreements, the District funds certain programs by a combination of specific grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the district's policy to first apply grant resources (restricted net position) to such programs and then general revenues (unrestricted net position).

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Fund Financial Statements:

Basis of Accounting:

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The governmental funds utilize the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes both measurable and available as net current assets. Revenues that are susceptible to accrual, that is, are measurable and available to finance the District's operations, consist primarily of interest. Grant revenues are recognized to the extent of eligible expenditures incurred. Expenditures are generally recognized when the related fund liability is incurred.

Property Taxes:

Property taxes are levied in November and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The District uses the Larimer and Weld County Treasurers to bill and collect its property taxes. All uncollected taxes are reflected as taxes receivable and deferred revenue as of June 30, 2025. An allowance for uncollectible taxes is not provided as the uncollectible amounts were determined to be immaterial.

The original December 2024, levy for the General Fund of the District was 22.414 mills or approximately $26.9 million plus a 3.7 mill override, or approximately $4.5 million. The levy for the Debt Service Fund of the District was 9.9 mills or approximately $11.9 million.

Budget:

An annual budget and appropriation resolution is adopted by the Board of Education. The budget is prepared on a basis consistent with generally accepted accounting principles for all funds, except that a budget is also prepared for the student activity agency fund. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Superintendent is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Board of Education through a supplemental appropriation ordinance. There was a supplemental appropriation in the year ended June 30, 2025.

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Interfund Transactions:

Any amounts due to or from other funds at year end represent timing differences for payment reimbursements and are cleared promptly.

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are legally restricted by law or outside parties for use for a specific purpose.

Restrictions for the District are recorded up to the maximum equity available in the fund balance and consist of:

Restricted for Debt Service:

These restrictions are established for amounts set aside for payments of principal and interest on the bonds payable. Recorded amounts at June 30, 2025 are $22,136,885.

Restricted for Emergencies and Multi-Year Obligations:

These restrictions are established to comply with TABOR. Recorded TABOR emergency reserves at June 30, 2025 are $1,573,591. Recorded multi-year obligations reserves at June 30, 2025 are $236,593.

Restricted for Capital Projects Fund:

The Capital Projects fund accounts for proceeds of bonds issues restricted for capital needs, such as site acquisition, building additions and equipment purchases. Recorded amounts at June 30, 2025 are $609,340.

Assigned fund balances are amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Education or by an official to which the Board delegates the authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

Net Position:

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

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Deferred Outflows and Inflows of Resources:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditures) until then. The District has the following that qualifies for reporting in this category: changes in the net pension and OPEB liability not included in pension expense reported in the government-wide statement of net position and deferred loss on refunding.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has the following that qualifies for reporting in this category: changes in the net pension and OPEB liability not included in pension expense reported in the government-wide statement of net position and leases.

Pensions:

Weld County School District RE-5(J) participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits:

The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by 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.

NOTE 2 - Cash and Investments:

The District's bank accounts and certificates of deposit at year end were entirely covered by federal depository insurance or by collateral held by the District's custodial bank under provisions of the Colorado Public Deposit Protection Act. FDIC insurance is $250,000 for each financial institution.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

Cash resources of the General Fund, Food Service Fund, Pupil Activity Fund, Building Fund and Capital Reserve Projects Funds are combined and deposited into an interest-bearing checking account. All interest earned by the pooled account is credited to the General Fund.

Custodial credit risk is the risk that, in the event of 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 June 30, 2025 the District had total deposits of $24,450,122, of which $500,000 was insured and $23,950,122 was collateralized with securities held by the pledging institution's trust department or agent in the District's name. Outstanding items are not included as by definition they are not considered deposits.

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, District, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

The District does not have an investment policy beyond the restrictions in State statutes. Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

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

NOTE 2 - Cash and Investments – Continued:

At June 30, 2025, the General Fund held $6,978,234, the Building Fund held $650,242, the Capital Reserve Projects Fund held $3,222,294, the Food Service Fund held $1,013,954 and the Pupil Activity Fund held $661,187 in COLOTRUST PLUS+, a 2a-7 like local government investment pool. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments are valued at the net asset value (NAV) with each share valued at $1.00. The investment is rated AAAm by Standard & Poor's. The District's interest is valued at NAV. At June 30, 2025, COLOTRUST Plus had a weighted average maturity of 29 days and the weighted average life of 92 days as of yearend. COLOTRUST does not have any unfunded commitments, redemptions, restrictions or redemption notice periods.

NOTE 3 - Changes in Capital Assets:

Capital asset activity for the year for the District was as follows:

Governmental Activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital Assets:					
Land	$ 1,055,411	$ --	$ --	$ --	$ 1,055,411
Water Rights	3,347,096	--	--	--	3,347,096
Construction in progress	38,693,763	8,882,749	(46,960,645)	--	615,867
Land improvements	2,249,918	854,819	--	--	3,104,737
Bldg and improvements	203,552,249	--	46,960,645	(--)	250,512,894
Furniture and equipment	4,126,707	355,913	--	(--)	4,482,620
Licensed vehicles	3,275,469	432,500	--	(120,558)	3,587,411
Total Capital Assets	256,300,613	10,525,981	(--)	(120,558)	266,706,036
Accumulated Depreciation:					
Land improvements	(1,968,637)	(83,047)	--	--	(2,051,684)
Bldg and improvements	(22,496,042)	(4,644,108)	--	--	(27,140,150)
Furniture and equipment	(2,470,695)	(225,649)	--	--	(2,696,344)
Licensed vehicles	(2,406,307)	(314,625)	--	120,558	(2,600,374)
Total Accumulated Depreciation	(29,341,681)	(5,267,429)	--	120,558	(34,488,552)
Capital Assets, Net	$226,958,932	$ 5,258,552	$ --	$ (--)	$232,217,484

NOTE 3 - Changes in Capital Assets – Continued:

At June 30, 2025, the District has capitalized $6,345,522 of assets under leases. Of that amount, $4,600,723 is classified as buildings and improvements, $635,285 is classified licensed vehicles, $254,694 is classified as Furniture and equipment, and $854,820 is classified as land improvements.

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

Governmental Activities:	
Instruction	$ 3,934,371
General administration	12,254
Operations and maintenance	223,037
Student transportation	920,530
Central support service	57,512
Food service operations	119,725
Total	$ 5,267,429

Capital asset activity for the year for Knowledge Quest Academy was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Capital Assets:				
CIP	$ 257,987	$ 213,490	$ (347,470)	$ 124,007
Land	260,000	--	--	260,000
Building and improvements	7,281,494	6,353	347,470	7,635,317
Equipment	338,509	84,702	(--)	423,211
Total Capital Assets	8,137,990	304,545	(--)	8,442,535
Accumulated Depreciation:				
Buildings and improvements	(1,856,082)	(164,329)	--	(2,020,411)
Equipment	(117,455)	(32,626)	--	(150,081)
Total Accumulated Depreciation	(1,973,537)	(196,955)	--	(2,170,492)
Capital Assets, Net	$ 6,164,453	$ 107,590	$ (--)	$ 6,272,043

NOTE 3 - Changes in Capital Assets – Continued:

Capital asset activity for the year for CIVICA Colorado's governmental activities was as follows:

	Beginning Balance (as restated)	Additions	Deletions/ Transfers	Ending Balance
Capital Assets:				
Land and improvements	$ 1,869,600	$ --	$ --	$ 1,869,600
Building and improvements	86,089	--	--	86,089
Total Capital Assets	1,955,689	--	--	1,955,689
Accumulated Depreciation:				
Buildings and improvements	(5,929)	(14,348)	--	(20,277)
Total Accumulated Depreciation	(5,929)	(14,348)	--	(20,277)
Capital Assets, Net	$ 1,949,760	$ (14,348)	$--	$ 1,935,412

The building and improvements were right-of-use leased assets.

Capital asset activity for the year for CIVICA Colorado's business-type activities was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Capital Assets:				
Land and improvements	$ 635,054	$ --	$ --	$ 635,054
Building and improvements	6,007,675	--	--	6,007,675
Total Capital Assets	6,642,729	--	--	6,642,729
Accumulated Depreciation:				
Buildings and improvements	(435,546)	(233,149)	--	(668,695)
Total Accumulated Depreciation	(435,546)	(233,149)	--	(668,695)
Capital Assets, Net	$ 6,207,183	$ (233,149)	$ --	$ 5,974,034

NOTE 4 – Interfund Transfers:

The interfund transfers for the year ended June 30, 2025 are as follows:

Governmental Funds:	Transfers In	Transfers Out
General Fund	$ --	$ 359,098
Capital Projects Reserve Fund	356,098	--
Total	$ 356,098	$ 356,098

The General Fund transferred funds to the capital projects reserve fund for the completion of capital projects.

NOTE 5 - Changes in Long-Term Debt

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

	Beginning Balance	Additions	Reductions/ Amortization	Ending Balance	Due Within One Year
Governmental Activities:					
G.O Bonds:					
Series 2011, Refunding	$ 3,325,000	$ --	$ 505,000	$ 2,820,000	$ 525,000
Series 2011, Premium	104,955	--	15,941	89,014	16,572
Series 2021	116,665,000	--	2,540,000	114,125,000	2,665,000
Series 2021 Premium	28,227,695	--	614,566	27,613,129	644,810
BEST Matching Money Bond	21,545,867	--	1,045,605	20,500,262	1,070,187
Lease Obligations	4,189,780	1,608,100	799,599	4,998,281	875,736
COPs	740,000	--	60,000	680,000	60,000
Compensated Absences, net	1,324,664	64,115	--	1,388,779	--
Total Long-Term Obligations	$176,122,961	$ 1,672,215	$5,580,711	$ 172,214,465	$ 5,857,305

Payments on the lease obligations are made in the Capital Reserve Projects Fund and the General Fund, while payments on the bond and certificates of participation are made in the Bond Redemption Fund and Capital Reserve Projects Fund, respectively. The compensated absences and net position on OPEB liabilities attributable to the governmental activities will be liquidated primarily by the General Fund. The District believes that the current portion of compensated absences is negligible and is therefore not reported.

Lease Obligations

Facility Renovation Obligations

In February 2014, the District entered into an agreement with NBH Capital Finance, a division of NBH Bank, N.A., to finance the costs of improvements to Pioneer Ridge Elementary, which serve as collateral for the agreement, and to refinance one existing lease obligation. The agreement called for a lease term of one year with annual renewal options. Semi-annual payments of $98,276 are due on July 15th and January 15th of each year, with a final payment due in fiscal year 2029. The average interest rate over the lease term is 3.36%. The District has capitalized $1,921,388 of assets under this lease.

NOTE 5 – Changes in Long-Term Debt – Continued:

In May 2015, the District entered into an agreement with NBH Capital Finance, a division of NBH Bank, N.A., to finance the costs of improvements to Roosevelt High School, which serve as collateral for the agreement. The agreement called for a lease term of one year with annual renewal options. Semi-annual payments of $54,934 are due on November 1st and May 1st of each year, with a final payment due in fiscal year 2035. The average interest rate over the lease term is 3.30%. The District capitalized $1,507,305 of assets under this lease.

In May 2019, the District entered into an agreement with Zions Bancorporation, N.A., to finance the costs of acquiring four modular buildings, which serve as collateral for the agreement. The agreement called for a lease term of one year with annual renewal options. Semi-annual payments ranging from $1,529 to $111,529 are due on January 15th and July 15th of each year, with a final payment due in fiscal year 2029. The average interest rate over the lease term is 2.780%. The District capitalized $654,903 of assets under this lease.

In August 2023, the district entered into an agreement with Huntington National Bank to purchase a scoreboard which serves as collateral for the agreement. The agreement calls for a lease term of 60 months and an interest rate of 6.19%. Annual payments are made for $57,233 with the final payment due in August 2027. The District capitalized the $254,694 relating to this scoreboard for the high school.

In December 2024, the district entered into an agreement with First National Bank of Omaha to finance the construction of playground equipment for Pioneer Ridge Elementary School, renovation of the Milliken Middle School and construction for the Milliken Intermediate School. The agreement calls for a lease term of 48 months and an interest rate of 6.5%. Annual payments are made ranging from $52,976 and $241,656 with a balloon payment in December 2028. The District capitalized the $767,874 relating to Pioneer Ridge Playground addition, $86,945 relating to Milliken Middle School in 2025 and the remaining portion was included in construction in progress with planned completion in fiscal year ending June 30, 2026.

NOTE 5 – Changes in Long-Term Debt – Continued:

Each of the lease agreements above contain a provision that, in the event of default, the lessor may take one or any combination of the following remedial steps (a) terminate the lease term and give notice to the District to vacate and surrender possession of the leased property within ten business days of such notice (b) proceed to foreclose through the courts on or otherwise sell, trade-in, repossess or liquidate the District's interest in the leased property, however the lessor may not recover from the District any deficiency which may exist following the liquidation of the District's interest in the leased property in excess of base rentals and additional rentals for the current fiscal year and in excess of amounts payable under the agreement (c) the lessor may recover the portion of base rentals and additional rentals which would have otherwise been due and payable hereunder, during any period in which the District continues to occupy, use or possess the lease property and base rentals and additional rentals which would have otherwise been payable by the District hereunder during the remainder, after the District vacates and surrenders possession of the leased property, of the fiscal year in which such event of default occurs.

Additionally, if the lessor employs attorneys or incurs other expenses for the collection of base rentals and additional rentals, or the enforcement of performance or observance of any obligation or agreement on the part of the District herein contained, the District agrees that it shall on demand therefor pay the lessor the fees of such attorneys and such other expenses so incurred by the lessor, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction.

Transportation Vehicle Lease Obligations

In July 2019, the District entered into an agreement with First National Bank of Omaha to purchase two 2021 Bluebird school buses, which serve as collateral for the agreement. The agreement called for a lease term of 63 months with annual renewal options. Annual payments of $39,431 are due on October 12th of each year. The average interest rate over the lease term is 4%. The District has capitalized $212,560 of assets under this lease. The final payment was made in fiscal year ending June 30, 2025.

In July 2022, the District entered into an agreement with McDonald Toyota to purchase a 2022 Toyota Tundra, which serves as collateral for the agreement. The agreement called for term of 60 months beginning on September 22nd. Monthly payments of $926 are made with interest per the agreement at 2.9%. The district has capitalized $51,589 of this asset under this lease.

NOTE 5 – Changes in Long-Term Debt – Continued:

Each of the lease agreements above contain a provision that, in the event of default, the lessor shall have the right, as its option, to take one or any combination of the following remedial steps (a) retake possession of the equipment, holding the District liable for the unpaid rental payments through the end of the current fiscal year, which rental payments to the District agrees to pay immediately on demand unless such amounts are paid in full upon such demand, such unpaid rental payments shall bear interest at a rate equal to the interest rate applicable to the lease transaction plus 4% per annum (b) collect all costs incurred by the lessor in enforcing its rights hereunder, including court costs and reasonable attorneys' fees (c) require the District to pay all out-of-pocket costs and expenses incurred by the lessor as a result (directly or indirectly) of the event of default, including, without limitation, any attorneys' fee and expenses and any costs related to the repossession, safe-keeping, storage, repair, reconditing or disposition of any equipment.

Technology Lease Obligation

In July 2019, the District entered into an agreement with Apple, Inc. to purchase technology equipment, which serves as collateral or the agreement. The agreement called for a lease term of five years. Annual payments of $398,128 are due on July 15th of each year, with a final payment due in fiscal year 2024. The average interest rate over the lease term is 3.59%. the District has not capitalized any assets under this lease as none of the assets acquired met the District's capitalization threshold. In May 2023, the district entered into a second five year lease agreement with Apple, Inc. to purchase technology equipment, which serves as collateral for the agreement. The first annual payment of $400,000 is due July 15, 2023 and the subsequent four annual payments are due of $461,128 on July 15th through July 15, 2027 with an implicit rate of 6.5%.

The lease agreement above contain a provision that in the event of default, the lessor may, at its sole discretion, do any or all of the following (a) declare due and payable any and all amounts which may be due and payable under the lease, plus all lease payments remaining through the end of the then current fiscal period (b) enter the premises and take possession of the equipment or require the District at the District's expense to promptly return any or all of such equipment (c) sell or lease the equipment, for the account of the District, sublease such equipment, continuing to hold the District liable for the difference between the lease payment payable by the District pursuant to the terms of such lease to the end of the current fiscal period and the net proceeds of any such sale, lease or sublease. In the event the lessor sells or otherwise liquidates the equipment following an event of default and realizes net proceeds (after payment of costs) in excess of total lease payments under the related lease that would have been paid during the related scheduled lease term plus any other amounts then due under the related leases, the lessor shall immediately pay the amount of any such excess to the District.

NOTE 5 – Changes in Long-Term Debt – Continued:

The following is a schedule by years of future minimum lease payments under the leases above, together with the present value of the net minimum lease payments at year-end:

Fiscal Year Ending June 30,	Amount
2026	$ 1,000,541
2027	1,218,292
2028	1,179,203
2029	1,710,998
2030	109,869
2031-2035	549,266
Total minimum lease payments	5,768,169
Less interest:	769,888
Present value of minimum lease payments	$ 4,998,281

Bonds Payable

General obligation bonds payable and Best Matching Money Bonds consist of the following individual issues:

	June 30, 2025 Balance
$7,765,000 general obligation refunding bonds, dated October 2011, due in annual installments beginning in fiscal year 2012 ranging from zero to $605,000; varying annual interest rates ranging from 2.00% to 4.00%, payable semi-annually on May 15th and November 15th.	$ 2,820,000
$124,445,000 general obligation refunding bonds, dated February 2021, due in annual installments beginning in fiscal year 2022 ranging from $3,060,000 to $9,360,000; varying annual interest rates ranging from 4.00% to 5.00%, payable semi-annually on June 1st and December 31st.	114,125,000
$24,553,305 Best money matching bonds, dated December 2020, due in annual installments beginning June 2021, ranging from zero to $1,516,496, with annual interest of 2.35%, payable semi-annually on June1st and December 1st.	20,500,262
Total Bonds Payable	$137,445,262

NOTE 5 – Changes in Long-Term Debt – Continued:

Certificates of Participation

In June 2020, the District issued $985,000 Certificates of Participation. Principal payments are due in annual installments beginning in fiscal year 2021 ranging from $60,000 to $75,000; fixed interest rate of 1.95%, payable semi-annually on May 15th and November 15th.

The following schedule represents the District's debt service requirements to maturity for the outstanding bond and certificates of participation indebtedness at year-end:

	Bonds Payable		Certificates of Participation	
Fiscal Year Ending June 30,	Principal	Interest	Principal	Interest
2026	$ 4,260,187	$ 5,384,169	$ 60,000	$ 12,675
2027	4,435,348	5,203,488	65,000	11,456
2028	4,621,099	5,014,721	65,000	10,189
2029	4,812,456	4,816,054	65,000	8,921
2030	5,019,433	4,606,960	65,000	7,654
2031-2035	28,574,542	19,485,525	360,000	17,843
2036-2040	34,670,701	13,354,768	--	--
2041-2045	41,691,496	6,157,525	--	--
2046	9,360,000	187,200	--	--
Total	$137,445,262	$64,210,410	$ 680,000	$ 68,738

Prior-Year Defeasance of Debt

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year-end, $8,440,000 of bonds outstanding are considered defeased.

NOTE 5 - Changes in Long-Term Debt – Continued:

Knowledge Quest Academy:

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

	Beginning Balance	Additions	Reductions/ Amortizations	Ending Balance	Due Within One Year
2022 Refunding Revenue Bonds	$3,322,148	$ --	$ 233,686	$3,088,462	$243,041
Total long-term obligations	$3,322,148	$ --	$ 233,686	$3,088,462	$243,041

Bonds Payable

In August 2005, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $5,840,000 in Charter School Revenue Bonds, Series 2005, bearing interest at a rate of 6.50% with a final payment due May 1, 2036. The proceeds of the bonds were loaned to the KQA Building Corporation under a lease agreement to construct the Charter School's school facility. The Charter School is obligated under a lease agreement to make monthly lease payments to the KQA Building Corporation for use of the building. The KQA Building Corporation is required to make semi-annual payments to the Trustee for payment of the bonds. The CECFA issued $4,715,000 in Charter School Refunding Revenue Bonds, Series 2020, due in annual installments beginning the fiscal year 2020 ranging from $175,000 to $310,000 bearing interest at a rate of 2.990%, payable semi-annually on January 1st and July 1st. On April 15, 2022 KQA refinanced this debt and issued $3,790,000 of CECFA Revenue Bond series 2022 Reissuance. This debt requires monthly payments ranging from $5,491 to $29,262 ending in July 2036 with a base coupon rate of 3.26% through maturity.

The following schedule represents the Charter School's debt service requirements to maturity for all outstanding bonded indebtedness:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2026	$ 243,041	$ 98,419	$ 341,460
2027	248,124	90,303	338,427
2028	257,433	82,187	339,620
2029	262,413	73,376	335,789
2030	271,610	64,570	336,180
2031-2035	1,461,036	182,527	1,643,563
2036-2037	344,805	6,680	351,485
Total	$ 3,088,462	$ 598,062	$ 3,686,524

NOTE 5 - Changes in Long-Term Debt – Continued:

CIVICA Colorado:

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

	Beginning Balance (as restated)	Additions	Reductions/ Amortizations	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated absences	$ 33,229	$ --	7,149	$ 26,080	--
Total long-term obligations Governmental Activities	$ 33,229	$ --	$ 7,149	$ 26,080	$ --
Business-Type Activities:					
Revenue Bonds, Series 2022	$ 7,990,000	$ --	$ 18,333	$ 7,971,667	$ 79,583
Total long-term obligations Business-Type Activities	$ 7,990,000	$ --	$ 18,333	$ 7,971,667	$ 79,583

The following schedule represents the Charter School's debt service requirements to maturity:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	$ 79,583	$ 380,471	$ 460,054
2027	103,333	375,895	479,228
2028	118,750	370,045	488,795
2029	129,167	364,325	493,492
2030	7,540,834	30,322	7,571,156
Total	$ 7,971,667	$ 1,521,058	$ 9,492,725

NOTE 6 - Accrued Salaries:

Salaries of certain personnel are paid over a twelve-month period from September to August, but are earned during a School year of approximately nine to eleven months. The salaries and benefits earned, but unpaid, as of June 30, 2025, are estimated to be $2,566,715.

NOTE 7 – Defined Benefit Pension Plan:

The Weld County School District RE 5J participates in the Local Government 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.

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

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

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

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

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

NOTE 7 – Defined Benefit Pension Plan:

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

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

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

NOTE 7 – Defined Benefit Pension Plan- Continued:

Contributions provisions as of June 30 ,2025: Eligible employees of, Weld County School District RE 5J and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2024 through June 30, 2025. Employer contribution requirements are summarized in the following table:

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Weld County School District RE5J is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the Weld County School District RE5J were $5,275,118 for the year ended June 30, 2025.

NOTE 7 – Defined Benefit Pension Plan- Continued:

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

The net pension liability for the SCHDTF was measured as of December 31, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The Weld County School District RE 5J proportion of the net pension liability was based on Weld County School District RE 5J contributions to the SCHDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2025, the Weld County School District RE 5J reported a liability of $58,344,698 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll forward the total pension liability to December 31, 2024. The Weld County School District RE 5J proportion of the net pension liability was based on the Weld County School District RE 5J contributions to the SCHDTF for the calendar year 2023 relative to the total contributions of participating employers to the SCHDTF.

At December 31, 2024 the Weld County School District RE 5J proportion was .0335% percent, which was a decrease of .01% from its proportion measured as of December 31, 2023.

Weld County School District RE 5J proportionate share of the net pension liability	$ 58,344,698
The State's proportionate share of the net pension liability as a nonemployer contributing Weld County School District RE 5J associated with the Weld County School District RE 5J	4,808,409
Total	$ 63,153,107

NOTE 7 – Defined Benefit Pension Plan- Continued:

For the year ended December 31, 2024, the Weld County School District RE 5J recognized pension expense of $6,152,915 and revenue of $1,882,819 for support from the State nonemployer contributing Weld County School District RE 5J. At June 30, 2025, the Weld County School District RE 5J reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

June 30, 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,303,973	$ --
Changes in assumption	437,417	--
Net difference between projected and actual earnings on pension plan investments	1,100,802	--
Change in proportion	6,616,429	--
Contributions subsequent to measurement date	3,057,504	--
Total	$ 14,516,125	$ --

$3,057,504 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	$ 5,335,424
2027	7,686,089
2028	(567,014)
2029	(995,878)
	$11,458,621

NOTE 7 – Defined Benefit Pension Plan- Continued:

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

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

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

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

- **Males**: 112% of the rates prior to age 80/ 94% of the rates age 80 and older using scale MP - 2019
- **Females**: 83% of the rates prior to age 80/ 106% of the rates age 80 and older using scale MP - 2019

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

NOTE 7 – Defined Benefit Pension Plan- Continued:

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

Salary increases, including wage inflation: 4.00%-13.40%
Salary scale assumptions were altered to better reflect actual experience.

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

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

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

- **Males:** 106% of the rates for all ages Using Scale 2024 adjusted MP-2021
- **Females:** 86% of the rates prior to age 85/ 115% of the rates age 85 and older Using Scale 2024 adjusted MP-2021

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

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

NOTE 7 – Defined Benefit Pension Plan- Continued:

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

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

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

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

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

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

NOTE 7 – Defined Benefit Pension Plan- Continued:

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

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

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

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

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

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

NOTE 8 – Defined Benefit Pension Plan- Continued:

Sensitivity of the Weld County School District RE 5J *proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability (asset)	$ 79,101,889	$ 58,344,698	$40,957,650

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

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

NOTE 8 – Other Postemployment Benefits:

Plan description. Eligible employees of the Weld County School District RE 5J are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

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

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

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

NOTE 8 – Other Postemployment Benefits – Continued:

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

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

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 Weld County School District RE 5J is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Weld County School District RE 5J were $25,158 for the year ended June 30, 2025.

NOTE 8 – Other Postemployment Benefits – Continued:

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

At June 30, 2025, the Weld County School District RE 5J reported a liability of $1,005,066 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The Weld County School District RE 5J proportion of the net OPEB liability was based on Weld County School District RE 5J contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the Weld County School District RE 5J proportion was .2145%, which was an decrease of approximately .1205% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the Weld County School District RE 5J recognized OPEB income of $109,911. At June 30, 2025, the Weld County School District RE 5J reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

June 30, 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ --	$ 221,697
Net difference between projected and actual earnings on pension plan investments	3,407	--
Changes in assumptions	11,525	321,270
Change in proportionate share	62,126	--
Contributions subsequent to the measurement date	31,187	--
Total	$ 108,245	$ 542,967

$31,187 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026 . Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

NOTE 8 – Other Postemployment Benefits – Continued:

Year Ending June 30	Amount
2026	$ (154,400)
2027	(91,021)
2028	(95,966)
2029	(45,171)
2030	(50,731)
Thereafter	(28,620)
	$ (465,909)

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20%-11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06[1]	Financed by the AIR

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

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

NOTE 8 – Other Postemployment Benefits – Continued:

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

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

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,536	$5,429	$4,241	$3,523	$7,063	$5,866
70	$7,341	$6,073	$4,764	$3,941	$7,933	$6,563
75	$8,110	$6,385	$5,262	$4,143	$8,763	$6,900

The 2024 Medicare Part A premium is $505 per month.

All costs are subject to the health care cost trend rates, discussed as follows.

NOTE 8 – Other Postemployment Benefits – Continued:

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

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

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

Year	PERACare Medicare	MAPDPPO #21	MedicarePart A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

[1] Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

NOTE 8 – Other Postemployment Benefits – Continued:

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected

using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

- **Males**: 112% of the rates prior to age 80/ 94% of the rates age 80 and older - PubT-2010
- **Females**: 83% of the rates prior to age 80/ 106% of the rates age 80 and older - PubT-2010

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

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.

- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.

- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

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

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

NOTE 8 – Other Postemployment Benefits – Continued:

Salary increases including wage inflation of 4%-13.40% were reflected for Members and other safety officers for the School Division.

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

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

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

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

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

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

NOTE 8 – Other Postemployment Benefits – Continued:

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	51%	5.00%
Fixed Income	23%	2.60%
Private Equity	10%	7.60%
Real Estate	10%	4.10%
Alternatives	6%	5.20%
Total	**100%**	

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

Sensitivity of the Weld County School District RE 5J *proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following table presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

NOTE 8 – Other Postemployment Benefits – Continued:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate[1]	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate[1]	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$977,987	$1,005,066	$1,035,712

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

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were $0.020 million and $0.486 million, respectively.

NOTE 8 – Other Postemployment Benefits – Continued:

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

Sensitivity of the Weld County School District RE 5J *proportionate share of the net OPEB liability to changes in the discount rate.* The following table presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 1,231,724	$ 1,005,066	$ 809,660

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

NOTE 9 – Defined Contribution Pension Plan:

Voluntary Investment Program

Plan Description - Employees of the Weld County School District RE-5J 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.

Funding Policy - The Voluntary Investment Program 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.

NOTE 10 – Lease Receivable and Deferred Inflow:

The District implemented GASB Statement No. 87 July 1, 2022, and recognized a lease receivable for an office lease during fiscal year ending June 30, 2025. The lease includes an agreement for joint use of recreation facilities between a parks and recreation district in Milliken and the district. The recreation district agrees to pay $750,000 over 20 years towards the cost of the facility in return for joint access to the facility. The District has recorded a lease receivable of $442,896 and deferred inflows of $409,343. Total lease revenue recognized during the year ended June 30, 2025, was $55,043 of principal and $57,457 of interest for a total of $112,500.

The following is the lease receivable schedule by year as of June 30, 2025:

Year ending June 30	Principal	Interest	Total Payment
2026	$ 10,893	$ 26,607	$ 37,500
2027	11,601	25,899	37,500
2028	12,355	25,145	37,500
2029	13,158	24,342	37,500
2030	14,013	23,487	37,500
2031-2035	84,972	102,528	187,500
2036-2040	116,418	71,082	187,500
2041-2042	179,486	9,486	188,972
Total	$ 442,896	$ 308,576	$ 751,472

NOTE 11 – Change in Accounting Principle:

Transition guidance for Governmental Accounting Standards Board (GASB) Statement 101 *Compensated Absences* indicates implementation of GASB 101 should be reported as a change in accounting principle in accordance with GASB Statement 100 *Accounting Changes and Error Corrections.*

Certain compensated absences that were not previously recognized as liabilities have now been included, per the updated guidance. An adjustment to beginning net position as of July 1, 2024 was recorded to reflect the cumulative effect of applying GASB 101.

Beginning Net Position, as Previously Reported	$49,330,272
Implementation of GASB 101	(799,073)
Beginning of Net Position, as Restated	$48,531,199

NOTE 12 – Contingencies and Risk Management:

The District participates in the Colorado School Districts Self Insurance Pool (the Pool), a public entity risk pool currently operating as a common risk management and insurance program for member school districts. The Pool was formed in 1981 to provide property, liability, and workers' compensation insurance coverage to its members. The District pays an annual premium to the Pool for its insurance coverage. The Pool is self-sustaining through member premiums and reinsures through commercial companies for claims in excess of specified limits.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The Pool's board of directors is comprised of representatives from member districts. If the Pool were to cease operations, any assets remaining after satisfying all claims and liabilities would be distributed to member districts.

In 1992 the Colorado voters approved the "Taxpayer's Bill of Rights" (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. In November 1998, the electors of the District voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

Included in the accompanying financial statements are restrictions of fund balances for TABOR reserves, which will not constitute TABOR spending when utilized. TABOR reserves include an emergency reserve. The District believes it is in compliance with the requirements of TABOR.

REQUIRED SUPPLEMENTARY INFORMATION

WELD COUNTY SCHOOL DISTRICT RE-5(J)

BUDGETARY COMPARISON SCHEDULE

	General Fund			
Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Revenue:				
Local sources	$ 33,680,201	$ 30,990,301	$ 33,248,762	$ 431,439
State sources	18,602,236	21,581,481	19,568,761	(966,525)
Other	170,593	100,000	161,046	9,547
Total Revenue	52,453,030	52,671,782	52,978,569	(525,539)
Expenditures:				
Instruction	27,019,271	28,244,707	28,295,380	1,276,109
Supporting services	19,159,466	17,590,330	19,304,444	144,978
Capital outlay	347,442	476,328	362,639	15,197
Debt Service	10,182	10,182	11,109	927
Total Expenditures	46,536,361	46,321,547	47,973,572	1,437,211
Revenue Over (Under) Expenditures	5,916,669	6,350,235	5,004,997	911,672
Other Financing Sources (Uses):				
Payments to Knowledge Quest Academy	(4,777,785)	(4,777,785)	(4,777,785)	-
Payments to Civica	(1,894,754)	(1,894,754)	(1,887,216)	(7,538)
Operating transfers in (out)	(356,098)	(1,059,727)	(356,098)	-
Total Other Financing Sources (Uses)	(7,028,637)	(7,732,266)	(7,021,099)	(7,538)
Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,111,968)	(1,382,031)	(2,016,102)	904,134
Fund Balance, Beginning of Year	6,543,806	6,543,806	6,543,806	-
Fund Balance, End of Year	$ 5,431,838	$ 5,161,775	$ 4,527,704	$ 904,134

See Accompanying Notes to Financial Statements.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

Year Ended June 30	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2025	$ 5,671,806	$ 5,671,806	$ 27,412,071	20.7%
2024	4,947,343	4,947,343	24,006,242	20.6%
2023	4,106,788	4,106,788	20,646,229	19.9%
2022	4,123,472	4,123,472	19,729,507	20.9%
2021	3,576,010	3,576,010	17,987,976	19.9%
2020	3,306,820	3,306,820	17,063,941	19.4%
2019	3,079,605	3,079,605	16,096,693	19.1%
2018	2,826,857	2,826,857	14,965,880	18.9%
2017	2,580,352	2,580,352	14,035,144	18.4%
2016	2,456,366	2,456,366	13,851,915	17.7%

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

Year Ended June 30	Statutorily Required Contributions	Contributions Made	Covered Payroll	% of Covered Payroll
2025	$ 679,603	$ 279,603	$ 27,412,071	1.02%
2024	244,864	244,864	24,006,242	1.02%
2023	210,592	210,592	20,646,229	1.02%
2022	201,241	201,241	19,729,507	1.02%
2021	183,477	183,477	17,987,976	1.02%
2020	174,052	174,052	17,063,941	1.02%
2019	164,186	164,186	16,096,693	1.02%
2018	152,652	152,652	14,965,880	1.02%
2017	143,158	143,158	14,035,144	1.02%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

Year Ended June 30	Cumulative Proportion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2025	0.00%	$ -	$ -	0.00%	0.00%
2024	0.35%	61,393,798	24,006,242	256%	64.7%
2023	0.26%	48,291,721	20,646,229	234%	61.8%
2022	0.31%	35,304,161	19,729,507	179%	74.9%
2021	0.37%	51,981,250	18,376,864	283%	67.0%
2020	0.28%	41,770,173	16,428,917	254%	64.5%
2019	0.28%	50,309,337	15,619,613	322%	57.1%
2018	0.31%	101,648,058	14,500,368	701%	44.0%
2017*	0.31%	91,930,053	13,857,737	663%	43.1%
2016	0.31%	47,894,728	13,647,184	350.9%	59.2%

* Significant changes in assumptions made by Colorado PERA.

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET OPEB LIABILITY

Year Ended June 30	Cumulative Proportion of Net OPEB Liability	Cumulative Proportionate Share	Covered Payroll	% of Covered Payroll	Plan Net Position as a % of Net OPEB Liability
2025	0.21%	$ 1,005,066	$ 27,412,071	3.67%	59.8%
2024	0.20%	1,499,802	24,006,242	6.25%	46.2%
2023	0.20%	1,642,651	20,646,229	7.96%	59.8%
2022	0.20%	1,744,068	19,729,507	8.84%	39.4%
2021	0.20%	1,888,466	18,376,864	10.28%	32.8%
2020	0.18%	2,053,686	16,428,617	12.50%	24.5%
2019	0.18%	2,512,645	15,619,613	16.09%	17.0%
2018	0.18%	2,321,212	14,500,368	16.01%	17.5%
2017	0.18%	2,275,460	13,857,737	16.42%	16.7%

Until a full 10-year trend is compiled, the District will present information for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

WELD COUNTY SCHOOL DISTRICT RE-5(J)
GENERAL FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Local Sources:				
Property taxes	$ 31,293,758	$ 29,359,860	$ 31,479,462	$ (185,704)
Specific ownership taxes	1,748,332	1,375,000	1,600,000	148,332
Delinquent taxes and interest	13,680	9,000	9,000	4,680
Charter school revenue	120,319	120,000	120,000	319
Other local revenue	504,112	126,441	40,300	463,812
Total Local Sources	33,680,201	30,990,301	33,248,762	431,439
State Sources:				
Equalization	15,014,059	17,138,114	14,861,078	152,981
Vocational education	56,148	200,000	142,334	(86,186)
ECEA	1,582,236	1,350,000	1,556,456	25,780
Transportation	303,163	225,000	310,473	(7,310)
English Language Proficiency Act	-	176,916	148,046	(148,046)
READ act	102,613	170,000	102,612	1
CDIP	-	110,000	279,081	(279,081)
Charter capital construction	217,942	219,726	218,681	(739)
UPK revenue	746,232	791,725	750,000	(3,768)
Other state grants through CDE	106,041	-	-	106,041
State on-behalf payment	473,802	1,200,000	1,200,000	(726,198)
Total State Sources	18,602,236	21,581,481	19,568,761	(966,525)
Other:				
Interest	170,593	100,000	161,046	9,547
Total Other	170,593	100,000	161,046	9,547
Total Revenue	$ 52,453,030	$ 52,671,782	$ 52,978,569	$ (525,539)

WELD COUNTY SCHOOL DISTRICT RE-5(J)
GENERAL FUND

Schedule of Expenditures Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Instruction:				
Salaries	$ 18,109,782	$ 18,278,609	$ 18,185,635	$ 75,853
Employee benefits	6,703,737	6,776,729	6,754,952	51,215
Purchased services	1,705,235	1,762,123	2,042,374	337,139
Supplies and materials	361,006	553,810	478,113	117,107
State on-behalf payment	473,802	1,200,000	1,200,000	726,198
Other	(334,291)	(326,564)	(365,694)	(31,403)
Total Instruction	27,019,271	28,244,707	28,295,380	1,276,109
Supporting Services:				
Pupils:				
Salaries	1,876,354	1,885,421	1,941,177	64,823
Employee benefits	704,734	724,002	748,339	43,605
Purchased services	37,072	-	20,256	(16,816)
Supplies and materials	1,166	11,244	16,050	14,884
Other	61,650	60,567	64,726	3,076
Total Pupils	2,680,976	2,681,234	2,790,548	109,572
Instructional Support:				
Salaries	1,619,946	1,303,373	1,637,596	17,650
Employee benefits	508,316	464,601	518,291	9,975
Purchased services	129,997	122,867	124,630	(5,367)
Supplies and materials	16,315	5,069	11,320	(4,995)
Other	775	212	200	(575)
Total Instructional Staff	2,275,349	1,896,122	2,292,037	16,688
General Administration:				
Salaries	315,757	394,481	315,757	-
Employee benefits	84,237	81,418	83,953	(284)
Purchased services	518,830	421,610	455,140	(63,690)
Supplies and materials	43,039	49,398	43,000	(39)
Other	25,519	204,166	165,646	140,127
Total General Administration	$ 987,382	$ 1,151,073	$ 1,063,496	$ 76,114

Continued on next page.

WELD COUNTY SCHOOL DISTRICT RE-5(J)
GENERAL FUND

Schedule of Expenditures Compared with Budget - Continued

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
School Administration:				
Salaries	$ 1,952,623	$ 1,944,136	$ 1,952,825	$ 202
Employee benefits	628,189	659,159	626,249	(1,940)
Purchased services	47,930	33,525	40,520	(7,410)
Supplies and materials	68,044	81,798	46,900	(21,144)
Other	3,159	2,440	6,000	2,841
Total School Administration	2,699,945	2,721,058	2,672,494	(27,451)
Business Services:				
Salaries	505,103	477,498	505,104	1
Employee benefits	171,771	177,580	171,020	(751)
Purchased services	21,251	52,929	52,000	30,749
Supplies and materials	7,140	8,763	9,000	1,860
Other	2,315	4,242	4,000	1,685
Total Business Services	707,580	721,012	741,124	33,544
Operations and Maintenance:				
Salaries	1,465,711	1,263,473	1,460,891	(4,820)
Employee benefits	631,790	581,851	655,254	23,464
Purchased services	2,953,748	2,532,519	2,733,966	(219,782)
Supplies and materials	1,159,676	970,217	1,240,274	80,598
Total Operations and Maintenance	6,210,925	5,348,060	6,090,385	(120,540)
Student Transportation:				
Salaries	941,226	659,784	897,672	(43,554)
Employee benefits	324,773	269,441	335,752	10,979
Purchased services	322,067	152,247	193,983	(128,084)
Supplies and materials	169,950	216,403	185,000	15,050
Other	2,000	-	-	(2,000)
Total Student Transportation	1,760,016	1,297,875	1,612,407	(147,609)

Continued on next page.

WELD COUNTY SCHOOL DISTRICT RE-5(J)
GENERAL FUND

Schedule of Expenditures Compared with Budget - Continued

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Central Support Services:				
Salaries	$ 637,581	$ 678,102	$ 632,284	$ (5,297)
Employee benefits	215,548	234,231	218,333	2,785
Purchased services	914,877	786,475	959,027	44,150
Supplies and materials	30,723	22,810	28,800	(1,923)
Other	875	1,615	1,000	125
Total Central Support Services	1,799,604	1,723,233	1,839,444	39,840
Other Support Services:				
Supplies and materials	1,457	-	137,209	135,752
Total Other Support Services	1,457	-	137,209	135,752
Food Service Operations:				
Salaries				-
Purchased services	23,138	25,663	15,300	(7,838)
Supplies and materials	-	-	-	-
Other	13,094	25,000	50,000	36,906
Total Food Service Operations	36,232	50,663	65,300	29,068
Total Supporting Services	19,159,466	17,590,330	19,304,444	144,978
Debt Service:				
Principal payments	9,427	9,427	10,272	845
Interest and fiscal charges	755	755	837	82
Capital Outlay	347,442	476,328	362,639	15,197
Total Debt Service and Capital Outlay	357,624	486,510	373,748	16,124
Total Expenditures	$ 46,536,361	$ 46,321,547	$ 47,973,572	$ 1,437,211

WELD COUNTY SCHOOL DISTRICT RE-5(J)
GENERAL FUND

Schedule of Other Financing Sources (Uses) Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Other Financing Sources and Uses:				
Transfer to Knowledge Quest Academy	$4,777,785	$4,777,785	$4,777,785	$ -
Transfer to CIVICA	1,894,754	1,894,754	1,887,216	(7,538)
Capital Reserve Projects Fund	356,098	1,059,727	356,098	-
Total Other Financing Sources	$7,028,637	$7,732,266	$7,021,099	$ (7,538)

WELD COUNTY SCHOOL DISTRICT RE-5(J)
BOND REDEMPTION FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Revenue:				
Local Sources:				
Property taxes, current	$ 11,830,506	$ 12,326,900	$ 11,920,900	$ (90,394)
Specific ownership taxes	151	-	200	(49)
Delinquent taxes and interest	4,956	-	6,000	(1,044)
Interest on investments	439,337	-	500,000	(60,663)
Total Revenues	$ 12,274,950	$ 12,326,900	$ 12,427,100	$ (152,150)

Schedule of Expenditures Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Expenditures:				
Debt Service:				
Principal payments	$ 4,090,605	$ 4,090,606	$ 4,090,606	$ 1
Interest payments	5,558,490	6,060,190	5,557,190	(1,300)
Purchased Services	-	-	3,000	3,000
Contingency	-	-	500,000	500,000
Total Expenditures	$ 9,649,095	$ 10,150,796	$ 10,150,796	$ 501,701

WELD COUNTY SCHOOL DISTRICT RE-5(J)
CAPITAL RESERVE PROJECTS FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Revenues:				
Other:				
Contributions	$ 977,480	$ -	$ 904,914	$ 72,566
Other local revenues	516,488	595,245	358,330	158,158
Insurance proceeds	169,597	-	169,597	-
Earnings on investments	142,579	-	124,284	18,295
Total Other	1,806,144	595,245	1,557,125	249,019
Total Revenues	$ 1,806,144	$ 595,245	$ 1,557,125	$ 249,019

Schedule of Expenditures Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Expenditures:				
Capital outlay	$ 1,609,485	$ 937,826	$ 2,987,454	$ 1,377,969
Purchased services	1,446,993	530,000	1,710,048	263,055
Supplies and materials	268,163	-	214,220	(53,943)
Debt Service:				
Principal payments	906,872	995,284	906,910	38
Interest on loan	88,368	23,000	88,374	6
Appropriated reserves	-	-	-	-
Total Expenditures	$ 4,319,881	$ 2,486,110	$ 5,907,006	$ 1,587,125

Schedule of Other Financing Sources (Uses) Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Other Financing Sources (Uses):				
Tranfers in from General Fund	$ 356,098	$ 759,271	$ 356,098	$ -
Proceeds of leases	1,608,100	-	2,280,000	671,900
Total Other Financing Sources	$ 1,964,198	$ 759,271	$ 2,636,098	$ 671,900

WELD COUNTY SCHOOL DISTRICT RE-5(J)
BUILDING FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Revenues:				
Local Sources:				
Earnings on investments	$ 49,459	$ 50,000	$ 35,000	$ 14,459
Other	-	-	201,417	(201,417)
Total Local Sources	49,459	50,000	236,417	(186,958)
State Sources:				
Best grant	2,937,912	3,469,335	3,628,041	(690,129)
Total State Sources	2,937,912	3,469,335	3,628,041	(690,129)
Total Revenues	$ 2,987,371	$ 3,519,335	$ 3,864,458	$ (877,087)

Schedule of Expenditures Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Expenditures:				
Capital Outlay	$ 9,358,928	$ 13,167,964	$ 10,834,027	$ 1,475,099
Appropriated reserves	-	-	-	-
Total Expenditures	$ 9,358,928	$ 13,167,964	$ 10,845,355	$ 1,486,427

WELD COUNTY SCHOOL DISTRICT RE-5(J)
NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

June 30, 2025	Food Service Fund	Pupil Activity Fund	Designated Purpose Grants	Total
ASSETS				
Cash	$ 129,263	$ 95,180	$ 40,778	$ 265,221
Local Government Investment Pools	1,013,954	661,187	-	1,675,141
Grants Receivables	193,157	2,073	563,234	758,464
Other Receivables	139,013	-	-	139,013
TOTAL ASSETS	$ 1,475,387	$ 758,440	$ 604,012	$ 2,837,839
LIABILITIES				
Accounts Payable	$ 123,179	$ 46,830	$ 88,373	$ 258,382
Accrued Payroll	-	-	93,474	93,474
Unearned Revenue	26,699	-	151,165	177,864
Interfund Payables	-	-	271,000	271,000
Total Liabilities	149,878	46,830	604,012	800,720
FUND BALANCES				
Assigned:				
Food service	1,325,509	-	-	1,325,509
Student activities	-	711,610	-	711,610
Total Fund Balances	1,325,509	711,610	-	2,037,119
TOTAL LIABILITIES AND FUND BALANCE	$ 1,475,387	$ 758,440	$ 604,012	$ 2,837,839

WELD COUNTY SCHOOL DISTRICT RE-5(J)
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended June 30, 2025	Food Service Fund	Pupil Activity Fund	Designated Purpose Grants	Total
Revenue:				
Local sources	$ 234,982	$1,640,629	$ 161,751	$2,037,362
State sources	963,353	-	938,952	1,902,305
Federal sources	1,263,148	-	1,809,652	3,072,800
Other	40,202	34,925	-	75,127
Total Revenue	2,501,685	1,675,554	2,910,355	7,087,594
Expenditures:				
Instruction	-	-	1,431,848	1,431,848
Supporting services	2,286,616	1,667,007	1,253,691	5,207,314
Capital outlay	204,707	-	224,816	429,523
Debt service	-	57,234	-	57,234
Total Expenditures	2,491,323	1,724,241	2,910,355	7,125,919
Revenue (Under) Over Expenditures	10,362	(48,687)	-	(38,325)
Fund Balances, Beginning of Year	1,315,147	760,297	-	2,075,444
Fund Balances, End of Year	$ 1,325,509	$ 711,610	$ -	$2,037,119

WELD COUNTY SCHOOL DISTRICT RE-5(J)
NONMAJOR FUNDS
FOOD SERVICE FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Operating Revenue:				
Food and milk sales	$ 234,982	$ 220,000	$ 174,000	$ 60,982
Nonoperating Revenue:				
Federal grants	1,263,148	947,335	1,197,264	65,884
State grants	963,353	964,255	1,029,886	(66,533)
Other	40,202	-	39,000	1,202
Total Revenue	$ 2,501,685	$ 2,131,590	$2,440,150	$ 61,535

Schedule of Expenses Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Suporting Services:				
Purchased services	$ 2,085,280	$ 1,900,000	$2,293,979	$ 208,699
Supplies and materials	201,336	444,000	452,000	250,664
Capital outlay	204,707	55,000	431,221	226,514
Total Expenditures	$ 2,491,323	$ 2,399,000	$3,177,200	$ 685,877

WELD COUNTY SCHOOL DISTRICT RE-5(J)
NONMAJOR FUNDS
PUPIL ACTIVITY FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Revenues				
Local sources:				
Fundraising and other events	$ 1,675,554	$ 1,608,333	$1,815,333	$ (139,779)
Total Revenue	$ 1,675,554	$ 1,608,333	$1,815,333	$ (139,779)

Schedule of Expenses Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Expenditures:				
Instructional:				
Purchased services	$ 581,707	$ 525,364	$ 595,537	$ 13,830
Supplies and materials	888,529	802,468	909,653	21,124
Salaries and benefits	18,604	16,802	19,046	442
Other	51,178	46,221	52,395	1,217
Debt Service:				
Principal payments	57,234	51,690	58,595	1,361
Interest payments	-	-	-	-
Capital Outlay	112,977	102,034	115,663	2,686
Other	14,012	12,655	14,345	333
Appropriated reserves	-	-	-	-
Total Expenditures	$ 1,724,241	$ 1,557,234	$1,765,234	$ 40,993

WELD COUNTY SCHOOL DISTRICT RE-5(J)
NONMAJOR FUNDS
GRANTS FUND

Schedule of Revenue Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Revenue:				
Local sources	$ 161,751	$ 20,000	$ 201,097	$ (39,346)
State sources	938,952	629,474	931,714	7,238
Federal sources	1,809,652	1,893,920	1,923,607	(113,955)
Total Revenue	$ 2,910,355	$ 2,543,394	$ 3,056,418	$ (146,063)

Schedule of Expenditures Compared with Budget

Year Ended June 30, 2025	Actual	Original Budget	Final Budget	Variance from Final
Instruction:				
Salaries	$ 656,976	$ 588,465	$ 673,218	$ 16,242
Employee benefits	229,020	226,888	242,781	13,761
Purchased services	143,571	217,416	127,557	(16,014)
Supplies and materials	56,778	199,863	187,059	130,281
Other	345,503	342,468	376,426	30,923
Supporting Services:				
Salaries	569,841	455,320	524,171	(45,670)
Employee benefits	160,670	144,787	148,309	(12,361)
Purchased services	385,357	156,167	313,458	(71,899)
Supplies and materials	122,810	168,020	291,399	168,589
General and Administration:				
Other	9,221	-	10,465	1,244
Student transportation:				
Salaries	4,726	-	7,661	2,935
Benefits	1,066	-	1,757	691
Non Instructional		-		
Capital Outlay:				
Equipment	224,816	44,000	152,157	(72,659)
Total Expenditures	$ 2,910,355	$ 2,543,394	$ 3,056,418	$ 146,063

WELD COUNTY SCHOOL DISTRICT RE-5(J)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2025

Agency/Program Grant Title	Pass-Through Identification Number	Assistance Listing Number	Expenditures
Department of Agriculture			
Child Nutrition Cluster:			
Passed Through CDHHS:			
Food Distribution		10.555	$ 189,438
Passed Through Colorado Department of Education:			
Supply Chain Assistance	6555	10.555	8,745
National School Lunch Program	4555	10.555	868,850
School Breakfast Program	4553	10.553	196,878
Summer Food Program	4559	10.555	7,982
Child Nutrition Cluster Total			1,271,893
Department of Education			
Passed Through Colorado Department of Education:			
COVID-19 Coronavirus State & Local Fiscal Recovery Funds	7131	21.027	192,952
COVID-19 Coronavirus State & Local Fiscal Recovery Funds	6127	21.027	-
Title I Grants to Local Education Agencies	4010	84.010	344,474
Title II Part A Teacher Quality	4367	84.367	78,763
Student Support for Academic Enrichment	4424	84.424	27,003
Charter Schools	5282	84.282	54,777
Multi Tiered System of Supports	5323	84.323	-
After School Learning Centers	7287	84.287	138,075
Perkins Innovation and Modernization Grant Program	4048	84.051F	23,330
Special Education - Grants to States	4027	84.027A	765,722
Special Education - Preschool grants	4173	84.173A	16,479
Special Education Cluster Total			782,201
Department of Health and Human Services			
School Nurse Workforce Retention Grant	8174	93.354	6,000
			6,000

Continued on next page

WELD COUNTY SCHOOL DISTRICT RE-5(J)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2025

Agency/Program Grant Title	Pass-Through Identification Number	Assistance Listing Number	Expenditures
Passed Through Colorado Department of Education - Continued:			
Education Stabilization Fund - Elementary and Secondary School Emergency Relief			
COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	4414	84.425U	$ 124,991
COVID-19 ARP Mentor Program	4436	84.425U	592
COVID-19 American Rescue Plan Elementary and Secondary Schools Emergency Relief Fund - Homeless Children and Youth	8426	84.425W	1,240
Total Education Stabilization Fund (ESSER)			126,823
English Language Acquisition, Language Enhancement, and Academic Achievement Program for Limited English Proficient Children	4365	84.365A	26,509
Total Federal Assistance			$ 3,072,800

Note 1: Schedule is prepared on the modified accrual basis of accounting except for the food distribution commodities received which are at fair value.

Note 2: The District does not have any significant subrecipients or indirect cost recovery.

Note 3: The District's federal programs generally do not utilize the 10% deminimus cost rate.

WELD COUNTY SCHOOL DISTRICT RE-5(J)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2025

SUMMARY OF AUDITORS' RESULTS

➢ Type of report issued on financial statements	Unmodified
➢ Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified	None reported
➢ Noncompliance material to the financial statements noted	No
➢ Internal control over federal awards:	
Material weaknesses identified	No
Significant deficiencies identified	None reported
➢ Type of report issued on major programs	Unmodified
➢ Audit findings disclosed	None under 2 CFR 200.516(a)
➢ Major program	Child Nutrition Cluster 10.553 and 10.555
➢ Dollar threshold between Type A and Type B programs	$750,000
➢ Low-risk auditee	Yes

FINDINGS RELATED TO FINANCIAL STATEMENTS

- None

FINDINGS RELATED TO FEDERAL AWARDS

- None

Independent Auditors' Report on Compliance for Each Major Federal Program and Internal Control Over Compliance in Accordance with Uniform Guidance

Board of Education
Weld County School District RE-5(J)
Milliken, Colorado

Report on Compliance for Major Federal Programs

Opinion on Each Major Federal Program

We have audited Weld County School District RE-5(J)'s 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 Weld County School District RE-5(J)'s major federal programs for the year ended June 30, 2025. Weld County School District RE-5(J)'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Weld County School District RE-5(J) complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Weld County School District RE-5(J) and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Weld County School District RE-5(J)'s compliance with the compliance requirements referred to above.

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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 Weld County School District RE-5(J)'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Weld County School District RE-5(J)'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Weld County School District RE-5(J)'s compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Weld County School District RE-5(J)'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 Weld County School District RE-5(J)'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 Weld County School District RE-5(J)'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Anderson & Whitney, P.C.

December 16, 2025

A Professional Corporation of
Certified Public Accountants

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-5(J)
Milliken, 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-5(J), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 16, 2025. The financial statements of Knowledge Quest Academy and CIVICA Colorado as of June 30, 2025 were not audited in accordance with *Government Auditing Standards.*

Report on Internal Control Over Financial Reporting

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

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.

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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 deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. 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 Weld County School District RE-5(J)'s financial statements are free of 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.

Anderson & Whitney, P.C.

December 16, 2025

Colorado Department of Education

Auditors Integrity Report

District: 3110 - Johnstown-Milliken RE-5J
Fiscal Year 2024-25
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type &Number		Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses -	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance =
Governmental					
10	General Fund	6,543,806	45,424,393	46,536,361	5,431,838
18	Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19	Colorado Preschool Program Fund	0	0	0	0
Sub- Total		**6,543,806**	**45,424,393**	**46,536,361**	**5,431,838**
11	Charter School Fund	2,992,610	7,792,914	7,306,516	3,479,008
20,26-29	Special Revenue Fund	721,699	187,876	340,027	569,548
06	Supplemental Cap Const, Tech, Main. Fund	0	0	0	0
07	Total Program Reserve Fund	0	0	0	0
21	Food Service Spec Revenue Fund	1,315,147	2,501,685	2,491,323	1,325,509
22	Govt Designated-Purpose Grants Fund	0	2,910,355	2,910,355	0
23	Pupil Activity Special Revenue Fund	786,605	1,705,233	1,758,628	733,210
25	Transportation Fund	0	0	0	0
31	Bond Redemption Fund	19,511,030	12,274,950	9,649,095	22,136,885
39	Certificate of Participation (COP) Debt Service Fund	0	0	0	0
41	Building Fund	6,980,897	2,987,371	9,358,928	609,340
42	Special Building Fund	0	0	0	0
43	Capital Reserve Capital Projects Fund	4,121,319	3,770,342	4,319,881	3,571,780
46	Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals		**42,973,113**	**79,555,119**	**84,671,114**	**37,857,118**
Proprietary					
50	Other Enterprise Funds	-1,176,765	422,122	835,491	-1,590,134
64 (63)	Risk-Related Activity Fund	0	0	0	0
60,65-69	Other Internal Service Funds	0	0	0	0
Totals		**-1,176,765**	**422,122**	**835,491**	**-1,590,134**
Fiduciary					
70	Other Trust and Agency Funds	0	0	0	0
72	Private Purpose Trust Fund	0	0	0	0
73	Agency Fund	0	0	0	0
74	Pupil Activity Agency Fund	0	0	0	0
79	GASB 34:Permanent Fund	0	0	0	0
85	Foundations	0	0	0	0
Totals		**0**	**0**	**0**	**0**

FINAL