



DSST Public Schools

Independent Auditor's Report and Financial Statements

June 30, 2024



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Independent Auditor's Report

Board of Directors
DSST Public Schools
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, and the general fund of DSST Public Schools, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the DSST Public Schools' basic financial statements as listed in the table of contents. We have also audited the financial statements of the governmental activities and the general funds of DSST-Denver (a component unit of School District Number 1 in the City and County of Denver, Colorado [Denver Public Schools or DPS]) and DSST-Aurora (a component unit of Joint School District Number 28-J of the Counties of Adams and Arapahoe, Colorado [Aurora Public Schools or APS]) presented as other audited financial statements – supplementary information combining statements by school district, as of and for the year June 30, 2024, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and the general fund of DSST Public Schools, 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. In addition, in our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general funds of DSST-Denver and DSST-Aurora, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the DSST Public Schools, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the DSST Public Schools' 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 *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise DSST Public Schools' basic financial statements. The combining financial statements and budgetary comparison schedules by location are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2024, on our consideration of DSST Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of DSST Public Schools' 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 DSST Public Schools internal control over financial reporting and compliance.

Forvis Mazars, LLP

Denver, Colorado
October 14, 2024

DSST Public Schools
Management's Discussion and Analysis (Unaudited)
June 30, 2024

Our discussion and analysis of the Denver School of Science and Technology, Inc., (DSST or DSST Public Schools) financial performance provides an overview of DSST's financial activities for the twelve months ended June 30, 2024. It should be read in conjunction with the financial statements.

Financial Highlights

As stated in the Government-Wide Financial Statements, the assets and deferred outflows or resources of DSST exceeded liabilities and deferred inflows of resources at June 30, 2024 by \$63,913,164. Of this amount, \$41,957,391 is unrestricted. The \$63,913,164 of DSST's total net position represents an increase of \$1,182,312 over the prior year.

DSST's Governmental Fund Financial Statements reported an ending fund balance in fiscal year 2024 of \$54,362,317. The total fund balance in the General Fund increased, \$4,167,580 from the prior year, largely due to higher than budgeted governmental revenue.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to DSST's Basic Financial Statements. The Basic Financial Statements are comprised of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains required supplementary information and other supplementary information in addition to the Basic Financial Statements themselves.

Government-Wide Financial Statements

All of DSST's services are reported in the Government-Wide Financial Statements, including instruction, instructional supporting services, school administration, business services, and operation and maintenance of plant services. Per pupil revenue, mill levy override, federal aid and private contributions finance most of the activities. Additionally, any long-term capital assets and debt are reported in these statements.

Government-Wide Financial Statements are designed to provide readers a broad overview of DSST's finances in a manner similar to a private-sector business.

Statement of Net Position presents information on all of DSST's assets, liabilities, and deferred outflows or inflows of resources, with the difference reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of DSST is improving or deteriorating.

Statement of Activities presents information showing changes in DSST's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event causing the change occurs, regardless of the timing of the related cash flows. Therefore, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., unconditional contributions receivable).

The Government-Wide statement of activities distinguish functions of DSST that are principally supported by taxes and revenues from other functions intended to recover all or a significant portion of their costs through user fees and charges. Government-Wide Financial Statements can be found on pages 11-12.

The Government-Wide financial statements also include the DSST Public Schools Foundation as a discretely presented component unit of DSST.

Fund Financial Statements

DSST uses fund accounting to record specific sources of funding for particular purposes. A fund is an accounting device used to maintain control over resources that have been segregated for specific activities or objectives. DSST uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

DSST Public Schools
Management's Discussion and Analysis (Unaudited)
June 30, 2024

Governmental Funds are used to account for essentially the same functions reported as government activities in the Government-Wide Financial Statements. All of DSST's activities are included in one governmental fund which focuses on 1) how cash and other financial assets, that can readily be converted to cash, flow in and out and 2) the balances that are available for spending at year-end. Consequently, the Governmental Fund Statements provide a detailed short-term view that helps determine whether more or fewer financial resources can be spent in the near future to finance DSST's programs. Because this information does not encompass the additional long-term focus of the Government-Wide Statements, additional information is provided in Figure A-1 to explain the relationship between them.

DSST maintains one governmental fund, the General Fund. The DSST Building Corporation is a blended component unit of DSST and is reported in the General Fund of the fund financial statements. General Fund financial information is presented in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The basic Governmental Fund Financial Statements can be found on pages 13-14 of this report. DSST adopted an annual budget for the General Fund and a budgetary comparison schedule has been provided to demonstrate compliance with this budget.

Figure A-1. Major Features of DSST's Government-Wide and Fund Financial Statements

Types of Statements	Government-Wide	Fund Statement Governmental Fund
Scope	Entire organization	The activities of DSST that are not proprietary or fiduciary
Required Financial Statements	Statement of Net Position Statement of Activities Reconciliation statements	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used and liabilities that come due during the year, or soon thereafter; no capital assets or long-term liabilities included
Types of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

Notes to the Financial Statements

The notes provide additional information essential to a complete understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes can be found on pages 17-44 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparisons of the original adopted budget, the final amended budget, and the actual expenditures for the fiscal year. Required supplementary information can be found on pages 45-53 of this report.

DSST Public Schools
Management's Discussion and Analysis (Unaudited)
June 30, 2024

The remainder of this overview section of Management's Discussion and Analysis explains the structure and contents of each of the statements. Figure A-1 summarizes the major features of DSST's financial statements, including the portion of the operations covered and the types of information presented.

Government-Wide Financial Analysis

As noted earlier, net position can serve as a useful indicator of DSST's financial position. DSST's total net position was \$63,913,164 at June 30, 2024.

\$41,957,391 or 65.7 percent of DSST's net position is unrestricted and are resources available to fund DSST's programs in the following year. This amount of unrestricted funding is inclusive of the three months of board designated reserves of \$28,060,250 and \$936,695 in non-spendable fund balance, leaving \$12,960,671 of this unrestricted fund balance truly unrestricted into the 2024-2025 school year.

The remaining balance of net position represents resources subject to external restrictions on how they may be used. A condensed and comparative Statement of Net Position is illustrated below.

	2024	2023	\$ Change	% Change
Assets				
Current assets	\$ 64,876,046	\$ 61,449,606	\$ 3,426,440	5.58%
Capital assets, net	39,272,205	36,290,164	2,982,041	8.22%
Total assets	104,148,251	97,739,770	6,408,481	6.56%
Deferred Outflows of Resources	5,962,362	3,841,969	2,120,393	55.19%
Total assets and deferred outflows of resources	<u>\$ 110,110,613</u>	<u>\$ 101,581,739</u>	<u>\$ 8,528,874</u>	<u>8.40%</u>
Liabilities				
Current liabilities	\$ 11,225,441	\$ 11,319,793	\$ (94,352)	-0.83%
Noncurrent liabilities	34,879,328	27,440,492	7,438,836	27.11%
Total liabilities	46,104,769	38,760,285	7,344,484	18.95%
Deferred Inflows of Resources	92,680	90,602	2,078	2.29%
Net Position				
Net investment in capital assets	16,010,316	16,014,666	(4,350)	-0.03%
Restricted	5,945,457	3,547,796	2,397,661	67.58%
Unrestricted	41,957,391	43,168,390	(1,210,999)	-2.81%
Total net position	63,913,164	62,730,852	1,182,312	1.88%
Total liabilities, deferred inflows of resources and net position	<u>\$ 110,110,613</u>	<u>\$ 101,581,739</u>	<u>\$ 8,528,874</u>	<u>8.40%</u>

DSST Public Schools
Management's Discussion and Analysis (Unaudited)
June 30, 2024

Governmental Activities

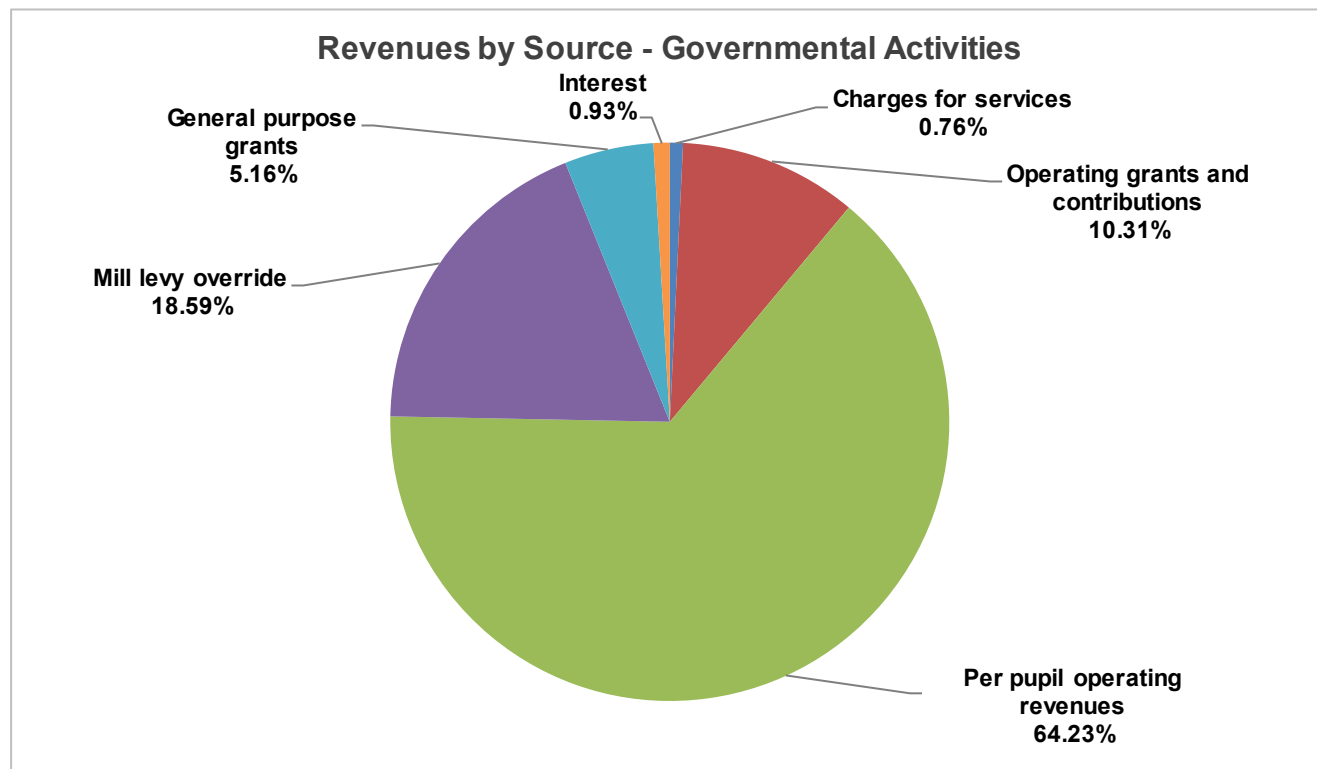
The net position of DSST's Governmental Activities increased by \$1,182,312 to \$63,913,164 in the 2023-2024 school year. This was due to a number of factors including larger than anticipated PPR and Mill Levy funding from DPS, salary vacancy savings, and ESSER funding in the 2023-2024 fiscal year. The difference in change of net position was \$1,632,466 less in the 2023-2024 school year than the 2022-2023 school year. This was due to a drop in ESSER revenue in 2023-2024, a larger investment in compensation increases, and funding key initiatives. A comparative statement of activities follows.

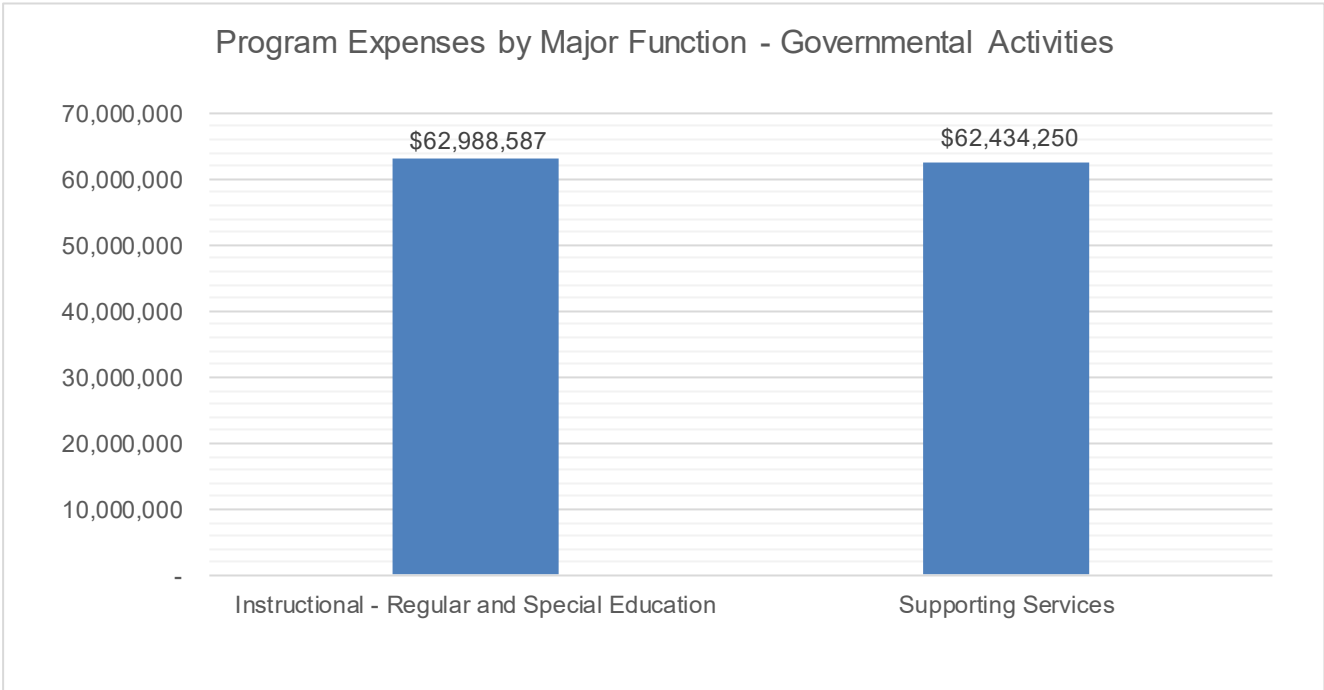
	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues				
Program revenues				
Charges for services	\$ 966,820	\$ 890,655	\$ 76,165	8.55%
Operating grants and contributions	13,056,580	15,883,095	(2,826,515)	-17.80%
General revenues				
Per pupil operating revenues	81,321,219	70,987,301	10,333,918	14.56%
Mill levy override	23,540,359	19,478,479	4,061,880	20.85%
General purpose grants	6,536,741	11,062,031	(4,525,290)	-40.91%
Interest	1,183,430	822,483	360,947	43.89%
Total revenues	<u>126,605,149</u>	<u>119,124,044</u>	<u>7,481,105</u>	<u>6.28%</u>
Expenses				
Instructional				
Regular education	61,395,057	59,150,043	2,245,014	3.80%
Special education	1,593,530	574,338	1,019,192	177.46%
Supporting services				
Pupil supporting services	10,179,003	9,200,962	978,041	10.63%
Instructional support	6,949,745	6,086,934	862,811	14.17%
General administration	1,316,495	649,771	666,724	100.00%
School administration	25,714,732	23,446,222	2,268,510	9.68%
Business services	797,092	1,537,454	(740,362)	-48.16%
Operations and maintenance	9,582,816	9,946,854	(364,038)	-3.66%
Pupil transportation	1,597,472	1,409,229	188,243	13.36%
Central services	2,682,004	2,540,862	141,142	5.55%
Property	1,289,285	23,238	1,266,047	100.00%
Other support services	2,325,606	1,743,359	582,247	33.40%
Total expenses	<u>125,422,837</u>	<u>116,309,266</u>	<u>9,113,571</u>	<u>7.84%</u>
Increase in Net Position	<u>1,182,312</u>	<u>2,814,778</u>	<u>(1,632,466)</u>	<u>-58.00%</u>
Beginning Net Position	<u>62,730,852</u>	<u>59,916,074</u>	<u>2,814,778</u>	<u>4.70%</u>
Ending Net Position	<u>\$ 63,913,164</u>	<u>\$ 62,730,852</u>	<u>\$ 1,182,312</u>	<u>1.88%</u>

DSST Public Schools
Management's Discussion and Analysis (Unaudited)
June 30, 2024

The total cost of all Governmental Activities for the fiscal year ended June 30, 2024 was \$125,422,837. Funding for these Governmental Activities is by specific program revenue or through general revenues such as per pupil revenues and mill levy overrides. The following is a summary of the governmental activities:

- The total general revenues of all governmental activities was \$112,581,621. The amount paid through Per Pupil Revenue (PPR), which is based on 7,340 students and a rate set by the Colorado State Legislature was \$81,321,219 and represents 72.2 percent of the total of general revenues.
- An additional \$23,540,359 or 20.9 percent was received through mill levy overrides which are property taxes approved by the voters in Denver Public Schools and Aurora Public Schools.
- Revenues from program specific operating grants were \$13,056,708. This includes \$5,334,060 in support from the DSST Public Schools Foundation as well Center Program specific revenues.
- Revenues from General Purpose grants were \$6,536,613 and includes Federal Title grant funding.
- Revenues from charges for services were \$966,820 and include voluntarily paid student fees which help pay for school technology, field trips, athletics, and other school specific expenses.
- The cost of all governmental activities was \$125,422,837 which is an increase of \$9,113,571 from fiscal year 2023. The increase is due to increases in salaries, stipends, benefit costs, enrollment growth, and increased per pupil expenditures.
- The largest expense is personnel, including teachers, administrators, coaches and substitute teachers totaling \$88,893,074 or 70.7 percent of total expense. Salaries, stipends, and related payroll taxes and benefits are all included in the personnel category.
- Payments to Denver Public Schools and Aurora Public Schools for rent, special education services, administrative services, accounting and general operations total \$13,846,010 or 11 percent of total expenses.
- The remaining \$22,958,636 of expenses are for instructional and non-instructional supplies, student activities, printing, copying, facility, and miscellaneous expenses.





Financial Analysis of DSST’s Funds

Governmental Funds

DSST’s accounting records for general governmental operations are maintained on a modified accrual basis with the revenues being recorded when available and measurable to finance expenditures of the fiscal period. Expenditures are recorded when services or goods are received and the fund liabilities are incurred. The general governmental operations include a General Fund.

Revenues from the Governmental Funds totaled \$126,789,786 for the fiscal year ended June 30, 2024. State revenues, including Per Pupil Revenue, continued to be the largest source of revenue received by DSST and equaled \$81,321,219

Expenditures for governmental operations totaled \$127,403,348 during fiscal year 2024, an increase of \$7,201,142, or 6 percent, from fiscal year 2023. The increase compared to student growth and compensation increases was due to a large one time cost of nearly \$6,000,000 on the renovation of DSST: Elevate High School that largely wrapped up in fiscal year 2023 as well as capital outlay related lease and subscriptions in fiscal year 2024.

The General Fund reported a fund balance of \$54,362,317, an increase of \$4,167,580 from 2023. The increase in fund balance is largely due to larger than budgeted governmental revenues. Out of the total fund balance, \$19,419,915 constitutes unassigned fund balance. Of the remainder of the fund balance, \$936,695 is non-spendable, \$3,994,048 is restricted by TABOR, \$966,432 is restricted for debt service, \$984,977 is restricted for capital projects, and \$28,060,250 is assigned by the DSST Board of Directors as a three month reserve of total operating expenditures.

DSST Public Schools
Management's Discussion and Analysis (Unaudited)
June 30, 2024

Capital Assets

DSST has invested \$34,540,721, net of depreciation, in capital assets. This amount represents a net 633,712 decrease (including additions, deductions and depreciation) of \$633 from the prior year which is almost entirely due to the renovation of the DSST: Elevate High School building.

Capital Assets (Net of Depreciation)				
	Governmental Activities			
	June 30, 2024	June 30, 2023	\$ Change	% Change
Capital assets not being depreciated				
Construction in progress	\$ -	\$ -	\$ -	100.00%
Capital assets being depreciated				
Building	9,263,691	9,617,883	(354,192)	100.00%
Building improvements	24,433,789	25,286,930	(853,141)	-3.37%
Vehicles	227,742	10,049	217,693	2166.32%
Equipment	615,499	259,571	355,928	137.12%
	<u>\$ 34,540,721</u>	<u>\$ 35,174,433</u>	<u>\$ (633,712)</u>	<u>-1.80%</u>

Economic Factors and Next Year's Budget

As part of the budget development process, DSST's management has taken into consideration all the factors that drive charter school's budgets: enrollment, per pupil funding rates, mill levy overrides, personnel costs, facility costs and the local economy.

All of these factors were considered when adopting the 2024-2025 budget. A 6% increase in PPR funding is budgeted for the 2024-2025 school year as set by the Colorado State Legislature. DSST has completely spent all remaining ESSER funds in the 2023-2024 school year. DSST continues to roll out its strategic plan and has a one-time \$970k expense allocation budgeted for the 2024-2025 school year for support of this strategic plan. In addition, a \$6.5 million increase in expenses is budgeted for increased compensation and benefit costs.

DSST Public Schools
Statement of Net Position
June 30, 2024

	Governmental Activities	DSST Foundation
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets		
Cash and cash equivalents	\$ 23,322,534	\$ 111,641
Cash held by fiscal agent	1,587,145	-
Investments	-	49,547,431
Restricted permanent endowment	244,196	-
Accounts receivable, net	1,126,803	-
Receivable from Foundation	37,169,659	-
Promises to give, net	311,000	11,332,252
PCOPS credits	815,249	-
Prepaid expenses	299,460	-
Capital assets, net of accumulated depreciation	34,540,721	-
Subscription assets, net of amortization	2,481,349	-
Lease assets, net of amortization	2,250,135	-
Total assets	104,148,251	60,991,324
Deferred Outflows of Resources		
Deferred outflows - pension	5,676,356	-
Deferred outflows - OPEB	286,006	-
Total deferred outflows of resources	5,962,362	-
Current Liabilities		
Accounts payable and accrued expenses	1,313,008	3,000
Accrued salaries and benefits	8,889,721	-
Payable to schools	-	37,169,659
Current portion of long-term debt	380,000	-
Current portion of subscription liabilities	469,339	-
Current portion of lease liabilities	173,373	-
Long-Term Liabilities		
Noncurrent portion of long-term debt	18,441,912	-
Noncurrent portion of subscription liabilities	1,691,433	-
Noncurrent portion of lease liabilities	2,105,832	-
Net pension liability	12,342,138	-
Net OPEB liability	298,013	-
Total liabilities	46,104,769	37,172,659
Deferred Inflows of Resources		
Deferred inflows - OPEB	92,680	-
Total deferred inflows of resources	92,680	-
Net Position		
Net investment in capital assets	16,010,316	-
Restricted for		
Emergencies	3,994,048	-
Debt Service	966,432	-
Capital Projects	984,977	-
Donations with a specific purpose	-	14,530,061
Unrestricted	41,957,391	9,288,604
Total net position	\$ 63,913,164	\$ 23,818,665

**DSST Public Schools
Statement of Activities
Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position	
		Charges for Charges for	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	DSST Foundation Activities
Primary Government:						
Governmental Activities						
Instruction						
Regular education	\$ 61,395,057	\$ 966,820	\$ 12,817,166	\$ -	\$ (47,611,071)	\$ -
Special education	1,593,530	-	-	-	(1,593,530)	-
Total instructional	62,988,587	966,820	12,817,166	-	(49,204,601)	-
Supporting services						
Pupil supporting services	10,179,003	-	4,713	-	(10,174,290)	-
Instructional support	6,949,745	-	176,136	-	(6,773,609)	-
General administration	1,316,495	-	-	-	(1,316,495)	-
School administration	25,714,732	-	58,565	-	(25,656,167)	-
Business services	797,092	-	-	-	(797,092)	-
Operations and maintenance	9,582,816	-	-	-	(9,582,816)	-
Pupil transportation	1,597,472	-	-	-	(1,597,472)	-
Central services	2,682,004	-	-	-	(2,682,004)	-
Property	1,289,285	-	-	-	(1,289,285)	-
Other support services	2,325,606	-	-	-	(2,325,606)	-
Total supporting services	62,434,250	-	239,414	-	(62,194,836)	-
Total primary government	\$ 125,422,837	\$ 966,820	\$ 13,056,580	\$ -	\$ (111,399,437)	\$ -
Component Unit:						
DSST Foundation	\$ 5,347,068	\$ -	\$ 13,070,641	\$ -		\$ 7,723,573
Total component unit	\$ 5,347,068	\$ -	\$ 13,070,641	\$ -		\$ 7,723,573
General Revenues						
Per pupil revenue					\$ 81,321,219	\$ -
Mill levy override					23,540,359	-
General purpose grants					6,536,741	-
Interest income					1,183,430	3,500,159
Total general revenues and transfers					112,581,749	3,500,159
Change in Net Position					1,182,312	11,223,732
Net Position, Beginning of Year					62,730,852	12,594,933
Net Position, End of Year					\$ 63,913,164	\$ 23,818,665

DSST Public Schools
Balance Sheet – Governmental Fund
June 30, 2024

	General Fund
Assets	
Cash and equivalents	\$ 23,322,534
Cash held by fiscal agent	1,587,145
Restricted permanent endowment	244,196
Accounts receivable, net	1,126,803
Receivable from Foundation	37,169,659
Promises to give, net	311,000
PCOPS credits	815,249
Prepaid expenses	299,460
Total assets	<u>\$ 64,876,046</u>
Liabilities, Deferred Inflows, and Fund Balance	
Liabilities	
Accounts payable	\$ 1,313,008
Accrued salaries and benefits	8,889,721
Total liabilities	<u>10,202,729</u>
Deferred Inflows of Resources	
Unavailable revenue - grants	311,000
Total liabilities and deferred inflows of resources	<u>10,513,729</u>
Fund Balance	
Nonspendable	936,695
Restricted for emergencies	3,994,048
Restricted for debt service	966,432
Restricted for capital projects	984,977
Assigned	28,060,250
Unassigned	19,419,915
Total fund balance	<u>54,362,317</u>
Total liabilities and fund balance	<u>\$ 64,876,046</u>

DSST Public Schools
Reconciliation of the Balance Sheet of the Governmental
Fund to the Statement of Net Position
June 30, 2023

Total fund balance of the governmental fund	\$ 54,362,317
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. This amount is net of accumulated depreciation of \$6,792,917.	34,540,721
Subscription assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. This is net of accumulated amortization of \$287,657.	2,481,349
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. This is net of accumulated amortization of \$118,428.	2,250,135
Other receivables are not available to pay for current-period expenditures are, therefore, are reported as a deferred inflows of resources in the funds	311,000
Long-term debt is not due and payable in the current period and, therefore, is not reported in the fund	(18,821,912)
Pension and OPEB-related deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the fund	(92,680)
Deferred outflows of resources are not financial resources and, therefore, are not reported in the fund	5,962,362
The net pension liability is not due and payable in the current period and, therefore, is not reported in the governmental fund	(12,342,138)
The net OPEB liability is not due and payable in the current period and, therefore, is not reported in the governmental fund	(298,013)
Long-term subscription liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund	(2,160,772)
Long-term lease liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund	<u>(2,279,205)</u>
Total net position of governmental activities	<u><u>\$ 63,913,164</u></u>

DSST Public Schools
Statement of Revenues, Expenditures and Changes in Fund
Balance – Governmental Fund
Year Ended June 30, 2023

	General Fund
Revenues	
Local sources	\$ 36,428,583
State sources	83,284,663
Federal sources	7,076,540
	<u>126,789,786</u>
Total revenues	
Expenditures	
Current	
Instructional	
Regular education	61,392,092
Supporting services	
Pupil supporting services	9,991,280
Instructional support	6,931,675
General administration	590,440
School administration	25,606,778
Business services	797,092
Operations and maintenance	9,582,816
Pupil transportation	1,597,472
Central services	2,682,004
Property	1,124,951
Other support services	15,031
Capital Outlay	4,781,142
Debt service	
Principal	1,670,518
Interest	640,057
	<u>127,403,348</u>
Total expenditures	
Excess (deficiency) of revenues over (under) expenditures	<u>(613,562)</u>
Other Financing Sources (Uses)	
Subscription and lease issuance	4,781,142
	<u>4,781,142</u>
Total other financing sources (uses)	
Net Change in Fund Balance	4,167,580
Fund Balance, Beginning of Year	<u>50,194,737</u>
Fund Balance, End of Year	<u><u>\$ 54,362,317</u></u>

DSST Public Schools
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of the Governmental Fund to the Statement of Activities
Year Ended June 30, 2023

Net change in fund balance - governmental funds	\$ 4,167,580
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays to purchase or build capital assets are reported in the governmental fund as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is total capital outlay (\$565,189) less depreciation expense (\$1,198,901) for the year.	(633,712)
Subscription asset amortization expense not included in the fund	(1,046,931)
Lease asset amortization expense not included in the fund	(118,428)
Repayment of subscription liabilities which were capitalized reported as an expenditure in the funds but not as an expense in the statement of activities	1,216,160
Repayment of lease liabilities which were capitalized reported as an expenditure in the funds statement but not as an expense in the statement of activities	89,358
The issuance of long-term debt provides current financial resources to the governmental funds. However, issuing debt increases long-term liabilities on the statement of net position. Additionally, governmental funds report the effects of premiums as expenditures in the period when the debt is created. However, these amounts are deferred and amortized in the statement of activities.	
Principal payments	365,000
Amortization of premium	104,378
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds	(260,030)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	
Pension expense	(2,684,078)
OPEB expense	(16,985)
Change in net position of governmental activities	<u><u>\$ 1,182,312</u></u>

Note 1. Nature of Operations and Summary of Significant Accounting Policies

The accounting policies of DSST Public Schools (DSST) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. Following is a summary of the more significant accounting policies.

Nature of Operations and Reporting Entity

DSST was formed in 2001, for the purpose of entering into a charter school contract with School District No. 1 in the City and County of Denver (Denver Public Schools). In fiscal year 2019, DSST expanded their charter school network by entering into a charter school contract with Aurora Public Schools. The focus of DSST is science, math and technology. DSST transforms public education by eliminating educational inequity and preparing all students for success in college and the 21st century. DSST is dedicated to providing an outstanding liberal arts education, with a focus on science and technology, to a diverse student population. DSST Public Schools includes eight charter school campuses under one contract with Denver Public Schools (DPS): DSST – Montview, DSST – Green Valley Ranch, DSST – College View, DSST – Cole, DSST – Byers, DSST – Conservatory Green, DSST – Noel, and DSST – Elevate. DSST expanded operations into Aurora Public Schools (APS) with one charter school campus: DSST – Aurora Science and Tech.

After a comprehensive year-long process involving input from families, students, staff, leadership, and communities, DSST -- Byers will now be known as DSST -- Cedar starting from the upcoming 2023-24 school year.

Based on current GASB pronouncements, DSST Schools are component units of either Denver Public Schools or Aurora Public Schools. As such, the respective collective Schools' financial results are included in both the Denver Public Schools' and Aurora Public Schools' Annual Comprehensive Financial Report with respect to their related charter school campuses. It is the administrative position of the Colorado Department of Education that a charter school has the same relationship to a public school district as does any other school program or school building within a district. A charter school is part of a local school district that is a political subdivision of the State of Colorado. In accordance with Colorado State Statute, Denver Public Schools and Aurora Public Schools have approved the respective charters of DSST for various periods, depending on the Charter Agreement. At the end of the charter period, DSST intends to seek renewal of its charter in accordance with procedures set forth in the state law and school district policy/regulations.

DSST is economically dependent on funding received from Denver Public Schools.

Blended Component Unit

DSST Building Corporation (Building Corp) – In fiscal year 2021, DSST Public Schools created the Building Corp as a legally separate tax-exempt organization to hold a building purchased in February 2021 for use by DSST Public Schools. The Building Corp provides services entirely to DSST Public Schools and is therefore blended into the General Fund. The Building Corp is governed by a Board of Directors, which consists of current members or employees of DSST Public Schools.

Discretely Presented Component Unit

DSST Public Schools Foundation (Foundation) – The Foundation is reported in a separate column as a discretely presented component unit to emphasize that it is legally separate from DSST Public Schools.

The Foundation was formed in 2011 to provide philanthropic support to DSST Public Schools. The Foundation is a legally separate, tax-exempt entity and DSST Public Schools does not appoint the voting majority of the Foundation's board. DSST Public Schools will primarily benefit from the Foundation's activities as the Foundation receives and holds economic resources entirely for the direct benefit of DSST Public Schools. DSST Public Schools

is entitled to or has the ability to access a majority of the economic resources received or held by the Foundation, and the economic resources held by the Foundation are significant to DSST Public Schools. Based on these factors and current GASB standards, it has been determined that the Foundation should be discretely presented in the financial statements. Separately issued financial statements are not available for the Foundation.

Government-Wide and Fund Financial Statements

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of DSST's financial activities. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or others who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted intergovernmental revenues properly not included among program revenues are reported instead as general revenues.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, the operating statement presents increases and decreases in net current assets, and unassigned fund balance is a measure of available spendable resources. This means only current liabilities are generally included on the governmental fund balance sheet.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined; available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end, except grant revenues are recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred and expected to be paid with current available resources.

Major Fund

DSST Public Schools reports one major fund, the general fund, which is the general operating fund of DSST Public Schools. It is used to account for all financial resources except those requirements to be accounted for in other funds.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

Cash and cash equivalents – DSST considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Accounts receivable – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Management has determined all accounts to be fully collectible, thus no allowance was considered necessary.

Investments and investment income – Investments are reported at fair value in accordance with GASB statement No. 72, *Fair Value Measurements and Application*, except for specific investments held in a federal money market fund or local government investment pool, which are reported at net asset value (NAV). See the investments footnote for more information.

DSST Public Schools
Notes to Financial Statements
June 30, 2024

Capital assets – Capital assets are reported in the government-wide financial statements. Capital additions over \$5,000 are recorded at cost or, if donated, at acquisition value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are currently expensed.

DSST reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2024.

Lease assets – Right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service, in accordance with GASB statement No. 87, *Leases*. DSST has elected to capitalize leases above \$25,000.

Subscription assets – Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at the commencement of the subscription term, less any incentives received from the vendor at or before the commencement of the subscription term, plus capitalizable initial implementation costs. Payments before the commencement of the subscription terms are reported as prepayments and reclassified as an addition to the initial measurement of the subscription asset at commencement of the subscription term. Subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. DSST has elected to capitalize subscription assets above \$25,000.

Subscription liability – Subscription liabilities are recorded in accordance with GASB Statement No 96, *Subscription-Based Information Technology Arrangements*, in the government-wide financial statements. The subscription liability is calculated as the present value of subscription payments expected to be made during the subscription term. DSST recognizes subscription liabilities with an initial individual value of \$25,000 or more.

Beneficial interest in assets held by community foundation – At the direction of a donor, DSST established a permanent endowment fund (the Fund) at a community foundation for the purpose of supporting educational technology. DSST granted variance power to the community foundation, which allows the community foundation to modify any condition or restriction on its distributions for any specified charitable purpose or to any specified organization if, in the sole judgment of the community foundation's board of directors, such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. The Fund is held and invested by the community foundation for the benefit of DSST Public Schools and is reported at fair value.

Intrafund activity – The effects of intra-entity activity between the home office and individual schools has been eliminated.

Donated services and in-kind contributions – Volunteers contribute significant amounts of time to DSST's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received. No significant donated professional services or materials were received during fiscal year 2024.

DSST Public Schools
Notes to Financial Statements
June 30, 2024

Income taxes – DSST Public Schools is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been classified as an organization other than a private foundation under Section 509(a)(1). DSST is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, DSST is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. DSST did not have any of this type of activity during the current fiscal year.

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(viii), and has been classified as an organization other than a private foundation under Section 509(a)(3). The Foundation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. Income from activities not directly related to Foundation's tax-exempt purpose is subject to taxation as unrelated business income. The Foundation did not have any of this type of activity during the current fiscal year.

In fiscal year 2021, DSST Public Schools created a third entity, which is blended in the general fund for financial statement purposes – DSST Building Corporation. DSST Building Corporation is a non-profit organization as defined by Section 501(c)(3) of the Internal Revenue Code, and qualifies for the charitable contribution deduction and is classified as a supporting organization of DSST Public Schools under 509(a)(3). DSST Building Corporation is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. Income from activities not directly related to DSST Building Corporation's tax-exempt purpose is subject to taxation as unrelated business income. DSST Building Corporation did not have any of this type of activity during the current fiscal year.

Deferred outflows/inflows of resources – In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. DSST has two items that qualify for reporting in this category. These are shown as pension and OPEB related amounts that include items related to DSST's portion of the Colorado Public Employees Retirement Association (PERA) and Colorado PERA Health Care Trust Fund (HCTF) benefit plans. This includes the difference between expected and actual experience, any changes of assumptions or other inputs, the net difference between projected and actual investment earnings on pension plan investments, the change in employer allocation percentage, the difference between the actual contributions and proportionate share of total contributions, as well as the amortization related to the difference, and the related contributions subsequent to the measurement date.

In addition to liabilities, the statement of net position and government fund balance sheet will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. DSST reports two items on the statement of net position that qualify for reporting in this category – pension and OPEB-related amounts. The pension and OPEB-related amounts include items related to DSST's portion of the Colorado Public Employees Retirement Association (PERA), and Colorado PERA Health Care Trust Fund (HCTF) benefit plans. This includes the difference between expected and actual experience, any changes of assumptions or other inputs, the net difference between projected and actual investment earnings on pension plan investments, the difference between the actual contributions and proportionate share of total contributions, as well as the amortization related to the difference, and the related contributions subsequent to the measurement date.

Net position/fund balance – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. When both restricted and unrestricted resources are available for use, it is DSST's policy to use restricted resources first and the unrestricted resources as they are needed.

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

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. DSST considers prepaid expenses, including PCOPS credits, as nonspendable, which total \$936,695 as of June 30, 2024.

Restricted – This classification, including restricted for debt service and restricted for capital projects, includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Emergency Reserves of \$3,994,048 are restricted because their use is restricted by State Statute for declared emergencies. Capital construction of \$984,977 is restricted because their use is restricted by State Statute for capital construction. \$966,432 is restricted to pay debt service. The Foundation has donations and promises to give with purpose restrictions of \$14,530,061.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. DSST did not have any committed resources as of June 30, 2024.

Assigned – This classification includes spendable fund balance amounts that are intended to be used for specific purposes that are considered neither restricted nor committed. Undesignated excess Fund Balances may be assigned by the Board of Directors, COO, Director of Finance or for specific purposes through the budget process. The assigned designation may be reversed by the Board of Directors. DSST had assigned fund balance as of June 30, 2024, of \$28,060,250 related to board designated operating reserves.

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

Risk Management

DSST is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. DSST purchases commercial insurance for these risks of loss, including liability, property, errors and omissions, and workers' compensation. Settled claims did not exceed coverage for the past three years.

Use of Estimates

Preparation of financial statement in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in fund balance/net position during the reporting period. Actual results could differ from those estimates.

Budgets and Budgetary Accounting

Annually, the Board of Directors adopts a budget for the Organization as a whole, on a basis consistent with generally accepted accounting principles.

DSST Public Schools
Notes to Financial Statements
June 30, 2024

A proposed budget is submitted to the Board of Directors for the fiscal year commencing the following July 1 for their approval. The budget includes proposed expenditures and the means of financing them. Revisions that alter the total expenditures must be approved by the Board of Directors. All appropriations lapse at fiscal year-end. One budget amendment was approved by the Board of Directors during the year.

Note 2. Cash and Equivalents

Cash and equivalents as of June 30, 2024, consisted of the following:

Deposits

The financial institution holding DSST’s cash accounts is participating in the FDIC’s Transaction Account Guarantee Program. Interest-bearing transaction accounts were subject to the \$250,000 limit on FDIC insurance per covered institution per entity.

Under the provisions of GASB 40, *Deposit and Investment Risk Disclosures*, deposits are not deemed exposed to custodial credit risk if they are collateralized with securities held by the pledging financial institutions under the Colorado Public Deposit Protection Act (PDPA), as discussed below. Custodial credit risk is the risk that in the event of bank failure, DSST’s deposits may not be returned.

Colorado State statutes govern DSST’s deposit of cash. The PDPA requires DSST to make deposits only in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102 percent of the uninsured deposits.

DSST has no policy regarding custodial credit risk for deposits. Cash deposits are held by DSST in a pooled account, the first \$250,000 of which is covered by federal deposit insurance per entity. The amounts in excess of federally insured limits are collateralized with securities held by the financial institution’s agent, but not in DSST’s name except for amounts related to the Building Corp and Foundation which are considered uninsured, if any.

At June 30, 2024, DSST had cash on deposit balances consisting of the following:

	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Amount Covered by FDIC</u>	<u>Amount Covered Under PDPA</u>	<u>Uninsured Deposits</u>
Governmental Activities	\$ 7,420,535	\$ 9,758,000	\$ 250,000	\$ 9,508,000	\$ -
DSST Foundation	\$ 111,641	\$ 3,995	\$ 250,000	\$ -	\$ -

Note 3. Investments

DSST is required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which include the following.

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities

DSST Public Schools
Notes to Financial Statements
June 30, 2024

- Bankers' acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years. State statutes do not address custodial risk.

Local Government Investment Pool – at June 30, 2024. DSST had \$15,901,999 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle valued at NAV established for local government entities in Colorado to pool surplus funds for investment purposes and is registered with the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. The majority of securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. Investments of the pool consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. COLORADO Trust is comprised of two funds: PRIME and PLUS+. Both funds carry an AAAM from Standards and Poor's. The Colorado Division of Securities administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST is rated AAAM by Standard and Poor's. Investments of COLOTRUST are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments. There are no limitations or restrictions on withdrawals. The investment in COLOTRUST is considered a cash equivalent on the statement of net position.

Certain assets and liabilities held by DSST Public Schools and the Foundation are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that DSST Public Schools or the Foundation can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, DSST Public Schools or the Foundation develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of an input to entire measurement requires judgment, taking into account factors specific

DSST Public Schools
Notes to Financial Statements
June 30, 2024

to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to DSST Public Schools' or the Foundation's assessment of the quality, risk or liquidity profile of the asset.

All of the Foundation's investments measured at fair value are comprised of mutual funds, treasury securities, or exchange-traded funds with a readily determinable market price. As such, these investments are classified as Level 1. The fair value of DSST Public Schools' beneficial interest in assets held by community foundation is based on the fair value of fund investments as reported by the community foundation. These are Level 3 measurements.

DSST's deposits and investments, like those of other governments, are subject to various risks:

1. **Interest Rate Risk** – State statutes limit investments in U.S. Treasury Agency securities to an original maturity of five years and corporate securities to an original maturity of three years.
2. **Custodial Credit Risk** – The custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, DSST would not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that in the event of the failure of a counterparty to the transaction, DSST would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.
3. **Concentration Credit Risk** – Colorado statutes specify in which instruments units of local government may invest, which are listed above.

DSST did not have any investments requiring categorization of credit risk as of June 30, 2024. DSST's investment policy follows State statutes. When made, all investments shall be in instruments which mature in less than five years (governmental and/or agency securities) or three years (corporate and bank securities).

The following table presents assets measured at fair value on a recurring basis, except those measured at NAV as identified below, at June 30, 2024:

	Total Value	Fair Value Measurements Using			Investments Measured at NAV ^(A)
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
DSST investments measured at fair value					
Permanent endowment - beneficial interest in assets held by community foundation	\$ 244,196	\$ -	\$ -	\$ 244,196	\$ -
DSST investments measured at NAV					
Local government investment pool - COLOTRUST	15,901,999	-	-	-	15,901,999
Total DSST investments	<u>\$ 16,146,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 244,196</u>	<u>\$ 15,901,999</u>
Foundation investments measured at fair value					
Mutual funds - unrated	\$ 30,230,397	\$ 30,230,397	\$ -	\$ -	\$ -
Treasury securities	19,317,034	19,317,034	-	-	-
Total DSST Foundation investments	<u>\$ 49,547,431</u>	<u>\$ 49,547,431</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

^(A)Certain investments that are measured using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy.

The amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net position.

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Note 4. Foundation Promises to Give

Unconditional promises to give are estimated to be collected as follows at June 30, 2024:

DSST promises to give	
Within one year	\$ 311,000
In one to five years	<u>-</u>
	<u>\$ 311,000</u>
Foundation promises to give	
Within one year	\$ 2,561,033
In one to five years	<u>8,771,219</u>
	<u>\$ 11,332,252</u>

At June 30, 2024 one donor accounted for 90 percent of total promises to give.

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2024 is summarized below:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets not being depreciated					
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets being depreciated					
Building	10,309,111	-	-	-	10,309,111
Building improvements	26,576,243	427,112	(637,238)	-	26,366,117
Vehicles	397,486	230,000	-	-	627,486
Equipment	2,699,542	545,315	-	-	3,244,857
Software	786,067	-	-	-	786,067
Total capital assets	<u>40,768,449</u>	<u>1,202,427</u>	<u>(637,238)</u>	<u>-</u>	<u>41,333,638</u>
Less accumulated depreciation					
Building	691,228	264,336	-	89,856	1,045,420
Building improvements	1,289,313	732,871	-	(89,856)	1,932,328
Vehicles	387,437	12,307	-	-	399,744
Equipment	2,439,971	189,387	-	-	2,629,358
Software	786,067	-	-	-	786,067
Total accumulated depreciation	<u>5,594,016</u>	<u>1,198,901</u>	<u>-</u>	<u>-</u>	<u>6,792,917</u>
Capital assets, net	<u>\$ 35,174,433</u>	<u>\$ 3,526</u>	<u>\$ (637,238)</u>	<u>\$ -</u>	<u>\$ 34,540,721</u>

All depreciation expense is related to instruction and has been allocated accordingly in the statement of activities.

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DSST has a lease asset for the year ended June 30, 2024. This asset is for the Home Office building lease. The lease asset is amortized on a straight-line bases over the shorter of the lease term or the useful life of the lease asset. Lease asset activity for DSST for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Subscription assets	\$ 1,391,301	\$ 2,412,579	\$ (1,034,874)	\$ -	\$ 2,769,006
Less accumulated amortization					
Subscription assets	275,600	1,046,931	1,034,874	-	287,657
Subscription assets, net	<u>\$ 1,115,701</u>	<u>\$ 1,365,648</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,481,349</u>

DSST has subscription assets for the year ended June 30, 2024. These assets are long-term software license agreements, and are discussed in the subscription liabilities disclosure. The subscription assets are amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets. Subscription asset activity for DSST for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Lease assets	\$ -	\$ 2,368,563	\$ -	\$ -	\$ 2,368,563
Less accumulated amortization					
Lease assets	-	118,428	-	-	118,428
Subscription assets, net	<u>\$ -</u>	<u>\$ 2,250,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,250,135</u>

All amortization expense is related to instruction and has been allocated accordingly in the statement of activities.

Note 6. Long-Term Debt

Changes in Long-Term Liabilities

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Revenue bonds	\$ 17,830,000	\$ -	\$ (365,000)	\$ 17,465,000	\$ 380,000
Premium	1,461,290	-	(104,378)	1,356,912	N/A
Subscription liability	964,353	2,412,579	(1,216,160)	2,160,772	469,339
Lease liability	-	2,368,563	(89,358)	2,279,205	173,373
	<u>\$ 20,255,643</u>	<u>\$ 4,781,142</u>	<u>\$ (1,774,896)</u>	<u>\$ 23,261,889</u>	<u>\$ 1,022,712</u>

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Charter School Revenue Bonds, Series 2021A dated June 15, 2021 in the amount of \$17,930,000 were issued by the Colorado Educational and Cultural Facilities Authority (CECFA) for the purpose of financing the renovations and construction costs associated with the opening of a new school. The building for the new school – Elevate High School – was purchased in February 2021. The bonds are secured by the building purchased as well as pledged revenues. Interest is payable semiannually on August 1 and February 1 at an interest rate of 4 percent through fiscal year 2032 and 3 percent thereafter. Bond principal is payable annually on August 1. Final maturity is August 1, 2052. In the event of default, the Trustee may declare the principal and accrued interest thereon to be immediately due and payable. No debt service payments were made during the fiscal year. The debt service to maturity is as follows:

Bonds Fiscal Year	Principal	Interest	Total
2025	\$ 380,000	\$ 551,300	\$ 931,300
2026	395,000	535,800	930,800
2027	410,000	519,700	929,700
2028	425,000	503,000	928,000
2029	445,000	485,600	930,600
2030-2034	2,495,000	2,152,075	4,647,075
2035-2039	2,925,000	1,722,975	4,647,975
2040-2044	3,400,000	1,249,500	4,649,500
2045-2049	3,935,000	700,425	4,635,425
2050-2053	2,655,000	120,975	2,775,975
Total	<u>\$ 17,465,000</u>	<u>\$ 8,541,350</u>	<u>\$ 26,006,350</u>

Lease liability. Lease liabilities have been recognized in accordance with GASB 87. Long-term liability activity for the year ended June 30, 2024, is shown in the table above.

Subscription liability. Subscription liabilities have been recognized in accordance with GASB 96. Long-term liability activity for the year ended June 30, 2024, is shown in the table above.

Note 7. Lease Liabilities

DSST has a lease liability for the Home Office building lease, for which the agreement was executed January 1, 2024, and expires in 2034. The lease liability has been recorded at the present value of the future minimum lease payments as of the date of inception. The lease liability is measured using an incremental borrowing rate of 3.5% which represents an estimate of the interest rate that would be charged for borrowing the lease payment amounts during the lease term. There are no variable payment components to the lease payments of certain subscriptions are based upon the Consumer Price Index (Index). The subscriptions were measured based upon the Index at commencement of the SBITA term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

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The following is a schedule by year of payments under the lease as of June 30, 2024:

Lease Year Ending June 30	Total to Be Paid	Principal	Interest
2025	\$ 250,418	\$ 173,373	\$ 77,045
2026	258,451	187,704	70,747
2027	266,486	202,545	63,941
2028	274,521	217,914	56,607
2029	282,555	233,829	48,726
2030-2034	1,369,925	1,263,840	106,085
Total	<u>\$ 2,702,356</u>	<u>\$ 2,279,205</u>	<u>\$ 423,151</u>

Note 8. Subscription Liabilities

DSST has various subscription-based information technology arrangements, the terms of which expire in various years through 2032. Variable payments of certain subscriptions are based upon the Consumer Price Index (Index). The subscriptions were measured based upon the Index at commencement of the SBITA term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

The following is a schedule by year of payments under the SBITAs as of June 30, 2024:

Subscriptions Year Ending June 30	Total to Be Paid	Principal	Interest
2025	\$ 469,339	\$ 399,951	\$ 69,388
2026	335,264	277,008	58,256
2027	325,409	276,704	48,705
2028	325,296	286,388	38,908
2029	325,179	296,412	28,767
2030-2034	649,990	624,309	25,681
Total	<u>\$ 2,430,477</u>	<u>\$ 2,160,772</u>	<u>\$ 269,705</u>

Note 9. Employee Retirement Plans

Defined Benefit Pension Plan

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

General Information about the Pension Plan

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

Benefits provided as of December 31, 2023. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 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 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools

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

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

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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 percent 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 percent 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 percent 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 percent based on the parameters specified in C.R.S. § 24-51-413.

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

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

Contributions provisions as of June 30, 2023: Eligible employees of DSST 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 percent of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024. Employer contribution requirements are summarized in the table below:

	July 1, 2023 Through June 30, 2024
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	<u>5.50%</u>
Total Employer Contribution Rate to the SCHDTF	<u><u>20.38%</u></u>

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and DSST is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from DSST were \$1,066,155 for the year ended June 30, 2024.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF

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based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. The direct distribution from the State was suspended in 2020. To compensate PERA for the suspension, C.R.S. §§ 24-51-414(6-8) required restorative payment by providing an accelerated payment in 2022. In 2022, the State Treasurer issued payment for the direct distribution of \$225 million plus an additional amount of \$380 million. Due to the advanced payment made in 2022, the State reduced the distribution in 2023 to \$35 million. Additionally, the newly added C.R.S. § 24-51-414(9) providing compensatory payment of \$14.561 million for 2023 only.

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

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

At June 30, 2024, the DSST reported a liability of \$12,342,138 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the DSST as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with DSST were as follows:

DSST proportionate share of the net pension liability	\$ 12,342,138
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the DSST	<u>2,204,089</u>
Total	<u><u>\$ 14,546,227</u></u>

At December 31, 2023, the DSST proportion was .069 percent, which was an increase .023 percent from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the DSST recognized pension expense of \$3,750,223 and revenue of \$20,619 for support from the State as a nonemployer contributing entity. At June 30, 2024, the DSST reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 585,251	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	884,739	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	3,676,372	-
Contributions subsequent to the measurement date	<u>529,994</u>	<u>-</u>
Total	<u><u>\$ 5,676,356</u></u>	<u><u>\$ -</u></u>

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\$529,994 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2025	\$ 1,983,294
2026	1,956,510
2027	1,453,247
2028	(246,689)
2029	-
	<u>\$ 5,146,362</u>

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40 - 11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Postretirement 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 Postretirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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

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

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

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

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Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

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

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of the 2020 experience analysis for the period January 1, 2016 through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020 meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019 meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
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 percent.

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Discount rate. The discount rate used to measure the TPL was 7.25 percent. 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 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent 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 (actual dollars), 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.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

Based on the above assumptions and methods, the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent 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 percent. There was no change in the discount rate from the prior measurement date.

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

	<u>1% Decrease Rate (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase Rate (8.25%)</u>
Proportionate share of the net pension liability	\$ 16,503	\$ 12,342,138	\$ 8,872

Pension plan fiduciary net position. Detailed information about the SCHDTF's FNP is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

Defined Benefit Other Postemployment Benefit (OPEB) Plan

Summary of Significant Accounting Policies

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

General Information about the OPEB Plan

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

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

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

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

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent 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.

DPS Benefit Structure

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

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

Contributions. Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent 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 DSST is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from DSST were \$53,360 for the year ended June 30, 2024.

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

At June 30, 2024, the DSST reported a liability of \$298,013 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. The DSST proportion of the net OPEB liability was based on DSST contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the DSST proportion was .042 percent, which was an increase of .01 percent from its proportion measured as of December 31, 2022.

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For the year ended June 30, 2024, the DSST recognized OPEB expense of \$71,389. At June 30, 2024, the DSST reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 61,081
Changes of assumptions or other inputs	3,504	31,599
Net difference between projected and actual earnings on pension plan investments	9,217	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	246,759	-
Contributions subsequent to the measurement date	<u>26,526</u>	<u>-</u>
Total	<u><u>\$ 286,006</u></u>	<u><u>\$ 92,680</u></u>

\$26,526 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	
2025	\$ 29,340
2026	46,420
2027	44,455
2028	22,687
2029	16,575
Thereafter	<u>7,323</u>
	<u><u>\$ 166,800</u></u>

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

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

¹ UnitedHealthcare MAPD PPO plans are 0% for 2023.

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

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

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

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

The 2023 Medicare Part A premium is \$506 (actual dollars) per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

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

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

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

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

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

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

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

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

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.

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

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

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
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 percent.

Sensitivity of the DSST proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the

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PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 289,460	\$ 298,013	\$ 307,317
Net OPEB Liability - Collective	\$ 693,241,000	\$ 713,726,000	\$ 736,009,000

¹ For the January 1, 2024, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- 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.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.

Based on the above assumptions and methods, the HCTF'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 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

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

	<u>1% Decrease Rate (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase Rate (8.25%)</u>
Proportionate share of the net OPEB liability	\$ 289,460	\$ 298,013	\$ 307,317

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

Defined Contribution Plan

With the exception of all employees at the Aurora Public Schools campus, who are members of the PERA, all eligible employees, participate in a DSST sponsored defined contribution plan. The Plan is qualified under section 401(k) of the Internal Revenue Code covering substantially all full-time permanent employees having attained one year of service. Plan participants may contribute a portion of their total compensation to the Plan up to limits prescribed by the Internal Revenue Service. DSST may but is not required to contribute to the Plan. During the year ended June 30, 2024, DSST contributed \$2,810,115 to the Plan for employees. Plan assets are held by an independent Trustee and are participant directed.

Note 10. Claims Payable

Effective July 1, 2021, DSST established a self-funded medical insurance program for employees who choose to participate. DSST utilizes a third-party provider to administer the plan. Excess insurance coverage is maintained to limit the loss of any individual claim. These payables are included with accrued liabilities in the financial statements. Changes to the balance of unpaid claims, related to medical insurance during the past year are as follows:

Unpaid Claims July 1, 2022	\$ 1,016,842
Incurred Claims	9,517,351
Claim Payments	<u>(9,080,632)</u>
Unpaid Claims June 30, 2023	<u>\$ 1,453,561</u>
Unpaid Claims July 1, 2023	\$ 1,453,561
Incurred Claims	6,440,565
Claim Payments	<u>(7,399,510)</u>
Unpaid Claims June 30, 2024	<u>\$ 494,616</u>

Note 11. Commitments and Contingencies

Pension certificates of participation – Denver Public Schools issued Taxable Pension Certificates of Participation (the PCOPs) in order to fully fund, over time, the unfunded actuarial accrued liability of its pension plan. None of the employees of DSST Public Schools participate in the Denver Public Schools pension plan. As part of the DPS charter agreements with each school except Montview, DSST Public Schools has agreed to pay fees to Denver Public Schools. The payment is calculated based upon a percentage of covered salary. DSST satisfies substantially all of this obligation through the use of prepaid PCOPs credits totaling \$13,018,140 resulting from a land and building sale, related to Montview, from DSST to DPS on June 28, 2013. Approximately \$11,532,000 of the credits have been utilized to pay outstanding PCOPs liabilities through the year ended June 30, 2024. The remaining credits are expected to be utilized over the next 13 years in accordance with an agreed-upon schedule. The PCOP credit balance as of June 30, 2024, is \$815,250. Any expense in excess of available credits is paid in cash. DSST Public Schools expensed \$3,248,021 during the year ended June 30, 2024, which represents approximately 8.20 percent of covered salaries, for its obligation relating to the PCOPs.

Claims and judgments – DSST participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, DSST may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited, but DSST believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of DSST.

TABOR Amendment – Colorado voters approved an amendment to the State Constitution, Article X, Section 20 (commonly known as “TABOR”), which limits state and local government taxing authority and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. Revenue received in excess of the limitations may be required to be refunded. DSST believes it has complied with the Amendment. As required by the Amendment, DSST has established a reserve for emergencies, representing 3 percent of DSST Public Schools budgeted expenditures.

Facility use fees – DSST annually enters into a facility use agreement with Denver Public Schools and Aurora Public Schools. The Facility use fee is based on a per-student use fee schedule and anticipated costs of operating the facility. Facility use fees for the year ended June 30, 2024 were \$5,701,741 for DPS and \$1,016,154 for APS. There are no future minimum commitments under this arrangement.

Note 12. Memorandum of Understanding

On May 19, 2022, DSST entered into a memorandum of understanding (MOU) with Aurora Public Schools regarding the construction of a certain district school facility to be utilized by DSST. The construction project of the Aurora Science and Tech campus required additional funding from APS and DSST agreed to contribute \$2,200,000 to assist in the completion of the project in fiscal year 2023. The MOU contains contingency language requiring a prorated return of funds should the DSST charter be revoked at any time over the next 20 years.

Required Supplementary Information

DSST Public Schools
Budgetary Comparison Schedule – General Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Contributions and grants	\$ 100,000	\$ 100,000	\$ 5,427,102	\$ 5,327,102
Investment income	660,000	660,000	1,183,430	523,430
Mill levy	21,952,360	21,952,360	23,540,357	1,587,997
Miscellaneous	-	-	-	-
Supporting services	49,452,633	49,452,633	28,222,218	(21,230,415)
State sources				
Per pupil revenue	78,922,119	78,922,119	81,260,193	2,338,074
Supporting services	1,593,529	1,593,529	2,024,470	430,941
Federal sources				
Federal grants from Denver Public Schools	6,970,546	6,970,546	7,076,540	105,994
Direct federal start-up grant	-	-	-	-
Total revenues	<u>159,651,187</u>	<u>159,651,187</u>	<u>148,734,310</u>	<u>(10,916,877)</u>
Expenditures				
Instructional				
Regular education	68,549,983	68,549,983	64,563,503	3,986,481
Supporting services				
Pupil supporting services	10,136,283	10,136,283	9,991,280	145,003
Instructional support	7,343,084	7,343,084	6,931,675	411,409
General administration	18,525	18,525	590,440	(571,915)
School administration	20,880,201	20,880,201	25,606,778	(4,726,577)
Business services	38,763,708	38,763,708	17,253,048	21,510,660
Operations and maintenance	11,404,559	11,404,559	9,582,816	1,821,743
Pupil transportation	746,115	746,115	1,597,472	(851,357)
Central services	2,809,487	2,809,487	2,682,004	127,483
Property	-	-	381,704	(381,704)
Other support services	4,018,931	4,018,931	3,075,436	943,495
Capital outlay	-	-	4,781,142	(4,781,142)
Debt service				
Principal	-	-	1,670,518	(1,670,518)
Interest	-	-	640,057	(640,057)
Total expenditures	<u>164,670,876</u>	<u>164,670,876</u>	<u>149,347,873</u>	<u>15,323,004</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,019,689)</u>	<u>(5,019,689)</u>	<u>(613,563)</u>	<u>4,406,127</u>
Other financing sources (uses)				
Transfers in	-	-	401,860	401,860
Transfers out	-	-	(401,860)	(401,860)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(5,019,689)</u>	<u>(5,019,689)</u>	<u>(613,563)</u>	<u>4,406,127</u>
Fund balances, beginning of year	<u>(3,373,267)</u>	<u>(3,373,267)</u>	<u>50,194,737</u>	<u>53,568,004</u>
Fund balances, end of year	<u>\$ (8,392,956)</u>	<u>\$ (8,392,956)</u>	<u>\$ 49,581,175</u>	<u>\$ 57,974,131</u>
Total revenues	\$ 148,734,310			
Home office elimination	<u>(21,944,525)</u>			
Total revenues, GAAP basis	<u>\$ 126,789,785</u>			
Total expenditures	\$ 149,347,873			
Home office elimination	<u>(21,944,525)</u>			
Total expenditures, GAAP basis	<u>\$ 127,403,348</u>			

DSST Public Schools
Schedule of Proportionate Share of Net Pension Liability
Year Ended June 30, 2024

	2018	2019	2020	2021	2022	2023
DSST-APS's proportion of net pension liability/(asset)	0.00213%	0.02449%	0.02449%	0.03464%	0.04154%	0.06979%
DSST-APS's proportionate of net pension liability/(asset)	\$ 377,321	\$ 1,592,427	\$ 3,703,035	\$ 4,030,769	\$ 7,563,531	\$ 12,342,138
DSST-APS's covered payroll	\$ 48,775	\$ 625,537	\$ 1,305,032	\$ 2,164,672	\$ 3,197,141	\$ 4,614,074
DSST-APS's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	773.6%	254.6%	283.8%	186.2%	236.6%	267.5%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	57.0%	64.5%	67.0%	74.9%	61.8%	64.7%

(1) DSST-APS entered the plan in fiscal year 2019. Information prior to that is not available.

(2) The amounts presented for each year were determined as of December 31, the measurement date used by the plan.

DSST Public Schools
Schedule of Contributions – Pension
Year Ended June 30, 2024

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Contractually required contributions	\$ 22,410	\$ 120,124	\$ 339,607	\$ 521,676	\$ 786,611	\$ 1,066,155
Contributions in relation to the contractually required contribution	<u>2,241</u>	<u>120,124</u>	<u>339,607</u>	<u>521,676</u>	<u>786,611</u>	<u>1,066,155</u>
Contribution deficiency (excess)	<u>\$ 20,169</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DSST-APS's covered payroll	\$ 625,537	\$ 1,014,206	\$ 1,708,297	\$ 2,629,875	\$ 3,859,712	\$ 5,234,376
Contributions as a percentage of covered payroll	0.36%	11.84%	19.88%	19.84%	20.38%	20.37%

(1) DSST-APS entered the plan in fiscal year 2019. Information prior to that is not available.

DSST Public Schools
Schedule of Proportionate Share of Net OPEB Liability
Year Ended June 30, 2024

	2019	2020	2021	2022	2023
DSST-APS's proportion of net OPEB liability/(asset)	0.00691%	0.01411%	0.02262%	0.03151%	0.04175%
DSST-APS's proportionate of net OPEB liability/(asset)	\$ 77,638	\$ 134,099	\$ 195,010	\$ 257,242	\$ 298,013
DSST-APS/s covered payroll	\$ 625,537	\$ 1,305,032	\$ 2,164,672	\$ 3,197,141	\$ 4,614,074
DSST-APS/s proportionate share of the net OPEB liability/(asset) as a percentage of its covered payroll	12.4%	10.3%	9.0%	8.0%	6.5%
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	64.5%	32.8%	39.4%	38.6%	46.2%

(1) DSST-APS entered the plan in fiscal year 2019. Information prior to that is not available.

(2) The amounts presented for each year were determined as of December 31, the measurement date used by the plan.

DSST Public Schools
Schedule of Contributions – OPEB
Year Ended June 30, 2024

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Contractually required contributions	\$ 6,335	\$ 17,425	\$ 26,766	\$ 39,369	\$ 53,360
Contributions in relation to the contractually required contribution	<u>6,335</u>	<u>17,425</u>	<u>26,766</u>	<u>39,369</u>	<u>53,360</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DSST-APS's covered payroll	\$ 1,014,206	\$ 1,708,297	\$ 2,629,875	\$ 3,859,712	\$ 5,231,376
Contributions as a percentage of covered payroll	0.62%	1.02%	1.02%	1.02%	1.02%

(1) DSST-APS entered the plan in fiscal year 2019. Information prior to that is not available.

Note 1. Stewardship, Compliance and Accountability

A budget is adopted for the General Fund on a basis consistent with generally accepted accounting principles. The General Fund budget to actual statement eliminates internal activity between the home office and individual schools with the exception of charges for supporting services.

School management submits to the Board of Directors a proposed budget for the fiscal year commencing the following July 1. The budget is adopted by the Board of Directors prior to June 30. Expenditures may not legally exceed appropriations at the fund level. Revisions must be approved by the Board of Directors. The budget includes proposed expenditures and the means of financing them. All appropriations lapse at fiscal year-end.

Note 2. Pension and OPEB Related Disclosures

GASB 68 and GASB 75 require disclosure of DSST – APS's proportionate share of the net pension liability at the measurement date and contributions to the pension plan for the previous 10-year period. Until a full 10-year trend is compiled, DSST is presenting information for those years for which information is available.

Note 3. Significant Changes Affecting Trends in Actuarial Information

2023 Changes in Plan Provisions and Assumptions or Other Inputs Since 2022

Defined Benefit Pension Plan

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14.561 million.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.
- There were no changes made to the actuarial methods or assumptions.

Defined Benefit Other Postemployment Benefit Plan

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

- There were no changes made to the actuarial methods or assumptions.

2022 Changes in Plan Provisions and Assumptions or Other Inputs Since 2021

Defined Benefit Pension Plan

- House Bill (HB) 22-1029, effective upon enactment in 2022, required the State Treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to a negative investment return in 2022.
- There were no changes made to the actuarial methods or assumptions.

Defined Benefit Other Postemployment Benefit Plan

- There were no changes in plan provisions.
- The timing of the retirement decrement was adjusted to middle-of-year.

2021 Changes in Plan Provisions and Assumptions or Other Inputs Since 2020

Defined Benefit Pension Plan

- The following changes reflect the anticipated adjustments resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effectively July 1, 2022:
 - Member contribution rates increased by 0.50%
 - Employer contribution rates increase by 0.50%
 - Annual Increase (AI) cap is lowered from 1.25% per year to 1.00% per year
- There were no changes made to the actuarial methods or assumptions.

Defined Benefit Other Postemployment Benefit Plan

- There were no changes made to plan provisions.
- There were no changes made to the actuarial methods or assumptions.

2020 Changes in Plan Provisions and Assumptions or Other Inputs Since 2019

Defined Benefit Pension Plan

- The following changes reflect the anticipated adjustments resulting from the 2020 automatic adjustment provision (AAP) assessment, statutorily recognized July 1, 2021, and effectively July 1, 2022:
 - Member contribution rates increased by 0.50%
 - Employer contribution rates increase by 0.50%
 - Annual Increase (AI) cap is lowered from 1.25% per year to 1.00% per year

DSST Public Schools
Notes to Required Supplementary Information
Year Ended June 30, 2024

- There were no changes made to the actuarial methods or assumptions.

Defined Benefit Other Postemployment Benefit Plan

- There were no changes made to plan provisions
- The price inflation assumption was lowered from 2.40% to 2.30%
- The wage inflation assumption was lowered from 3.5% to 3.00%
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:
 - Males: 122% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019
 - Females: 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019
- The disabled mortality assumption for the Division Trust Funds (members other than State Troopers) was changed to the PubNS-2010 Disable Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019
- The mortality tables are generational mortality tables developed on a head-count weighted basis

2020 Changes in Plan Provisions and Assumptions or Other Inputs Since 2019

Defined Benefit Pension Plan

- House Bill (HB) 20-1379, enacted on June 29, 2020, suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year
- The price inflation assumption was lowered from 2.40 to 2.30 percent
- The wage inflation assumption was lowered from 3.50 percent to 3.00 percent
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses
- Salary scale assumption were revised to align with revised economic assumption and to more closely reflect actual experience
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019

DSST Public Schools
Notes to Required Supplementary Information
Year Ended June 30, 2024

- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Health Retiree Table, adjusted as follows:
 - Males: 112 percent of the rates prior to age 80 and 94 percent of rates for ages 80 and older, with generational projection using scale MP-2019
 - Females: 86 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubsNS-2010 Disabled Retiree Table using 99 percent of the rate for all ages with generational projection using scale MP-2019

Defined Benefit Other Postemployment Benefit Plan

- There were no changes in plan provisions.
- The price inflation assumption was lowered from 2.40 percent to 2.30 percent
- The wage inflation assumption was lowered from 3.5 percent to 3.00 percent
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expense from 4.85 percent per year, net of investment expenses
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-201 Employee Table with generational projection using scale MP-2019
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Health Retiree Table, adjusted as follows:
 - Males: 112 percent of the rates prior to age 80 and 94 percent of rates for ages 80 and older, with generational projection using scale MP-2019
 - Females: 86 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019
- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubsNS-2010 Disabled Retiree Table using 99 percent of the rate for all ages with generational projection using scale MP-2019
- The mortality tables described above are generational mortality tables based on a head-count weighted basis

***Other Audited Financial Statements –
Supplementary Information***

DSST Public Schools
Combining Statement of Net Position
Year Ended June 30, 2024

	Denver Public Schools	Aurora Public Schools	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and cash equivalents	\$ 23,352,714	\$ (30,180)	\$ 23,322,534
Cash held by fiscal agent	1,587,145	-	1,587,145
Restricted permanent endowment	218,910	25,286	244,196
Accounts receivable, net	983,840	142,963	1,126,803
Receivable from Foundation	33,709,414	3,460,245	37,169,659
PCOPS credits	815,249	-	815,249
Promises to give, net	278,796	32,204	311,000
Prepaid expenses	286,697	12,763	299,460
Capital assets, net of accumulated depreciation	34,153,105	387,616	34,540,721
Subscription assets, net of amortization	2,233,214	248,135	2,481,349
Lease assets, net of amortization	2,025,122	225,013	2,250,135
Total assets	99,644,206	4,504,045	104,148,251
Deferred Outflows of Resources			
Deferred outflows - pension	-	5,676,356	5,676,356
Deferred outflows - OPEB	-	286,006	286,006
Total deferred outflows of resources	-	5,962,362	5,962,362
Total assets and deferred outflows of resources	99,644,206	10,466,407	110,110,613
Current Liabilities			
Accounts payable and accrued expenses	1,210,869	102,139	1,313,008
Accrued salaries and benefits	8,535,092	354,629	8,889,721
Current portion of long-term debt	380,000	-	380,000
Current portion of subscription liabilities	422,405	46,934	469,339
Current portion of lease liabilities	156,036	17,337	173,373
Long-Term Liabilities			
Noncurrent portion of long-term debt	18,441,912	-	18,441,912
Noncurrent portion of subscription liabilities	1,522,290	169,143	1,691,433
Noncurrent portion of lease liabilities	1,895,249	210,583	2,105,832
Net pension liability	-	12,342,138	12,342,138
Net OPEB liability	-	298,013	298,013
Total liabilities	32,563,853	13,540,916	46,104,769
Deferred Inflows of Resources			
Deferred inflows - pension	-	-	-
Deferred inflows - OPEB	-	92,680	92,680
Total deferred inflows of resources	-	92,680	92,680
Net Position			
Net invested in capital assets	15,593,549	416,767	16,010,316
Restricted for			
Emergencies	3,574,588	419,460	3,994,048
Debt Service	966,432	-	966,432
Capital projects	923,730	61,247	984,977
Unrestricted	46,022,054	(4,064,663)	41,957,391
Total net position	\$ 67,080,353	\$ (3,167,189)	\$ 63,913,164

DSST Public Schools
Combining Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Charges for	Program Revenues		Net (Expense) Revenue and Change in Net Position		Total Charter Schools
			Operating Grants and Contributions	Capital Grants and Contributions	Denver Public Schools	Aurora Public Schools	
Charter Schools							
Denver Public Schools	\$ 109,964,011	\$ 907,245	\$ 11,538,349	\$ -	\$ (97,518,417)	\$ -	\$ (97,518,417)
Aurora Public Schools	15,421,375	59,575	1,480,780	-	-	(13,881,020)	(13,881,020)
Total Charter Schools	<u>\$ 125,385,386</u>	<u>\$ 966,820</u>	<u>\$ 13,019,129</u>	<u>\$ -</u>	<u>\$ (97,518,417)</u>	<u>\$ (13,881,020)</u>	<u>\$ (111,399,437)</u>
General Revenues							
Per pupil revenue					\$ 72,614,948	\$ 8,706,271	\$ 81,321,219
Mill levy override					21,253,291	2,287,068	23,540,359
General purpose grants					6,169,994	366,747	6,536,741
Interest					1,084,050	99,380	1,183,430
Transfers in (out)					(401,860)	401,860	-
Total general revenues and transfers					<u>100,720,423</u>	<u>11,861,326</u>	<u>112,581,749</u>
Change in Net Position					<u>3,202,006</u>	<u>(2,019,694)</u>	<u>1,182,312</u>
Net Position, Beginning of Year					<u>63,878,347</u>	<u>(1,147,495)</u>	<u>62,730,852</u>
Net Position, End of Year					<u>\$ 67,080,353</u>	<u>\$ (3,167,189)</u>	<u>\$ 63,913,164</u>

DSST Public Schools
Combining General Fund Balance Sheet
June 30, 2024

	Total DPS	Total APS	Total General Fund
Assets			
Cash and equivalents	\$ 23,352,714	\$ (30,180)	\$ 23,322,534
Cash held by fiscal agent	1,587,145	-	1,587,145
Restricted permanent endowment	218,910	25,286	244,196
Accounts receivable	983,840	142,963	1,126,803
Receivable from Foundation	33,709,414	3,460,245	37,169,659
Promises to give, net	278,796	32,204	311,000
PCOPS credits	815,249	-	815,249
Prepaid expenses	286,697	12,763	299,460
Total assets	<u>\$ 61,232,765</u>	<u>\$ 3,643,281</u>	<u>\$ 64,876,046</u>
Liabilities, Deferred Inflows, and Fund Balance			
Liabilities			
Accounts payable	\$ 1,210,869	\$ 102,139	\$ 1,313,008
Accrued salaries and benefits	8,535,092	354,629	8,889,721
Total liabilities	<u>9,745,961</u>	<u>456,768</u>	<u>10,202,729</u>
Deferred Inflows of Resources			
Unavailable revenue - grants	<u>278,796</u>	<u>32,204</u>	<u>311,000</u>
Total liabilities and deferred inflows of resources	<u>10,024,757</u>	<u>488,972</u>	<u>10,513,729</u>
Fund Balance			
Nonspendable	923,932	12,763	936,695
Restricted for emergencies	3,574,588	419,460	3,994,048
Restricted for debt service	966,432	-	966,432
Restricted for capital projects	923,730	61,247	984,977
Assigned	26,610,642	1,449,608	28,060,250
Unassigned	<u>18,208,684</u>	<u>1,211,231</u>	<u>19,419,915</u>
Total fund balance	<u>51,208,008</u>	<u>3,154,309</u>	<u>54,362,317</u>
Total liabilities and fund balance	<u>\$ 61,232,765</u>	<u>\$ 3,643,281</u>	<u>\$ 64,876,046</u>

DSST Public Schools
Combining General Fund Balance Sheet – Reconciliation
Year Ended June 30, 2024

	<u>DPS</u>	<u>APS</u>	<u>Total</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Total fund balance of the governmental fund	\$ 51,208,008	\$ 3,154,309	\$ 54,362,317
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund	34,153,105	387,616	34,540,721
Subscription assets used in governmental activities are not financial resources and, therefore, are not reported in the fund	2,233,214	248,135	2,481,349
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the fund	2,025,122	225,013	2,250,135
Other receivables are not available to pay for current-period expenditures and, therefore, are reported as a deferred inflow of resources in the fund	278,796	32,204	311,000
Long-term debt is not due and payable in the current period and, therefore, is not reported in the fund	(18,821,912)	-	(18,821,912)
Deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the fund	-	(92,680)	(92,680)
Deferred outflows of resources are not financial resources and, therefore, are not reported in the fund	-	5,962,362	5,962,362
The net pension liability is not due and payable in the current period and, therefore, is not reported in the governmental fund	-	(12,342,138)	(12,342,138)
The net OPEB liability is not due and payable in the current period and, therefore, is not reported in the governmental fund	-	(298,013)	(298,013)
Long-term subscription liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund	(1,944,695)	(216,077)	(2,160,772)
Long-term lease liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund	(2,051,285)	(227,920)	(2,279,205)
Total net position of governmental activities	<u>\$ 67,080,353</u>	<u>\$ (3,167,189)</u>	<u>\$ 63,913,164</u>

DSST Public Schools
Combining Statement of Revenues, Expenditures,
and Changes in General Fund Balance
Year Ended June 30, 2024

	Total DPS	Total APS	Total General Fund
Revenues			
Local sources			
Contributions and grants	\$ 5,417,468	\$ 9,634	\$ 5,427,102
Investment income	1,084,050	99,380	1,183,430
Mill levy	21,253,289	2,287,068	23,540,357
Supporting services	5,393,292	884,402	6,277,694
States sources			
Per pupil revenue	72,553,922	8,706,271	81,260,193
Supporting services	1,877,721	146,749	2,024,470
Federal sources			
Title fund from School District	6,169,996	906,544	7,076,540
Total revenues	<u>113,749,738</u>	<u>13,040,048</u>	<u>126,789,786</u>
Expenditures			
Instructional			
Regular education	55,585,506	5,806,586	61,392,092
Supporting services			
Pupil supporting services	8,627,404	1,363,876	9,991,280
Instructional support	6,611,517	320,158	6,931,675
General administration	499,735	90,705	590,440
School administration	22,146,654	3,460,124	25,606,778
Business services	714,813	82,279	797,092
Operations and maintenance	8,122,195	1,460,621	9,582,816
Pupil transportation	1,561,714	35,758	1,597,472
Central services	2,382,596	299,408	2,682,004
Property	1,124,951	-	1,124,951
Other support services	-	15,031	15,031
Capital Outlay	4,369,964	411,178	4,781,142
Debt service			
Principal	1,539,966	130,552	1,670,518
Interest	632,671	7,386	640,057
Total expenditures	<u>113,919,686</u>	<u>13,483,662</u>	<u>127,403,348</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(169,948)</u>	<u>(443,614)</u>	<u>(613,562)</u>
Other Financing Sources (Uses)			
Subscription and lease issuance	4,369,964	411,178	4,781,142
Transfers in	-	401,860	401,860
Transfers out	(401,860)	-	(401,860)
Total other financing sources (uses)	<u>3,968,104</u>	<u>813,038</u>	<u>-</u>
Net Change in Fund Balance	<u>3,798,156</u>	<u>369,424</u>	<u>4,167,580</u>
Fund balance, beginning of year	<u>47,409,852</u>	<u>2,784,885</u>	<u>50,194,737</u>
Fund balance, end of year	<u>\$ 51,208,008</u>	<u>\$ 3,154,309</u>	<u>\$ 54,362,317</u>

DSST Public Schools
Combining Statement of Revenues, Expenditures,
and Changes in General Fund Balance – Reconciliation
Year Ended June 30, 2024

	<u>DPS</u>	<u>APS</u>	<u>Total</u>
Amounts reported for governmental activities in the Statement of Activities are different because:			
Net change in fund balance - governmental funds	\$ 3,798,156	\$ 369,424	\$ 4,167,580
Capital outlays to purchase or build capital assets are reported in the governmental fund as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is total capital outlay (\$145,202 - DPS; \$419,984 - APS) less depreciation expense (\$1,087,530 - DPS; \$87,886 - APS) for the year.	(965,810)	332,098	(633,712)
Subscription asset amortization expense not included in the fund	(942,238)	(104,693)	(1,046,931)
Lease asset amortization expense not included in the fund	(106,585)	(11,843)	(118,428)
Repayment of subscription liabilities which were capitalized	1,111,570	104,590	1,216,160
Repayment of lease liabilities which were capitalized	80,422	8,936	89,358
The issuance of long-term debt provides current financial resources to the governmental funds. However, issuing debt increases long-term liabilities on the statement of net position. Additionally, governmental funds report the effects of premiums as expenditures in the period when the debt is created. However, these amounts are deferred and amortized in the statement of activities.			
Principal payments	365,000	-	365,000
Amortization of premium	104,378	-	104,378
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds	(242,887)	(17,143)	(260,030)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds			
Pension expense	-	(2,684,078)	(2,684,078)
OPEB expense	-	(16,985)	(16,985)
Change in net position of governmental acti	<u>\$ 3,202,006</u>	<u>\$ (2,019,694)</u>	<u>\$ 1,182,312</u>

Supplementary Information

DSST Public Schools
Combining DPS Balance Sheet
June 30, 2024

	Home Office	Montview Middle School	Montview High School
Assets			
Cash and cash equivalents	\$ (25,218,466)	\$ 4,594,230	\$ 4,441,400
Cash held by fiscal agent	1,527,255	-	-
Restricted permanent endowment	218,910	-	-
Accounts receivable	(26,877)	7,584	27,242
Receivable from Foundation	30,445,803	412,001	385,035
Promises to give, net	278,796	-	-
PCOPs credits	815,249	-	-
Prepaid expenses	283,297	-	-
Total assets	8,323,967	5,013,815	4,853,677
Liabilities, deferred inflows, and fund balance			
Accounts payable	906,620	89,982	1,120
Accrued salaries and benefits	1,297,209	169,529	242,979
Total liabilities	2,203,829	259,511	244,099
Deferred inflows of resources			
Unavailable revenue - grants	278,796	-	-
Total liabilities and deferred inflows of resources	2,482,625	259,511	244,099
Fund balance			
Nonspendable	920,532	-	-
Restricted for emergencies	825,408	194,354	231,690
Restricted for debt service	966,432	-	-
Restricted for capital projects	527,670	58,068	50,992
Assigned	2,412,397	2,710,458	2,373,761
Unassigned	188,903	1,791,424	1,953,135
Total fund balance	5,841,342	4,754,304	4,609,578
Total liabilities, deferred inflows, and fund balance	\$ 8,323,967	\$ 5,013,815	\$ 4,853,677

DSST Public Schools
Combining DPS Balance Sheet
June 30, 2024

(Continued)

Green Valley Ranch Middle School	Green Valley Ranch High School	Cole Middle School	Cole High School	College View Middle School	College View High School
\$ 5,127,210	\$ 4,363,419	\$ 2,203,526	\$ 1,798,198	\$ 4,447,495	\$ 4,242,403
-	-	-	-	-	-
-	-	-	-	-	-
7,829	19,280	4,469	13,522	7,454	36,805
174,282	247,322	474,073	240,792	110,369	224,098
-	-	-	-	-	-
-	-	-	-	-	-
250	-	-	2,200	-	-
<u>5,309,571</u>	<u>4,630,021</u>	<u>2,682,068</u>	<u>2,054,712</u>	<u>4,565,318</u>	<u>4,503,306</u>
85,000	150	86,063	1,068	2,966	2,718
<u>582,741</u>	<u>614,310</u>	<u>387,391</u>	<u>508,501</u>	<u>528,697</u>	<u>715,246</u>
<u>667,741</u>	<u>614,460</u>	<u>473,454</u>	<u>509,569</u>	<u>531,663</u>	<u>717,964</u>
-	-	-	-	-	-
<u>667,741</u>	<u>614,460</u>	<u>473,454</u>	<u>509,569</u>	<u>531,663</u>	<u>717,964</u>
250	-	-	2,200	-	-
190,973	227,815	133,543	154,732	185,988	219,133
-	-	-	-	-	-
60,683	50,462	-	-	55,257	68,241
2,585,862	2,242,823	1,505,780	1,108,454	1,921,514	2,046,469
<u>1,804,062</u>	<u>1,494,461</u>	<u>569,291</u>	<u>279,757</u>	<u>1,870,896</u>	<u>1,451,499</u>
<u>4,641,830</u>	<u>4,015,561</u>	<u>2,208,614</u>	<u>1,545,143</u>	<u>4,033,655</u>	<u>3,785,342</u>
<u>\$ 5,309,571</u>	<u>\$ 4,630,021</u>	<u>\$ 2,682,068</u>	<u>\$ 2,054,712</u>	<u>\$ 4,565,318</u>	<u>\$ 4,503,306</u>

**DSST Public Schools
Combining DPS Balance Sheet
June 30, 2024**

(Continued)

Cedar Middle School	Cedar High School	Conservatory Green Middle School	Conservatory Green High School	Elevate Middle School	Elevate High School	Total DPS
\$ 4,321,876	\$ 2,018,403	\$ 3,902,328	\$ 2,836,109	\$ 3,771,780	\$ 502,803	\$ 23,352,714
-	-	-	-	-	59,890	1,587,145
-	-	-	-	-	-	218,910
7,650	18,282	7,715	22,387	7,177	823,321	983,840
381,570	292,204	201,218	46,286	63,543	10,818	33,709,414
-	-	-	-	-	-	278,796
-	-	-	-	-	-	815,249
-	-	-	-	950	-	286,697
<u>4,711,096</u>	<u>2,328,889</u>	<u>4,111,261</u>	<u>2,904,782</u>	<u>3,843,450</u>	<u>1,396,832</u>	<u>61,232,765</u>
-	1,500	5,824	1,688	6,724	19,446	1,210,869
<u>502,499</u>	<u>689,984</u>	<u>558,831</u>	<u>760,145</u>	<u>483,788</u>	<u>493,242</u>	<u>8,535,092</u>
<u>502,499</u>	<u>691,484</u>	<u>564,655</u>	<u>761,833</u>	<u>490,512</u>	<u>512,688</u>	<u>9,745,961</u>
-	-	-	-	-	-	278,796
<u>502,499</u>	<u>691,484</u>	<u>564,655</u>	<u>761,833</u>	<u>490,512</u>	<u>512,688</u>	<u>10,024,757</u>
-	-	-	-	950	-	923,932
174,740	209,657	188,008	234,222	169,851	234,474	3,574,588
-	-	-	-	-	-	966,432
-	-	-	52,357	-	-	923,730
2,311,011	909,355	1,972,195	1,015,150	1,329,632	165,781	26,610,642
<u>1,722,846</u>	<u>518,393</u>	<u>1,386,403</u>	<u>841,220</u>	<u>1,852,505</u>	<u>483,889</u>	<u>18,208,684</u>
<u>4,208,597</u>	<u>1,637,405</u>	<u>3,546,606</u>	<u>2,142,949</u>	<u>3,352,938</u>	<u>884,144</u>	<u>51,208,008</u>
<u>\$ 4,711,096</u>	<u>\$ 2,328,889</u>	<u>\$ 4,111,261</u>	<u>\$ 2,904,782</u>	<u>\$ 3,843,450</u>	<u>\$ 1,396,832</u>	<u>\$ 61,232,765</u>

DSST Public Schools
Combining Statement of Revenues, Expenditures,
and Changes in DPS Fund Balance
Year Ended June 30, 2024

	Home Office	Montview Middle School	Montview High School	Green Valley Ranch Middle School
Revenues				
Local sources				
Contributions and grants	\$ 5,417,468	\$ -	\$ -	\$ -
Investment income	1,084,050	-	-	-
Mill levy	-	1,386,373	1,885,584	1,453,815
Miscellaneous	-	-	-	-
Supporting services	18,694,768	470,711	633,964	358,266
State sources				
Per pupil revenue	-	5,017,375	6,214,080	5,324,169
Supporting services	-	111,059	150,720	109,413
Federal sources				
Federal grants from Denver Public Schools	-	442,317	555,980	502,462
Direct federal start-up grant	-	-	-	-
Total revenues	25,196,286	7,427,835	9,440,328	7,748,125
Expenditures				
Instructional				
Regular education	2,546,008	3,579,203	4,986,526	3,891,843
Special education	-	-	-	-
Supporting services				
Pupil supporting services	338,274	498,165	707,474	487,625
Instructional support	3,355,556	140,914	236,491	251,755
General administration	-	79,666	-	79,156
School administration	13,990,351	739,524	635,148	551,204
Business services	630,399	1,021,281	1,286,953	1,077,958
Operations and maintenance	377,469	475,853	571,111	524,270
Pupil transportation	-	204,042	39,323	120,746
Central services	-	165,644	205,071	173,894
Property	-	-	-	-
Other support services	3,033,968	-	-	-
Capital outlay	4,369,964	-	-	-
Debt service				
Principal	1,539,966	-	-	-
Interest	632,671	-	-	-
Total expenditures	30,814,626	6,904,292	8,668,097	7,158,451
Excess (deficiency) of revenues over (under) expenditures	(5,618,340)	523,543	772,231	589,674
Other financing sources (uses)				
Subscription and lease issuance	4,369,964	-	-	-
Transfers in	-	-	-	-
Transfers out	(401,860)	-	-	-
Total other financing sources (uses)	3,968,104	-	-	-
Net change in fund balances	(1,650,236)	523,543	772,231	589,674
Fund balances, beginning of year	7,491,578	4,230,761	3,837,347	4,052,156
Fund balances, end of year	\$ 5,841,342	\$ 4,754,304	\$ 4,609,578	\$ 4,641,830

DSST Public Schools
Combining Statement of Revenues, Expenditures,
and Changes in DPS Fund Balance
Year Ended June 30, 2024

(Continued)

Green Valley Ranch High School	Cole Middle School	Cole High School	College View Middle School	College View High School	Cedar Middle School	Cedar High School
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
1,904,029	879,024	1,130,177	1,488,770	1,971,426	1,301,341	1,712,968
-	-	-	-	-	-	-
447,834	194,873	427,972	52,081	128,603	534,721	789,607
6,220,744	3,008,733	3,445,666	5,160,850	6,076,349	5,144,766	5,870,662
140,324	64,351	82,577	114,636	162,649	125,077	145,586
485,955	420,261	393,967	595,263	686,039	194,935	227,671
-	-	-	-	-	-	-
<u>9,198,886</u>	<u>4,567,242</u>	<u>5,480,359</u>	<u>7,411,600</u>	<u>9,025,066</u>	<u>7,300,840</u>	<u>8,746,494</u>
4,918,739	2,340,704	3,257,290	3,493,282	4,823,300	3,936,013	4,789,306
-	-	-	-	-	-	-
804,423	511,916	616,025	454,729	684,859	503,662	636,670
217,001	121,770	252,464	129,682	241,312	116,628	455,090
-	-	-	-	99,602	-	76,780
595,337	486,932	242,028	632,306	704,215	296,181	635,846
1,295,466	637,115	723,984	1,071,185	1,297,349	1,051,439	1,209,086
691,301	293,270	333,624	491,248	543,071	485,378	548,071
157,982	179,835	154,857	93,430	5,350	24,467	61,306
204,507	96,801	111,551	166,266	196,831	173,429	198,250
-	26,707	26,707	16,900	7,859	80,166	80,166
-	334	1,631	-	-	21,304	1,359
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>8,884,756</u>	<u>4,695,384</u>	<u>5,720,161</u>	<u>6,549,028</u>	<u>8,603,748</u>	<u>6,688,667</u>	<u>8,691,930</u>
<u>314,130</u>	<u>(128,142)</u>	<u>(239,802)</u>	<u>862,572</u>	<u>421,318</u>	<u>612,173</u>	<u>54,564</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
314,130	(128,142)	(239,802)	862,572	421,318	612,173	54,564
<u>3,701,431</u>	<u>2,336,756</u>	<u>1,784,945</u>	<u>3,171,083</u>	<u>3,364,024</u>	<u>3,596,424</u>	<u>1,582,841</u>
<u>\$ 4,015,561</u>	<u>\$ 2,208,614</u>	<u>\$ 1,545,143</u>	<u>\$ 4,033,655</u>	<u>\$ 3,785,342</u>	<u>\$ 4,208,597</u>	<u>\$ 1,637,405</u>

DSST Public Schools
Combining Statement of Revenues, Expenditures,
and Changes in DPS Fund Balance
Year Ended June 30, 2024

(Continued)

Conservatory Green Middle School	Conservatory Green High School	Elevate Middle School	Elevate High School	Eliminations	Total DPS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,417,468
-	-	-	-	-	1,084,050
1,349,833	1,857,845	1,400,210	1,531,894	-	21,253,289
-	-	-	-	-	-
405,970	472,480	171,513	1,588,449	(19,978,520)	5,393,292
5,068,613	6,103,758	4,998,273	4,899,884	-	72,553,922
249,602	143,163	150,361	128,203	-	1,877,721
470,289	499,107	510,373	185,377	-	6,169,996
-	-	-	-	-	-
<u>7,544,307</u>	<u>9,076,353</u>	<u>7,230,730</u>	<u>8,333,807</u>	<u>(19,978,520)</u>	<u>113,749,738</u>
3,802,338	5,017,974	3,364,680	3,618,984	(2,780,684)	55,585,506
-	-	-	-	-	-
462,462	745,766	660,792	514,562	-	8,627,404
269,575	301,683	277,257	244,339	-	6,611,517
-	86,195	-	78,336	-	499,735
711,789	566,091	707,572	652,130	-	22,146,654
1,039,358	1,271,093	1,009,964	972,862	(14,880,679)	714,813
513,325	608,739	-	1,665,465	-	8,122,195
157,236	28,747	98,902	235,491	-	1,561,714
167,839	202,281	161,867	158,365	-	2,382,596
143,199	-	-	-	-	381,704
814	869	125	-	(2,317,157)	743,247
-	-	-	-	-	4,369,964
-	-	-	-	-	1,539,966
-	-	-	-	-	632,671
<u>7,267,935</u>	<u>8,829,438</u>	<u>6,281,159</u>	<u>8,140,534</u>	<u>(19,978,520)</u>	<u>113,919,686</u>
<u>276,372</u>	<u>246,915</u>	<u>949,571</u>	<u>193,273</u>	<u>-</u>	<u>(169,948)</u>
-	-	-	-	-	4,369,964
-	-	-	-	-	-
-	-	-	-	-	(401,860)
-	-	-	-	-	3,968,104
276,372	246,915	949,571	193,273	-	3,798,156
3,270,234	1,896,034	2,403,367	690,871	-	47,409,852
<u>\$ 3,546,606</u>	<u>\$ 2,142,949</u>	<u>\$ 3,352,938</u>	<u>\$ 884,144</u>	<u>\$ -</u>	<u>\$ 51,208,008</u>

DSST Public Schools
Combining APS Balance Sheet
June 30, 2024

	Home Office	AST Middle School	AST High School	Total APS
Assets				
Cash and cash equivalents	\$ (2,737,317)	\$ 2,292,919	\$ 414,218	\$ (30,180)
Restricted permanent endowment	25,286	-	-	25,286
Accounts receivable	26,876	54,027	62,060	142,963
Receivable from Foundation	3,343,538	116,697	10	3,460,245
Promises to give, net	32,204	-	-	32,204
PCOPs credits	-	-	-	-
Prepaid expenses	12,763	-	-	12,763
Total assets	703,350	2,463,643	476,288	3,643,281
Liabilities, deferred inflows, and fund balance				
Accounts payable	101,046	645	448	102,139
Accrued salaries and benefits	326,327	12,656	15,646	354,629
Total liabilities	427,373	13,301	16,094	456,768
Deferred inflows of resources				
Unavailable revenue - grants	32,204	-	-	32,204
Total liabilities and deferred inflows of resources	459,577	13,301	16,094	488,972
Fund Balance				
Nonspendable	12,763	-	-	12,763
Restricted for emergencies	59,803	173,469	186,188	419,460
Restricted for capital projects	61,247	-	-	61,247
Assigned	228,210	1,221,398	-	1,449,608
Unassigned	(118,250)	1,055,475	274,006	1,211,231
Total fund balance	243,773	2,450,342	460,194	3,154,309
Total liabilities, deferred inflows, and fund balance	\$ 703,350	\$ 2,463,643	\$ 476,288	\$ 3,643,281

DSST Public Schools
Combining Statement of Revenues, Expenditures,
and Changes in APS Fund Balance
Year Ended June 30, 2024

	Home Office	AST Middle School	AST High School	Eliminations	Total APS
Revenues					
Local sources					
Contributions and grants	\$ 9,634	\$ -	\$ -	\$ -	\$ 9,634
Investment income	99,380	-	-	-	99,380
Mill levy	-	1,360,204	926,864	-	2,287,068
Miscellaneous	-	-	-	-	-
Supporting services	2,049,544	9,329	791,533	(1,966,004)	884,402
State sources					
Per pupil revenue	-	5,188,603	3,517,668	-	8,706,271
Supporting services	-	114,028	32,721	-	146,749
Federal sources					
Federal grants from Aurora Public Schools	-	269,074	637,470	-	906,544
Total revenues	2,158,558	6,941,238	5,906,256	(1,966,004)	13,040,048
Expenditures					
Instructional					
Regular education	573,038	3,083,369	2,540,906	(390,727)	5,806,586
Special education	-	-	-	-	-
Supporting services					
Pupil supporting services	-	835,767	528,109	-	1,363,876
Instructional support	72,150	114,074	133,934	-	320,158
General administration	-	90,705	-	-	90,705
School administration	1,861,058	764,366	834,700	-	3,460,124
Business services	63,394	926,146	668,016	(1,575,277)	82,279
Operations and maintenance	39,343	614,616	806,662	-	1,460,621
Pupil transportation	-	306	35,452	-	35,758
Central services	-	165,505	133,903	-	299,408
Property	-	-	-	-	-
Capital outlay	411,178	-	-	-	411,178
Other support services	3,931	6,335	4,765	-	15,031
Debt service					
Principal	130,552	-	-	-	130,552
Interest	7,386	-	-	-	7,386
Total expenditures	3,162,030	6,601,189	5,686,447	(1,966,004)	13,483,662
Excess (deficiency) of revenues over (under) expenditures	(1,003,472)	340,049	219,809	-	(443,614)
Other financing sources (uses)					
Subscription and lease issuance	411,178	-	-	-	411,178
Transfers in	401,860	-	-	-	401,860
Transfers out	-	-	-	-	-
Total other financing sources	813,038	-	-	-	813,038
Net change in fund balances	(190,434)	340,049	219,809	-	369,424
Fund balances, beginning of year	434,207	2,110,293	240,385	-	2,784,885
Fund balances, end of year	\$ 243,773	\$ 2,450,342	\$ 460,194	\$ -	\$ 3,154,309

DSST Public Schools
Budgetary Comparison Schedule – Home Office (Combined)
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ 100,000	\$ 5,427,102	\$ 5,327,102
Investment income	660,000	1,183,430	523,430
Supporting services	38,011,005	20,744,312	(17,266,693)
Total revenues	38,771,005	27,354,844	(11,416,161)
Expenditures			
Instructional			
Regular education	6,763,623	3,119,046	3,644,578
Supporting services			
Pupil supporting services	487,795	338,274	149,521
Instructional support	3,439,502	3,427,706	11,796
School administration	11,593,190	15,851,409	(4,258,219)
Business services	23,969,234	693,793	23,275,441
Operations and maintenance	3,000	416,812	(413,812)
Other support services	3,906,457	3,037,900	868,557
Capital Outlay	-	4,781,142	(4,781,142)
Debt service			
Principal	-	1,670,518	(1,670,518)
Interest	-	640,057	(640,057)
Total expenditures	50,162,801	33,976,657	16,186,145
Excess (deficiency) of revenues over (under) expenditures	(11,391,796)	(6,621,813)	4,769,984
Other financing sources (uses)			
Subscription and lease issuance	-		
Transfers in	-	401,860	401,860
Transfers out	-	(401,860)	(401,860)
Total other financing sources (uses)	-	-	-
Net change in fund balances	(11,391,796)	(6,621,813)	4,769,984
Fund balances, beginning of year	(3,373,267)	8,835,558	12,208,825
Fund balances, end of year	\$ (14,765,063)	\$ 2,213,746	\$ 16,978,809

DSST Public Schools
Budgetary Comparison Schedule – Montview Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,254,625	1,386,373	131,748
Miscellaneous	-	-	-
Supporting services	676,750	470,711	(206,039)
State sources			
Per pupil revenue	4,815,153	5,017,375	202,222
Supporting services	87,131	111,059	23,928
Federal sources			
Federal grants from Denver Public Schools	444,747	442,317	(2,430)
Direct federal start-up grant	-	-	-
Total revenues	<u>7,278,406</u>	<u>7,427,835</u>	<u>149,429</u>
Expenditures			
Instructional			
Regular education	3,573,103	3,579,203	(6,100)
Supporting services			
Pupil supporting services	520,081	498,165	21,916
Instructional support	138,002	140,914	(2,912)
General administration	1,410	79,666	(78,256)
School administration	682,934	739,524	(56,590)
Business services	887,405	1,021,281	(133,876)
Operations and maintenance	470,708	475,853	(5,145)
Pupil transportation	75,990	204,042	(128,052)
Central services	180,408	165,644	14,764
Property	-	-	-
Other support services	3,828	-	3,828
Total expenditures	<u>6,533,869</u>	<u>6,904,292</u>	<u>(370,423)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>744,537</u>	<u>523,543</u>	<u>(220,994)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	744,537	523,543	(220,994)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 744,537</u>	<u>\$ 523,543</u>	<u>\$ (220,994)</u>

DSST Public Schools
Budgetary Comparison Schedule – Montview High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,757,989	1,885,584	127,595
Miscellaneous	-	-	-
Supporting services	1,024,491	633,964	(390,527)
State sources			
Per pupil revenue	6,086,875	6,214,080	127,205
Supporting services	112,114	150,720	38,606
Federal sources			
Federal grants from Denver Public Schools	553,622	555,980	2,358
Direct federal start-up grant	-	-	-
Total revenues	<u>9,535,091</u>	<u>9,440,328</u>	<u>(94,763)</u>
Expenditures			
Instructional			
Regular education	5,159,296	4,986,526	172,770
Supporting services			
Pupil supporting services	751,168	707,474	43,694
Instructional support	251,838	236,491	15,347
General administration	1,698	-	1,698
School administration	626,643	635,148	(8,505)
Business services	1,148,388	1,286,953	(138,565)
Operations and maintenance	592,043	571,111	20,932
Pupil transportation	3,905	39,323	(35,418)
Central services	219,327	205,071	14,256
Property	-	-	-
Other support services	17,274	-	17,274
Total expenditures	<u>8,771,580</u>	<u>8,668,097</u>	<u>103,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>763,511</u>	<u>772,231</u>	<u>8,720</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	763,511	772,231	8,720
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 763,511</u>	<u>\$ 772,231</u>	<u>\$ 8,720</u>

DSST Public Schools
Budgetary Comparison Schedule – Green Valley Ranch Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,349,672	1,453,815	104,143
Miscellaneous	-	-	-
Supporting services	690,466	358,266	(332,200)
State sources			
Per pupil revenue	5,250,220	5,324,169	73,949
Supporting services	93,547	109,413	15,866
Federal sources			
Federal grants from Denver Public Schools	510,433	502,462	(7,971)
Direct federal start-up grant	-	-	-
Total revenues	<u>7,894,338</u>	<u>7,748,125</u>	<u>(146,213)</u>
Expenditures			
Instructional			
Regular education	3,925,387	3,891,843	33,544
Supporting services			
Pupil supporting services	506,264	487,625	18,639
Instructional support	264,918	251,755	13,163
General administration	1,428	79,156	(77,728)
School administration	566,119	551,204	14,915
Business services	965,469	1,077,958	(112,489)
Operations and maintenance	543,050	524,270	18,780
Pupil transportation	81,851	120,746	(38,895)
Central services	184,178	173,894	10,284
Property	-	-	-
Other support services	4,108	-	4,108
Total expenditures	<u>7,042,772</u>	<u>7,158,451</u>	<u>(115,679)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>851,566</u>	<u>589,674</u>	<u>(261,892)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	851,566	589,674	(261,892)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 851,566</u>	<u>\$ 589,674</u>	<u>\$ (261,892)</u>

DSST Public Schools
Budgetary Comparison Schedule – Green Valley Ranch High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,779,824	1,904,029	124,205
Miscellaneous	-	-	-
Supporting services	767,756	447,834	(319,922)
State sources			
Per pupil revenue	6,105,389	6,220,744	115,355
Supporting services	108,805	140,324	31,519
Federal sources			
Federal grants from Denver Public Schools	501,623	485,955	(15,668)
Direct federal start-up grant	-	-	-
Total revenues	<u>9,263,397</u>	<u>9,198,886</u>	<u>(64,511)</u>
Expenditures			
Instructional			
Regular education	4,859,216	4,918,739	(59,523)
Supporting services			
Pupil supporting services	847,653	804,423	43,230
Instructional support	211,479	217,001	(5,522)
General administration	1,617	-	1,617
School administration	622,870	595,337	27,533
Business services	1,155,233	1,295,466	(140,233)
Operations and maintenance	635,822	691,301	(55,479)
Pupil transportation	94,813	157,982	(63,169)
Central services	214,168	204,507	9,661
Property	-	-	-
Other support services	4,823	-	4,823
Total expenditures	<u>8,647,694</u>	<u>8,884,756</u>	<u>(237,062)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>615,703</u>	<u>314,130</u>	<u>(301,573)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	615,703	314,130	(301,573)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 615,703</u>	<u>\$ 314,130</u>	<u>\$ (301,573)</u>

DSST Public Schools
Budgetary Comparison Schedule – Cole Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	823,356	879,024	55,668
Miscellaneous	-	-	-
Supporting services	352,785	194,873	(157,912)
State sources			
Per pupil revenue	2,868,921	3,008,733	139,812
Supporting services	49,928	64,351	14,423
Federal sources			
Federal grants from Denver Public Schools	377,563	420,261	42,698
Direct federal start-up grant	-	-	-
Total revenues	<u>4,472,553</u>	<u>4,567,242</u>	<u>94,689</u>
Expenditures			
Instructional			
Regular education	2,185,044	2,340,704	(155,660)
Supporting services			
Pupil supporting services	537,138	511,916	25,222
Instructional support	124,312	121,770	2,542
General administration	810	-	810
School administration	497,992	486,932	11,060
Business services	541,568	637,115	(95,547)
Operations and maintenance	272,683	293,270	(20,587)
Pupil transportation	44,885	179,835	(134,950)
Central services	107,332	96,801	10,531
Property	-	26,707	(26,707)
Other support services	2,229	334	1,895
Total expenditures	<u>4,313,993</u>	<u>4,695,384</u>	<u>(381,391)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>158,560</u>	<u>(128,142)</u>	<u>(286,702)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	158,560	(128,142)	(286,702)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 158,560</u>	<u>\$ (128,142)</u>	<u>\$ (286,702)</u>

DSST Public Schools
Budgetary Comparison Schedule – Cole High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,000,621	1,130,177	129,556
Miscellaneous	-	-	-
Supporting services	849,130	427,972	(421,158)
State sources			
Per pupil revenue	3,251,440	3,445,666	194,226
Supporting services	56,450	82,577	26,127
Federal sources			
Federal grants from Denver Public Schools	391,719	393,967	2,248
Direct federal start-up grant	-	-	-
Total revenues	<u>5,549,360</u>	<u>5,480,359</u>	<u>(69,001)</u>
Expenditures			
Instructional			
Regular education	3,272,157	3,257,290	14,867
Supporting services			
Pupil supporting services	688,907	616,025	72,882
Instructional support	254,074	252,464	1,610
General administration	1,014	-	1,014
School administration	233,975	242,028	(8,053)
Business services	623,828	723,984	(100,156)
Operations and maintenance	315,978	333,624	(17,646)
Pupil transportation	51,894	154,857	(102,963)
Central services	134,336	111,551	22,785
Property	-	26,707	(26,707)
Other support services	2,535	1,631	904
Total expenditures	<u>5,578,698</u>	<u>5,720,161</u>	<u>(141,463)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,338)</u>	<u>(239,802)</u>	<u>(210,464)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(29,338)	(239,802)	(210,464)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ (29,338)</u>	<u>\$ (239,802)</u>	<u>\$ (210,464)</u>

DSST Public Schools
Budgetary Comparison Schedule – College View Middle School
Year Ended September 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,331,786	1,488,770	156,984
Miscellaneous	-	-	-
Supporting services	385,690	52,081	(333,609)
State sources			
Per pupil revenue	4,799,542	5,160,850	361,308
Supporting services	84,040	114,636	30,596
Federal sources			
Federal grants from Denver Public Schools	596,488	595,263	(1,225)
Direct federal start-up grant	-	-	-
Total revenues	<u>7,197,546</u>	<u>7,411,600</u>	<u>214,054</u>
Expenditures			
Instructional			
Regular education	3,793,503	3,493,282	300,221
Supporting services			
Pupil supporting services	496,046	454,729	41,317
Instructional support	171,958	129,682	42,276
General administration	1,455	-	1,455
School administration	630,347	632,306	(1,959)
Business services	899,011	1,071,185	(172,174)
Operations and maintenance	453,380	491,248	(37,868)
Pupil transportation	73,442	93,430	(19,988)
Central services	186,481	166,266	20,215
Property	-	16,900	(16,900)
Other support services	3,723	-	3,723
Total expenditures	<u>6,709,346</u>	<u>6,549,028</u>	<u>160,318</u>
Excess (deficiency) of revenues over (under) expenditures	<u>488,200</u>	<u>862,572</u>	<u>374,372</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	488,200	862,572	374,372
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 488,200</u>	<u>\$ 862,572</u>	<u>\$ 374,372</u>

DSST Public Schools
Budgetary Comparison Schedule – College View High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,855,454	1,971,426	115,972
Miscellaneous	-	-	-
Supporting services	500,903	128,603	(372,300)
State sources			
Per pupil revenue	6,029,369	6,076,349	46,980
Supporting services	110,969	162,649	51,680
Federal sources			
Federal grants from Denver Public Schools	680,604	686,039	5,435
Direct federal start-up grant	-	-	-
Total revenues	<u>9,177,299</u>	<u>9,025,066</u>	<u>(152,233)</u>
Expenditures			
Instructional			
Regular education	4,682,805	4,823,300	(140,495)
Supporting services			
Pupil supporting services	694,879	684,859	10,020
Instructional support	250,295	241,312	8,983
General administration	1,695	99,602	(97,907)
School administration	644,250	704,215	(59,965)
Business services	1,156,909	1,297,349	(140,440)
Operations and maintenance	571,995	543,071	28,924
Pupil transportation	3,600	5,350	(1,750)
Central services	216,681	196,831	19,850
Property	-	7,859	(7,859)
Other support services	4,728	-	4,728
Total expenditures	<u>8,227,837</u>	<u>8,603,748</u>	<u>(375,911)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>949,462</u>	<u>421,318</u>	<u>(528,144)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	949,462	421,318	(528,144)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 949,462</u>	<u>\$ 421,318</u>	<u>\$ (528,144)</u>

DSST Public Schools
Budgetary Comparison Schedule – Cedar Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,214,365	1,301,341	86,976
Miscellaneous	-	-	-
Supporting services	759,107	534,721	(224,386)
State sources			
Per pupil revenue	5,007,208	5,144,766	137,558
Supporting services	95,667	125,077	29,410
Federal sources			
Federal grants from Denver Public Schools	220,737	194,935	(25,802)
Direct federal start-up grant	-	-	-
Total revenues	<u>7,297,084</u>	<u>7,300,840</u>	<u>3,756</u>
Expenditures			
Instructional			
Regular education	3,954,395	3,936,013	18,382
Supporting services			
Pupil supporting services	524,749	503,662	21,087
Instructional support	145,914	116,628	29,286
General administration	1,431	-	1,431
School administration	294,628	296,181	(1,553)
Business services	907,797	1,051,439	(143,642)
Operations and maintenance	497,526	485,378	12,148
Pupil transportation	2,852	24,467	(21,615)
Central services	183,582	173,429	10,153
Property	-	80,166	(80,166)
Other support services	26,732	21,304	5,428
Total expenditures	<u>6,539,606</u>	<u>6,688,667</u>	<u>(149,061)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>757,478</u>	<u>612,173</u>	<u>(145,305)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	757,478	612,173	(145,305)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 757,478</u>	<u>\$ 612,173</u>	<u>\$ (145,305)</u>

DSST Public Schools
Budgetary Comparison Schedule – Cedar High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,592,379	1,712,968	120,589
Miscellaneous	-	-	-
Supporting services	835,669	789,607	(46,062)
State sources			
Per pupil revenue	5,772,079	5,870,662	98,583
Supporting services	116,487	145,586	29,099
Federal sources			
Federal grants from Denver Public Schools	229,619	227,671	(1,948)
Direct federal start-up grant	-	-	-
Total revenues	<u>8,546,233</u>	<u>8,746,494</u>	<u>200,261</u>
Expenditures			
Instructional			
Regular education	4,347,872	4,789,306	(441,434)
Supporting services			
Pupil supporting services	605,202	636,670	(31,468)
Instructional support	449,515	455,090	(5,575)
General administration	1,632	76,780	(75,148)
School administration	567,977	635,846	(67,869)
Business services	1,075,867	1,209,086	(133,219)
Operations and maintenance	574,821	548,071	26,750
Pupil transportation	2,800	61,306	(58,506)
Central services	211,755	198,250	13,505
Property	-	80,166	(80,166)
Other support services	22,985	1,359	21,626
Total expenditures	<u>7,860,426</u>	<u>8,691,930</u>	<u>(831,504)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>685,807</u>	<u>54,564</u>	<u>(631,243)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	685,807	54,564	(631,243)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 685,807</u>	<u>\$ 54,564</u>	<u>\$ (631,243)</u>

DSST Public Schools
Budgetary Comparison Schedule – Conservatory Green Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,288,075	1,349,833	61,758
Miscellaneous	-	-	-
Supporting services	849,921	405,970	(443,951)
State sources			
Per pupil revenue	5,011,340	5,068,613	57,273
Supporting services	88,380	249,602	161,222
Federal sources			
Federal grants from Denver Public Schools	465,980	470,289	4,309
Direct federal start-up grant	-	-	-
Total revenues	<u>7,703,696</u>	<u>7,544,307</u>	<u>(159,389)</u>
Expenditures			
Instructional			
Regular education	3,865,337	3,802,338	62,999
Supporting services			
Pupil supporting services	484,813	462,462	22,351
Instructional support	354,165	269,575	84,590
General administration	1,323	-	1,323
School administration	722,477	711,789	10,688
Business services	921,427	1,039,358	(117,931)
Operations and maintenance	482,629	513,325	(30,696)
Pupil transportation	77,433	157,236	(79,803)
Central services	173,652	167,839	5,813
Property	-	143,199	(143,199)
Other support services	3,924	814	3,110
Total expenditures	<u>7,087,180</u>	<u>7,267,935</u>	<u>(180,755)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>616,516</u>	<u>276,372</u>	<u>(340,144)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	616,516	276,372	(340,144)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 616,516</u>	<u>\$ 276,372</u>	<u>\$ (340,144)</u>

DSST Public Schools
Budgetary Comparison Schedule – Conservatory Green High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,721,698	1,857,845	136,147
Miscellaneous	-	-	-
Supporting services	794,540	472,480	(322,060)
State sources			
Per pupil revenue	6,037,223	6,103,758	66,535
Supporting services	112,793	143,163	30,370
Federal sources			
Federal grants from Denver Public Schools	493,308	499,107	5,799
Direct federal start-up grant	-	-	-
Total revenues	<u>9,159,562</u>	<u>9,076,353</u>	<u>(83,209)</u>
Expenditures			
Instructional			
Regular education	5,003,247	5,017,974	(14,727)
Supporting services			
Pupil supporting services	762,773	745,766	17,007
Instructional support	305,795	301,683	4,112
General administration	1,632	86,195	(84,563)
School administration	558,819	566,091	(7,272)
Business services	1,135,426	1,271,093	(135,667)
Operations and maintenance	633,193	608,739	24,454
Pupil transportation	94,648	28,747	65,901
Central services	209,330	202,281	7,049
Property	-	-	-
Other support services	7,955	869	7,086
Total expenditures	<u>8,712,818</u>	<u>8,829,438</u>	<u>(116,620)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>446,744</u>	<u>246,915</u>	<u>(199,829)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	446,744	246,915	(199,829)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 446,744</u>	<u>\$ 246,915</u>	<u>\$ (199,829)</u>

DSST Public Schools
Budgetary Comparison Schedule – Elevate Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,258,870	1,400,210	141,340
Miscellaneous	-	-	-
Supporting services	301,030	171,513	(129,517)
State sources			
Per pupil revenue	4,782,694	4,998,273	215,579
Supporting services	163,219	150,361	(12,858)
Federal sources			
Federal grants from Denver Public Schools	507,301	510,373	3,072
Direct federal start-up grant	-	-	-
Total revenues	<u>7,013,114</u>	<u>7,230,730</u>	<u>217,616</u>
Expenditures			
Instructional			
Regular education	3,401,131	3,364,680	36,451
Supporting services			
Pupil supporting services	692,683	660,792	31,891
Instructional support	365,984	277,257	88,727
General administration	1,380	-	1,380
School administration	493,508	707,572	(214,064)
Business services	884,374	1,009,964	(125,590)
Operations and maintenance	1,000	-	1,000
Pupil transportation	74,844	98,902	(24,058)
Central services	170,797	161,867	8,930
Property	-	-	-
Other support services	3,776	125	3,651
Total expenditures	<u>6,089,477</u>	<u>6,281,159</u>	<u>(191,682)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>923,637</u>	<u>949,571</u>	<u>25,934</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	923,637	949,571	25,934
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 923,637</u>	<u>\$ 949,571</u>	<u>\$ 25,934</u>

DSST Public Schools
Budgetary Comparison Schedule – Elevate High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,466,356	1,531,894	65,538
Miscellaneous	-	-	-
Supporting services	1,821,788	1,588,449	(233,339)
State sources			
Per pupil revenue	4,887,074	4,899,884	12,810
Supporting services	164,531	128,203	(36,328)
Federal sources			
Federal grants from Denver Public Schools	233,630	185,377	(48,253)
Direct federal start-up grant	-	-	-
Total revenues	<u>8,573,379</u>	<u>8,333,807</u>	<u>(239,572)</u>
Expenditures			
Instructional			
Regular education	3,726,091	3,618,984	107,107
Supporting services			
Pupil supporting services	566,808	514,562	52,246
Instructional support	374,124	244,339	129,785
General administration	-	78,336	(78,336)
School administration	604,755	652,130	(47,375)
Business services	870,261	972,862	(102,601)
Operations and maintenance	2,117,980	1,665,465	452,515
Pupil transportation	62,358	235,491	(173,133)
Central services	52,960	158,365	(105,405)
Property	-	-	-
Other support services	3,854	-	3,854
Total expenditures	<u>8,379,191</u>	<u>8,140,534</u>	<u>238,657</u>
Excess (deficiency) of revenues over (under) expenditures	<u>194,188</u>	<u>193,273</u>	<u>(915)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	194,188	193,273	(915)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 194,188</u>	<u>\$ 193,273</u>	<u>\$ (915)</u>

DSST Public Schools
Budgetary Comparison Schedule – Aurora Science and Tech Middle School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	1,342,571	1,360,204	17,633
Miscellaneous	-	-	-
Supporting services	280,414	9,329	(271,085)
State sources			
Per pupil revenue	4,887,587	5,188,603	301,016
Supporting services	90,137	114,028	23,891
Federal sources			
Federal grants from Aurora Public Schools	293,172	269,074	(24,098)
Direct federal start-up grant	-	-	-
Total revenues	<u>6,893,881</u>	<u>6,941,238</u>	<u>47,357</u>
Expenditures			
Instructional			
Regular education	3,258,422	3,083,369	175,053
Supporting services			
Pupil supporting services	633,738	835,767	(202,029)
Instructional support	103,522	114,074	(10,552)
General administration	-	90,705	(90,705)
School administration	705,387	764,366	(58,979)
Business services	934,264	926,146	8,118
Operations and maintenance	613,662	614,616	(954)
Pupil transportation	800	306	494
Central services	182,250	165,505	16,745
Property	-	-	-
Other support services	-	6,335	(6,335)
Total expenditures	<u>6,432,045</u>	<u>6,601,189</u>	<u>(169,144)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>461,836</u>	<u>340,049</u>	<u>(121,787)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	461,836	340,049	(121,787)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 461,836</u>	<u>\$ 340,049</u>	<u>\$ (121,787)</u>

DSST Public Schools
Budgetary Comparison Schedule – Aurora Science and Tech High School
Year Ended June 30, 2024

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Local sources			
Contributions and grants	\$ -	\$ -	\$ -
Investment income	-	-	-
Mill levy	914,719	926,864	12,145
Miscellaneous	-	-	-
Supporting services	551,188	791,533	240,345
State sources			
Per pupil revenue	3,330,005	3,517,668	187,663
Supporting services	59,331	32,721	(26,610)
Federal sources			
Federal grants from Aurora Public Schools	470,000	637,470	167,470
Direct federal start-up grant	-	-	-
Total revenues	<u>5,325,243</u>	<u>5,906,256</u>	<u>581,013</u>
Expenditures			
Instructional			
Regular education	2,779,354	2,540,906	238,448
Supporting services			
Pupil supporting services	335,586	528,109	(192,523)
Instructional support	137,687	133,934	3,753
General administration	-	-	-
School administration	834,330	834,700	(370)
Business services	687,247	668,016	19,231
Operations and maintenance	2,625,089	806,662	1,818,427
Pupil transportation	-	35,452	(35,452)
Central services	182,250	133,903	48,347
Property	-	-	-
Other support services	-	4,765	(4,765)
Total expenditures	<u>7,581,543</u>	<u>5,686,447</u>	<u>1,895,096</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,256,300)</u>	<u>219,809</u>	<u>2,476,109</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,256,300)	219,809	2,476,109
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ (2,256,300)</u>	<u>\$ 219,809</u>	<u>\$ 2,476,109</u>

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Directors
DSST Public Schools
Denver, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the discretely presented component unit, and the general fund of DSST Public Schools, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise DSST Public Schools' basic financial statements, and have issued our report thereon dated October 14, 2024. We have also audited the financial statements of the governmental activities and the general funds of DSST-Denver (a component unit of School District Number 1 in the City and County of Denver, Colorado [Denver Public Schools or DPS]) and DSST-Aurora (a component unit of Joint School District Number 28-J of the Counties of Adams and Arapahoe, Colorado [Aurora Public Schools or APS]) as of and for the year ended June 30, 2024, as displayed in DSST Public Schools' audited supplementary information as listed in the table of contents, and have issued our report thereon dated October 14, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Forvis Mazars, LLP

Denver, Colorado
October 14, 2024