



STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools

**Independent Auditor's Reports
and Financial Statements**

June 30, 2024



STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools

June 30, 2024

Board of Directors

Board Chair, Treasurer	Pat Donovan
Board Co – Vice Chair	Kayla Tibbals
Board Co – Vice Chair	Amber Valdez
Board Secretary	Charlotte Brantley
Member	Reed Dixon
Member	Ulysses Estrada
Member	Marlon Marshall
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Chief Executive Officer	Tricia Noyola
Chief of Growth Officer	Indrina Kanth
Chief Legal Office & General Counsel	Karla Lindgren
Chief Schools Officer	Justin Scott
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STRIVE Preparatory Schools
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June 30, 2024

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Independent Auditor's Report

Board of Directors
STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools (RMPS), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise RMPS's 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 RMP – Denver (a component unit of School District Number 1 in the City and County of Denver, Colorado [Denver Public Schools or DPS]) and RMP – 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 ended 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 and the general fund of RMPS, 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. 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 RMP – Denver and RMP – 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 RMPS, 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.

Emphasis of a Matter

As discussed in Note 13, RMPS applied GASB Statement Number 69, *Government Combinations and Disposals of Government Operations*, (GASB 69) to the merger of Rocky Mountain Preparatory Schools into STRIVE Preparatory Schools which resulted in a restatement of beginning net position and general fund balances. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *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 RMPS's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about RMPS's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2024, on our consideration of RMPS's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of RMPS's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RMPS's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Denver, Colorado
October 10, 2024**

STRIVE Preparatory Schools
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Management's Discussion and Analysis (Unaudited)
June 30, 2024

As management of RMPS, we offer readers of the basic financial statements this narrative and analysis of the financial activities of RMPS for the year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information provided in the accompanying financial statements.

Organizational Changes

Effective, July 1, 2023, the Board of Trustees of STRIVE Preparatory Schools voted to merge with Rocky Mountain Preparatory Schools. The combined entity legally retains the name of STRIVE Preparatory Schools and does business as Rocky Mountain Preparatory Schools (RMPS). The former CEO of Rocky Mountain Preparatory Schools is the CEO of the combined entity.

Financial Highlights

- The year ending June 30, 2024 was the 17th year of operations for RMPS. The general fund balance of the merged entity increased from \$22,771,230 to \$27,623,447 in the year ending June 30, 2024.
- The financial results of RMPS under a Government-wide accounting presentation are materially impacted by GASB 68, *Accounting and Financial Reporting for Pensions* (GASB 68). Prior to GASB 68, RMPS only reported a pension liability to the extent that it was behind on its annual actuarially determined payments into the pension plan. Under GASB 68, RMPS must report a liability for the entire underfunded status of the plan based on RMPS's portion of contributions to the Colorado Public Employee's Retirement Association (PERA). As of December 31, 2023, RMPS's portion of the NPL is \$41,187,070.
- The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside to pay current employees, retirees, and beneficiaries.
- The financial results of RMPS under a Government-wide accounting presentation are also materially impacted by GASB 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. Prior GASB 75, Postemployment Benefits (OPEB) was only reported in the Notes Disclosure section. Under GASB 75, Postemployment Benefits are reported in both the Statement of Net Position and the Statement of Activities. As of June 30, 2024, RMPS's reported a Net OPEB liability of \$293,198 and Net OPEB Asset of \$205,571.
- The NPL and the Net OPEB liability unlike other liabilities on RMPS's balance sheet. RMPS has no ability to pay off the either the NPL or the Net OPEB liability under an accelerated schedule as contribution rates are set in statute. As long-term items, neither NPL nor Net OPEB asset/liability are recorded in the modified accrual basis financial statement of governmental funds. Neither impacts the current financial position of RMPS.

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June 30, 2024

- The operations of RMPS for the year ending June 30, 2024 were funded by tax revenue received under the State School Finance Act (the Act), Mill Levy Overrides, Federal revenue, and private contributions. Tax revenue for the year from Per Pupil Revenue was \$55,684,809, while property tax revenue for the year from Mill Levy Overrides was \$16,386,136. In addition, individual gifts and foundation grants supplemented the tax revenue received in order to finance operations.

Overview of Financial Statements

This discussion and analysis are intended to serve as an introduction to RMPS's basic financial statements. The basic statements are comprised of three components: 1) Statement of Net Position and General Fund Balance Sheet, 2) Statement of Activities and General Fund Revenues, Expenditures and Changes in Fund Balance, and 3) Notes to the Financial Statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of RMPS's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of RMPS's assets and deferred outflow of resources, and liabilities and deferred inflow of resources, with the difference being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of RMPS is improving or deteriorating. However, it is important to note the material impact that the reporting of the net pension liability of \$41,187,070 has on RMPS's net position.

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. RMPS keeps track of these monies to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

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

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of RMPS's financial position. For the year ending June 30, 2024, RMPS's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$8,833,880. However, it is important to note that RMPS's assets would have exceeded its liabilities by \$33,284,540 excluding the recognition of both the unfunded pension and OPEB related line items.

Condensed Statement of Net Position

	2024	2023*
Assets		
Current	\$ 30,448,991	\$ 25,051,706
Noncurrent	6,954,151	6,594,222
Total assets	37,403,142	31,645,928
Deferred Outflows of Resources	21,304,687	20,341,211
Liabilities		
Current	3,243,749	2,637,353
Noncurrent	42,357,121	36,295,262
Total liabilities	45,600,870	38,932,615
Deferred Inflows of Resources	4,273,079	7,554,181
Net Position		
Net investment in capital assets	5,453,522	5,538,125
Restricted for capital projects	775,623	789,495
Restricted for emergency reserve - TABOR	2,411,756	2,300,754
Unrestricted	192,979	(3,128,031)
Total net position	\$ 8,833,880	\$ 5,500,343

* 2023 has been restated for the impact of GASB 69 and the merger.

Current assets increased from prior year primarily due to overall positive operating results. Noncurrent liabilities increased from prior year primarily due to increases in the net pension liabilities.

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Management's Discussion and Analysis (Unaudited)
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Condensed Statement of Activities

	2024	2023*
Revenues		
Per pupil revenue and preschool funding	\$ 55,684,889	\$ 50,876,486
Mill levy override	16,386,136	14,156,733
Grants and contributions	17,685,327	27,260,898
All other revenue	2,907,187	1,774,123
Total revenues	92,663,539	94,068,240
Expenses		
Program	49,273,167	50,937,114
Supporting services	39,969,394	44,428,361
Interest	87,441	291,299
Total expenses	89,330,002	95,656,774
Change in Fund Balance/Net Position	3,333,537	(1,588,534)
Fund Balance/Net Position - Beginning, as Restated	5,500,343	7,088,877
Fund Balance/Net Position - Ending	<u>\$ 8,833,880</u>	<u>\$ 5,500,343</u>

* 2023 has been restated for the impact of GASB 69 and the merger.

Per pupil revenue and preschool funding increased from prior year due to rate increases received from the State. Grants and contributions revenue decreased from prior year due to the lower COVID-19 funding and philanthropy contributions. Supporting services expenses decreased due to cost savings resulting from the merger and higher than normal personnel costs in the prior year.

Financial Analysis of RMPS Funds

Governmental Funds

The focus of RMPS's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing RMPS's financing requirements. In particular, unassigned fund balance may serve as a useful measure of RMPS's net resources available for spending at the end of the fiscal year.

As of the end of RMPS's 17th fiscal year, RMPS reported a governmental fund balance of \$27,623,447, which represents an increase of \$4,852,217 over the previous fiscal year.

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General Fund Budgetary Highlights

RMPS's budget was \$92,208,477 for the year ended June 30, 2024. Actual expenditures were \$88,607,533. The difference between budgeted versus actual expenditures in the general fund is primarily due to lower personnel costs.

Capital and Financing Activity

RMPS has invested \$5,513,196, net of depreciation, in capital assets and \$1,235,384, net of amortization in leased assets. The only financing activity relates to lease liabilities of \$1,295,058. The only significant addition was for new leased equipment. See Notes 6, 7, and 8 for more details.

Economic Factors and Next Year's Budget

The primary factor driving the budget for RMPS is student enrollment. The enrollment for the 2023-2024 school year was 4,745 students. The budgeted enrollment for the 2024-2025 school year is 5,100.

Requests for Information

The financial report is designed to provide a general overview of RMPS's finances for all those with an interest in RMPS. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Rocky Mountain Preparatory Schools
2480 West 26th Avenue
Suite 360-B
Denver, Colorado 80211

Basic Financial Statements

STRIVE Preparatory Schools
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General Fund Balance Sheet/Statement of Net Position
June 30, 2024

	General Fund	Adjustments	Statement of Net Position
Assets			
Current Assets			
Cash and cash equivalents	\$ 27,922,577	\$ -	\$ 27,922,577
Accounts receivable	469,770	-	469,770
Grants receivable	1,637,720	-	1,637,720
Prepaid expenditures	335,687	-	335,687
Other assets	83,237	-	83,237
Total current assets	30,448,991	-	30,448,991
Noncurrent Assets			
Net OPEB assets	-	205,571	205,571
Capital assets not being depreciated	-	3,940,000	3,940,000
Capital assets being depreciated, net	-	1,573,196	1,573,196
Lease assets, net of accumulated amortization	-	1,235,384	1,235,384
Total assets	30,448,991	6,954,151	37,403,142
Deferred Outflows of Resources			
OPEB	-	597,276	597,276
Pensions	-	20,707,411	20,707,411
Total deferred outflows of resources	-	21,304,687	21,304,687

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General Fund Balance Sheet/Statement of Net Position (continued)
June 30, 2024

	General Fund	Adjustments	Statement of Net Position
Liabilities and Fund Balance/Net Position			
Current Liabilities			
Accounts payable	2,365,783	-	2,365,783
Accrued liabilities	286,111	-	286,111
Unearned revenues	173,650	-	173,650
Lease liability due in one year	-	418,205	418,205
	<u>2,825,544</u>	<u>418,205</u>	<u>3,243,749</u>
Total current liabilities			
	<u>2,825,544</u>	<u>418,205</u>	<u>3,243,749</u>
Noncurrent Liabilities			
Net OPEB liabilities	-	293,198	293,198
Net pension liabilities	-	41,187,070	41,187,070
Lease liability due more than one year	-	876,853	876,853
	<u>-</u>	<u>876,853</u>	<u>876,853</u>
Total noncurrent liabilities			
	<u>-</u>	<u>42,357,121</u>	<u>42,357,121</u>
Total liabilities			
	<u>2,825,544</u>	<u>42,775,326</u>	<u>45,600,870</u>
Deferred Inflows of Resources			
OPEB	-	793,699	793,699
Pensions	-	3,479,380	3,479,380
	<u>-</u>	<u>3,479,380</u>	<u>3,479,380</u>
Total deferred inflows of resources			
	<u>-</u>	<u>4,273,079</u>	<u>4,273,079</u>
Fund Balance			
Nonspendable	418,924	(418,924)	-
Restricted for capital projects	775,623	(775,623)	-
Restricted for emergency reserve - TABOR	2,411,756	(2,411,756)	-
Unassigned	24,017,144	(24,017,144)	-
	<u>27,623,447</u>	<u>(27,623,447)</u>	<u>-</u>
Total fund balance			
	<u>27,623,447</u>	<u>(27,623,447)</u>	<u>-</u>
Total liabilities and fund balance			
	<u>\$ 30,448,991</u>		
Net Position			
Net investment in capital assets		5,453,522	5,453,522
Restricted for capital projects		775,623	775,623
Restricted for emergency reserve - TABOR		2,411,756	2,411,756
Unrestricted		192,979	192,979
		<u>192,979</u>	<u>192,979</u>
Total net position			
		<u>\$ 8,833,880</u>	<u>\$ 8,833,880</u>

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Statement of General Fund Revenues, Expenditures, and Changes
in Fund Balance/Statement of Activities
Year Ended June 30, 2024

	General Fund	Adjustments	Statement of Activities
Revenues			
General revenues			
Per pupil revenue and preschool funding	\$ 55,684,889	\$ -	\$ 55,684,889
Mill levy override	16,386,136	-	16,386,136
Program revenues			
Federal revenue	11,578,565	-	11,578,565
Other state	3,359,485	(77,188)	3,282,297
Private grants and contributions	2,824,465	-	2,824,465
Investment income	749,226	-	749,226
All other local revenues	2,157,961	-	2,157,961
	<u>92,740,727</u>	<u>(77,188)</u>	<u>92,663,539</u>
Expenditures/Expenses			
Instruction	48,085,026	1,188,141	49,273,167
Supporting services	39,235,981	733,413	39,969,394
Capital outlay	719,023	(719,023)	-
Debt service - principal	480,062	(480,062)	-
Debt service - interest	87,441	-	87,441
	<u>88,607,533</u>	<u>722,469</u>	<u>89,330,002</u>
Other Financing Sources and Uses			
Debt financing from leases	719,023	(719,023)	-
Change in Fund Balance/Net Position	<u>4,852,217</u>	<u>(1,518,680)</u>	<u>3,333,537</u>
Fund Balance/Net Position - Beginning	10,059,944	(11,834,204)	(1,774,260)
Restatement for Merger	<u>12,711,286</u>	<u>(5,436,683)</u>	<u>7,274,603</u>
Fund Balance/Net Position - Beginning, as Restated	<u>22,771,230</u>	<u>(17,270,887)</u>	<u>5,500,343</u>
Fund Balance/Net Position - Ending	<u><u>\$ 27,623,447</u></u>	<u><u>\$ (18,789,567)</u></u>	<u><u>\$ 8,833,880</u></u>

STRIVE Preparatory Schools
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Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies

Reporting Entity

Effective, July 1, 2023, STRIVE Preparatory Schools merged with Rocky Mountain Preparatory Schools in order to create efficiencies and create a cohesive K through 12 pathway for students. The combined entity legally retains the name of STRIVE Preparatory Schools and does business as Rocky Mountain Preparatory Schools (RMPS). STRIVE Preparatory Schools and Rocky Mountain Preparatory Schools were formed to operate charter schools as provided in the Colorado Charter Schools Act. RMPS's support is derived primarily from State of Colorado public education monies, foundation contributions, and various government agency grants.

The financial reporting entity consists of RMPS and organizations for which RMPS is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of RMPS. In addition, any legally separate organizations for which RMPS is financially accountable are considered part of the reporting entity. Financial accountability exists if RMPS appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on RMPS.

The West Denver Preparatory Charter School Building Corporation (the Corporation) was formed to hold title to real and/or personal property for, and to make the same available for us by, RMPS, and to provide public buildings and facilities to RMPS. The Corporation is a non-profit organization as defined by Section 501 (c)(2) of the Internal Revenue Code. The Corporation provides services entirely to RMPS and is therefore blended into the General Fund.

RMPS manages several charter schools within the Denver Metro area which are component units of the Denver Public School District (DPS) (RMP – Denver) and one charter school within the Aurora Metro area which is a component unit of Aurora Public Schools (APS) (RMP – Aurora). RMPS also includes the Network Support Team (NST) which provides supporting services to RMPS through management fees paid by RMPS. The financial activities of NST have been allocated based upon enrollment and management fees have been eliminated as shown in the supplementary information combining schedules.

The merger is reported based on the requirements of GASB 69, *Government Combinations and Disposals of Government Operations*, the combination has been recorded as a continuing government merger and occurred at the beginning of the continuing government's reporting period. This combination required a restatement of beginning net position/fund balance as further described in Note 13.

Accounting Policies

As required by the State of Colorado, RMPS accounts for financial transactions in accordance with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools

Notes to Financial Statements

June 30, 2024

Measurement Focus and Financial Statement Presentation

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirement imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Tax revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, RMPS considers revenues to be available if they are collected within 60 days of the end of the current fiscal period with the exception of revenues related to intergovernmental revenue and grants, which are included in revenue if received within one year after year-end. Expenditures generally are recorded when a liability is incurred under accrual accounting. All other revenues are considered to be measurable and available only when cash is received. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

RMPS reports the following major governmental fund:

General Fund – This fund is the general operating fund of RMPS. It is currently used to account for all financial activities of RMPS.

Cash and Cash Equivalents

RMPS defines their cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

The financial institution holding RMPS's cash accounts participates 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.

RMPS's investment policies conform to state statute for governmental entities. All accounts established at financial institutions should, in the aggregate, total less than \$250,000 so as to provide maximum insurance coverage provided by the FDIC. If, however, deposits exceed the \$250,000 insurance coverage level, the excess must be (1) fully collateralized at face value with government securities, (2) separately segregated in RMPS's name, and (3) held at a Federal Reserve Bank or another depository.

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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 *Colorado Public Deposit Protection Act* (PDPA), as discussed below. Custodial credit risk is the risk that in the event of bank failure, the deposits may not be returned.

Cash held at charter schools is governed by state statute. The PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2024 are recorded as prepaid items. In the governmental fund balance sheet, there is a nonspendable fund balance equal to the amount of prepaid expenditures and other assets, as these amounts are not available for expenditure.

Capital Assets

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at acquisition cost or estimated acquisition cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all capital assets is provided on a straight-line basis over the estimated useful lives of the capital assets. Building improvements are depreciated over 15 years and buildings are depreciated over 25 years.

Right-to-Use Lease Assets and Subscription-based IT Arrangement Assets

Right-to-use assets with an initial cost of \$5,000 or more, which include office space and equipment are a result of implementing GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* in the government-wide financial statements. The right to use assets are initially measured at an amount equal to the initial measurement of the related liability, plus any payments made at or before the commencement of the contractual term, less any incentives received at or before commencement, and plus ancillary charges necessary to place the asset into service. The right-to-use assets are amortized on a straight-line basis over the shorter of the contractual term or useful life of the underlying asset.

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Deferred Outflows/Inflows of Resources

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

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

Revenues

Revenue resulting from exchange transactions in which each party gives and receives essentially equal value is recorded under the accrual basis when the exchange takes place.

Nonexchange transactions are those in which RMPS receives value without directly giving equal value in return, and includes private grants and contributions and state revenue. Under the accrual basis, this revenue is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted, matching requirements under which RMPS must provide local resources to be used for a specific purpose and expenditure requirements, in which the resources are provided to RMPS on a reimbursement basis.

Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are recorded as unearned revenue.

Fund Balances

Fund balance presented in the governmental fund financial statements represent the difference between assets and liabilities. Accounting standards require that the fund balance be classified into the following categories based upon the type of restrictions imposed on the use of funds:

- Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – This classification includes amounts that have constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. This includes TABOR reserve for emergencies (see Note 13).

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- Committed – This classification includes amounts that can be used only for the specific purposes determined by a formal action of the entity’s highest level of decision-making authority.
- Assigned – This classification includes amounts intended to be used by the entity for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned – This classification is the residual amount for RMPS’s general fund and includes all spendable amounts not contained in the other classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, RMPS considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, RMPS considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

The net position is the residual of assets plus deferred outflows of resources less liabilities less deferred inflows of resources. RMPS maintains the following classifications of net position:

- Net Investment in Capital Assets – Capital and lease assets, net of accumulated depreciation/amortization, reduced by any borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted – Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of RMPS or by the passage of time. This includes TABOR reserve for emergencies (see Note 13).
- Unrestricted – All other categories of net position.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, RMPS considers restricted funds to have been spent first.

Budgets and Budgetary Accounting

RMPS adopts an annual budget for the general fund. The Board or management can modify the budget by line item within the total fund’s appropriation. Formal budgetary integration is employed as a management control device during the year for the general fund. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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Use of Estimates

The preparation of financial statements in conformity and in accordance with the generally accepted financial principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflow, liabilities and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual amounts could differ from those estimates.

Note 2: Explanation of Differences Between the Balance Sheet and the Statement of Net Position

Total fund balance of RMPS's general fund differs from net position of governmental activities primarily because of the long-term economic resources measurement focus of the statement of net position versus the current financial resources measurement focus of the general fund balance sheet.

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The differences are described below:

	RMP - Denver	RMP - Aurora	Total
Fund Balance - June 30, 2024	\$ 22,503,607	\$ 5,119,840	\$ 27,623,447
Capital assets in governmental activities are not financial resources and, therefore, are not reported as assets in the general fund	5,513,196	-	5,513,196
In governmental funds, deferred outflows and inflows of resources are not reported because they are applicable to future periods			
Deferred outflows of resources	16,955,476	4,349,211	21,304,687
Deferred inflows of resources	(3,703,241)	(569,838)	(4,273,079)
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the fund	1,235,384	-	1,235,384
Long-term lease liabilities are not due any payable in the current period and, therefore, is not presented in the governmental fund	(1,295,058)	-	(1,295,058)
Long-term net pension liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the general fund	(29,044,326)	(12,142,744)	(41,187,070)
Long-term net OPEB asset/liabilities are not financial resources or due and payable in the current period and, therefore, are not reported as assets/liabilities in the general fund	205,571	(293,198)	(87,627)
Net Position - June 30, 2024	<u>\$ 12,370,609</u>	<u>\$ (3,536,729)</u>	<u>\$ 8,833,880</u>

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Note 3: Explanation of Differences Between Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities

The net change in fund balance for the general fund differs from the change in net position for governmental activities primarily because of the long-term economic resources measurement focus of the statement of activities versus the current financial resources measurement focus of the general fund statement of revenues, expenditures, and changes in fund balance.

The differences are described below:

	RMP - Denver	RMP - Aurora	Total
Net Change in Fund Balance - Year Ended June 30, 2024	\$ 4,912,040	\$ (59,823)	\$ 4,852,217
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense (depreciation).	(57,236)	-	(57,236)
Repayment of long-term liabilities are expenses in the fund, but do not affect the statement of activities	480,062	-	480,062
Lease asset amortization expense not included in the fund	(507,429)	-	(507,429)
In governmental funds, pension costs are recognized when the employer contribution is made, but in the statement of activities, pension costs are recognized on the accrual basis	(499,927)	(1,407,129)	(1,907,056)
In governmental funds, OPEB costs are recognized when the employer contribution is made, but in the statement of activities, pension costs are recognized on the accrual basis	487,908	(14,929)	472,979
Change in Net Position - Year Ended June 30, 2024	<u>\$ 4,815,418</u>	<u>\$ (1,481,881)</u>	<u>\$ 3,333,537</u>

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Note 4: Cash and Equivalents

Deposits

The financial institutions holding RMPS's cash accounts are 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.

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 *Colorado Public Deposit Protection Act* (PDPA), as discussed below. Custodial credit risk is the risk that in the event of bank failure, RMPS's deposits may not be returned.

Colorado State statutes govern RMPS's deposit of cash. The PDPA requires RMPS 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% of the uninsured deposits.

As of June 30, 2024, RMPS had cash on deposit balances consisting of the following:

	Carrying Amount	Bank Balance	Amount Covered Under PDPA
Checking	<u>\$ 19,743,998</u>	<u>\$ 21,345,457</u>	<u>\$ 20,572,329</u>

The remaining deposits not covered under PDPA are insured under FDIC.

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Investments

RMPS 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
- Bankers' acceptances 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, RMPS had \$8,178,579 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle 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. The custodian's internal records identify the investments owned by the participating governments. There are no limitations or restrictions on withdrawals. The local government investment pool and money market funds are measured at net asset value and is designed to approximate the share value.

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Note 5: Accounts Receivable

Accounts receivable primarily consist of funds due from various governmental units. Management believes all of these amounts are collectible, therefore no provisions for uncollectible accounts were recorded. As of June 30, 2024, all amounts are considered collectible within one year.

Note 6: Capital Assets and Depreciation

Capital assets and depreciation consisted of the following:

	Balance July 1, 2023 as Restated	Additions	Deductions	Balance June 30, 2024
Capital assets not being depreciated				
Land	\$ 3,940,000	\$ -	\$ -	\$ 3,940,000
Capital assets being depreciated				
Facilities improvements	2,147,905	34,737	-	2,182,642
Less accumulated depreciation	(517,473)	(91,973)	-	(609,446)
 Total capital assets being depreciated, net	 1,630,432	 (57,236)	 -	 1,573,196
 Total capital assets, net	 \$ 5,570,432	 \$ (57,236)	 \$ -	 \$ 5,513,196

Depreciation expense was \$91,973 for the year ended June 30, 2024, which was allocated to supporting services expense.

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Note 7: Lease Assets

RMPS has right-to-use lease assets consisting of office space and copiers for the year ended June 30, 2024. The related liabilities are discussed in Note 8. The right-to-use lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Right-to-use asset activity for the year ended June 30, 2024, is as follows:

	Balance at June 30, 2023	Additions	Deletions	Balance at June 30, 2024
Lease assets - building	\$ 1,156,104	\$ -	\$ -	\$ 1,156,104
Lease assets - equipment	515,724	719,023	(255,551)	979,196
	<u>1,671,828</u>	<u>719,023</u>	<u>(255,551)</u>	<u>2,135,300</u>
Less accumulated amortization				
Lease assets - building	(327,562)	(231,222)	-	(558,784)
Lease assets - equipment	(320,476)	(276,207)	255,551	(341,132)
	<u>(648,038)</u>	<u>(507,429)</u>	<u>255,551</u>	<u>(899,916)</u>
	<u><u>\$ 1,023,790</u></u>	<u><u>\$ 211,594</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,235,384</u></u>

Amortization expense was charged to supporting services expense in the amount of \$507,429.

Note 8: Long-term Liabilities

RMPS has entered into two types of agreements to lease office space and copiers. The lease liabilities are initially recorded at the present value of the future minimum lease payments. The lease liabilities are measured using the prime rate in effect at measurement of the liability. The building office space agreement was executed on November 13, 2015 and renewed on February 1, 2022. The building office space amendment terminates on January 31, 2027. The base rent per rentable square foot for the building office space increases by \$0.50 on an annual basis. In addition, the building office space includes variable payment components related to property taxes and insurance. RMPS also has multiple agreements outstanding for copiers in use at various locations. The agreements were executed between July 5, 2021 and July 1, 2023 with a term of three years. There are no variable payment components to the copiers leases.

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The future minimum lease obligations and the net present value of these minimum lease payments as of June 30 were as follows:

	Principal	Interest
2025	\$ 418,205	\$ 69,611
2026	401,680	46,707
2027	305,038	25,249
2028	170,135	8,644
	<u>\$ 1,295,058</u>	<u>\$ 150,211</u>

Changes in long-term liabilities for the year ended June 30, 2024 were as follows:

	Balance at June 30, 2023	Additions	Payments	Balance at June 30, 2024	Due Within One Year
Lease liability	\$ 1,056,097	\$ 719,023	\$ (480,062)	\$ 1,295,058	\$ 418,205
	<u>\$ 1,056,097</u>	<u>\$ 719,023</u>	<u>\$ (480,062)</u>	<u>\$ 1,295,058</u>	<u>\$ 418,205</u>

Note 9: Risk Management

RMPS is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, students, and visitors and natural disasters. Management's policy is to minimize these risks through the purchase of commercial insurance. Settled claims have not exceeded the commercial insurance coverage since inception.

Note 10: Employee Benefit Plans

RMPS participates in the Denver Public Schools Division Trust Fund (DPS Division), a single-employer defined benefit pension, and the School Division Trust Fund (School Division), a cost-sharing multi-employer defined benefit pension funds both 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, and additions to/deductions from the fiduciary net position of the DPS Division and the Schools Divisions 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.

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Plan Description

Eligible employees of RMPS are provided with pensions through the Denver Public Schools Division Trust Fund (DPS Division) and the School Division Trust Fund (School Division) defined benefit pension plans 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 comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

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

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

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

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

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

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

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

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

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

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

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DPS Division Contributions

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

	<u>July 1, 2023 - December 31, 2023</u>	<u>January 1, 2024 - June 30, 2024</u>
Employer Contribution Rate	11.40%	11.40%
Amount of Employee Contribution Apportioned to the DPS Health Care Trust Fund as Specified in C.R.S. 24-51-208(1)(f)	(1.02)%	(1.02)%
PCOP Offset as Specified in C.R.S. 24-51-412	(10.93)%	(9.78)%
Amortization Equalization Disbursement (AED) as Specified in C.R.S. 24-51-411	4.50%	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. 24-51-411	<u>5.50%</u>	<u>5.50%</u>
Total Employer Contribution Rate to the DPS Division	<u><u>9.45%</u></u>	<u><u>10.60%</u></u>

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

Employer contributions are recognized by the DPS Division in the period in which the compensation becomes payable to the member and RMPS is statutorily committed to pay the contributions to the DPS Division. Employer contributions recognized by the DPS Division for the year ended June 30, 2023 from RMP – Denver were \$3,943,469.

The DPS Division is permitted under C.R.S. § 24-51-412 to offset the contribution rate for Pension Certificates of Participation (PCOP). The offset, expressed as a percentage of covered payroll, is equal to the annual assumed payment obligations for PCOPs issued in 1997 and 2008, including subsequent refinancing, by the Denver Public Schools at a fixed effective annual interest rate of 8.50%. At a minimum, the DPS Division employer rate, after applying the PCOP offset, must be sufficient to fund the Denver Public Schools Health Care Trust Fund (DPS HCTF) and the AIR contribution rates as it applies to the DPS Division.

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For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the DPS Division 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 DPS Division based on the proportionate amount of annual payroll of the DPS Division to the total annual payroll of the DPS Division, State Division Trust Fund, School Division Trust Fund, and Judicial 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) provided compensatory payment of \$14.561 million for 2023 only.

School Division Contributions

Eligible employees of RMP – Aurora are required to contribute to the School Division at a rate set by Colorado Statute. The contribution requirements are established under C.R.S. § 24-51- 401, et seq and § 24-51- 413. Eligible employees are required to contribute 11% of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024. The employer contribution requirements are summarized in the table below:

	July 1, 2023 - June 30, 2024
Employer Contribution Rate	11.40%
Amount of Employee Contribution Apportioned to the DPS Health Care Trust Fund as Specified in C.R.S. 24-51-208(1)(f)	<u>(1.02)%</u>
Amount Apportioned	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 School Division	<u><u>20.38%</u></u>

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

Employer contributions are recognized by the School Division in the period in which the compensation becomes payable to the member and RMPS is statutorily committed to pay the contributions to the School Division. Employer contributions recognized by the School Division from RMP – Aurora were \$920,469 for the year ended June 30, 2024.

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

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

The net pension liability for the DPS Division and the School Division was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total pension liability to December 31, 2023. RMPS proportion of the net pension liability was based on RMPS contributions to the plans 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, RMPS reported a total liability of \$41,187,070 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by RMPS 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 RMPS were as follows:

	RMP - Denver	RMP - Aurora	Total
School's proportionate share of the net pension liability (assets)	\$ 29,044,326	\$ 12,142,744	\$ 41,187,070
State's proportionate share of the net pension liability (assets)	<u>1,373,884</u>	<u>266,254</u>	<u>1,640,138</u>
Total	<u>\$ 30,418,210</u>	<u>\$ 12,408,998</u>	<u>\$ 42,827,208</u>

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At December 31, 2023, the RMP – Denver proportion was 4.484%, representing an increase of 1.462%, and the RMP – Aurora proportion was 0.0687%, representing an increase of 0.0213% from the proportions measured as of December 31, 2022.

For the year ended June 30, 2024, RMPS recognized pension expense for DPS Division and the School Division for support from the State as a nonemployer contributing entity as follows:

	RMP - Denver	RMP - Aurora	Total
Pension expense	\$ 3,443,542	\$ (486,660)	\$ 2,956,882
Revenue from support provided by the State	\$ 112,208	\$ 24,923	\$ 137,131

At June 30, 2024, RMP – Denver reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	RMP - Denver	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected actual experience	\$ 1,652,920	\$ -
Net difference between projected and actual earning on pension plan investments	7,691,833	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	4,998,684	3,000,725
Contribution subsequent to the measurement date	2,174,499	-
Total	<u>\$ 16,517,936</u>	<u>\$ 3,000,725</u>

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\$2,174,499 reported by RMP – Denver 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:

Year Ending June 30,	RMP - Denver
2025	\$ 718,797
2026	5,075,217
2027	7,665,913
2028	(2,117,215)
2029	-
Thereafter	-
	<u>\$ 11,342,712</u>

At June 30, 2024, RMP – Aurora reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	RMP - Aurora	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected actual experience	\$ 575,796	\$ -
Net difference between projected and actual earning on pension plan investments	870,446	-
Change in proportion and differences between contributions recognized and proportionate share of contributions	2,275,329	478,655
Contribution subsequent to the measurement date	<u>467,904</u>	<u>-</u>
Total	<u>\$ 4,189,475</u>	<u>\$ 478,655</u>

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\$467,904 reported by RMP – Aurora 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:

Year Ending June 30,	RMP - Aurora
2025	\$ 865,263
2026	1,485,116
2027	1,135,240
2028	(242,703)
2029	-
Thereafter	-
	<u>\$ 3,242,916</u>

DPS Division Actuarial Assumptions

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

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.80% to 11.50%
Investment Rate of Return	7.25%, net of pension plan investment expenses, including inflation
Discount Rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07	
and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06	Financed by the AIR

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

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.

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

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

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

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

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

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

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

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

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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%.

School Division Actuarial Assumptions

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

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.40% to 11.00%
Investment Rate of Return	7.25%, net of pension plan investment expenses, including inflation
Discount Rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06	Financed by the AIR

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

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

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

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

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

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

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

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

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

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

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

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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 rate of return assumption of 7.25%.

DPS Division Discount Rate

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (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.

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- 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, required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions for the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million, commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position (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 DPS Division's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

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School Division Discount Rate

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200, 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, required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (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.

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

Sensitivity of RMPS's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25% for both the DPS Division and School Division, 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 or one-percentage-point higher than the current rate.

	1% Decrease (6.25)%	Current Discount Rate (7.25)%	1% Increase (8.25)%
RMPS - Denver			
Proportionate share of the net pension liability (asset)	\$ 57,245,443	\$ 29,044,326	\$ 5,829,815
RMPS - Aurora			
Proportionate share of the net pension liability (asset)	\$ 16,236,868	\$ 12,142,744	\$ 8,728,739

Pension Plan Fiduciary Net Position

Detailed information about both the DPS Division's and the School Division's fiduciary net position is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

Other Postemployment Benefits (OPEB) – Health Care Trust Funds

Summary of Significant Accounting Policies

RMPS participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund, and the Denver Public Schools Health Care Trust Fund (DPS HCTF), a single-employer defined benefit OPEB fund. Both plans are administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability/asset, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF and DPS 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.

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General Information About the OPEB Plans

Plan description. Eligible employees of RMP – Aurora are provided with OPEB through the HCTF, a cost-sharing multiple-employer defined benefit OPEB fund. Eligible employees of RMP – Denver are provided with OPEB through the DPS HCTF. The HCTF and DPS HCTF are 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 from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. The HCTF and DPS HCTF provide 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 is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

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

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

DPS Benefit Structure

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

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the DPS HCTF or the 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 and DPS HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions and PERA reporting agencies and the DPS Division are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF and DPS HCTF.

Employer contributions are recognized by the HCTF and DPS HCTF in the period in which the compensation becomes payable to the member and RMPS schools is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF and DPS HCTF from RMP – Denver and RMP – Aurora were \$411,460 and \$46,008, respectively, for the year ended June 30, 2024.

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

At June 30, 2024, RMP – Denver reported an asset of \$205,571 for its proportionate share of the net OPEB asset. At June 30, 2024, RMP – Aurora reported a liability of \$293,198, for its proportionate share of the net OPEB liability. The net OPEB asset and liability for the DPS HCTF and HCTF were measured as of December 31, 2023, and the total OPEB liabilities used to calculate the net OPEB asset and liabilities were determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total OPEB liabilities to December 31, 2023. The RMP – Denver and RMP – Aurora proportions of the net OPEB asset and liabilities were based on their contributions to the DPS HCTF and HCTF for the calendar year 2023 relative to the total contributions of participating employers to the DPS HCTF and HCTF.

At December 31, 2023, the RMP – Denver's proportion was 4.696%, which was a decrease of 0.474%, from its proportion measured as of December 31, 2022 and the RMP – Aurora's proportion was 0.041%, which was an increase of 0.005%, from its proportion measured as of December 31, 2022.

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For the year ended June 30, 2024, RMP – Denver recognized a reduction of OPEB expense of \$497,908 and RMP – Aurora recognized OPEB expense of \$4,704. At June 30, 2024, RMP – Denver and RMP – Aurora reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	RMP - Aurora	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 60,094
Changes of assumptions	3,448	31,089
Net difference between projected and actual earning on pension plan investments	9,068	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	123,802	-
Contribution subsequent to the measurement date	23,418	-
Total	<u>\$ 159,736</u>	<u>\$ 91,183</u>

	RMP - Denver	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 414,569
Changes of assumptions	5,353	160,634
Net difference between projected and actual earning on pension plan investments	100,015	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	122,928	127,313
Contribution subsequent to the measurement date	209,244	-
Total	<u>\$ 437,540</u>	<u>\$ 702,516</u>

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\$23,418 and \$209,244 for RMP – Aurora and RMP – Denver, respectively, 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 and an increase of the net OPEB asset in the year ended June 30, 2025. 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,	RMP - Aurora
2025	\$ 17,456
2026	15,540
2027	7,240
2028	(3,083)
2029	4,760
Thereafter	<u>3,222</u>
	<u><u>\$ 45,135</u></u>

Year Ending June 30,	RMP - Denver
2025	\$ (156,042)
2026	(95,052)
2027	(42,835)
2028	(106,170)
2029	(53,185)
Thereafter	<u>(20,936)</u>
	<u><u>\$ (474,220)</u></u>

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Actuarial assumptions RMP - Denver. The total OPEB liabilities in the December 31, 2022 actuarial valuations for the DPS HCTF were 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	3.80% to 11.50%
Investment Rate of Return	7.25%, net of OPEB plan investment expenses, including inflation
Discount Rate	7.25%
PERA Benefit Structure	
Service-Based Premium Subsidy	0.00%
PERACare Medicare plans ¹	7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A Premiums	3.50% for 2023, gradually increasing to 4.50% in 2035
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.

Actuarial assumptions RMP - Aurora. The total OPEB liabilities in the December 31, 2022 actuarial valuations for the HCTF were determined using the following actuarial cost method, actuarial assumptions, and other inputs:

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	State Division	School Division	All Divisions	Local Government Division	Judicial Division
Actuarial Cost Method			Entry Age		
Price Inflation			2.30%		
Real Wage Growth			0.70%		
Wage Inflation			3.00%		
Salary Increases, Including Wage Inflation					
Members other than Safety Officers	3.30% - 10.90%	3.40% - 11.00%	N/A	3.20% - 11.30%	2.80% - 5.30%
Safety Officers	3.20% - 12.40%	N/A	N/A	3.20% - 12.40%	N/A
			7.25%, net of OPEB plan investment expenses, including inflation		
Investment Rate of Return			7.25%		
Discount Rate					
PERA Benefit Structure					
Service-Based Premium Subsidy			0.00%		
PERACare Medicare plans ¹			7.00% in 2023, gradually decreasing to 4.50% in 2033		
Medicare Part A Premiums			3.50% for 2023, gradually increasing to 4.50% in 2035		
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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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			
Sample Age		Male	Female	Sample Age		Male	Female	Sample Age		Male	Female
65	\$	1,692	\$ 1,406	65	\$	579	\$ 481	65	\$	1,913	\$ 1,589
70	\$	1,901	\$ 1,573	70	\$	650	\$ 538	70	\$	2,149	\$ 1,778
75	\$	2,100	\$ 1,653	75	\$	718	\$ 566	75	\$	2,374	\$ 1,869

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			
Sample Age		Male	Female	Sample Age		Male	Female	Sample Age		Male	Female
65	\$	6,469	\$ 5,373	65	\$	4,198	\$ 3,487	65	\$	6,719	\$ 5,381
70	\$	7,266	\$ 6,011	70	\$	4,715	\$ 3,900	70	\$	7,546	\$ 6,243
75	\$	8,026	\$ 6,319	75	\$	5,208	\$ 4,101	75	\$	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, 2022, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

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

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the total OPEB liability (TOL) for the HCTF, but developed on a headcount-weighted basis. Reporting agencies of the DPS Division participate in the DPS HCTF. 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 DPS and School Divisions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

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

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

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

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

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

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums.

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

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

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

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

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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 rate of return assumption of 7.25%.

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
RMP - Aurora			
Initial PERACare Medicare Trend Rate	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%
Proportionate Share of the Net OPEB Liability	\$ 284,783	\$ 293,198	\$ 302,352

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	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
RMP - Denver			
Initial PERACare Medicare Trend Rate	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%
Proportionate Share of the Net OPEB Liability	\$ (213,929)	\$ (205,571)	\$ (198,856)

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the DPS HCTF and HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

Based on the above assumptions and methods, the projection test indicates the HCTF's and DPS HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB

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

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

	1% Decrease (6.25)%	Current Discount Rate (7.25)%	1% Decrease (8.25)%
RMP - Aurora			
Proportionate share of the net OPEB liability	\$ 346,304	\$ 293,198	\$ 247,766
	1% Decrease (6.25)%	Current Discount Rate (7.25)%	1% Decrease (8.25)%
RMP - Denver			
Proportionate share of the net OPEB liability (asset)	\$ 83,581	\$ (205,571)	\$ (451,241)

OPEB plan fiduciary net position. Detailed information about the HCTF's and DPS – HCTF's fiduciary net position are available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Taxable Pension Certificates of Participation (PCOPs)

The District issued Taxable Pension Certificates of Participation (PCOP) on July 17, 1997 to fully fund the unfunded actuarial accrued liability (UAAL) of the plan. RMP – Denver contributed 7.94%, 8.20%, and 9.68% of covered payroll for the fiscal years ended June 30, 2024, 2023, and 2022, respectively, to the District to cover its obligation relating to the PCOP. During the fiscal years ended June 30, 2024, 2023, and 2022, RMP – Denver made contributions totaling \$3,204,479, \$3,927,124, and \$3,629,014 to the District toward its PCOP obligation.

Defined Contribution Pension Plan

Voluntary Investment Program (PERAPlus 401(k) Plan)

Plan Description – Employees of RMPS may voluntarily contribute to the Voluntary Investment Program (PERAPlus 401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S, as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly

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available Annual Report which includes additional information on the PERA Plus 401(k) Plan. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The PERA Plus 401(k) Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. RMPS does not offer an employer match and employees are immediately vested in their own contributions and investment earnings. For the year ended June 30, 2024, program members contributed \$307,736.

Note 11: NST Management Fees

The charter schools have adopted and approved the payment of management fees paid to the NST of approximately 12% of estimated revenues. For the year ended June 30, 2024, the NST recorded \$8,091,337 in management income received from RMPS. The fees are paid to account for the services provided in the areas of operations, finance and accounting, marketing, staff recruitment, human resources, student recruitment and enrollment.

Note 12: Commitments, Contingencies and Compliance

Facility Use Agreements

RMPS entered into several facility use agreements with Districts for use of a District school building for the 2023-2024 school year. The District will charge RMPS per pupil to cover these costs. The cost per student will be recalculated by the District each year. RMPS paid \$4,488,411 under the terms of these agreements for the year ended June 30, 2024.

Federal and State Programs

RMPS participate 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, RMPS may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited, but RMPS believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of RMPS.

Tabor Amendment

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution, which limits state and local government tax powers 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. RMPS believes it has complied with the Amendment. As required by the Amendment,

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RMPS has established a reserve for emergencies. At June 30, 2024, the reserve of \$2,411,756 was recorded as a restriction of fund balance/net position.

Claims and Judgments

RMPS is subject to other claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a materially adverse effect on the financial statements.

Note 13: GASB 69 – Merger

The following amounts were recognized as of July 1, 2023 for the merger of Rocky Mountain Preparatory Schools into STRIVE Preparatory Schools and are included in the restatement balances:

	General Fund	Governmental Activities
Current assets	\$ 13,702,982	\$ 13,702,982
Capital assets	-	5,570,432
Total assets	<u>13,702,982</u>	<u>19,273,414</u>
Deferred outflow of resources	-	7,478,202
Current liabilities	991,696	991,696
Long-term liabilities	-	15,378,187
Total liabilities	<u>991,696</u>	<u>16,369,883</u>
Deferred inflow of resources	-	3,107,130
Nonspendable	39,866	
Restricted	914,094	
Unassigned	<u>11,757,326</u>	
Total fund balance	<u><u>\$ 12,711,286</u></u>	
Net investment in capital assets		5,570,432
Restricted		914,094
Unrestricted		<u>790,077</u>
Total net position		<u><u>\$ 7,274,603</u></u>

Required Supplementary Information

**STRIVE Preparatory Schools
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Schedule of RMPS's Proportionate Share of the Net Pension Liability
Last 10 Fiscal Years

RMPS - Denver	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School's proportion of the net pension liability (assets)	4.484%	3.022%	3.813%	4.648%	3.296%	2.971%	4.271%	3.920%	3.381%	2.824%
School's proportionate share of the net pension liability (assets)	\$ 29,044,326	\$ 26,221,982	\$ 227,364	\$ 20,913,539	\$ 21,702,070	\$ 30,386,264	\$ 38,281,239	\$ 42,952,974	\$ 27,490,495	\$ 17,645,553
State's proportionate share of the net pension liability (assets)	1,373,884	18,657,173	66,748	-	9,617,901	15,742,969	-	-	-	-
Total	<u>\$ 30,418,210</u>	<u>\$ 44,879,155</u>	<u>\$ 294,112</u>	<u>\$ 20,913,539</u>	<u>\$ 31,319,971</u>	<u>\$ 46,129,233</u>	<u>\$ 38,281,239</u>	<u>\$ 42,952,974</u>	<u>\$ 27,490,495</u>	<u>\$ 17,645,553</u>
School's covered payroll	\$ 44,986,071	\$ 44,305,597	\$ 41,251,649	\$ 36,602,613	\$ 35,633,632	\$ 32,164,467	\$ 30,150,264	\$ 26,908,425	\$ 20,458,652	\$ 15,879,803
School's proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	64.6%	59.2%	0.6%	57.1%	60.9%	94.5%	127.0%	159.6%	134.4%	111.1%
Plan fiduciary net position as a percentage of the total pension liability	87.0%	81.9%	99.9%	90.1%	84.7%	75.7%	79.5%	74.1%	79.3%	83.9%
RMPS - Aurora	2023	2022	2021	2020	2019	2018	2017	2016		
School's proportion of the net pension liability (assets)	0.0687%	0.0474%	0.054%	0.059%	0.037%	0.024%	0.014%	0.004%		
School's proportionate share of the net pension liability (assets)	\$ 12,142,744	\$ 8,625,705	\$ 6,292,849	\$ 8,862,895	\$ 5,545,128	\$ 4,232,211	\$ 4,430,368	\$ 1,216,811		
State's proportionate share of the net pension liability (assets)	266,254	2,513,617	721,395	-	703,329	578,696	-	-		
Total	<u>\$ 12,408,998</u>	<u>\$ 11,139,322</u>	<u>\$ 7,014,244</u>	<u>\$ 8,862,895</u>	<u>\$ 6,248,457</u>	<u>\$ 4,810,907</u>	<u>\$ 4,430,368</u>	<u>\$ 1,216,811</u>		
School's covered payroll	\$ 4,539,532	\$ 3,650,396	\$ 3,379,490	\$ 3,133,526	\$ 2,177,364	\$ 1,313,981	\$ 632,004	\$ 76,427		
School's proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	267.5%	236.3%	186.2%	282.8%	254.7%	322.1%	701.0%	1592.1%		
Plan fiduciary net position as a percentage of the total pension liability	64.7%	61.8%	39.4%	67.0%	64.5%	57.0%	44.0%	43.1%		

Note 1. Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

Note 2. Historical information has been restated to present combined data for STRIVE/RMPS.

Note 3. This information is as of December 31.

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Schedule of RMPS's Contributions
Last 10 Fiscal Years**

RMPS - Denver	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 3,943,469	\$ 4,299,084	\$ 3,516,711	\$ 2,803,569	\$ 2,292,900	\$ 1,763,280	\$ 1,389,380	\$ 826,294	\$ 439,541	\$ 426,458
Contributions in relation to the contractually required contribution	<u>3,943,469</u>	<u>4,299,084</u>	<u>3,516,711</u>	<u>2,803,569</u>	<u>2,292,900</u>	<u>1,763,280</u>	<u>1,389,380</u>	<u>826,294</u>	<u>439,541</u>	<u>426,458</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 40,339,177	\$ 47,440,706	\$ 43,266,458	\$ 37,973,285	\$ 36,365,772	\$ 32,790,462	\$ 28,937,553	\$ 25,188,111	\$ 21,803,346	\$ 17,951,962
Contributions as a percentage of covered-employee payroll	9.78%	9.06%	8.13%	7.38%	6.31%	5.38%	4.80%	3.28%	2.02%	2.38%
RMPS - Aurora	2024	2023	2022	2021	2020	2019	2018	2017		
Contractually required contributions	\$ 920,469	\$ 874,115	\$ 671,842	\$ 615,467	\$ 419,990	\$ 241,365	\$ 117,742	\$ 13,856		
Contributions in relation to the contractually required contribution	<u>920,469</u>	<u>874,115</u>	<u>671,842</u>	<u>615,467</u>	<u>419,990</u>	<u>241,365</u>	<u>117,742</u>	<u>13,856</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
School's covered payroll	\$ 4,510,539	\$ 4,294,443	\$ 3,379,490	\$ 3,133,526	\$ 2,177,364	\$ 1,313,981	\$ 632,004	\$ 76,427		
Contributions as a percentage of covered-employee payroll	20.41%	20.35%	19.88%	19.64%	19.29%	18.37%	18.63%	18.13%		

Note 1. Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

Note 2. Historical information has been restated to present combined data for STRIVE/RMPS.

Note 3. This information is as of June 30.

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Schedule of RMPS's Changes in the Net OPEB Liability and
Schedule of RMPS's Contributions
Last 10 Fiscal Years

RMPS - Aurora	2023	2022	2021	2020	2019	2018	2017
Proportion of the net OPEB liability	0.041%	0.036%	0.035%	0.034%	0.024%	0.016%	0.008%
Proportionate share of the net OPEB liability	\$ 293,198	\$ 293,711	\$ 304,450	\$ 321,986	\$ 272,183	\$ 211,373	\$ 101,171
School's covered payroll	\$ 4,539,532	\$ 3,650,396	\$ 3,379,490	\$ 3,133,526	\$ 2,177,364	\$ 1,313,981	\$ 632,004
Plan fiduciary net position as a percentage of the total OPEB liability	6.46%	8.05%	8.13%	10.28%	12.50%	16.09%	16.01%
Net OPEB liability (asset) as a percentage of covered-employee payroll	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%

RMPS - Aurora	2023	2022	2021	2020	2019	2018	2017
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Note 1. Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

Note 2. Historical information has been restated to present combined data for STRIVE/RMPS.

Note 3. This information is as of December 31.

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Schedule of OPEB RMPS's Contributions
Last 10 Fiscal Years

RMPS - Denver	2024	2023	2022	2021	2020	2019	2018
Contractually required contributions	\$ 411,460	\$ 483,895	\$ 441,317	\$ 387,328	\$ 370,968	\$ 339,398	\$ 307,532
Contributions in relation to the contractually required contribution	<u>411,460</u>	<u>483,895</u>	<u>441,317</u>	<u>387,328</u>	<u>370,968</u>	<u>339,398</u>	<u>307,532</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 40,339,177	\$ 47,440,706	\$ 43,266,458	\$ 37,973,285	\$ 36,365,772	\$ 32,790,463	\$ 28,937,553
Contributions as a percentage of covered-employee payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.04%	1.06%
RMPS - Aurora	2024	2023	2022	2021	2020	2019	2018
Contractually required contributions	\$ 46,008	\$ 43,803	\$ 39,081	\$ 31,962	\$ 22,209	\$ 13,403	\$ 6,446
Contributions in relation to the contractually required contribution	<u>46,008</u>	<u>43,803</u>	<u>39,081</u>	<u>31,962</u>	<u>22,209</u>	<u>13,403</u>	<u>6,446</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 4,510,539	\$ 4,294,443	\$ 3,379,490	\$ 3,133,526	\$ 2,177,364	\$ 1,313,981	\$ 632,004
Contributions as a percentage of covered-employee payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.00%

Note 1. Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

Note 2. Historical information has been restated to present combined data for STRIVE/RMPS.

Note 3. This information is as of June 30.

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – RMPS
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 54,877,825	\$ 55,416,006	\$ 55,684,889	\$ 268,883
District mill levy	14,152,691	14,307,344	16,386,136	2,078,792
Supporting services	2,750,000	2,750,000	3,547,071	797,071
Investment income	714,500	614,500	749,226	134,726
Miscellaneous	<u>1,071,484</u>	<u>1,279,956</u>	<u>1,435,355</u>	<u>155,399</u>
Total local sources	<u>73,566,500</u>	<u>74,367,806</u>	<u>77,802,677</u>	<u>3,434,871</u>
State sources				
Capital construction	904,705	903,594	954,912	51,318
Grants	<u>2,822,548</u>	<u>3,012,027</u>	<u>2,404,573</u>	<u>(607,454)</u>
Total state sources	<u>3,727,253</u>	<u>3,915,621</u>	<u>3,359,485</u>	<u>(556,136)</u>
Federal sources				
Grants	<u>10,840,156</u>	<u>12,272,308</u>	<u>11,578,565</u>	<u>(693,743)</u>
Total revenues	<u>88,133,909</u>	<u>90,555,735</u>	<u>92,740,727</u>	<u>2,184,992</u>
Expenditures				
Salaries	49,504,975	49,834,155	45,301,274	4,532,881
Employee benefits	17,499,246	16,162,875	16,301,919	(139,044)
Purchased services	11,457,496	16,951,937	15,988,431	963,506
Supplies and materials	5,882,010	6,831,869	7,787,862	(955,993)
Property	6,081,677	2,796,440	1,941,284	855,156
Other	31,394	21,201	1,286,763	(1,265,562)
Contingency	<u>(390,000)</u>	<u>(390,000)</u>	<u>-</u>	<u>(390,000)</u>
Total expenditures	<u>90,066,798</u>	<u>92,208,477</u>	<u>88,607,533</u>	<u>3,600,944</u>
Other Financing Sources and Uses				
Debt financing from leases	<u>-</u>	<u>-</u>	<u>719,023</u>	<u>-</u>
Net Change in Fund Balance	<u><u>\$ (1,932,889)</u></u>	<u><u>\$ (1,652,742)</u></u>	<u>4,852,217</u>	<u><u>\$ 5,785,936</u></u>
Fund Balance/Net Position - Beginning, as Restated			<u>22,771,230</u>	
Fund Balance, Ending			<u><u>\$ 27,623,447</u></u>	

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Notes to Required Supplementary Information
June 30, 2024

Note 1: Schedule of Revenue, Expenditures, and Changes in Fund Balance – General Fund – Budget to Actual

A budgetary comparison is presented for RMPS general fund that has a legally adopted annual budget. This schedule presents the budget as originally adopted, the revised budget as of the fiscal yearend, actual amounts at fiscal year-end in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The information on these schedules are presented in accordance with the requirements of the State of Colorado. Expenditures may not legally exceed appropriations at the fund level.

Note 2: Significant Changes Affecting Trends in Actuarial Information for the School Division and HCTF Plans

2023

Defined Benefit Pension Plan

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

Defined Benefit Other Post-Employment Benefits (OPEB) Pension Plan

- The FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer.

2022

Defined Benefit Pension Plan

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

Defined Benefit Other Post-Employment Benefits (OPEB) Pension Plan

- The timing of the retirement decrement was adjusted to middle-of-year.

2021

Defined Benefit Pension Plan

- The assumption used to value the AI cap benefit provision was changed from 1.25% to 1.00%.

Defined Benefit Other Post-Employment Benefits (OPEB) Pension Plan

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

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Notes to Required Supplementary Information
June 30, 2024

2020

Defined Benefit Pension Plan

- 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.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rate 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 PubT-2010 Healthy Retiree Table, adjusted as follows:
 - o **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - o **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 post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
 - o **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
 - o **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds was based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit- weighted basis.

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Notes to Required Supplementary Information
June 30, 2024

Defined Benefit Other Post-Employment Benefits (OPEB) Pension Plan

- 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.
- Rate 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 assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:
 - **Males:** 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - **Females:** 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
 - **Males:** 97% of the rates for all ages, with generational projection using scale MP-2019.
 - **Females:** 105% of the rates for all ages, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds was based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a head-count weighted basis.

2019

Defined Benefit Pension Plan

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

Defined Benefit Other Post-Employment Benefits (OPEB) Pension Plan

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

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Notes to Required Supplementary Information
June 30, 2024

2018

Defined Benefit Pension Plan

- The single equivalent interest rate (SEIR) for the School Division was increased from 4.78% to 7.25% to reflect the changes to the projection's valuation basis which no longer resulted in a projected year of depletion of the fiduciary net position (FNP), thereby eliminating the need to apply the municipal bond index rate.

Defined Benefit Other Post-Employment Benefits (OPEB) Pension Plan

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

2017

Defined Benefit Pension Plan

- The single equivalent interest rate (SIER) for the School Division was lowered from 5.26% to 4.78% to reflect the changes to the projection's valuation basis, a projected year of depletion of the fiduciary net position (FNP), and the resulting application of the municipal bond rate.
- The municipal bond index rate used in the determination of the SIER for the State, School, and Judicial Divisions changed from 3.86% to 3.43% on the measurement date.

Defined Benefit Other Post-Employment Pension (OPEB) Plan

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

2016

Defined Benefit Pension Plan

- Investment rate of return assumption was lowered from 7.5% to 7.25%.
- Price inflation assumption decreased was lowered from 2.80% to 2.40%.
- Wage inflation assumption was lowered from 3.90% to 3.50%.
- Real rate of investment return assumption increased from 4.70% per year, net of investment expenses, to 4.85%.
- Healthy and disabled mortality assumptions are based on the RP-2014 Mortality Tables, updated from the RP-2000 Mortality Tables.
- The discount rate was lowered from 7.50% to 5.26%.

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Notes to Required Supplementary Information
June 30, 2024

2015

Defined Benefit Pension Plan

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18-month AI timing.
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- The following methodology changes were made:
 - Recognition of merit salary increases in the first projection year.
 - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
 - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
 - Adjustment to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

Note 3: Significant Changes Affecting Trends in Actuarial Information

DPS Division Pension Plan

2023

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

2022

- Price inflation assumption decreased from 2.40% per year to 2.30% per year.
- Real rate of investment return assumption remained at 7.25% per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year.
- Real wage growth decreased from 1.10% to 0.70%.

STRIVE Preparatory Schools
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Notes to Required Supplementary Information
June 30, 2024

- 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.

2021

- The assumption used to value the automatic increase cap benefit provision was changed from 1.25% to 1.00%.

2014-2023

- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

DPS Division HCTF

2022

- The total OPEB liability for the Health Care Trust Fund (HCTF), as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under.
- C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the fiduciary net position as of the December 31, 2022, measurement date.
- The timing of the retirement decrement was adjusted to middle-of-year.
- Price inflation assumption decreased from 2.40% per year to 2.30% per year.
- Real rate of investment return assumption remained at 7.25% per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year.
- Real wage growth decreased from 1.10% to 0.70%.

2021

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

Audited Supplementary Information

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Balance Sheet and Statement of Net Position by School District
June 30, 2024

	DPS General Fund	DPS Adjustments	DPS Statement of Net Position	APS General Fund	APS Adjustments	APS Statement of Net Position	Total General Fund	Total Adjustments	Total Statement of Net Position
Assets									
Current Assets									
Cash and cash equivalents	\$ 23,701,755	\$ -	\$ 23,701,755	\$ 4,220,822	\$ -	\$ 4,220,822	\$ 27,922,577	\$ -	\$ 27,922,577
Accounts receivable	71,532	-	71,532	398,238	-	398,238	469,770	-	469,770
Grants receivable	969,618	-	969,618	668,102	-	668,102	1,637,720	-	1,637,720
Prepaid expenditures	309,313	-	309,313	26,374	-	26,374	335,687	-	335,687
Other assets	83,237	-	83,237	-	-	-	83,237	-	83,237
Total current assets	25,135,455	-	25,135,455	5,313,536	-	5,313,536	30,448,991	-	30,448,991
Noncurrent Assets									
Net OPEB assets	-	205,571	205,571	-	-	-	-	205,571	205,571
Capital assets not being depreciated	-	3,940,000	3,940,000	-	-	-	-	3,940,000	3,940,000
Capital assets being depreciated, net	-	1,573,196	1,573,196	-	-	-	-	1,573,196	1,573,196
Lease assets, net of accumulated amortization	-	1,235,384	1,235,384	-	-	-	-	1,235,384	1,235,384
Total assets	25,135,455	6,954,151	32,089,606	5,313,536	-	5,313,536	30,448,991	6,954,151	37,403,142
Deferred Outflows of Resources									
OPEB	-	437,540	437,540	-	159,736	159,736	-	597,276	597,276
Pensions	-	16,517,936	16,517,936	-	4,189,475	4,189,475	-	20,707,411	20,707,411
Total deferred outflows of resources	-	16,955,476	16,955,476	-	4,349,211	4,349,211	-	21,304,687	21,304,687

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Balance Sheet and Statement of Net Position by School District (continued)
June 30, 2024

	DPS General Fund	DPS Adjustments	DPS Statement of Net Position	APS General Fund	APS Adjustments	APS Statement of Net Position	Total General Fund	Total Adjustments	Total Statement of Net Position
Liabilities and Fund Balance/Net Position									
Current Liabilities									
Accounts payable	2,210,755	-	2,210,755	155,028	-	155,028	2,365,783	-	2,365,783
Accrued liabilities	267,141	-	267,141	18,970	-	18,970	286,111	-	286,111
Unearned revenues	153,952	-	153,952	19,698	-	19,698	173,650	-	173,650
Lease liability due in one year	-	418,205	418,205	-	-	-	-	418,205	418,205
Total current liabilities	2,631,848	418,205	3,050,053	193,696	-	193,696	2,825,544	418,205	3,243,749
Noncurrent Liabilities									
Net OPEB liabilities	-	-	-	-	293,198	293,198	-	293,198	293,198
Net pension liabilities	-	29,044,326	29,044,326	-	12,142,744	12,142,744	-	41,187,070	41,187,070
Lease liability due more than one year	-	876,853	876,853	-	-	-	-	876,853	876,853
Total noncurrent liabilities	-	29,921,179	29,921,179	-	12,435,942	12,435,942	-	42,357,121	42,357,121
Total liabilities	2,631,848	30,339,384	32,971,232	193,696	12,435,942	12,629,638	2,825,544	42,775,326	45,600,870
Deferred Inflows of Resources									
OPEB	-	702,516	702,516	-	91,183	91,183	-	793,699	793,699
Pensions	-	3,000,725	3,000,725	-	478,655	478,655	-	3,479,380	3,479,380
Total deferred inflows of resources	-	3,703,241	3,703,241	-	569,838	569,838	-	4,273,079	4,273,079
Fund Balance									
Nonspendable	392,550	(392,550)	-	26,374	(26,374)	-	418,924	(418,924)	-
Restricted for capital projects	775,623	(775,623)	-	-	-	-	775,623	(775,623)	-
Restricted for emergency reserve - TABOR	2,102,669	(2,102,669)	-	309,087	(309,087)	-	2,411,756	(2,411,756)	-
Unassigned	19,232,765	(19,232,765)	-	4,784,379	(4,784,379)	-	24,017,144	(24,017,144)	-
Total fund balance	22,503,607	(22,503,607)	-	5,119,840	(5,119,840)	-	27,623,447	(27,623,447)	-
Total liabilities and fund balance	<u>\$ 25,135,455</u>			<u>\$ 5,313,536</u>			<u>\$ 30,448,991</u>		
Net Position									
Net investment in capital assets		5,453,522	5,453,522		-	-		5,453,522	5,453,522
Restricted for capital projects		775,623	775,623		-	-		775,623	775,623
Restricted for emergency reserve - TABOR		2,102,669	2,102,669		309,087	309,087		2,411,756	2,411,756
Unrestricted		4,038,795	4,038,795		(3,845,816)	(3,845,816)		192,979	192,979
Total net position		<u>\$ 12,370,609</u>	<u>\$ 12,370,609</u>		<u>\$ (3,536,729)</u>	<u>\$ (3,536,729)</u>		<u>\$ 8,833,880</u>	<u>\$ 8,833,880</u>

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance and Statement of Activities by School District
June 30, 2024

	DPS General Fund	DPS Adjustments	DPS Statement of Activities	APS General Fund	APS Adjustments	APS Statement of Activities	Total General Fund	Total Adjustments	Total Statement of Activities
Revenues									
General revenues									
Per pupil revenue and preschool funding	\$ 49,122,165	\$ -	\$ 49,122,165	\$ 6,562,724	\$ -	\$ 6,562,724	\$ 55,684,889	\$ -	\$ 55,684,889
Mill levy override	14,700,928	-	14,700,928	1,685,208	-	1,685,208	16,386,136	-	16,386,136
Program revenues									
Federal revenue	10,478,743	-	10,478,743	1,099,822	-	1,099,822	11,578,565	-	11,578,565
Other state	2,479,523	(81,825)	2,397,698	879,962	4,637	884,599	3,359,485	(77,188)	3,282,297
Private grants and contributions	2,499,327	-	2,499,327	325,138	-	325,138	2,824,465	-	2,824,465
Investment income	671,084	-	671,084	78,142	-	78,142	749,226	-	749,226
All other local revenues	1,245,698	-	1,245,698	912,263	-	912,263	2,157,961	-	2,157,961
Total revenues	81,197,468	(81,825)	81,115,643	11,543,259	4,637	11,547,896	92,740,727	(77,188)	92,663,539
Expenditures/Expenses									
Instruction	41,696,378	(43,280)	41,653,098	6,388,648	1,231,421	7,620,069	48,085,026	1,188,141	49,273,167
Supporting services	35,017,638	538,139	35,555,777	4,218,343	195,274	4,413,617	39,235,981	733,413	39,969,394
Capital outlay	719,023	(719,023)	-	-	-	-	719,023	(719,023)	-
Debt service - principal	480,062	(480,062)	-	-	-	-	480,062	(480,062)	-
Debt service - interest	87,441	-	87,441	-	-	-	87,441	-	87,441
Total expenditures/expenses	78,000,542	(704,226)	77,296,316	10,606,991	1,426,695	12,033,686	88,607,533	722,469	89,330,002
Other Financing Sources and Uses									
Debt financing from leases	719,023	(719,023)	-	-	-	-	719,023	(719,023)	-
NST Allocation Change	996,091	-	996,091	(996,091)	-	(996,091)	-	-	-
Change in Fund Balance/Net Position	4,912,040	622,401	4,815,418	(59,823)	(1,422,058)	(1,481,881)	4,852,217	(1,518,680)	3,333,537
Fund Balance/Net Position - July 1, 2023	10,059,944	(11,834,204)	(1,774,260)	-	-	-	10,059,944	(11,834,204)	(1,774,260)
Restatement for GASB 69	7,531,623	1,797,828	9,329,451	5,179,663	(7,234,511)	(2,054,848)	12,711,286	(5,436,683)	7,274,603
Fund Balance/Net Position - Beginning, as Restated	17,591,567	(10,036,376)	7,555,191	5,179,663	(7,234,511)	(2,054,848)	22,771,230	(17,270,887)	5,500,343
Fund Balance/Net Position - June 30, 2024	<u>\$ 22,503,607</u>	<u>\$ (9,413,975)</u>	<u>\$ 12,370,609</u>	<u>\$ 5,119,840</u>	<u>\$ (8,656,569)</u>	<u>\$ (3,536,729)</u>	<u>\$ 27,623,447</u>	<u>\$ (18,789,567)</u>	<u>\$ 8,833,880</u>

Other Supplementary Information

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Balance Sheet by Location
June 30, 2024

	DPS-NST Allocation	Green Valley Ranch Campus	Noel Campus	Sunnyside Campus	Federal Campus	Ruby Hill Campus	SMART Campus	Westwood Campus	Rise Campus	Creekside Campus
Assets										
Cash	\$ (9,777,700)	\$ 3,742,029	\$ (682,458)	\$ (998,644)	\$ 3,656,614	\$ 3,590,737	\$ 5,783,285	\$ 3,430,020	\$ 3,016,274	\$ 6,818,291
Investments	169,441	160,957	494,335	619,250	321,444	212,683	278,135	261,379	251,279	-
Accounts receivable	63,527	-	-	-	-	-	-	-	8,005	-
Grants receivable	58,127	37,331	25,664	34,319	60,562	83,074	210,532	64,619	85,365	131,410
Prepaid expenditures	111,247	24,353	22,335	14,725	37,478	9,273	18,081	28,555	14,215	10,831
Other assets	-	7,458	6,825	-	6,690	-	34,375	10,453	11,210	-
Total assets	<u>\$ (9,375,358)</u>	<u>\$ 3,972,128</u>	<u>\$ (133,299)</u>	<u>\$ (330,350)</u>	<u>\$ 4,082,788</u>	<u>\$ 3,895,767</u>	<u>\$ 6,324,408</u>	<u>\$ 3,795,026</u>	<u>\$ 3,386,348</u>	<u>\$ 6,960,532</u>
Liabilities and Fund Balance										
Liabilities										
Accounts payable	\$ 448,562	\$ 148,402	\$ 119,435	\$ 76,401	\$ 162,434	\$ 140,479	\$ 201,465	\$ 146,210	\$ 286,999	\$ 246,184
Accrued liabilities	137,744	4,731	3,975	747	4,831	838	4,213	778	60,862	5,914
Unearned revenue	147,802	-	-	-	-	-	-	2,000	2,350	-
Total liabilities	<u>734,108</u>	<u>153,133</u>	<u>123,410</u>	<u>77,148</u>	<u>167,265</u>	<u>141,317</u>	<u>205,678</u>	<u>148,988</u>	<u>350,211</u>	<u>252,098</u>
Fund Balance										
Nonspendable	111,247	31,811	29,160	14,725	44,168	9,273	52,456	39,008	25,425	10,831
Restricted for capital projects	-	117,332	60,941	-	96,278	125,912	152,216	50,139	146,015	26,790
Restricted for emergencies	99,904	157,184	114,426	76,029	172,162	188,118	261,933	170,589	250,167	275,736
Unassigned	<u>(10,320,617)</u>	<u>3,512,668</u>	<u>(461,236)</u>	<u>(498,252)</u>	<u>3,602,915</u>	<u>3,431,147</u>	<u>5,652,125</u>	<u>3,386,302</u>	<u>2,614,530</u>	<u>6,395,077</u>
Total fund balance	<u>(10,109,466)</u>	<u>3,818,995</u>	<u>(256,709)</u>	<u>(407,498)</u>	<u>3,915,523</u>	<u>3,754,450</u>	<u>6,118,730</u>	<u>3,646,038</u>	<u>3,036,137</u>	<u>6,708,434</u>
Total liabilities, deferred inflows and fund balance	<u>\$ (9,375,358)</u>	<u>\$ 3,972,128</u>	<u>\$ (133,299)</u>	<u>\$ (330,350)</u>	<u>\$ 4,082,788</u>	<u>\$ 3,895,767</u>	<u>\$ 6,324,408</u>	<u>\$ 3,795,026</u>	<u>\$ 3,386,348</u>	<u>\$ 6,960,532</u>

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Balance Sheet by Location (continued)
June 30, 2024

	Southwest Campus	Berkeley Campus	Eliminations	Total DPS	APS-NST Allocation	Fletcher Campus (APS)	Eliminations	Total APS	Total
Assets									
Cash	\$ 4,820,162	\$ (2,465,758)	\$ -	\$ 20,932,852	\$ (1,303,071)	\$ 5,501,312	\$ -	\$ 4,198,241	\$ 25,131,093
Investments	-	-	-	2,768,903	22,581	-	-	22,581	2,791,484
Accounts receivable	-	-	-	71,532	8,466	389,772	-	398,238	469,770
Grants receivable	104,498	74,117	-	969,618	7,746	660,356	-	668,102	1,637,720
Prepaid expenditures	9,526	8,694	-	309,313	14,826	11,548	-	26,374	335,687
Other assets	6,226	-	-	83,237	-	-	-	-	83,237
Total assets	<u>\$ 4,940,412</u>	<u>\$ (2,382,947)</u>	<u>\$ -</u>	<u>\$ 25,135,455</u>	<u>\$ (1,249,452)</u>	<u>\$ 6,562,988</u>	<u>\$ -</u>	<u>\$ 5,313,536</u>	<u>\$ 30,448,991</u>
Liabilities and Fund Balance									
Liabilities									
Accounts payable	\$ 120,455	\$ 113,729	\$ -	\$ 2,210,755	\$ 59,780	\$ 95,248	\$ -	\$ 155,028	\$ 2,365,783
Accrued liabilities	4,054	38,454	-	267,141	18,357	613	-	18,970	286,111
Unearned revenue	-	1,800	-	153,952	19,698	-	-	19,698	173,650
Total liabilities	<u>124,509</u>	<u>153,983</u>	<u>-</u>	<u>2,631,848</u>	<u>97,835</u>	<u>95,861</u>	<u>-</u>	<u>193,696</u>	<u>2,825,544</u>
Fund Balance									
Nonspendable	15,752	8,694	-	392,550	14,826	11,548	-	26,374	418,924
Restricted for capital projects	-	-	-	775,623	-	-	-	-	775,623
Restricted for emergencies	191,656	144,765	-	2,102,669	13,314	295,773	-	309,087	2,411,756
Unassigned	<u>4,608,495</u>	<u>(2,690,389)</u>	<u>-</u>	<u>19,232,765</u>	<u>(1,375,427)</u>	<u>6,159,806</u>	<u>-</u>	<u>4,784,379</u>	<u>24,017,144</u>
Total fund balance	<u>4,815,903</u>	<u>(2,536,930)</u>	<u>-</u>	<u>22,503,607</u>	<u>(1,347,287)</u>	<u>6,467,127</u>	<u>-</u>	<u>5,119,840</u>	<u>27,623,447</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 4,940,412</u>	<u>\$ (2,382,947)</u>	<u>\$ -</u>	<u>\$ 25,135,455</u>	<u>\$ (1,249,452)</u>	<u>\$ 6,562,988</u>	<u>\$ -</u>	<u>\$ 5,313,536</u>	<u>\$ 30,448,991</u>

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance by Location
Year Ended June 30, 2024

	DPS-NST Allocation	Green Valley Ranch Campus	Noel Campus	Sunnyside Campus	Federal Campus	Ruby Hill Campus	SMART Campus	Westwood Campus	Rise Campus	Creekside Campus
Revenues										
Local sources	\$ 10,564,883	\$ 5,192,853	\$ 3,802,912	\$ 2,493,297	\$ 5,618,212	\$ 5,936,688	\$ 8,605,063	\$ 5,630,430	\$ 8,231,214	\$ 8,807,306
State sources	157,215	97,386	57,959	75,301	171,863	388,174	199,994	107,019	181,858	463,050
Federal sources	-	687,114	435,257	474,096	899,296	1,305,218	1,598,239	947,851	1,099,064	1,360,158
Total revenues	10,722,098	5,977,353	4,296,128	3,042,694	6,689,371	7,630,080	10,403,296	6,685,300	9,512,136	10,630,514
Expenditures										
Current										
Instruction	122,756	2,982,925	2,015,843	1,662,403	3,933,592	4,504,424	4,598,423	3,173,501	4,654,422	6,331,117
Supporting services	12,236,075	2,517,999	1,819,241	1,534,102	2,713,375	2,760,545	4,050,280	2,588,951	3,949,123	3,554,342
Capital Outlay	719,023	-	-	-	-	-	-	-	-	-
Debt service										
Principal	480,062	-	-	-	-	-	-	-	-	-
Interest	87,441	-	-	-	-	-	-	-	-	-
Total expenditures	13,645,357	5,500,924	3,835,084	3,196,505	6,646,967	7,264,969	8,648,703	5,762,452	8,603,545	9,885,459
Other Financing Sources and Uses										
Debt financing from leases	719,023	-	-	-	-	-	-	-	-	-
NST Allocation Change	1,044,594	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(1,159,642)	476,429	461,044	(153,811)	42,404	365,111	1,754,593	922,848	908,591	745,055
Fund Balance - July 1, 2023	(8,788,513)	3,342,566	(717,753)	(253,687)	3,873,119	3,389,339	4,364,137	2,723,190	2,127,546	-
Restatement	(161,311)	-	-	-	-	-	-	-	-	5,963,379
Fund Balance - July 1, 2023, as Restated	(8,949,824)	3,342,566	(717,753)	(253,687)	3,873,119	3,389,339	4,364,137	2,723,190	2,127,546	5,963,379
Fund Balance - June 30, 2024	\$ (10,109,466)	\$ 3,818,995	\$ (256,709)	\$ (407,498)	\$ 3,915,523	\$ 3,754,450	\$ 6,118,730	\$ 3,646,038	\$ 3,036,137	\$ 6,708,434

STRIVE Preparatory Schools
dba Rocky Mountain Preparatory Schools
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance by Location (continued)
Year Ended June 30, 2024

	Southwest Campus	Berkeley Campus	Eliminations	Total DPS	APS-NST Allocation	Fletcher Campus (APS)	Eliminations	Total APS	Total
Revenues									
Local sources	\$ 6,123,640	\$ 4,608,586	\$ (7,375,882)	68,239,202	\$ 1,429,631	\$ 9,104,471	\$ (970,627)	\$ 9,563,475	\$ 77,802,677
State sources	314,616	265,088	-	2,479,523	20,952	859,010	-	879,962	3,359,485
Federal sources	1,174,394	498,056	-	10,478,743	-	1,099,822	-	1,099,822	11,578,565
Total revenues	7,612,650	5,371,730	(7,375,882)	81,197,468	1,450,583	11,063,303	(970,627)	11,543,259	92,740,727
Expenditures									
Current									
Instruction	3,915,663	3,801,309	-	41,696,378	13,877	6,374,771	-	6,388,648	48,085,026
Supporting services	2,290,735	2,378,752	(7,375,882)	35,017,638	1,704,802	3,484,168	(970,627)	4,218,343	39,235,981
Capital Outlay	-	-	-	719,023	-	-	-	-	719,023
Debt service									
Principal	-	-	-	480,062	-	-	-	-	480,062
Interest	-	-	-	87,441	-	-	-	-	87,441
Total expenditures	6,206,398	6,180,061	(7,375,882)	78,000,542	1,718,679	9,858,939	(970,627)	10,606,991	88,607,533
Other Financing Sources and Uses									
Debt financing from leases	-	-	-	719,023	-	-	-	-	719,023
NST Allocation Change	-	(48,503)	-	996,091	(996,091)	-	-	(996,091)	-
Net Change in Fund Balance	1,406,252	(856,834)	-	4,912,040	(1,264,187)	1,204,364	-	(59,823)	4,852,217
Fund Balance - July 1, 2023	-	-	-	10,059,944	-	-	-	-	10,059,944
Restatement	3,409,651	(1,680,096)	-	7,531,623	(83,100)	5,262,763	-	5,179,663	12,711,286
Fund Balance - July 1, 2023, as Restated	3,409,651	(1,680,096)	-	17,591,567	(83,100)	5,262,763	-	5,179,663	22,771,230
Fund Balance - June 30, 2024	\$ 4,815,903	\$ (2,536,930)	\$ -	\$ 22,503,607	\$ (2,343,378)	\$ 6,467,127	\$ -	\$ 5,119,840	\$ 27,623,447

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – NST
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Supporting services	\$ 1,926,406	\$ 1,926,406	\$ 2,764,836	\$ 838,430
Investment income	600,000	500,000	534,254	34,254
Miscellaneous	<u>8,662,719</u>	<u>8,653,447</u>	<u>8,695,424</u>	<u>41,977</u>
Total local sources	<u>11,189,125</u>	<u>11,079,853</u>	<u>11,994,514</u>	<u>914,661</u>
State sources				
Grants	<u>-</u>	<u>190,000</u>	<u>178,167</u>	<u>(11,833)</u>
Total state sources	<u>-</u>	<u>190,000</u>	<u>178,167</u>	<u>(11,833)</u>
Total revenues	<u>11,189,125</u>	<u>11,269,853</u>	<u>12,172,681</u>	<u>902,828</u>
Expenditures				
Salaries	6,889,688	6,957,567	6,656,167	301,400
Employee benefits	2,105,509	1,639,924	1,852,429	(212,505)
Purchased services	2,491,382	3,904,930	2,525,820	1,379,110
Supplies and materials	1,071,612	1,716,372	2,468,617	(752,245)
Property	631,522	656,522	319,123	337,399
Other	15,000	15,000	1,541,880	(1,526,880)
Contingency	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total expenditures	<u>13,174,713</u>	<u>14,860,315</u>	<u>15,364,036</u>	<u>(503,721)</u>
Other Financing Sources and Uses				
Debt financing from leases	<u>-</u>	<u>-</u>	<u>719,023</u>	<u>719,023</u>
NST Allocation Change	<u>-</u>	<u>-</u>	<u>48,503</u>	<u>48,503</u>
Net Change in Fund Balance	<u>\$ (1,985,588)</u>	<u>\$ (3,590,462)</u>	<u>(2,423,829)</u>	<u>\$ 1,166,633</u>
Fund Balance - July 1, 2023, as Restated			<u>(9,032,924)</u>	
Fund Balance - June 30, 2024			<u>\$ (11,456,753)</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Green Valley Ranch
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 4,027,194	\$ 3,993,634	\$ 4,017,557	\$ 23,923
District mill levy	1,030,504	1,021,916	1,115,442	93,526
Supporting services	-	-	1,590	1,590
Investment income	11,000	11,000	8,580	(2,420)
Miscellaneous	26,643	61,843	49,684	(12,159)
Total local sources	5,095,341	5,088,393	5,192,853	104,460
State sources				
Capital construction	66,492	65,938	71,515	5,577
Grants	82,163	82,163	25,871	(56,292)
Total state sources	148,655	148,101	97,386	(50,715)
Federal sources				
Grants	613,868	684,691	687,114	2,423
Total revenues	5,857,864	5,921,185	5,977,353	56,168
Expenditures				
Salaries	2,644,784	2,562,834	2,430,235	132,599
Employee benefits	961,813	860,467	892,904	(32,437)
Purchased services	1,373,353	1,686,335	1,768,272	(81,937)
Supplies and materials	251,559	339,250	347,778	(8,528)
Property	460,630	86,295	61,735	24,560
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	5,662,139	5,505,181	5,500,924	4,257
Net Change in Fund Balance	<u>\$ 195,725</u>	<u>\$ 416,004</u>	476,429	<u>\$ 60,425</u>
Fund Balance - July 1, 2023			<u>3,342,566</u>	
Fund Balance - June 30, 2024			<u>\$ 3,818,995</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Noel
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 2,880,292	\$ 2,869,041	\$ 2,912,838	\$ 43,797
District mill levy	750,070	747,140	822,733	75,593
Supporting services	-	-	1,500	1,500
Investment income	10,000	10,000	26,352	16,352
Miscellaneous	21,118	46,618	39,489	(7,129)
Total local sources	<u>3,661,480</u>	<u>3,672,799</u>	<u>3,802,912</u>	<u>130,113</u>
State sources				
Capital construction	47,283	47,098	38,036	(9,062)
Grants	72,203	72,203	19,923	(52,280)
Total state sources	<u>119,486</u>	<u>119,301</u>	<u>57,959</u>	<u>(61,342)</u>
Federal sources				
Grants	381,072	430,586	435,257	4,671
Total revenues	<u>4,162,038</u>	<u>4,222,686</u>	<u>4,296,128</u>	<u>73,442</u>
Expenditures				
Salaries	1,948,892	1,946,346	1,706,494	239,852
Employee benefits	697,968	651,927	641,636	10,291
Purchased services	834,652	992,184	1,179,169	(186,985)
Supplies and materials	208,798	330,750	256,022	74,728
Property	336,950	93,743	51,763	41,980
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	<u>3,997,260</u>	<u>3,984,950</u>	<u>3,835,084</u>	<u>149,866</u>
Net Change in Fund Balance	<u>\$ 164,778</u>	<u>\$ 237,736</u>	461,044	<u>\$ 223,308</u>
Fund Balance - July 1, 2023			<u>(717,753)</u>	
Fund Balance - June 30, 2024			<u>\$ (256,709)</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Sunnyside
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 1,849,808	\$ 1,849,808	\$ 1,878,162	\$ 28,354
District mill levy	464,384	464,384	552,821	88,437
Supporting services	-	-	1,500	1,500
Investment income	11,000	11,000	33,011	22,011
Miscellaneous	20,593	37,143	27,803	(9,340)
Total local sources	2,345,785	2,362,335	2,493,297	130,962
State sources				
Capital construction	30,475	30,475	27,932	(2,543)
Grants	61,304	61,304	47,369	(13,935)
Total state sources	91,779	91,779	75,301	(16,478)
Federal sources				
Grants	476,023	494,336	474,096	(20,240)
Total revenues	2,913,587	2,948,450	3,042,694	94,244
Expenditures				
Salaries	1,468,088	1,486,945	1,264,921	222,024
Employee benefits	516,037	490,946	468,987	21,959
Purchased services	805,568	969,238	1,118,445	(149,207)
Supplies and materials	195,250	320,750	226,317	94,433
Property	208,954	146,944	117,835	29,109
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	3,163,897	3,384,823	3,196,505	188,318
Net Change in Fund Balance	\$ (250,310)	\$ (436,373)	(153,811)	\$ 282,562
Fund Balance - July 1, 2023			(253,687)	
Fund Balance - June 30, 2024			\$ (407,498)	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Federal
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 4,134,451	\$ 4,246,800	\$ 4,305,105	\$ 58,305
District mill levy	1,077,773	1,107,060	1,250,149	143,089
Supporting services	-	-	1,650	1,650
Investment income	11,000	11,000	24,466	13,466
Miscellaneous	15,969	53,519	36,842	(16,677)
Total local sources	5,239,193	5,418,379	5,618,212	199,833
State sources				
Capital construction	67,969	69,816	72,307	2,491
Grants	99,507	99,507	99,556	49
Total state sources	167,476	169,323	171,863	2,540
Federal sources				
Grants	987,358	994,965	899,296	(95,669)
Total revenues	6,394,027	6,582,667	6,689,371	106,704
Expenditures				
Salaries	3,563,533	3,767,432	3,563,299	204,133
Employee benefits	1,230,281	1,252,936	1,265,482	(12,546)
Purchased services	1,069,509	1,220,044	1,268,340	(48,296)
Supplies and materials	251,574	339,250	474,851	(135,601)
Property	520,477	163,761	74,995	88,766
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	6,605,374	6,713,423	6,646,967	66,456
Net Change in Fund Balance	\$ (211,347)	\$ (130,756)	42,404	\$ 173,160
Fund Balance - July 1, 2023			3,873,119	
Fund Balance - June 30, 2024			<u>\$ 3,915,523</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Ruby Hill
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 4,454,834	\$ 4,501,238	\$ 4,525,783	\$ 24,545
District mill levy	1,160,579	1,172,668	1,319,833	147,165
Supporting services	333,594	333,594	19,107	(314,487)
Investment income	22,000	22,000	33,328	11,328
Miscellaneous	11,055	51,055	38,637	(12,418)
Total local sources	<u>5,982,062</u>	<u>6,080,555</u>	<u>5,936,688</u>	<u>(143,867)</u>
State sources				
Capital construction	72,380	71,663	77,260	5,597
Grants	<u>289,977</u>	<u>289,977</u>	<u>310,914</u>	<u>20,937</u>
Total state sources	<u>362,357</u>	<u>361,640</u>	<u>388,174</u>	<u>26,534</u>
Federal sources				
Grants	<u>1,243,638</u>	<u>1,378,356</u>	<u>1,305,218</u>	<u>(73,138)</u>
Total revenues	<u>7,588,057</u>	<u>7,820,551</u>	<u>7,630,080</u>	<u>(190,471)</u>
Expenditures				
Salaries	4,131,772	4,029,572	3,829,181	200,391
Employee benefits	1,439,155	1,308,677	1,388,254	(79,577)
Purchased services	1,334,665	1,629,579	1,567,391	62,188
Supplies and materials	368,348	425,348	404,691	20,657
Property	454,385	92,000	75,452	16,548
Contingency	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total expenditures	<u>7,698,325</u>	<u>7,455,176</u>	<u>7,264,969</u>	<u>190,207</u>
Net Change in Fund Balance	<u>\$ (110,268)</u>	<u>\$ 365,375</u>	365,111	<u>\$ (264)</u>
Fund Balance - July 1, 2023			<u>3,389,339</u>	
Fund Balance - June 30, 2024			<u>\$ 3,754,450</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Smart
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 6,137,296	\$ 6,328,035	\$ 6,367,244	\$ 39,209
District mill levy	1,815,947	1,872,384	2,106,608	234,224
Supporting services	-	-	17,800	17,800
Investment income	18,500	18,500	31,931	13,431
Miscellaneous	15,813	70,363	81,480	11,117
Total local sources	7,987,556	8,289,282	8,605,063	315,781
State sources				
Capital construction	101,031	104,171	106,876	2,705
Grants	146,101	146,101	93,118	(52,983)
Total state sources	247,132	250,272	199,994	(50,278)
Federal sources				
Grants	816,647	1,396,655	1,598,239	201,584
Total revenues	9,051,335	9,936,209	10,403,296	467,087
Expenditures				
Salaries	4,801,987	5,021,600	4,442,842	578,758
Employee benefits	1,644,822	1,628,965	1,524,648	104,317
Purchased services	1,561,379	2,255,559	1,987,746	267,813
Supplies and materials	509,453	638,766	591,496	47,270
Property	640,724	122,000	101,971	20,029
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	9,128,365	9,636,890	8,648,703	988,187
Net Change in Fund Balance	<u>\$ (77,030)</u>	<u>\$ 299,319</u>	1,754,593	<u>\$ 1,455,274</u>
Fund Balance - July 1, 2023			<u>4,364,137</u>	
Fund Balance - June 30, 2024			<u>\$ 6,118,730</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Westwood
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 4,233,893	\$ 4,267,764	\$ 4,309,291	\$ 41,527
District mill levy	1,130,891	1,139,938	1,261,113	121,175
Supporting services	-	-	2,165	2,165
Investment income	15,000	15,000	13,934	(1,066)
Miscellaneous	17,239	54,089	43,927	(10,162)
Total local sources	5,397,023	5,476,791	5,630,430	153,639
State sources				
Capital construction	69,262	69,816	62,758	(7,058)
Grants	87,406	87,406	44,261	(43,145)
Total state sources	156,668	157,222	107,019	(50,203)
Federal sources				
Grants	873,372	923,007	947,851	24,844
Total revenues	6,427,063	6,557,020	6,685,300	128,280
Expenditures				
Salaries	2,907,400	2,976,333	2,498,209	478,124
Employee benefits	1,020,409	948,148	851,442	96,706
Purchased services	1,294,863	1,737,531	2,004,451	(266,920)
Supplies and materials	278,093	342,000	295,371	46,629
Property	471,983	135,068	112,979	22,089
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	5,942,748	6,109,080	5,762,452	346,628
Net Change in Fund Balance	\$ 484,315	\$ 447,940	922,848	\$ 474,908
Fund Balance - July 1, 2023			2,723,190	
Fund Balance - June 30, 2024			\$ 3,646,038	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Rise
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 5,824,481	\$ 5,902,141	\$ 6,178,638	\$ 276,497
District mill levy	1,661,100	1,683,248	1,928,705	245,457
Supporting services	-	-	3,786	3,786
Investment income	16,000	16,000	28,055	12,055
Miscellaneous	119,908	171,658	92,030	(79,628)
Total local sources	7,621,489	7,773,047	8,231,214	458,167
State sources				
Capital construction	96,967	98,260	102,617	4,357
Grants	129,108	129,108	79,241	(49,867)
Total state sources	226,075	227,368	181,858	(45,510)
Federal sources				
Grants	682,001	1,161,958	1,099,064	(62,894)
Total revenues	8,529,565	9,162,373	9,512,136	349,763
Expenditures				
Salaries	4,266,321	4,379,449	3,720,999	658,450
Employee benefits	1,486,708	1,423,059	1,473,831	(50,772)
Purchased services	1,885,315	2,413,256	2,618,985	(205,729)
Supplies and materials	519,398	654,838	695,036	(40,198)
Property	649,603	137,148	94,694	42,454
Contingency	(30,000)	(30,000)	-	(30,000)
Total expenditures	8,777,345	8,977,750	8,603,545	374,205
Net Change in Fund Balance	\$ (247,780)	\$ 184,623	908,591	\$ 723,968
Fund Balance - July 1, 2023			2,127,546	
Fund Balance - June 30, 2024			<u>\$ 3,036,137</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Creekside
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 6,559,480	\$ 6,697,271	\$ 6,771,427	\$ 74,156
District mill levy	1,639,002	1,676,898	1,971,338	294,440
Supporting services	315,000	315,000	7,376	(307,624)
Miscellaneous	<u>-</u>	<u>-</u>	<u>57,165</u>	<u>57,165</u>
Total local sources	<u>8,513,482</u>	<u>8,689,169</u>	<u>8,807,306</u>	<u>118,137</u>
State sources				
Capital construction	97,826	100,088	112,027	11,939
Grants	<u>441,329</u>	<u>441,329</u>	<u>351,023</u>	<u>(90,306)</u>
Total state sources	<u>539,155</u>	<u>541,417</u>	<u>463,050</u>	<u>(78,367)</u>
Federal sources				
Grants	<u>1,613,611</u>	<u>1,621,023</u>	<u>1,360,158</u>	<u>(260,865)</u>
Total revenues	<u>10,666,248</u>	<u>10,851,609</u>	<u>10,630,514</u>	<u>(221,095)</u>
Expenditures				
Salaries	5,236,528	5,235,585	4,807,385	428,200
Employee benefits	1,900,695	1,784,417	1,897,965	(113,548)
Purchased services	1,998,912	2,624,922	2,437,014	187,908
Supplies and materials	652,207	503,821	602,249	(98,428)
Property	388,365	218,427	140,846	77,581
Other	2,177	2,177	-	2,177
Contingency	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total expenditures	<u>10,148,884</u>	<u>10,339,349</u>	<u>9,885,459</u>	<u>453,890</u>
Net Change in Fund Balance	<u><u>\$ 517,364</u></u>	<u><u>\$ 512,260</u></u>	<u>745,055</u>	<u><u>\$ 232,795</u></u>
Fund Balance - July 1, 2023, as Restated			<u>5,963,379</u>	
Fund Balance - June 30, 2024			<u><u>\$ 6,708,434</u></u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Southwest
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 4,587,696	\$ 4,657,048	\$ 4,539,129	\$ (117,919)
District mill levy	1,119,083	1,138,546	1,520,302	381,756
Supporting services	-	-	3,200	3,200
Miscellaneous	-	-	61,009	61,009
Total local sources	<u>5,706,779</u>	<u>5,795,594</u>	<u>6,123,640</u>	<u>328,046</u>
State sources				
Capital construction	65,029	66,160	67,850	1,690
Grants	<u>355,098</u>	<u>355,099</u>	<u>246,766</u>	<u>(108,333)</u>
Total state sources	<u>420,127</u>	<u>421,259</u>	<u>314,616</u>	<u>(106,643)</u>
Federal sources				
Grants	<u>1,236,851</u>	<u>1,271,781</u>	<u>1,174,394</u>	<u>(97,387)</u>
Total revenues	<u>7,363,757</u>	<u>7,488,634</u>	<u>7,612,650</u>	<u>124,016</u>
Expenditures				
Salaries	3,163,313	3,190,152	2,826,533	363,619
Employee benefits	1,216,702	1,152,702	1,059,944	92,758
Purchased services	1,640,273	1,863,119	1,796,537	66,582
Supplies and materials	516,921	428,269	391,032	37,237
Property	679,533	305,981	132,352	173,629
Other	1,411	1,411	-	1,411
Contingency	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total expenditures	<u>7,188,153</u>	<u>6,911,634</u>	<u>6,206,398</u>	<u>705,236</u>
Net Change in Fund Balance	<u>\$ 175,604</u>	<u>\$ 577,000</u>	1,406,252	<u>\$ 829,252</u>
Fund Balance - July 1, 2023, as Restated			<u>3,409,651</u>	
Fund Balance - June 30, 2024			<u>\$ 4,815,903</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Berkeley
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 3,556,212	\$ 3,265,965	\$ 3,316,991	\$ 51,026
District mill levy	737,358	664,962	851,884	186,922
Supporting services	140,000	140,000	2,828	(137,172)
Miscellaneous	<u>392,100</u>	<u>392,622</u>	<u>436,883</u>	<u>44,261</u>
Total local sources	<u>4,825,670</u>	<u>4,463,549</u>	<u>4,608,586</u>	<u>145,037</u>
State sources				
Capital construction	100,650	90,768	102,617	11,849
Grants	<u>252,811</u>	<u>252,289</u>	<u>162,471</u>	<u>(89,818)</u>
Total state sources	<u>353,461</u>	<u>343,057</u>	<u>265,088</u>	<u>(77,969)</u>
Federal sources				
Grants	<u>654,339</u>	<u>653,574</u>	<u>498,056</u>	<u>(155,518)</u>
Total revenues	<u>5,833,470</u>	<u>5,460,180</u>	<u>5,371,730</u>	<u>(88,450)</u>
Expenditures				
Salaries	3,526,315	3,304,355	3,013,496	290,859
Employee benefits	1,274,364	1,123,833	1,111,315	12,518
Purchased services	1,397,076	1,425,950	1,202,143	223,807
Supplies and materials	427,014	378,419	403,034	(24,615)
Property	337,687	337,687	450,018	(112,331)
Other	2,613	2,613	55	2,558
Contingency	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total expenditures	<u>6,935,069</u>	<u>6,542,857</u>	<u>6,180,061</u>	<u>362,796</u>
NST Allocation Change	<u>-</u>	<u>-</u>	<u>(48,503)</u>	<u>(48,503)</u>
Net Change in Fund Balance	<u>\$ (1,101,599)</u>	<u>\$ (1,082,677)</u>	<u>(856,834)</u>	<u>\$ 225,843</u>
Fund Balance - July 1, 2023, as Restated			<u>(1,680,096)</u>	
Fund Balance - June 30, 2024			<u>\$ (2,536,930)</u>	

Rocky Mountain Preparatory Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund – Budget to Actual – Fletcher
Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Local sources				
Per pupil revenue	\$ 6,632,188	\$ 6,837,261	\$ 6,562,724	\$ (274,537)
District mill levy	1,566,000	1,618,200	1,685,208	67,008
Supporting services	35,000	35,000	719,733	684,733
Investment income	-	-	15,315	15,315
Miscellaneous	-	-	121,491	121,491
Total local sources	<u>8,233,188</u>	<u>8,490,461</u>	<u>9,104,471</u>	<u>614,010</u>
State sources				
Capital construction	89,341	89,341	113,117	23,776
Grants	<u>805,541</u>	<u>805,541</u>	<u>745,893</u>	<u>(59,648)</u>
Total state sources	<u>894,882</u>	<u>894,882</u>	<u>859,010</u>	<u>(35,872)</u>
Federal sources				
Grants	<u>1,261,376</u>	<u>1,261,376</u>	<u>1,099,822</u>	<u>(161,554)</u>
Total revenues	<u>10,389,446</u>	<u>10,646,719</u>	<u>11,063,303</u>	<u>416,584</u>
Expenditures				
Salaries	4,956,354	4,975,985	4,541,513	434,472
Employee benefits	2,004,783	1,896,874	1,873,073	23,801
Purchased services	2,002,223	2,541,691	2,605,464	(63,773)
Supplies and materials	631,783	414,036	631,368	(217,332)
Property	300,864	300,864	207,521	93,343
Other	10,193	-	-	-
Contingency	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(30,000)</u>
Total expenditures	<u>9,876,200</u>	<u>10,099,450</u>	<u>9,858,939</u>	<u>240,511</u>
Net Change in Fund Balance	<u><u>\$ 513,246</u></u>	<u><u>\$ 547,269</u></u>	<u>1,204,364</u>	<u><u>\$ 657,095</u></u>
Fund Balance - July 1, 2023, as Restated			<u>5,262,763</u>	
Fund Balance - June 30, 2024			<u><u>\$ 6,467,127</u></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
STRIVE Preparatory Schools dba Rocky Mountain Preparatory 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, and the general fund of Strive Preparatory Schools dba Rocky Mountain Preparatory Schools (RMPS), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise RMPS's basic financial statements, and have issued our report thereon dated October 10, 2024. We have also audited the financial statements of the governmental activities and the general funds of RMP – Denver (a component unit of School District Number 1 in the City and County of Denver, Colorado [Denver Public Schools or DPS]) and RMP – 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 ended June 30, 2024, as listed in the table of contents, and have issued our report thereon dated October 10, 2024, which contained an emphasis of matter regarding a merger.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Forvis Mazars, LLP

**Denver, Colorado
October 10, 2024**