Platte River Academy

(A Component Unit of Douglas County School District RE. 1)

Financial Statements

with Independent Auditor's Report

June 30, 2024

HINKLE & COMPANY PC

Strategic Business Advisors

Platte River Academy

(A Component Unit of Douglas County School District RE.1)

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June 30, 2024

HINKLE & COMPANY PC
Strategic Business Advisors

Independent Auditor's Report

Governing Board
Platte River Academy
Highlands Ranch, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Platte River Academy (the Academy), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Academy, 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). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Academy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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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 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy'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 listed in the table of contents, such as management's discussion and analysis and budgetary comparison information as noted in the table of contents 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Hinkle & Company, pc

Englewood, Colorado
October 23, 2024

As management of Platte River Academy (PRA), we offer readers of the Academy's basic financial statements this narrative and analysis of the financial activities of PRA 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.

Financial Highlights

The year ended June 30, 2024 is the 26th year of operations for PRA. The General Fund balance increased to $3,212,285 from $2,219,672 at June 30, 2023

The operations of PRA are funded primarily by tax revenue received under the State School Finance Act (the Act). Tax revenue for the year from Per Pupil Revenue was $5,632,579, up from $4,752,233 in the year ended June 30, 2023.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to PRA's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, 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 PRA's finances in a manner similar to a private-sector business.

The statement of net position presents information on all PRA's assets and liabilities, and deferred inflows and outflows, 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 PRA is improving or deteriorating. The statement of activities presents information showing how PRA'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 (for example, salaries and benefits earned but unpaid as of year end).

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. PRA keeps track of these monies to ensure and demonstrate compliance with finance-related legal requirements.

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

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

PRA adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for this fund to demonstrate compliance with the budget.

The Building Corporation enterprise fund shows income and expense and balance sheet information as it relates to the assets purchased with tax-exempt financing, and related debt.

Notes to Financial Statements

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

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of PRA's financial position. For the year ended June 30, 2024, PRA's combined liabilities and deferred inflows exceeded assets and deferred outflows by ($4,286,796) as compared to ($4,973,397) in the year ended June 30, 2023. This increase is primarily due to the impact of the adoption of GASB No. 68 which requires the reporting of PRA's proportionate share of the Colorado Public Employees Retirement Association's net pension liability and GASB No. 80 – Blending Requirements for Certain Component Units. Of the June 30, 2024 amount, $208,617 is restricted to comply with Article X, Section 20 of the Colorado Constitute, known as the TABOR Amendment.

NET POSITION	Governmental Activities 2022-23	2023-24
Assets		
Cash and Investments	$2,660,426	$3,281,574
Restricted Cash	536,813	550,293
Accounts Receivable	34,963	397,426
Land	553,332	553,332
Capital Assets	3,708,296	3,532,920
Total Assets	$7,493,830	$8,315,545
Deferred Outflows of Resources		
Pensions, Net of Accum Amortization	$1,789,841	$2,865,401
OPEB Net of Accum Amortization	47,677	45,139
Loss on Debt Refunding, Net of Accumulated Amortization	667,580	604,995
Totals	$2,505,098	$3,515,535
Liabilities		
Current Liabilities	$453,679	$444,274
Accrued Interest Payable	74,900	72,833
Accounts Payable	14,113	22,441
Due In One Year	155,000	160,000
Due In More Than One Yr	5,423,235	5,262,786
Net OPEB Liability	250,877	225,635
Net Pension Liability	7,358,949	9,344,634
Total Liabilities	$13,730,753	$15,532,603
Deferred Inflows of Resources		
Pensions	$1,136,918	$512,594
OPEB*	96,729	72,679
Unearned Revenue	7,925	-
Total Deferred Inflows	$1,241,572	$585,273
Net Position		
Net investment in Cap Assets	$(604,802)	$(681,388)
Restricted for Debt Service	461,913	477,460
Reserved for Emergencies	175,722	208,617
Unrestricted	(5,006,230)	(4,291,485)
Total Net Position	$(4,973,397)	$(4,286,796)

CHANGE IN NET POSITION

	Governmental Activities 2022-23	2023-24
Revenues		
Charges for Services	$574,283	$742,899
Grants & Contributions	374,579	137,920
Per Pupil Revenues	4,752,233	5,632,579
Mill Levy Overrides	668,824	1,301,731
Capital Construction	181,833	355,096
Earning on Investments	58,726	173,162
Other	40,115	42,811
Total Revenue	$6,650,593	$8,386,198
Expenses		
Instruction	$(4,274,349)	$(6,106,055)
Supporting Services	(856,500)	(1,314,699)
Interest no allocated	(284,910)	(278,843)
Total Expenses	$(5,415,759)	$(7,699,597)
Increase in Net Position	$1,234,834	$686,601
Net Position, Beginning	(6,208,231)	(4,973,397)
Total Net Position	$(4,973,397)	$(4,286,796)

Analysis of Significant Changes

PRA net position is a negative $4,286,796. The negative balance is due primarily to the adoption of GASB Statement No. 68, and GASB No. 80 resulting in a net pension liability of $9,344,634 and OPEB liability of $225,635 representing PRA's proportionate share of Colorado Public Employees Retirement Association net pension liability.

Financial Analysis of the Academy's Funds

Governmental Funds

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

The General Fund is the major operating fund of PRA. During the current fiscal year, the fund balance increased $992,613 from $2,219,672 to $3,212,285.

Proprietary Fund – Building Corporation

The Building Corporation activities consisted of Depreciation Expense amounting to $175,376 and Interest and Fees Expense totaling $224,700.

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General Fund Budgetary Highlights

PRA's 2023-24 Final Budget budgeted for General Fund expenditures of $7,895,296 for the year ended June 30, 2024. Actual expenditures were $7,361,123. The expenditure was lower than budgeted expenditures due to potential building projects that were not necessary.

Capital Assets and Long-Term Debt

As of June 30, 2024, the Building Corporation owned the building used by PRA and was obligated to pay on a tax-exempt debt in the amount of $5,372,635. The total due within one year is $160,000. The debt accrues interest at rates ranging from 4% to 5%. Interest payments are due on September 1 and March 1 each year through 2044. There is no other long-term debt other than compensated absences payable. Additional information on capital assets and long-term debt is available in Notes 3 and 4 of the financial statements. **NOTE:** On February 22, 2017, CECFA issued $6,075,000 Charter School Refunding and Improvement Revenue Bonds, Series 2017A and 2017B. Bond proceeds were used to refund the outstanding Series 2004 Bonds and to loan an additional $500,000 to the Corporation to construct new classrooms.

Economic Factors and Next Year's Budget

The primary factor driving the budget for PRA is student enrollment. The funded pupil enrollment for the 2023-24 school year was 559. The enrollment projected for the 2024-25 school year is expected to be approximately 476 at the main campus and 257 in the homeschool program for a total of 733. The enrollment increase is due to the Homeschool program almost doubling in size. PRA has been diligent in their budget to reflect the unstable economic status of the State. The Academy has also created a conservative 3-year budget that the Board of Directors has approved. PRA added an additional income source from the addition of a Pre-K program implemented in 2020-21. With current enrollment the Pre-K program is at capacity.

PRA relocated the homeschool program to a new facility during the summer of 2023 to allow the program to grow. Unfortunately, the property was sold to another vendor that intended to put a school in the facility and they did not renew PRA's lease. PRA was able to negotiate a move back to the original site where homeschool was held for over 20 years. The property had sustained water damage after PRA left and the building needed extensive upgrading to allow PRA to teach the growing number of homeschool students. The 2023-24 enrollment for the homeschool program was averaging 160 students and for 24-25 is currently at 257. A new contract was drawn up to compensate PRA for the expenses of renovation via offsetting building rental expenses with the building owners. The renovations will be completed in time for the 2024-25 school year. There is still room for the programs to grow in future years.

For 2024-25, PRA continued to put compensation of our staff at the top of our priority. PRA adjusted all compensation for the 2023-24 contract year after the Mill Levy was passed by the voters in the fall of 2023. PRA increased salaries 3.5% for 2024-25.

Request for Information

This financial report is designed to provide a general overview of PRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Jackie Cote, Business Manager, Platte River Academy, 4085 Lark Sparrow Street, Highlands Ranch, CO, 80126.

Basic Financial Statements

Platte River Academy
(A Component Unit of Douglas County School District RE.1)
Statement of Net Position
June 30, 2024

	Governmental Activities
Assets	
Cash and Investments	$ 3,281,574
Restricted Cash and Investments	550,293
Accounts Receivable	397,426
Capital Assets, *Not Being Depreciated*	553,332
Capital Assets, *Net of Accumulated Depreciation*	3,532,920
Total Assets	8,315,545
Deferred Outflows of Resources	
Pensions, *Net of Accumulated Amortization*	2,865,401
OPEB, *Net of Accumulated Amortization*	45,139
Loss on Debt Refunding, *Net of Accumulated Amortization*	604,995
Total Deferred Outflows of Resources	3,515,535
Liabilities	
Accounts Payable	22,441
Accrued Salaries and Benefits	444,274
Accrued Interest Payable	72,833
Noncurrent Liabilities	
Due Within One Year	160,000
Due in More Than One Year	5,262,786
Net Pension Liability	9,344,634
Net OPEB Liability	225,635
Total Liabilities	15,532,603
Deferred Inflows of Resources	
Pensions, *Net of Accumulated Amortization*	512,594
OPEB, *Net of Accumulated Amortization*	72,679
Total Deferred Inflows of Resources	585,273
Net Position	
Net Investment in Capital Assets	(681,388)
Restricted for:	
Debt Service	477,460
Emergencies	208,617
Unrestricted	(4,291,485)
Total Net Position	$ (4,286,796)

See Notes to the Financial Statements.

Platte River Academy
(A Component Unit of Douglas County School District RE.1)
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Primary Government				
Governmental Activities				
Instruction	$ 6,092,440	$ 681,490	$ 19,181	$ (5,391,769)
Supporting Services	1,314,699	61,409	27,050	(1,226,240)
Interest not allocated to programs	278,843	-	-	(278,843)
Total Governmental Activities	$ 7,685,982	$ 742,899	$ 46,231	(6,896,852)
General Revenues				
Per Pupil Revenue				5,632,579
District Mill Levy				1,301,731
Capital Construction				355,096
Grants and Contributions Not Restricted to Specific Programs				91,689
Investment Income				173,162
Other				29,196
Total General Revenues and Transfers				7,583,453
Change in Net Position				686,601
Net Position, *Beginning of Year*				(4,973,397)
Net Position, *End of Year*				$ (4,286,796)

See Notes to the Financial Statements.

Platte River Academy
(A Component Unit of Douglas County School District RE.1)
Balance Sheet
Governmental Fund
June 30, 2024

	General	Building	Total
Assets			
Cash and Investments	$ 3,281,574	$ -	$ 3,281,574
Restricted Cash and Investments	-	550,293	550,293
Accounts Receivable	397,426	-	397,426
Total Assets	$ 3,679,000	$ 550,293	$ 4,229,293
Liabilities and Fund Balance			
Liabilities			
Accounts Payable	$ 22,441	$ -	$ 22,441
Accrued Salaries and Benefits	444,274	-	444,274
Total Liabilities	466,715	-	466,715
Fund Balance			
Restricted for:			
Emergencies	208,617	-	208,617
Debt Service	-	550,293	550,293
Unrestricted, Unassigned	3,003,668	-	3,003,668
Total Fund Balance	3,212,285	550,293	3,762,578
Total Liabilities and Fund Balance	$ 3,679,000	$ 550,293	$ 4,229,293

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of the Governmental Fund	$ 3,762,578
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	4,086,252
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:	
Loss on Debt Refunding	604,995
Accrued interest payable	(72,833)
Long term debt, net of premium	(5,372,635)
Compensated absences	(50,151)
Net pension liability	(9,344,634)
Pension-related deferred outflows of resources	2,865,401
Pension-related deferred inflows of resources	(512,594)
Net OPEB liability	(225,635)
OPEB-related deferred outflows of resources	45,139
OPEB-related deferred inflows of resources	(72,679)
Total Net Position of Governmental Activities	$ (4,286,796)

Platte River Academy

(A Component Unit of Douglas County School District RE.1)

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Fund

For the Year Ended June 30, 2024

	General	Building	Total
Revenues			
Local Sources	$ 7,942,363	$ 408,193	$ 8,350,556
State Sources	370,708	-	370,708
Federal Sources	27,050	-	27,050
Total Revenues	8,340,121	408,193	8,748,314
Expenditures			
Instruction	5,887,244	1,398	5,888,642
Supporting Services	1,473,879	-	1,473,879
Debt Service			
Debt Principal	-	155,000	155,000
Debt Interest	-	224,700	224,700
Total Expenditures	7,361,123	381,098	7,742,221
Excess of Revenue Over (Under) Expenditures	978,998	27,095	1,006,093
Other Financing Sources			
Transfers In (Out)	13,615	(13,615)	-
Net Change in Fund Balance	992,613	13,480	1,006,093
Fund Balance, *Beginning of Year*	2,219,672	536,813	2,756,485
Fund Balance, *End of Year*	$ 3,212,285	$ 550,293	$ 3,762,578

Platte River Academy

(A Component Unit of Douglas County School District RE.1)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities

For the Year Ended June 30, 2024

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Net Change in Fund Balance of the Governmental Fund	$ 1,006,093
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Depreciation expense	(175,376)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities. Repayments of debt principal are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	
Bond Principal Payments	155,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes changes in the following:	
Amortization of Loss on Refunding	(62,585)
Change in accrued interest	2,067
Change in compensated absences	(5,926)
Amortization of Bond Premium	6,375
Net pension liability	(1,985,685)
Pension-related deferred outflows of resources	1,075,560
Pension-related deferred inflows of resources	624,324
Net OPEB liability	25,242
OPEB-related deferred outflows of resources	(2,538)
OPEB-related deferred inflows of resources	24,050
Change in Net Position of Governmental Activities	$ 686,601

Note 1: Summary of Significant Accounting Policies

Platte River Academy (the Academy) was organized pursuant to the Colorado Charter Schools Act to form and operate a charter school within Douglas County School District RE.1 (the District). The Academy began operations in 1997.

The financial statements of the Academy have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The more significant of the Academy's accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the Academy, organizations for which the Academy is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Academy. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the Academy. Legally separate organizations for which the Academy is financially accountable are considered part of the reporting entity. Financial accountability exists if the Academy appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the Academy.

The Academy includes the Platte River Academy Building Corporation (the Corporation) within its reporting entity. The Corporation was organized exclusively for the purpose of holding title to real and/or personal property for, and to make the same available for use by, the Academy, and to otherwise provide facilities, equipment and other physical plant and related support to the Academy. The Corporation is blended into the Academy's financial statements as a Special Revenue Fund and does not issue separate financial statements.

The Academy is a component unit of the District. The Academy's charter was authorized by the District and the majority of the Academy's funding is provided by the District.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the Academy. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements *(Continued)*

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to students or others who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Unrestricted revenues not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as general revenues rather than as program revenues.

Separate financial statements are provided for the governmental funds. Major individual funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements 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*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year, not to exceed 60 days. Intergovernmental revenues, grants and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the Academy. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for a specific use, it is the Academy’s policy to use restricted resources first and the unrestricted resources as they are needed.

The Academy reports the following major governmental fund:

> *General Fund* - This fund is the general operating fund of the Academy. It is currently used to account for all financial activities of the Academy.

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation *(Continued)*

Building Fund - This fund is used to account for the financial activities of the Corporation, primarily related to capital assets and the related debt service.

Assets, Liabilities and Net Position/Fund Balance

Cash Equivalents - For the purposes of the statement of cash flows, cash equivalents include investments with original maturities of three months or less.

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital Assets - Capital assets, which include land and buildings, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

Depreciation of exhaustible capital assets is charged as an expense against operations, and accumulated depreciation is reported in the statement of net position in the government-wide financial statements. Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	15 - 45 years

Accrued Salaries and Benefits - Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from September to August but are earned during an Academy year of approximately nine to ten months. The salaries and benefits earned, but unpaid, are reported as a liability of the General Fund.

Unearned Revenues - Unearned revenues represent resources received by the Academy before it has a legal claim to them, including tuition and fees.

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refunding's are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balance *(Continued)*

Compensated Absences - The Academy's policy allows employees to use personal and sick leave. Any unused leave may be accumulated and accrued into a leave bank. Upon termination of employment, no financial compensation is paid for unused personal leave. If an employee leaves the Academy after ten years of service, accrued sick leave to a maximum of 70 days will be paid at the rate of $45 per day. A long-term liability has been reported in the government-wide financial statements for the earned and accrued sick leave, which is expected to be liquidated with revenues of the General Fund.

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

Postemployment Benefits Other Than Pensions (OPEB) - The Academy participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP), and additions to/deductions from the FNP of the HCTF's 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.

Net Position/Fund Balance - In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed. The Governing Board is authorized to establish a fund balance commitment through passage of a resolution and may assign fund balances to a specific purpose through an informal action.

The Academy has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the Academy uses restricted fund balance first, followed by committed, assigned and unassigned balances.

Note 1: Summary of Significant Accounting Policies (Continued)

Risk Management

The Academy is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; injuries to employees; and natural disasters. The Academy purchases commercial insurance for these risks of loss.

Subsequent Events

The Academy evaluated subsequent events though October 23, 2024, the date the financial statements were available to be issued.

Note 2: Deposits and Investments

Cash and investments at June 30, 2024, consisted of the following:

Deposits	$ 329,660
Investments	3,502,207
Total	$ 3,831,867

Cash and investments are reported in the financial statements as follows:

Cash and Investments	$ 3,281,574
Restricted Cash and Investments	550,293
Total	$ 3,831,867

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to 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. 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, the Academy had $190,727 of deposits in excess of FDIC insurance limits.

Note 2: Deposits and Investments (Continued)

Investments

The Academy 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. State statutes do not address custodial risk.

- 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

At June 30, 2024, the Academy and the Corporation had the following investments:

		Investment Maturities (in Years)			
Investment Type	S&P Rating	Less Than 1	1 - 5	Greater than 5	Total
Local Government Investment Pool	AAAm	$ 1,146,767	$ -	$ -	$ 1,146,767
Mutual Funds		323,977	-	-	323,977
U.S. Agency Securities	AAA	-	47,494	-	47,494
Fixed Income-Other	AA+	-	109,803	-	109,803
Fixed Income-Muni	AAA	230,630	231,837	-	462,467
Fixed Income-Muni	AA+	28,922	452,773	-	481,695
Fixed Income-Muni	AA	240,548	353,003	29,144	622,695
Fixed Income-Muni	AA-	120,769	131,963	-	252,732
Fixed Income-Muni	A+	19,872	34,705	-	54,577
Total		$ 2,111,485	$ 1,361,578	$ 29,144	$ 3,502,207

Fair Value Measurements - The Academy reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments or other observable inputs; and Level 3 inputs are unobservable inputs. At June 30, 2024, the Academy's investment securities were measured utilizing quoted prices in active markets for similar investments (Level 2 inputs). The external investment pool was reported at the net asset value per share.

Interest Rate Risk - State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years. Corporate securities must mature within three years.

Note 2: Deposits and Investments (Continued)

Investments *(Continued)*

Credit Risk - State statutes limit investments in municipal securities to those with at least two credit ratings at or above A or its equivalent by nationally recognized statistical rating organizations (NRSROs). Corporate securities must have at least two credit ratings from any of the NRSROs at or above AA - or its equivalent.

Concentration of Credit Risk - State statutes do not limit the amount the Academy may invest in a single issuer, except for corporate securities, which are limited to 50% of total investments or 5% for a single issuer.

Local Government Investment Pool - At June 30, 2024, the Academy had $596,474 and $550,293 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating Colotrust. Colotrust operates in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at $1. Colotrust is rated AAAm by Standard and Poor's. Investments of Colotrust are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Legal Compliance

At June 30, 2024, the Academy had bank deposits with a balance of $2,631 held and issued by banks not registered under the PDPA.

Restricted Cash and Investments

At June 30, 2024, the Corporation had investments of $550,293 restricted by its loan agreement for capital projects and future debt service.

Note 3: Capital Assets

Capital asset activity for the year ended June 30, 2024, is summarized below.

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24
Governmental Activities				
Capital Assets, *Not Being Depreciated*				
Land	$ 553,332	$ -	$ -	$ 553,332
Capital Assets, *Being Depreciated*				
Buildings and Improvements	6,197,130	-	-	6,197,130
Accumulated Depreciation	(2,488,834)	(175,376)	-	(2,664,210)
Total Capital Assets, *Being Depreciated*	3,708,296	(175,376)	-	3,532,920
Governmental Activities Capital Assets, *Net*	$ 4,261,628	$ (175,376)	$ -	$ 4,086,252

Note 4: Long-Term Debt

Following is a summary of long-term debt transactions for the year ended June 30, 2024:

	Balance 6/30/23	Additions	Payments	Balance 6/30/24	Due Within One Year
Governmental Activities					
Series 2017 Refunding and Improvement Bonds	$ 5,275,000	$ -	$ (155,000)	$ 5,120,000	$ 160,000
Series 2017 Premium	131,678	-	(6,375)	125,303	-
Stifel Pledged Asset Line of Credit	127,332	-	-	127,332	-
Compensated Absences	44,225	5,926	-	50,151	-
Total	$ 5,578,235	$ 5,926	$ (161,375)	$ 5,422,786	$ 160,000

On February 22, 2017, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $6,075,000 Charter School Refunding and Improvement Bonds, Series 2017A and 2017B. Bond proceeds were used to refund the outstanding Series 2004 Bonds originally loaned to the Corporation to finance construction of the Academy’s educational facilities, and to loan an additional $500,000 to the Corporation to construct new classrooms. The Academy is obligated under a lease agreement to make monthly lease payments to the Corporation for using the facilities. The Corporation is required to make equal loan payments to the Trustee, for payment of the bonds. Interest accrues on the bonds at rates ranging from 4% to 5% per annum and is payable semi-annually on September 1 and March 1. Principal payments are due annually on March 1, from 2018 through 2044.

On June 28, 2022, the Academy opened a pledged asset revolving line of credit with Stifel Bank & Trust for $1,400,000. The line of credit doesn't have a maturity date and has an interest rate of 6.40%.

Note 4: Long-Term Debt (Continued)

Future debt service requirements for the bonds are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 160,000	$ 218,500	$ 378,500
2026	170,000	212,100	382,100
2027	175,000	203,600	378,600
2028	185,000	194,850	379,850
2029	195,000	185,600	380,600
2030-2034	1,130,000	773,900	1,903,900
2035-2039	1,395,000	513,800	1,908,800
2040-2044	1,710,000	211,200	1,921,200
Total	$ 5,120,000	$ 2,513,550	$ 7,633,550

Note 5: Defined Benefit Pension Plan

General Information

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

Benefits provided as of December 31, 2023 - PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

Note 5: Defined Benefit Pension Plan (Continued)

General Information *(Continued)*

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

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

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

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

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

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of a disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum of 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) in place under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Note 5: Defined Benefit Pension Plan (Continued)

General Information *(Continued)*

Contributions provisions as of June 30, 2024 - Eligible employees of the School and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 01, 2023 through June 30, 2024. The School's contribution rate was 21.40% of covered salaries for July 01, 2023 through June 30, 2024. However, a portion of the School's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (See Note 6). Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School were $804,593, for the year ended June 30, 2024.

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

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

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

Note 5: Defined Benefit Pension Plan (Continued)

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

At June 30, 2024, the Academy reported a liability of $9,344,634, for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the Academy as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the Academy were as follows:

Proportionate share of net pension liability	$	9,549,537
State's proportionate share of net pension liability as a nonemployer contributing entity		(204,903)
Academy proportionate share of the net pension liability	$	9,344,634

At December 31, 2023, the Academy's proportion was 0.0528440346%, which was an increase of 0.0124312633% from its proportion measured at December 31, 2022.

For the year ended June 30, 2024, the Academy recognized pension expense of $1,089,505 and benefit of $19,181 for support from the State as a nonemployer contributing entity. At June 30, 2024, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	$	443,113	$	-
Net difference between projected and actual earnings on plan investments		669,865		-
Changes in proportion		1,328,067		512,594
Contributions subsequent to the measurement date		424,356		-
Total	$	2,865,401	$	512,594

Note 5: Defined Benefit Pension Plan (Continued)

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

$424,356 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,		
2025	$	371,224
2026		930,265
2027		813,739
2028		(186,777)
Total	$	1,928,451

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

Actuarial cost method	Entry Age
Price inflation	2.3%
Real wage growth	0.7%
Wage inflation	3.0%
Salary increases, including wage inflation	3.4% - 11.0%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Future post-employment benefit increases:	
Hired prior to 1/1/2007	1.00%
Hired after 12/31/2006	Financed by AIR

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.

Note 5: Defined Benefit Pension Plan (Continued)

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

Post-retirement non-disabled beneficiary mortality assumptions were based upon the PubT-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 prepared at least every five years and asset/liability studies performed every three to five years for PERA. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

Note 5: Defined Benefit Pension Plan (Continued)

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

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

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

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

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

Note 5: Defined Benefit Pension Plan (Continued)

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

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include the 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 in the middle of the year.
- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

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

Note 5: Defined Benefit Pension Plan (Continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 12,495,330	$ 9,344,634	$ 6,717,334

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

Note 6: Postemployment Healthcare Benefits (OPEB)

General Information

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

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

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

General Information *(Continued)*

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

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

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

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

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

General Information *(Continued)*

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the members and the School is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School were $39,845, for the year ended June 30, 2024.

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

At June 30, 2024, the Academy reported a liability of $225,635 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TOL to December 31, 2023. The Academy's proportion of the net OPEB liability was based on the Academy's contributions to the HCTF for the calendar year ended December 31, 2023, relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the Academy's proportion was 0.0316136764%, which was an increase of 0.0008869658% from its proportion measured at December 31, 2022.

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

For the year ended June 30, 2024, the School recognized OPEB benefit of $7,134. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 45,744
Changes of assumptions and other inputs	2,650	23,465
Net difference between projected and actual earnings on plan investments	6,977	-
Changes in proportion	14,273	3,470
Contributions subsequent to the measurement date	21,239	-
Total	$ 45,139	$ 72,679

$21,239 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	
2025	$ (24,656)
2026	(10,447)
2027	(2,851)
2028	(8,949)
2029	(1,782)
Thereafter	(94)
Total	$ (48,779)

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

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

Actuarial cost method	Entry age
Price inflation	2.3%
Real wage growth	0.7%
Wage inflation	3.0%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.0%
PERACare Medicare plans	
7.00% in 2023, gradually decreasing to 4.50% in 2033	
Medicare Part A premiums:	
3.50% in 2023, gradually increasing to 4.50% in 2035	
DPS benefit structure:	
Service-based premium subsidy	0.0%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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.

The 2023 Medicare Part A premium is $506 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.

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2022, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates used to measure the 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 TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than Safety Officers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

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

Pre-retirement mortality assumptions for the Judicial Division were based upon the PubG-2010(A) Above-Median Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than Safety Officers) were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for Safety Officers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based on the 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 mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

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

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

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

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

Disabled mortality assumptions for Safety Officers were based upon the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

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

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

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

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of 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.

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the 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 as presented previously (See Note 5).

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

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made in the middle of the year.
- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- 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.

Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 266,503	$ 225,635	$ 190,672

Sensitivity of the Academy's proportionate share of the net OPEB liability to changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability using the current healthcare cost trend rates applicable to the PERA benefit structure, ranging from 3.00% to 7.25%, as well as if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rates, as follows:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Proportionate share of the net OPEB liability	$ 219,159	$ 225,635	$ 232,680

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

Note 7: Commitments and Contingencies

Claims and Judgments

The Academy participates in a number of federal and state programs that are fully or partially funded by revenues received from other governmental entities. Expenditures financed by these revenues are subject to audit by the appropriate government. If expenditures are disallowed due to noncompliance with program regulations, the Academy may be required to reimburse the other government. At June 30, 2024, significant amounts of related expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Academy.

TABOR Amendment

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The Amendment is subject to interpretation, but the Academy believes it is in substantial compliance with the requirements of the Amendment. In accordance with the Amendment, the Academy has established a reserve for emergencies, representing 3% of qualifying expenditures. At June 30, 2024, the reserve was reported as restricted fund balance in the General Fund, in the amount of $208,617.

Required Supplementary Information

Platte River Academy

(A Component Unit of Douglas County School District RE.1)
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability and Contributions
Public Employees' Retirement Association of Colorado
School Division Trust Fund
June 30, 2024

Measurement Date	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19
Proportionate Share of the Net Pension Liability					
Academy's Proportion of the Net Pension Liability	0.0528440346%	0.0404127713%	0.0476013639%	0.0524481331%	0.0448707655%
Net Pension Liability					
Academy's Proportionate Share	$ 9,344,634	$ 7,358,949	$ 5,539,545	$ 7,929,100	$ 6,703,595
State's Proportionate Share	204,903	2,144,472	635,038	-	850,265
Total Proportionate Share of the Net Pension Liability	$ 9,549,537	$ 9,503,421	$ 6,174,583	$ 7,929,100	$ 7,553,860
Academy's Covered-Employee Payroll	$ 3,493,462	$ 3,118,039	$ 2,974,552	$ 2,804,445	$ 2,637,271
Academy's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	267%	236%	186%	283%	254%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65%	62%	75%	67%	65%

Reporting Date	6/30/24	6/30/23	6/30/22	6/30/21	6/30/20
Academy Contributions					
Statutorily Required Contribution	$ 804,593	$ 644,018	$ 609,345	$ 572,604	$ 542,619
Contributions in Relation to the Statutorily Required Contribution	(804,593)	(644,018)	(609,345)	(572,604)	(542,619)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Academy's Covered-Employee Payroll	$ 3,945,970	$ 3,159,992	$ 3,065,115	$ 2,878,953	$ 2,690,660
Contributions as a Percentage of Covered-Employee Payroll	20.39%	20.38%	19.88%	19.89%	20.17%

This schedule is presented to show information for 10 years.

(Continued)

Platte River Academy

(A Component Unit of Douglas County School District RE.1)

Required Supplementary Information

Schedule of Proportionate Share of the Net Pension Liability and Contributions

Public Employees' Retirement Association of Colorado

School Division Trust Fund

June 30, 2024

(Continued)

Measurement Date	12/31/18	12/31/17	12/31/16	12/31/15	12/30/14
Proportionate Share of the Net Pension Liability					
Academy's Proportion of the Net Pension Liability	0.0459747674%	0.0552008443%	0.0546579461%	0.0530029239%	0.0509400076%
Net Pension Liability					
Academy's Proportionate Share	$ 8,140,777	$ 17,849,991	$ 16,273,784	$ 8,106,423	$ 6,904,082
State's Proportionate Share	1,113,140	-	-	-	-
Total Proportionate Share of the Net Pension Liability	$ 9,253,917	$ 17,849,991	$ 16,273,784	$ 8,106,423	$ 6,904,082
Academy's Covered-Employee Payroll	$ 2,527,478	$ 2,546,350	$ 2,453,213	$ 2,309,855	$ 2,134,028
Academy's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	322%	701%	663%	351%	324%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57%	44%	43%	59%	63%

Reporting Date	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15
Academy Contributions					
Statutorily Required Contribution	$ 495,136	$ 475,769	$ 465,934	$ 421,898	$ 380,209
Contributions in Relation to the Statutorily Required Contribution	(495,136)	(475,769)	(465,934)	(421,898)	(380,209)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Academy's Covered-Employee Payroll	$ 2,588,266	$ 2,519,217	$ 2,533,704	$ 2,374,933	$ 2,250,207
Contributions as a Percentage of Covered-Employee Payroll	19.13%	18.89%	18.39%	17.76%	16.90%

This schedule is presented to show information for 10 years.

Note 1: Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2023 Changes in Plan Provisions Since 2022

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

2022 Changes in Plan Provisions Since 2021

- HB 22-1029, effective upon enactment in 2022, required the State Treasurer to issue, in addition to the regularly scheduled $225,000,000 direct distribution, a warrant to PERA in the amount of $380,000,000 with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by $190,000 to $35,000,000. The July 1, 2024, direct distribution will not be reduced from $225,000 due to a negative investment return in 2022.

2021 Changes in Plan Provisions Since 2020

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

2020 Changes in Plan Provisions Since 2019

- HB 20-1379, enacted on June 29, 2020, suspended the $225,000,000 direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Note 1: Significant Changes in Plan Provisions Affecting Trends in Actuarial Information (Continued)

2019 Changes in Plan Provisions Since 2018

- SB 18-200 was enacted on June 4, 2018, which included the adoption of the AAP. The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:
    - Member contribution rates increase by 0.50%.
    - Employer contribution rates increase by 0.50%.
    - AI cap is lowered from 1.50% per year to 1.25%.

2018 Changes in Plan Provisions Since 2017

- The following changes were made to the plan provisions as part of SB 18-200:
    - Member contribution rates increase by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020, and an additional 0.50% effective July 1, 2021.
    - Employer contribution rates increase by 0.25% effective July 1, 2019 for State, School, Judicial, and DPS Divisions.
    - An annual direct distribution of $225,000,000 from the State of Colorado, recognized as a non-employer contributing entity, is distributed between the State, School, Judicial, and DPS Divisions proportionally based on payroll.
    - AI cap is lowered from 2.00% per year to 1.50% per year.
    - Initial AI waiting period is extended from one year after retirement to three years after retirement.
    - AI payments are suspended for 2018 and 2019.

2017 Changes in Plan Provisions Since 2016

- There were no changes made to the plan provisions applicable to the School Division Trust Fund.

2016 Changes in Plan Provisions Since 2015

- There were no changes made to the plan provisions applicable to the School Division Trust Fund.

2015 Changes in Plan Provisions Since 2014

- There were no changes made to the plan provisions applicable to the School Division Trust Fund.

2014 Changes in Plan Provisions Since 2013

- There were no changes made to the plan provisions applicable to the School Division Trust Fund.

Note 2: Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 Changes in Assumptions or Other Inputs Since 2022

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

2022 Changes in Assumptions of Other Inputs Since 2021

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

2021 Changes in Assumptions of Other Inputs Since 2020

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

2020 Changes in Assumptions of Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:
  - Males: 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 disabled mortality assumption for the Division Trust Funds (members other than Safety Officers) was changed to the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables are generational mortality tables developed on a benefit-weighted basis.

2019 Changes in Assumptions of Other Inputs Since 2018

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

2018 Changes in Assumptions of Other Inputs Since 2017

- 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 FNP, thereby eliminating the need to apply the municipal bond index rate.

Note 2: Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information (Continued)

2017 Changes in Assumptions of Other Inputs Since 2016

- The SEIR 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 FNP, and the resulting application of the municipal bond index rate.

2016 Changes in Assumptions of Other Inputs Since 2015

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The post-retirement mortality assumption for healthy lives for the School, Judicial, and DPS Divisions was changed to the RP-2014 White Collar Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of a 93% factor applied to ages below 80 and a 113% factor applied to age 80 and above, projected to 2018, for males, and a 68% factor applied to ages below 80 and a 106% factor applied to age 80 and above, projected to 2020, for females.
- For disabled retirees, the mortality assumption was changed to reflect 90% of RP-2014 Disabled Retiree Mortality Table.
- The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70% factor applied to male rates and a 55% factor applied to female rates.
- The rates of retirement, withdrawal, and disability were revised to reflect more closely actual experience.
- The estimated administrative expense as a percentage of covered payroll was increased from .35% to .40%.
- The SEIR for the State and School Divisions was lowered from 7.50% to 5.26% to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate of 3.86% on the measurement date.

2015 Changes in Assumptions of Other Inputs Since 2014

- 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.

Note 2: Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information (Continued)

2015 Changes in Assumptions of Other Inputs Since 2014 *(Continued)*

- 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.
  - Adjustments to the timing of the normal cost and UAAL payment calculations to reflect contributions throughout the year.

2014 Changes in Assumptions of Other Inputs Since 2013

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

Platte River Academy

(A Component Unit of Douglas County School District RE.1)
Required Supplementary Information
Schedule of Proportionate Share of the Net OPEB Liability and Contributions
Public Employees' Retirement Association of Colorado
Health Care Trust Fund
June 30, 2024

Measurement Date	12/31/23	12/31/22
Proportionate Share of the Net OPEB Liability		
Academy's Proportion of the Net OPEB Liability	0.0316136764%	0.0307267106%
Academy's Proportionate Share of the Net OPEB Liability	$ 225,635	$ 250,877
Academy's Covered Payroll	$ 3,493,462	$ 3,118,039
Academy's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	6%	8%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46%	39%

Reporting Date	6/30/24	6/30/23
Academy Contributions		
Statutorily Required Contribution	$ 39,845	$ 32,232
Contributions in Relation to the Statutorily Required Contribution	(39,845)	(32,232)
Contribution Deficiency (Excess)	$ -	$ -
Academy's Covered Payroll	$ 3,945,970	$ 3,159,992
Contributions as a Percentage of Covered Payroll	1.01%	1.02%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

(Continued)

Platte River Academy

(A Component Unit of Douglas County School District RE.1)

Required Supplementary Information

Schedule of Proportionate Share of the Net OPEB Liability and Contributions

Public Employees' Retirement Association of Colorado

Health Care Trust Fund

June 30, 2024

(Continued)

Measurement Date	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17
Proportionate Share of the Net OPEB Liability					
Academy's Proportion of the Net OPEB Liability	0.0310760823%	0.0303266510%	0.0293304386%	0.0298838327%	0.0313649129%
Academy's Proportionate Share of the Net OPEB Liability	$ 267,971	$ 340,871	$ 329,674	$ 406,582	$ 407,618
Academy's Covered Payroll	$ 2,974,552	$ 2,804,445	$ 2,637,271	$ 2,527,478	$ 2,546,350
Academy's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	9%	12%	13%	16%	16%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	24%	33%	24%	17%	18%

Reporting Date	6/30/22	6/30/21	6/30/20	6/30/19	6/30/18
Academy Contributions					
Statutorily Required Contribution	$ 31,264	$ 29,365	$ 27,445	$ 26,400	$ 25,696
Contributions in Relation to the Statutorily Required Contribution	(31,264)	(29,365)	(27,445)	(26,400)	(25,696)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Academy's Covered Payroll	$ 3,065,115	$ 2,878,953	$ 2,690,660	$ 2,588,266	$ 2,519,217
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

Note 1: Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2023 Changes in Plan Provisions Since 2022

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

2022 Changes in Plan Provisions Since 2021

- The total OPEB liability for the 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, 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 FNP as of the December 31, 2022, measurement date.

2021 Changes in Plan Provisions Since 2020

- There were no changes made to plan provisions.

2020 Changes in Plan Provisions Since 2019

- There were no changes made to plan provisions.

2019 Changes in Plan Provisions Since 2018

- There were no changes made to plan provisions.

2018 Changes in Plan Provisions Since 2017

- There were no changes made to plan provisions.

2017 Changes in Plan Provisions Since 2016

- There were no changes made to plan provisions.

Note 2: Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 Changes in Assumptions or Other Inputs Since 2022

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

2022 Changes in Assumptions or Other Inputs Since 2021

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

Note 2: Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information (Continued)

2021 Changes in Assumptions or Other Inputs Since 2020

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

2020 Changes in Assumptions or Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:
    - Males: 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 (members other than Safety Officers) was changed to the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables are generational mortality tables developed on a head-count weighted basis.

2019 Changes in Assumptions or Other Inputs Since 2018

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

2018 Changes in Assumptions or Other Inputs Since 2017

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

2017 Changes in Assumptions or Other Inputs Since 2016

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

Platte River Academy
(A Component Unit of Douglas County School District RE.1)
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance *Positive (Negative)*
Revenues				
Local Sources				
Per Pupil Revenue	$ 5,366,213	$ 5,632,245	$ 5,632,579	$ 334
District Mill Levy	650,766	1,289,203	1,301,731	12,528
Extended Day Programs Fees	460,000	454,125	454,125	-
Pupil Activities	162,645	202,000	227,365	25,365
Food Service Fees	9,500	172,000	20,883	(151,117)
Contributions	57,000	85,670	91,689	6,019
Facility Rental	30,000	30,000	40,526	10,526
Investment Income	10,000	122,015	144,269	22,254
Other	10,000	13,900	29,196	15,296
Total Local Sources	6,756,124	8,001,158	7,942,363	(58,795)
State Sources				
Capital Construction	90,000	(210,000)	355,096	565,096
Grants	192,157	206,819	15,612	(191,207)
Total State Sources	282,157	(3,181)	370,708	373,889
Federal Sources				
Grants	-	-	27,050	27,050
Total Federal Sources	-	-	27,050	27,050
Total Revenues	7,038,281	7,997,977	8,340,121	342,144
Expenditures				
Salaries	3,779,987	4,273,215	4,013,861	259,354
Employee Benefits	1,245,689	1,280,000	1,136,154	143,846
Purchased Services	986,047	1,252,634	1,155,017	97,617
Supplies	284,056	375,500	343,561	31,939
Property	126,873	270,187	270,407	(220)
Other	492,850	443,760	442,123	1,637
Total Expenditures	6,915,502	7,895,296	7,361,123	534,173
Excess of Revenues Over (Under) Expenditures	122,779	102,681	978,998	876,317
Other Financing Sources				
Transfers In	-	-	13,615	13,615
Net Change in Fund Balance	122,779	102,681	992,613	889,932
Fund Balance, *Beginning of Year*	2,058,345	2,219,672	2,219,672	-
Fund Balance, *End of Year*	$ 2,181,124	$ 2,322,353	$ 3,212,285	$ 889,932

See Accompanying Independent Auditor's Report.

Budgets and Budgetary Accounting

A budget is adopted for the Academy on a basis consistent with generally accepted accounting principles.

Management submits to the Governing Board a proposed budget for the fiscal year commencing the following July 1, for their approval. The budget includes proposed expenditures and the means of financing them.

Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures of any fund must be approved by the Governing Board.

All appropriations lapse at fiscal year-end.