

**DORAL ACADEMY OF COLORADO**

**BASIC FINANCIAL STATEMENTS**

**June 30, 2025**

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## **FINANCIAL SECTION**



# JOHN CUTLER & ASSOCIATES

Board of Directors  
Doral Academy of Colorado  
Arvada, Colorado

## INDEPENDENT AUDITORS' REPORT

### Report on the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities and each major fund, of Doral Academy of Colorado (the "Academy"), a component unit of Jefferson County School District R-1, as of and for the year ended June 30, 2025, 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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Doral Academy of Colorado as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows, thereof 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 Doral Academy of Colorado and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 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 School'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.

#### *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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 of 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 of 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 judgement, 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 management's discussion and analysis and required budgetary and pension information on pages 43-47 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 (GASB) 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.

*John Luthr & Associates, LLC*

October 30, 2025

## **Management’s Discussion and Analysis**

This section of the annual financial report for Doral Academy of Colorado (the Academy) provides an overview of the Academy’s activities as of and for the fiscal year ended June 30, 2025. It should be read in conjunction with the financial statements which immediately follow this section.

## **Financial Highlights**

In the year ending June 30, 2025, the Academy shows liabilities exceed its assets by \$1,292,470. The Academy’s operations are funded primarily by tax revenue received under the State School Finance Act.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Academy’s annual report. This report has three components: 1) management’s discussion and analysis (this section), 2) the basic financial statements, and 3) the notes to the financial statements. The basic financial statements include two types of statements presenting different views of the Academy:

### **School-Wide Financial Statements**

The School-Wide financial statements are designed to provide readers with a broad overview of the Academy’s finances, similar to a private-sector business.

The Statement of Net Position presents information on all of the Academy’s assets, liabilities, deferred outflows, and inflows of resources. The difference is reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the Academy’s financial position is improving or deteriorating.

The Statement of Activities presents information on how the Academy’s net position changed during the fiscal year.

### **Fund Financial Statements**

A “fund” is a collection of related accounts or related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The Academy, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements.

All funds of the Academy are governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the school-wide financial statements. Governmental fund financial statements, however, focus on near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government’s requirements for near-term financing.

### **Notes to the Financial Statements**

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

## School-Wide Financial Analysis

The Statement of Net Position provides the perspective of the Academy as a whole. The table below provides a summary of the Academy's net position as of June 30:

|                                       | <b>2025</b>           | <b>2024</b>         |
|---------------------------------------|-----------------------|---------------------|
| Current assets                        | \$ 1,183,646          | \$ 303,616          |
| Long-term assets                      | 19,908,390            | 22,690,661          |
| <b>Total Assets</b>                   | <b>21,092,036</b>     | <b>22,994,277</b>   |
| <b>Deferred Outflows of Resources</b> | <b>526,977</b>        | <b>868,137</b>      |
| <b>Liabilities:</b>                   |                       |                     |
| Liabilities - current                 | 497,964               | 1,294,739           |
| Liabilities - long term               | 22,207,097            | 22,809,829          |
| <b>Total Liabilities</b>              | <b>22,705,061</b>     | <b>24,104,568</b>   |
| <b>Deferred Inflows of Resources</b>  | <b>206,422</b>        | <b>214,289</b>      |
| <b>Net Positon</b>                    |                       |                     |
| Net Investment in Capital Assets      | 2,931,553             | 2,931,553           |
| Restricted for Emergencies            | 66,076                | 73,379              |
| Restricted for Debt Service           | 554,471               | 554,471             |
| Unrestricted                          | (4,844,570)           | (4,015,846)         |
| <b>Total Net Position</b>             | <b>\$ (1,292,470)</b> | <b>\$ (456,443)</b> |

The unrestricted net position of governmental activities represents the accumulated results of life-to-date operations. These assets can be used to finance day-to-day operations without constraints, such as legislative or legal requirements. The results of the current year's operations for the Academy as a whole are reported in the Statement of Activities, which shows changes in the net position.

The results of operations for the Academy as a whole are reported in the summarized Statement of Activities (below) which shows the changes in net position for the fiscal year ended June 30:

|                                | <b>2025</b>         | <b>2024</b>         |
|--------------------------------|---------------------|---------------------|
| <b>Revenues:</b>               |                     |                     |
| Per Pupil Revenue              | \$ 1,852,974        | \$ 1,755,828        |
| Mill Levy Override             | 377,944             | 368,020             |
| Other                          | 154,957             | 694,266             |
| <b>Total Revenues</b>          | <b>2,385,875</b>    | <b>2,818,114</b>    |
| <b>Expenses:</b>               |                     |                     |
| Instruction                    | 680,024             | 1,335,969           |
| Support services               | 1,655,728           | 1,223,995           |
| Interest and fiscal charges    | 886,150             | 886,150             |
| <b>Total Expenses</b>          | <b>3,221,902</b>    | <b>3,446,114</b>    |
| <b>Changes in Net Position</b> | <b>\$ (836,027)</b> | <b>\$ (628,000)</b> |

A reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities is included on page 5.

#### **Governmental Fund Budget Analysis and Highlights**

The Board of Directors of Doral Academy of Colorado adopted an annual budget for the Academy. A budgetary comparison statement has been provided for the governmental fund to demonstrate compliance with the Academy's budget.

|   | <b>Final Budget</b> | <b>Actual</b>       |
|---|---------------------|---------------------|
| <b>Revenues</b>                             |                     |                     |
| Per Pupil                                   | \$ 1,852,974        | \$ 1,852,974        |
| Mill Levy Override                          | 386,120             | 377,944             |
| Other                                       | 1,142,288           | 331,694             |
| <b>Total revenues</b>                       | <b>3,381,382</b>    | <b>2,562,612</b>    |
| <b>Expenditures</b>                         |                     |                     |
| Instruction                                 | 1,125,638           | 1,056,586           |
| Support services                            | 1,252,804           | 1,146,353           |
| Interest and fiscal charges                 | 886,150             | 886,150             |
| <b>Total expenditures</b>                   | <b>3,264,592</b>    | <b>3,089,089</b>    |
| <b>Excess of revenues over expenditures</b> | <b>\$ 116,790</b>   | <b>\$ (526,477)</b> |

## **Fund Analysis**

The Academy uses Funds to help it control and manage the Academy for particular purposes. Looking at Funds helps the reader consider whether the Academy is being held accountable for the resources taxpayers and others provide to it and may give insight into the Academy's overall financial health.

As the Academy completed this year of operations, the general fund reported a fund balance of \$2,085,662.

## **Capital Assets**

The Academy's policy is to capitalize all assets costing more than \$5,000 with an estimated useful life of three or more years. At this time, the Academy has capital assets net of accumulated depreciation and amortization of \$18,887,834 consisting of buildings, furniture, equipment, and technology. We present more detailed information about our capital assets in the notes to the financial statements.

## **Long-Term Obligations**

At the end of this year, the Academy had \$22,207,097 in long-term obligations (excluding the amounts due within one year) resulting from the total OPEB liability, pension liability, and bond payable. We present more detailed information about our long-term obligations in the notes to the financial statements.

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

The Administration and Board of Education consider many factors and make assumptions based on the best available information when setting the Academy's operating budget. Since such a significant portion of the Academy's revenue is dependent on State funding and the health of the State's School Fund, the actual revenue received depends on the State's ability to collect revenues to fund its committed appropriation to school districts. There appear to be pressures that the revenue system in place can keep pace with spending pressures school districts statewide are experiencing from increases in retirement contributions, employee health insurance, general pay raises, and energy costs. The Board and Administration take all this into account when setting the budget and trying to maintain a sufficient fund balance which will allow us to address this ever-changing situation.

Another important factor affecting the Academy's budget is our student count. State funding revenue is determined by multiplying the October student count by the State allowance per pupil. Based on preliminary counts for the 2025-2026 fiscal year, we are estimating enrollment to stay flat with the prior year.

As a result, it is critical that the Academy maintain an adequate fund balance in order to be able to react to these ever-changing conditions and to provide for the fair and equitable treatment of both our students and employees.

## **Request for Information**

The financial report is intended to provide a general overview of the finances of the Academy. Request for additional information to the Business Manager of Doral Academy of Colorado, 10110 Church Ranch Way, Westminster, Colorado 80021.

## **BASIC FINANCIAL STATEMENTS**

DORAL ACADEMY OF COLORADO

STATEMENT OF NET POSITION

As of June 30, 2025

|  | Governmental Activities |                     |
|--|-------------------------|---------------------|
|  | 2025                    | 2024                |
| <b>ASSETS</b>  |                         |                     |
| Cash   | \$ 1,178,161            | \$ 299,082          |
| Restricted Cash  | 1,020,556               | 3,270,956           |
| Accounts Receivable  | 5,485                   | 4,534               |
| Capital Assets, Not Depreciated                              | 3,148,060               | 3,312,145           |
| Capital Assets, Depreciated, Net of Accumulated Depreciation | 15,739,774              | 16,107,560          |
| <b>TOTAL ASSETS</b>  | <b>21,092,036</b>       | <b>22,994,277</b>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                        |                         |                     |
| Related to Pensions  | 520,489                 | 858,173             |
| Related to OPEB  | 6,488                   | 9,964               |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>                  | <b>526,977</b>          | <b>868,137</b>      |
| <b>LIABILITIES</b>   |                         |                     |
| Accounts Payable   | 7,385                   | 858,425             |
| Accrued Salaries   | 111,155                 | 104,008             |
| Compensated Absences   | 47,118                  | -                   |
| Accrued Interest Payable                                     | 332,306                 | 332,306             |
| Noncurrent Liabilities                                       |                         |                     |
| Due in One Year  | -                       | -                   |
| Due in More Than One Year                                    | 19,640,000              | 19,640,000          |
| Net Pension Liability  | 2,522,343               | 3,095,095           |
| Net OPEB Liability   | 44,754                  | 74,734              |
| <b>TOTAL LIABILITIES</b>                                     | <b>22,705,061</b>       | <b>24,104,568</b>   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                         |                         |                     |
| Related to Pensions  | 178,743                 | 186,980             |
| Related to OPEB  | 27,679                  | 27,309              |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                   | <b>206,422</b>          | <b>214,289</b>      |
| <b>NET POSITION</b>  |                         |                     |
| Net Investment in Capital Assets                             | 2,931,553               | 2,931,553           |
| Restricted for Emergencies                                   | 66,076                  | 73,379              |
| Restricted for Debt Service                                  | 554,471                 | 554,471             |
| Unrestricted   | (4,844,570)             | (4,015,846)         |
| <b>TOTAL NET POSITION</b>                                    | <b>\$ (1,292,470)</b>   | <b>\$ (456,443)</b> |

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

DORAL ACADEMY OF COLORADO

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2025

| FUNCTIONS/PROGRAMS               | Expenses            | PROGRAM REVENUES        |  |  | Net Expense (Revenue)<br>And Changes in<br>Net Position |                     |
|----------------------------------|---------------------|-------------------------|--|--|---|---------------------|
|                                  |                     | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | 2025  | 2024                |
| <b>PRIMARY GOVERNMENT</b>        |                     |                         |  |  |   |                     |
| <b>Governmental Activities</b>   |                     |                         |  |  |   |                     |
| Instruction                      | \$ 811,464          | \$ 28,232               | \$ 123,885                               | \$ -                                   | \$ (659,347)  | \$ (1,335,969)      |
| Supporting Services              | 1,745,593           | -                       | 3,145                                    | 66,043                                 | (1,676,405)   | (1,223,995)         |
| Interest and Fiscal Charges      | 886,150             | -                       | -  | -                                      | (886,150)   | (886,150)           |
| Total Governmental<br>Activities | <u>\$ 3,443,207</u> | <u>\$ 28,232</u>        | <u>\$ 127,030</u>                        | <u>\$ 66,043</u>                       | <u>(3,221,902)</u>                                      | <u>(3,446,114)</u>  |
| <b>GENERAL REVENUES</b>          |                     |                         |  |  |   |                     |
|                                  |                     |                         |  |  | 1,852,974   | 1,755,828           |
|                                  |                     |                         |  |  | 377,944   | 368,020             |
|                                  |                     |                         |  |  | 98,576  | 226,117             |
|                                  |                     |                         |  |  | 23,891  | -                   |
|                                  |                     |                         |  |  | -   | 164,085             |
|                                  |                     |                         |  |  | 32,490  | 304,064             |
|                                  |                     |                         |  |  | <u>2,385,875</u>  | <u>2,818,114</u>    |
|                                  |                     |                         |  |  | (836,027)   | (628,000)           |
|                                  |                     |                         |  |  | <u>(456,443)</u>  | <u>171,557</u>      |
|                                  |                     |                         |  |  | <u>\$ (1,292,470)</u>                                   | <u>\$ (456,443)</u> |

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

DORAL ACADEMY OF COLORADO

BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2025

|  | TOTAL<br>GOVERNMENTAL FUNDS |              |
|--|-----------------------------|--------------|
|  | 2025                        | 2024         |
| ASSETS   |                             |              |
| Cash   | \$ 1,178,161                | \$ 299,082   |
| Restricted Cash  | 1,020,556                   | 3,270,956    |
| Accounts Receivable  | 5,485                       | 4,534        |
| TOTAL ASSETS   | \$ 2,204,202                | \$ 3,574,572 |
| LIABILITIES AND FUND BALANCE   |                             |              |
| LIABILITIES  |                             |              |
| Accounts Payable   | \$ 7,385                    | \$ 858,425   |
| Accrued Salaries   | 111,155                     | 104,008      |
| TOTAL LIABILITIES  | 118,540                     | 962,433      |
| FUND BALANCES  |                             |              |
| Restricted for Emergencies   | 66,076                      | 73,379       |
| Restricted for Debt Service  | 886,777                     | 886,777      |
| Restricted for Construction  | -                           | 2,310,955    |
| Unassigned   | 1,132,809                   | (658,972)    |
| TOTAL FUND BALANCE   | 2,085,662                   | 2,612,139    |
| Amounts reported for governmental activities in the statement of net position are different because:   |                             |              |
| Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds   | 18,887,834                  | 19,419,705   |
| Long-term liabilities are not due and payable in the current period and are not reported in the funds. These include bonds payable (\$19,640,000), accrued interest of (\$332,306) and compensated absences of (\$47,118)  | (20,019,424)                | (19,972,306) |
| Long-term liabilities and assets related to pensions are not due and payable in the current period and therefore, are not reported in the funds. This liability includes net pension liability (\$2,522,343), net OPEB liability (\$44,754), deferred outflows related to pensions and OPEB, \$526,977, and deferred inflows related to pensions and OPEB (\$206,422). | (2,246,542)                 | (2,515,981)  |
| Net position of governmental activities  | \$ (1,292,470)              | \$ (456,443) |

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

DORAL ACADEMY OF COLORADO

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2025

|                            | TOTAL<br>GOVERNMENTAL FUNDS |                     |
|----------------------------|-----------------------------|---------------------|
|                            | 2025                        | 2024                |
| REVENUES                   |                             |                     |
| Local Sources              | \$ 2,393,361                | \$ 2,696,920        |
| State Sources              | 189,928                     | 120,875             |
|                            | <u>2,583,289</u>            | <u>2,817,795</u>    |
| TOTAL REVENUES             |                             |                     |
| EXPENDITURES               |                             |                     |
| Current                    |                             |                     |
| Instruction                | 913,259                     | 1,355,689           |
| Supporting Services        | 1,310,357                   | 1,065,608           |
| Capital Outlay             | -                           | 1,854,722           |
| Debt Service               |                             |                     |
| Principal                  | -                           | -                   |
| Interest                   | 886,150                     | 886,150             |
|                            | <u>3,109,766</u>            | <u>5,162,169</u>    |
| TOTAL EXPENDITURES         |                             |                     |
| NET CHANGE IN FUND BALANCE | (526,477)                   | (2,344,374)         |
| FUND BALANCE, Beginning    | <u>2,612,139</u>            | <u>4,956,513</u>    |
| FUND BALANCE, Ending       | <u>\$ 2,085,662</u>         | <u>\$ 2,612,139</u> |

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

DORAL ACADEMY OF COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2025

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

|   |                            |
|---|----------------------------|
| Net Changes in Fund Balances - Total Governmental Funds   | \$ (526,477)               |
| Capital outlays to purchase or build capital assets are reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount of depreciation (\$541,243) exceeds the amount of net capital outlay of \$9,372. | (531,871)                  |
| Repayment of long-term debt and related costs are reported as an expenditure in the governmental funds and decrease fund balance. For the Academy as a whole, however, these costs and payments reduce the liabilities or are capitalized in the statement of net position and do not result in an expense in the statement of activities. This is the amount of the increase in compensated absences.                      | (47,118)                   |
| Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds those amounts are capitalized and amortized.  | <u>269,439</u>             |
| Change in Net Position of Governmental Activities   | <u><u>\$ (836,027)</u></u> |

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Doral Academy of Colorado (the “Academy”) was organized pursuant to the Colorado Charter Schools Act to form and operate a charter school within the Jefferson County School District No. R-1 of the State of Colorado.

The accounting policies of the Academy conform to generally accepted accounting principles as applicable to governmental units. Following is a summary of the more significant policies.

**Reporting Entity**

The financial reporting entity consists of the Academy and organizations for which the Academy is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the Academy. In addition, any 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 the organization provides benefits to, or imposes financial burdens on the Academy.

Based upon the application of these criteria, the following organization is included in the Academy’s reporting entity:

Doral Academy Building Corporation

The Doral Academy Building Corporation (the “Building Corporation”) is considered to be financially accountable to the Academy. The Building Corporation was formed to support and assist the Academy to perform its function and to carry out its purpose, specifically enter into loan and lease agreements for the Academy. As the Academy made payments directly to the financial institution, there are no transactions to report for the Building Corporation. Separate financial statements are not available for the Building Corporation.

The Academy is a component unit of Jefferson County School District No. R-1.

**Government-Wide and Fund Financial Statements**

The Academy financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Academy. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported in a single column.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**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 intergovernmental revenues not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported in 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 period or soon enough thereafter to pay liabilities of the current period, not to exceed 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Intergovernmental revenues, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Academy.

Internally dedicated resources are reported as general revenues rather than as program revenues.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

When both restricted and unrestricted resources are available for 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 used to account for all financial resources.

**Deferred Outflows/Inflows of Resources**

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

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

**Assets, Liabilities and Fund Balance/Net Position**

*Capital Assets* – Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Academy as assets with an initial, individual cost of more than \$5,000 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 estimated fair acquisition value at the date of donation.

*Unearned Revenues* – The unearned revenues include amounts received but not yet available for expenditure.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

*Long-term Debt* – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

The government-wide financial statements, utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

*Net Investment in Capital Assets* includes the Academy's capital assets (net of accumulated depreciation) reduced by the outstanding balances of loans or bonds that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Position* includes assets that have third-party (statutory, bond covenant, or granting agency) limitations on their use. The Academy typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

*Unrestricted Net Position* typically includes unrestricted liquid assets. The Board has the authority to revisit or alter this designation.

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

- Nonspendable – This classification includes amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact. The Academy did not have any nonspendable assets as of June 30, 2025.

DORAL ACADEMY OF COLORADO  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Academy has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The Academy has also restricted amounts held for debt service.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Academy did not have any committed resources as of June 30, 2025.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Academy would typically use restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned fund balance.

**Compensated Absences**

The Academy’s policy allows employees to accumulate paid time off (“PTO”). Upon termination of employment, accrued PTO is paid to employees at the current salary rate. As of June 30, 2025, the Academy’s has recorded a liability for accumulated PTO in government-wide statement of position.

**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 District carries commercial insurance for these risks of loss, and bills the Academy for its portion of coverage. Settled claims have not exceeded this coverage in the last three years.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

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

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

**NOTE 3: CASH**

Cash and investment consist of the following:

|                               |    |                         |
|-------------------------------|----|-------------------------|
| Petty Cash                    | \$ | 500                     |
| Pooled Cash with the District |    | 1,243,738               |
| Investments                   |    | <u>954,479</u>          |
| Total Cash                    | \$ | <u><b>2,198,717</b></u> |

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

|                      |    |                         |
|----------------------|----|-------------------------|
| Cash and Investments | \$ | 1,178,161               |
| Restricted Cash      |    | <u>1,020,556</u>        |
| Total                | \$ | <u><b>2,198,717</b></u> |

**Deposits**

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations.

DORAL ACADEMY OF COLORADO  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 3: CASH AND INVESTMENTS** (Continued)

**Deposits** (Continued)

At June 30, 2025, State regulatory commissioners have indicated that all financial institutions holding deposits for the Academy are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group.

The market value of the collateral must be at least equal to 102% of the uninsured deposits. The Academy has no policy regarding custodial credit risk for deposits.

The Academy has no deposits as of June 30, 2025.

**Pooled Cash with the District**

Cash deposits are pooled with the District cash and investments which were held by several banking institutions. Pooled investments represent investments in local government investment pools or in money market funds. At June 30, 2025, the Academy's balance in equity in both restricted and unrestricted pooled cash of the District totaled \$1,243,738.

**Investments**

Interest Rate Risk

The Academy does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. Government Agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 3: CASH AND INVESTMENTS** (Continued)

**Investments** (Continued)

The Academy has no policy for managing credit risk or interest rate risk.

Local Government Investment Pools

The Academy had invested \$954,479 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

**Fair Value**

The Academy categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant observable inputs. The School has no investments that require categorization.

**Restricted Cash and Investments**

Cash in the amount of \$66,076 is restricted as an emergency reserve related to the TABOR amendment. Cash in the amount of \$954,480 is restricted for capital and debt service expenditures.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 4: CAPITAL ASSETS**

Capital Assets activity for the year ended June 30, 2025 is summarized below.

|  | Balance<br><u>June 30, 2024</u> | <u>Additions</u>           | <u>Deletions</u>         | Balance<br><u>June 30, 2025</u> |
|--|---------------------------------|----------------------------|--------------------------|---------------------------------|
| <b>Governmental Activities</b>           |                                 |                            |                          |                                 |
| Capital Assets, not depreciated          |                                 |                            |                          |                                 |
| Land                                     | \$ 3,148,060                    | \$ -                       | \$ -                     | \$ 3,148,060                    |
| CIP                                      | <u>164,085</u>                  | <u>-</u>                   | <u>164,085</u>           | <u>-</u>                        |
| Total Capital Assets,<br>Not Depreciated | <u>3,312,145</u>                | <u>-</u>                   | <u>164,805</u>           | <u>3,148,060</u>                |
| Capital Assets, depreciated              |                                 |                            |                          |                                 |
| Buildings                                | 16,099,257                      | 173,457                    | -                        | 16,272,714                      |
| Furniture and Equipment                  | <u>8,303</u>                    | <u>-</u>                   | <u>-</u>                 | <u>8,303</u>                    |
| Total Capital Assets, Depreciated        | <u>16,107,560</u>               | <u>173,457</u>             | <u>-</u>                 | <u>16,281,017</u>               |
| Accumulated Depreciation                 |                                 |                            |                          |                                 |
| Buildings                                | -                               | 539,582                    | -                        | 539,582                         |
| Furniture and Equipment                  | <u>-</u>                        | <u>1,661</u>               | <u>-</u>                 | <u>1,661</u>                    |
| Total Accumulated Depreciation           | <u>-</u>                        | <u>541,243</u>             | <u>-</u>                 | <u>541,243</u>                  |
| Capital Assets, Depreciated, net         | <u>16,107,560</u>               | <u>(367,786)</u>           | <u>-</u>                 | <u>15,739,774</u>               |
| Total Capital Assets                     | <u><b>\$ 19,419,705</b></u>     | <u><b>\$ (367,786)</b></u> | <u><b>\$ 164,085</b></u> | <u><b>\$ 18,887,834</b></u>     |

**NOTE 5: ACCRUED SALARIES AND BENEFITS**

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from August to July, but are earned during a school year of nine months. The salaries and benefits earned, but unpaid, as of June 30, 2025, were \$111,155 in the General Fund.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 6: LONG-TERM DEBT**

Following is a summary of the Academy’s long-term debt transactions for the year ended June 30, 2025:

|                      | <u>Balance</u>             |                         | <u>Balance</u>             |                    | <u>Due In</u>      |
|----------------------|----------------------------|-------------------------|----------------------------|--------------------|--------------------|
|                      | <u>June 30, 2024</u>       | <u>Additions</u>        | <u>June 30, 2025</u>       | <u>Payments</u>    | <u>One Year</u>    |
| CECFA Series 2024    | \$19,640,000               | \$ -                    | \$19,640,000               | \$ -               | \$ -               |
| Compensated Absences | -                          | 47,118                  | 47,118                     | -                  | -                  |
| <b>TOTAL</b>         | <b><u>\$19,640,000</u></b> | <b><u>\$ 47,118</u></b> | <b><u>\$19,687,118</u></b> | <b><u>\$ -</u></b> | <b><u>\$ -</u></b> |

The school implemented GASB 101, Compensated Absences on July 1, 2024. Prior to implementation, the balances were immaterial. Compensated absences are expected to be liquidated from the resources in the General Fund.

**CECFA Series 2022 Bond**

In March 2022, the Colorado Educational and Facilities Authority (CECFA) issued \$19,640,000 Charter School Revenue Bonds, Series 2022. Proceeds from the bonds will be used to purchase land and for the design and construction of the Academy’s facilities. Principal payments for the bond will begin in July 2027. Interest accrues at 4.5%. The bonds mature in July 2029.

Future debt service requirements are as follows:

| <u>Year Ended June 30,</u> | <u>Principal</u>            | <u>Interest</u>            | <u>Total</u>                |
|----------------------------|-----------------------------|----------------------------|-----------------------------|
| 2026                       | \$ -                        | \$ 886,150                 | \$ 886,150                  |
| 2027                       | 115,000                     | 882,988                    | 997,988                     |
| 2028                       | 120,000                     | 876,525                    | 996,525                     |
| 2029                       | <u>19,405,000</u>           | <u>436,612</u>             | <u>19,841,612</u>           |
| Total                      | <b><u>\$ 19,640,000</u></b> | <b><u>\$ 3,082,275</u></b> | <b><u>\$ 22,722,275</u></b> |

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN**

**Summary of Significant Accounting Policies**

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

**General Information about the Pension Plan**

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

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

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

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

**General Information about the Pension Plan** (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 the service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

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

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

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

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

DORAL ACADEMY OF COLORADO  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

**General Information about the Pension Plan** (Continued)

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

*Contributions provisions as of the Academy:* Eligible employees of, the Academy and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413.

Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2024 through June 30, 2025. Employer contribution requirements are summarized in the following table:

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

\*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 Academy is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from School were \$253,875 for the year ended June 30, 2025.

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.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

**General Information about the Pension Plan** (Continued)

As specified in C.R.S. § 24-51-414, the State is required to contribute a \$225 million direct distribution each year to PERA starting on July 1, 2018. For 2024, 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.

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

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

At June 30, 2025, the Academy reported a liability of \$2,522,343 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the 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 Academy were as follows:

|  |             |
|--|-------------|
| The Academy's proportionate share of the net pension liability   | \$2,522,343 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Academy. | 207,876     |
| Total  | \$2,730,219 |

At December 31, 2024, the Academy's proportion was 0.01462%, which was a decrease of 0.00288% from its proportion measured as of December 31, 2023. For the year ended June 30, 2025, the Academy recognized pension expense of \$34,461 and revenue of \$23,891 for support from the State as a nonemployer contributing entity.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

At June 30, 2025, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred Outflows of<br/>Resources</u> | <u>Deferred Inflows of<br/>Resources</u> |
|---|---|--|
| Difference between expected and actual experience   | \$142,837                                 | N/A                                      |
| Changes of assumptions or other inputs  | 18,910                                    | N/A                                      |
| Net difference between projected and actual earnings on pension plan investments                                | 47,590                                    | N/A                                      |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 193,409                                   | 178,743                                  |
| Contributions subsequent to the measurement date  | 117,743                                   | N/A                                      |
| Total   | \$520,489                                 | \$178,743                                |

\$117,743 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year ended June 30,</b> |           |
|----------------------------|-----------|
| 2026                       | \$118,385 |
| 2027                       | \$83,639  |
| 2028                       | \$21,979  |
| 2029                       | -         |
| 2030                       | -         |
| Thereafter                 | -         |

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

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

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

|   | <b>Mortality Table</b>       | <b>Adjustments, as Applicable</b>  |
|---|------------------------------|--|
| Pre-Retirement                              | PubT-2010 Employee           | N/A  |
| Post-Retirement (Retiree), Non-Disabled     | PubT-2010 Healthy Retiree    | <b>Males:</b> 112% of the rates prior to age 80/ 94% of the rates age 80 and older<br><b>Females:</b> 83% of the rates prior to age 80/ 106% of the rates age 80 and older |
| Post-Retirement (Beneficiary), Non-Disabled | Pub-2010 Contingent Survivor | <b>Males:</b> 97% of the rates for all ages<br><b>Females:</b> 105% of the rates for all ages  |
| Disabled                                    | PubNS-2010 Disabled Retiree  | 99% of the rates for all ages  |

DORAL ACADEMY OF COLORADO  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

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

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

Salary increases, including wage inflation: 4.00%-13.40%

Salary scale assumptions were altered to better reflect actual experience.

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

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

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis.

DORAL ACADEMY OF COLORADO  
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**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

|   | <b>Mortality Table</b>       | <b>Adjustments, as Applicable</b>  |
|---|------------------------------|--|
| Pre-Retirement                              | PubT-2010 Employee           | N/A  |
| Post-Retirement (Retiree), Non-Disabled     | PubT-2010 Healthy Retiree    | <b>Males:</b> 106% of the rates for all ages<br><b>Females:</b> 86% of the rates prior to age 85/ 115% of the rates age 85 and older |
| Post-Retirement (Beneficiary), Non-Disabled | Pub-2010 Contingent Survivor | <b>Males:</b> 92% of the rates for all ages<br><b>Females:</b> 100% of the rates for all ages  |
| Disabled                                    | PubNS-2010 Disabled Retiree  | 95% of the rates for all ages  |

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the November 15, 2019, meeting, and again at the Board's September 20, 2024, meeting.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

- Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7: 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 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

|  | 1% Decrease<br>(6.25%) | Current Discount<br>Rate (7.25%) | 1% Increase<br>(8.25%) |
|--|------------------------|----------------------------------|------------------------|
| Proportionate share of the net pension | \$3,419,713            | \$2,522,343                      | \$1,770,671            |

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

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**

**Summary of Significant Accounting Policies**

*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 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.

*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/forms-resources/financial-reports-and-studies](http://www.copera.org/forms-resources/financial-reports-and-studies).

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

**General Information about the OPEB Plan** (Continued)

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

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

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

*PERA Benefit Structure*

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

**General Information about the OPEB Plan (Continued)**

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

*DPS Benefit Structure*

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School were \$13,720 for the year ended June 30, 2025.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

At June 30, 2025, the Academy reported a liability of \$44,754 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The Academy's proportion of the net OPEB liability was based on the Academy's contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

At December 31, 2024, the Academy's proportion was 0.00935%, which was a decrease of 0.00115% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the Academy recognized OPEB income of \$12,414. At June 30, 2025, the Academy reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | <u>Deferred Outflows<br/>of Resources</u> | <u>Deferred Inflows of<br/>Resources</u> |
|---|---|--|
| Difference between expected and actual experience   | N/A                                       | \$9,872                                  |
| Changes of assumptions or other inputs  | \$513                                     | 14,305                                   |
| Net difference between projected and actual earnings on OPEB plan investments                                   | 32  | N/A                                      |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 152                                       | 3,502                                    |
| Contributions subsequent to the measurement date  | 5,791                                     | N/A                                      |
| Total   | \$6,488                                   | \$27,679                                 |

DORAL ACADEMY OF COLORADO  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

\$5,791 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ended June 30 |           |
|--------------------|-----------|
| 2026               | (\$8,442) |
| 2027               | (\$6,249) |
| 2028               | (\$5,653) |
| 2029               | (\$3,006) |
| 2030               | (\$2,358) |
| Thereafter         | (\$1,273) |

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

|  | <u>State Division</u> | <u>School Division</u> | <u>Local Government<br/>Division</u>                                       | <u>Judicial Division</u> |
|--|-----------------------|------------------------|--|--------------------------|
| Actuarial cost method  |                       |                        | Entry age  |                          |
| Price inflation  |                       |                        | 2.30%  |                          |
| Real wage growth   |                       |                        | 0.70%  |                          |
| Wage inflation   |                       |                        | 3.00%  |                          |
| Salary increases, including wage inflation   |                       |                        |  |                          |
| Members other than Safety Officers   | 3.30%-10.90%          | 3.40%-11.00%           | 3.20%-11.30%   | 2.80%-5.30%              |
| Safety Officers  | 3.20%-12.40%          | N/A                    | 3.20%-12.40%   | N/A                      |
| Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation |                       |                        | 7.25%  |                          |
| Discount rate  |                       |                        | 7.25%  |                          |
| Health care cost trend rates   |                       |                        |  |                          |
| PERA benefit structure:  |                       |                        |  |                          |
| Service-based premium subsidy  |                       |                        | 0.00%  |                          |
| PERACare Medicare plans  |                       |                        | 16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034  |                          |
| MAPD PPO #2  |                       |                        | 105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034 |                          |
| Medicare Part A premiums   |                       |                        | 3.50% in 2024, gradually increasing to 4.50% in 2033                       |                          |
| DPS benefit structure:   |                       |                        |  |                          |
| Service-based premium subsidy  |                       |                        | 0.00%  |                          |
| PERACare Medicare plans  |                       |                        | N/A  |                          |
| Medicare Part A premiums   |                       |                        | N/A  |                          |

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

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

**Age-Related Morbidity Assumptions**

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

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NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

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

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

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

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

| Year  | PERACare Medicare Plans <sup>1</sup> | MAPD PPO #21 | Medicare Part A Premiums |
|-------|--------------------------------------|--------------|--------------------------|
| 2024  | 16.00%                               | 105.00%      | 3.50%                    |
| 2025  | 6.75%                                | 8.55%        | 3.75%                    |
| 2026  | 6.50%                                | 8.10%        | 3.75%                    |
| 2027  | 6.25%                                | 7.65%        | 4.00%                    |
| 2028  | 6.00%                                | 7.20%        | 4.00%                    |
| 2029  | 5.75%                                | 6.75%        | 4.25%                    |
| 2030  | 5.50%                                | 6.30%        | 4.25%                    |
| 2031  | 5.25%                                | 5.85%        | 4.25%                    |
| 2032  | 5.00%                                | 5.40%        | 4.25%                    |
| 2033  | 4.75%                                | 4.95%        | 4.50%                    |
| 2034+ | 4.50%                                | 4.50%        | 4.50%                    |

<sup>1</sup> Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

| <b>Pre-Retirement</b>  | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
|--|---|--|
| State and Local Government Divisions<br>(members other than Safety Officers) | PubG-2010 Employee                        | N/A  |
| Safety Officers  | PubS-2010 Employee                        | N/A  |
| School Division  | PubT-2010 Employee                        | N/A  |
| Judicial Division  | PubG-2010(A) Above-Median Employee        | N/A  |
| <b>Post-Retirement (Retiree), Non-Disabled</b>                               | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
| State and Local Government Divisions<br>(members other than Safety Officers) | PubG-2010 Healthy Retiree                 | <b>Males:</b> 94% of the rates prior to age 80/ 90% of the rates age 80 and older<br><b>Females:</b> 87% of the rates prior to age 80/ 107% of the rates age 80 and older  |
| Safety Officers  | PubS-2010 Healthy Retiree                 | N/A  |
| School Division  | PubT-2010 Healthy Retiree                 | <b>Males:</b> 112% of the rates prior to age 80/ 94% of the rates age 80 and older<br><b>Females:</b> 83% of the rates prior to age 80/ 106% of the rates age 80 and older |
| Judicial Division  | PubG-2010(A) Above-Median Healthy Retiree | N/A  |
| <b>Post-Retirement (Beneficiary), Non-Disabled</b>                           | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
| All Beneficiaries  | Pub-2010 Contingent Survivor              | <b>Males:</b> 97% of the rates for all ages<br><b>Females:</b> 105% of the rates for all ages  |
| <b>Disabled</b>  | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
| Members other than Safety Officers   | PubNS-2010 Disabled Retiree               | 99% of the rates for all ages  |
| Safety Officers  | PubS-2010 Disabled Retiree                | N/A  |

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

- Per capita health care costs in effect as of the December 31, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.
- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.
- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

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

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

|   | State Division | School Division | Local Government Division | Judicial Division |
|---|----------------|-----------------|---------------------------|-------------------|
| Salary increases, including wage inflation: |                |                 |                           |                   |
| Members other than Safety Officers          | 2.70%-13.30%   | 4.00%-13.40%    | 3.40%-13.00%              | 2.30%-4.70%       |
| Safety Officers                             | 3.20%-16.30%   | N/A             | 3.20%-16.30%              | N/A               |

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

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

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

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

| <b>Pre-Retirement</b>   | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
|---|---|--|
| State and Local Government Divisions (members other than Safety Officers) | PubG-2010 Employee                        | N/A  |
| Safety Officers   | PubS-2010 Employee                        | N/A  |
| School Division   | PubT-2010 Employee                        | N/A  |
| Judicial Division   | PubG-2010(A) Above-Median Employee        | N/A  |
| <b>Post-Retirement (Retiree), Non-Disabled</b>                            | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
| State and Local Government Divisions (members other than Safety Officers) | PubG-2010 Healthy Retiree                 | <b>Males:</b> 90% of the rates for all ages<br><b>Females:</b> 85% of the rates prior to age 85/ 105% of the rates age 85 and older  |
| Safety Officers   | PubS-2010 Healthy Retiree                 | N/A  |
| School Division   | PubT-2010 Healthy Retiree                 | <b>Males:</b> 106% of the rates for all ages<br><b>Females:</b> 86% of the rates prior to age 85/ 115% of the rates age 85 and older |
| Judicial Division   | PubG-2010(A) Above-Median Healthy Retiree | N/A  |
| <b>Post-Retirement (Beneficiary), Non-Disabled</b>                        | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
| All Beneficiaries   | Pub-2010 Contingent Survivor              | <b>Males:</b> 92% of the rates for all ages<br><b>Females:</b> 100% of the rates for all ages  |
| <b>Disabled</b>   | <b>Mortality Table</b>                    | <b>Adjustments, as Applicable</b>  |
| Members other than Safety Officers  | PubNS-2010 Disabled Retiree               | 95% of the rates for all ages  |
| Safety Officers   | PubS-2010 Disabled Retiree                | N/A  |

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

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

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

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

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%.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

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

|   | 1% Decrease in Trend Rates | Current Trend Rates | 1% Increase in Trend Rates |
|---|----------------------------|---------------------|----------------------------|
| Initial PERACare Medicare trend rate <sup>1</sup> | 5.75%                      | 6.75%               | 7.75%                      |
| Ultimate PERACare Medicare trend rate             | 3.50%                      | 4.50%               | 5.50%                      |
| Initial MAPD PPO#2 trend rate <sup>1</sup>        | 7.55%                      | 8.55%               | 9.55%                      |
| Ultimate MAPD PPO#2 trend rate                    | 3.50%                      | 4.50%               | 5.50%                      |
| Initial Medicare Part A trend rate <sup>1</sup>   | 2.75%                      | 3.75%               | 4.75%                      |
| Ultimate Medicare Part A trend rate               | 3.50%                      | 4.50%               | 5.50%                      |
| Net OPEB Liability                                | \$43,548                   | \$44,754            | \$46,119                   |

<sup>1</sup>For the January 1, 2025, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2024, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2025

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**  
(Continued)

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

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

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

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

|  | 1% Decrease<br>(6.25%) | Current<br>Discount Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|--|------------------------|-------------------------------------|------------------------|
| Proportionate share of the net OPEB<br>Liability | \$54,847               | \$44,754                            | \$36,053               |

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

DORAL ACADEMY OF COLORADO

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

**Claims and Judgments**

The Academy participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Academy may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited, but the Academy 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 tax powers and imposes spending limitations. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and student enrollment. Revenue received in excess of the limitations may be required to be refunded. The Academy believes it has complied with the Amendment. As required by the Amendment, the Academy has established a reserve for emergencies. At June 30, 2025, the reserve of \$66,076 was recorded as a restriction of fund balance in the General Fund. The District also holds \$66,076 in pooled cash on behalf of the Jefferson Academy for this reserve.

**NOTE 10: SUBSEQUENT EVENTS**

Potential subsequent events were considered through October 30, 2025. It was determined that no events were required to be disclosed through this date.

**REQUIRED SUPPLEMENTARY INFORMATION**

DORAL ACADEMY OF COLORADO

GENERAL FUND  
 BUDGETARY COMPARISON STATEMENT  
 Year Ended June 30, 2025

|                                       | 2025                |                     |                     | VARIANCE<br>Positive<br>(Negative) | 2024<br>ACTUAL      |
|---------------------------------------|---------------------|---------------------|---------------------|------------------------------------|---------------------|
|                                       | ORIGINAL<br>BUDGET  | FINAL<br>BUDGET     | ACTUAL              |                                    |                     |
| <b>REVENUES</b>                       |                     |                     |                     |                                    |                     |
| Local Sources                         |                     |                     |                     |                                    |                     |
| Per Pupil Operating Revenue           | \$ 1,842,243        | \$ 1,852,974        | \$ 1,852,974        | \$ -                               | \$ 1,755,828        |
| Mill Levy Override                    | 353,069             | 386,120             | 377,944             | (8,176)                            | 368,020             |
| Charges for Services                  | 18,400              | 25,984              | 28,232              | 2,248                              | 36,203              |
| Donations                             | 450,000             | 450,000             | 3,145               | (446,855)                          | 6,688               |
| Other                                 | 15,000              | 157,500             | 32,490              | (125,010)                          | 304,064             |
| Interest                              | 317,794             | 317,794             | 98,576              | (219,218)                          | 226,117             |
| State Sources                         |                     |                     |                     |                                    |                     |
| Grants and Donations                  | 143,756             | 191,010             | 189,928             | (1,082)                            | 120,875             |
| <b>TOTAL REVENUES</b>                 | <b>3,140,262</b>    | <b>3,381,382</b>    | <b>2,583,289</b>    | <b>(798,093)</b>                   | <b>2,817,795</b>    |
| <b>EXPENDITURES</b>                   |                     |                     |                     |                                    |                     |
| Current                               |                     |                     |                     |                                    |                     |
| Salaries                              | 1,049,726           | 1,253,837           | 1,185,843           | 67,994                             | 1,306,822           |
| Employee Benefits                     | 365,491             | 411,382             | 367,326             | 44,056                             | 374,356             |
| Purchased Services                    | 697,855             | 515,246             | 607,539             | (92,293)                           | 597,297             |
| Supplies and Materials                | 115,176             | 110,388             | 62,908              | 47,480                             | 142,822             |
| Property                              | -                   | -                   | -                   | -                                  | 1,854,722           |
| Other                                 | 20,450              | 87,589              | -                   | 87,589                             | -                   |
| Debt Service                          |                     |                     |                     |                                    |                     |
| Principal                             | -                   | -                   | -                   | -                                  | -                   |
| Interest                              | 886,151             | 886,150             | 886,150             | -                                  | 886,150             |
| <b>TOTAL EXPENDITURES</b>             | <b>3,134,849</b>    | <b>3,264,592</b>    | <b>3,109,766</b>    | <b>154,826</b>                     | <b>5,162,169</b>    |
| <b>NET CHANGE IN FUND<br/>BALANCE</b> | <b>5,413</b>        | <b>116,790</b>      | <b>(526,477)</b>    | <b>(643,267)</b>                   | <b>(2,344,374)</b>  |
| FUND BALANCE, Beginning               | 2,612,139           | 2,612,139           | 2,612,139           | -                                  | 4,956,513           |
| FUND BALANCE, Ending                  | <u>\$ 2,617,552</u> | <u>\$ 2,728,929</u> | <u>\$ 2,085,662</u> | <u>\$ (643,267)</u>                | <u>\$ 2,612,139</u> |

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

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE  
SCHOOL DIVISION TRUST FUND

Years Ended December 31,  
(School Division Trust Fund Measurement Date)

|  | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| School's proportion of the Net Pension Liability   | 0.00669%     | 0.01878%     | 0.01703%     | 0.01663%     | 0.01878%     | 0.01799%     | 0.01340%     | 0.01750%     | 0.01462%     |
| School's proportionate share of the Net Pension Liability  | \$ 1,990,836 | \$ 6,285,289 | \$ 3,016,330 | \$ 2,484,430 | \$ 2,839,780 | \$ 2,010,272 | \$ 2,432,050 | \$ 3,095,095 | \$ 2,522,343 |
| State of Colorado Proportionate Share of the Net Pension Liability associated with the School    | -            | -            | 412,441      | 315,118      | -            | 207,058      | 181,180      | 80,658       | 207,876      |
| Total portion of the Net Pension Liability associated with the School                            | 1,990,836    | 6,285,289    | 3,428,771    | 2,799,548    | 2,839,780    | 2,217,330    | 2,613,230    | 3,175,753    | 2,730,219    |
| School's covered payroll   | \$ 302,403   | \$ 856,445   | \$ 885,764   | \$ 967,463   | \$ 1,002,052 | \$ 1,070,293 | \$ 997,316   | \$ 1,235,265 | \$ 1,345,118 |
| School's proportionate share of the Net Pension Liability as a percentage of its covered payroll | 658.3%       | 733.9%       | 340.5%       | 256.8%       | 283.4%       | 187.8%       | 243.9%       | 250.6%       | 187.5%       |
| Plan fiduciary net position as a percentage of the total pension liability                       | 43.1%        | 44.0%        | 57.0%        | 64.5%        | 67.0%        | 74.9%        | 61.8%        | 64.7%        | 67.2%        |

Notes:

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available

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

DORAL ACADEMY OF COLORADO

SCHEDULE OF THE SCHOOL'S CONTRIBUTIONS  
SCHOOL DIVISION TRUST FUND

Years Ended June 30,

|  | <u>2017</u>    | <u>2018</u>    | <u>2019</u>    | <u>2020</u>    | <u>2021</u>    | <u>2022</u>    | <u>2023</u>    | <u>2024</u>    | <u>2025</u>    |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Statutorily required contributions                                     | \$ 130,561     | \$ 176,160     | \$ 166,330     | \$ 199,226     | \$ 204,865     | \$ 217,176     | \$ 236,719     | \$ 286,410     | \$ 253,875     |
| Contributions in relation to the Statutorily<br>required contributions | <u>130,561</u> | <u>176,160</u> | <u>166,330</u> | <u>199,226</u> | <u>204,865</u> | <u>217,176</u> | <u>236,719</u> | <u>286,410</u> | <u>253,875</u> |
| Contribution deficiency (excess)                                       | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| School's covered payroll   | \$ 700,382     | \$ 915,277     | \$ 869,471     | \$ 1,027,997   | \$ 1,027,355   | \$ 1,045,734   | \$ 1,102,462   | \$ 1,392,745   | \$ 1,288,089   |
| Contributions as a percentage of covered pay:                          | 18.64%         | 19.25%         | 19.13%         | 19.38%         | 19.94%         | 20.77%         | 21.47%         | 20.56%         | 19.71%         |

Notes:

This schedule will report ten years of data when it is available

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

DORAL ACADEMY OF COLORADO

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE  
HEALTH CARE TRUST FUND

Years Ended December 31,  
(Health Care Trust Fund Measurement Date)

|  | 2016       | 2017       | 2018       | 2019       | 2020         | 2021         | 2022       | 2023         | 2024         |
|--|------------|------------|------------|------------|--------------|--------------|------------|--------------|--------------|
| School's proportion of the Net OPEB Liability  | 0.00383%   | 0.01055%   | 0.01107%   | 0.01087%   | 0.01087%     | 0.01800%     | 0.01015%   | 0.01050%     | 0.00935%     |
| School's proportionate share of the Net OPEB Liability   | \$ 49,663  | \$ 143,529 | \$ 150,648 | \$ 122,159 | \$ 103,243   | \$ 97,258    | \$ 82,877  | \$ 74,734    | \$ 44,754    |
| School's covered payroll   | \$ 302,403 | \$ 856,445 | \$ 885,764 | \$ 967,463 | \$ 1,002,052 | \$ 1,002,052 | \$ 997,316 | \$ 1,235,265 | \$ 1,345,118 |
| School's proportionate share of the Net OPEB Liability<br>as a percentage of its covered payroll | 16.4%      | 16.8%      | 17.0%      | 12.6%      | 10.3%        | 9.7%         | 8.3%       | 6.1%         | 3.3%         |
| Plan fiduciary net position as a percentage of the<br>total OPEB liability                       | 16.7%      | 17.5%      | 17.0%      | 24.5%      | 32.8%        | 39.4%        | 38.6%      | 46.2%        | 59.8%        |

Notes:

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available

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

DORAL ACADEMY OF COLORADO  
SCHEDULE OF THE SCHOOL'S CONTRIBUTIONS  
HEALTH CARE TRUST FUND

Years Ended June 30,

|  | <u>2017</u>  | <u>2018</u>  | <u>2019</u>  | <u>2020</u>   | <u>2021</u>   | <u>2022</u>   | <u>2023</u>   | <u>2024</u>   | <u>2025</u>   |
|--|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Statutorily required contributions                                     | \$ 7,144     | \$ 9,336     | \$ 8,869     | \$ 10,486     | \$ 10,479     | \$ 10,666     | \$ 11,245     | \$ 14,206     | \$ 13,720     |
| Contributions in relation to the Statutorily<br>required contributions | <u>7,144</u> | <u>9,336</u> | <u>8,869</u> | <u>10,486</u> | <u>10,479</u> | <u>10,666</u> | <u>11,245</u> | <u>14,206</u> | <u>13,720</u> |
| Contribution deficiency (excess)                                       | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>  | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   |
| School's covered payroll   | \$ 700,382   | \$ 915,277   | \$ 869,471   | \$ 1,027,997  | \$ 1,027,355  | \$ 1,045,734  | \$ 1,102,462  | \$ 1,392,745  | \$ 1,345,098  |
| Contributions as a percentage of covered payroll                       | 1.02%        | 1.02%        | 1.02%        | 1.02%         | 1.02%         | 1.02%         | 1.02%         | 1.02%         | 1.02%         |

Notes:

This schedule will report ten years of data when it is available

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