

TWO RIVERS COMMUNITY SCHOOL

BASIC FINANCIAL STATEMENTS

June 30, 2025

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JOHN CUTLER & ASSOCIATES

Board of Directors
Two Rivers Community School
Glenwood Springs, 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 the Two Rivers Community School (the "School") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School'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 the Two Rivers Community School 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 the Two Rivers Community School 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 School'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 School'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 supplemental information on pages 44-48 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 Luttrell & Associates, LLC

November 13, 2025

**Two Rivers Community School
Management’s Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2025**

As management of Two Rivers Community School (the School), we offer readers of the School’s basic financial statements this narrative and analysis of the financial activities of the School as of and for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information provided in the basic financial statements.

Financial Highlights

The year ended June 30, 2025, is the eleventh year of operations for the School. As of June 30, 2025, the net position was a negative \$2,818,998 due to the implementation of GASB 68 for pensions and GASB 75 for post-employment benefits. The General Fund Balance decreased from \$3,447,349 to \$3,275,183 at June 30th which is a 5.0% decrease. The increase was driven by Per Pupil Revenue (PPR) and Mill Levy Revenue and minimal capital spend. The operations of the School are funded primarily by tax revenue received under the State School Finance Act (the Act). State categorical revenue or Per Pupil Revenue for the year was \$4,716,384.

Overview of Basic Financial Statements

This discussion and analysis are intended to serve as an introduction to the School’s basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

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

The statement of net position presents information on all the School’s assets, deferred outflows, liabilities, and deferred inflows, with the difference between the assets/deferred outflows and liabilities/deferred inflows being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial condition of the School is improving or deteriorating.

The statement of activities presents information showing how the School’s net position has changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenue and expenses are reported in the statement for some items that will only result in cash flows in future periods (for example, salaries and benefits earned but unpaid as of year-end).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The School maintains two governmental funds, its General Fund and the Building Fund.

The School adopts annual budgets for its General Fund. A budgetary comparison has been provided for the General fund in the required supplementary information to demonstrate compliance with the budget.

**Two Rivers Community School
Management’s Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2025**

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes are presented on pages 6 through 43.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the School’s financial condition. As of June 30, 2025, the School’s liabilities and deferred inflows exceeded its assets and deferred outflows by \$2,818,998. \$205,000 of this total is restricted to comply with Article X, Section 20 of the Colorado Constitution, known as the TABOR Amendment. Accordingly, these funds are not available to satisfy general operating expenses of the School. The negative net position of \$2,818,998 deteriorated from the prior fiscal year by \$897,287 or 46.7%. Overall, the PERA net pension liability increased from \$5,119,785 to \$6,193,553 or 21%.

Net position as of June 30, 2025 and June 30, 2024:

	<u>2025</u>	<u>2024</u>
Assets		
Cash and investments	\$ 3,864,138	\$ 2,877,246
Restricted Cash and investments	42,736	42,808
Receivables and other current assets	99,367	1,042,150
Capital Assets, net	<u>8,025,307</u>	<u>7,983,937</u>
Total assets	<u>12,031,548</u>	<u>11,946,141</u>
Deferred Outflows, Pension/OPEB	2,389,037	3,193,753
Liabilities		
Accounts payable and interest payable	335,172	141,308
Accrued salaries and benefits	368,937	347,175
Unearned revenue	-	-
Current portion long-term debt	314,389	306,700
Long-term debt Due in more than one year	7,638,495	7,952,884
Net Pension/OPEB Liability	<u>8,497,881</u>	<u>8,222,493</u>
Total liabilities	<u>17,154,874</u>	<u>16,970,560</u>
Deferred Inflows, Pension/OPEB	84,709	91,045
Net position		
Investment in Capital Assets (net)	72,423	(275,647)
Restricted for TABOR	205,000	193,250
Unrestricted	<u>(3,096,421)</u>	<u>(1,839,314)</u>
Total net position	<u>\$ (2,818,998)</u>	<u>\$ (1,921,711)</u>

**Two Rivers Community School
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2025**

Change in net position for the year ended June 30, 2025 and June 30, 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Revenues		
Program revenues		
Charges for services	\$ 618,139	\$ 580,894
Operating grants and contributions	689,830	728,510
Capital grants and contributions	<u>149,568</u>	<u>153,728</u>
Total program revenues	<u>1,457,537</u>	<u>1,463,132</u>
General revenues		
State categorical revenue -PPR	4,716,384	4,323,011
Mill levy override	1,180,703	1,150,657
Earnings on investments	129,814	160,833
Unrestricted State Aid	79,201	16,125
Other	<u>14,428</u>	<u>69,853</u>
Total general revenues	<u>6,120,530</u>	<u>5,720,479</u>
Total revenues	<u>7,578,067</u>	<u>7,183,611</u>
Expenditures/expenses		
Current		
Instruction	4,941,005	4,768,334
Supporting services	3,333,632	2,741,149
Interest on long-term debt	<u>200,717</u>	<u>207,622</u>
Total expenses	<u>8,475,354</u>	<u>7,717,105</u>
Increase (decrease) in net position	(897,287)	(533,494)
Net Position, beginning of year	(1,921,711)	(1,388,217)
Net Position, end of year	<u>\$ (2,818,998)</u>	<u>\$ (1,921,711)</u>

Financial Analysis of School

The School has two governmental funds, the General Fund and the Building Fund. The General Fund is considered a major fund and is used to account for the School's general operations. The General Fund began the year with a positive fund balance of \$3,447,349. The School's fund balance decreased during the year by \$172,166 or 5% due to capital projects and bus purchases. Ninety four percent of the General Fund balance is unassigned. The Building Corporation was created in 2014 and purchased the School facility on October 6, 2016. The Building Fund ended the year with a fund balance of \$42,736 or no material change.

**Two Rivers Community School
Management’s Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2025**

General Fund and Building Fund Budgetary Highlights

The School budgeted General Fund expenditures of \$8,034,004 for the year ended June 30, 2025. Actual expenditures were \$7,162,768. The Building Fund had actual expenditures and transfers out of \$508,803 which resulted in a positive variance when compared to the final budgeted expenditures of \$526,000.

The School did pass a revised FY25 appropriations resolution as displayed on page 44.

Capital Assets and Debt Administration

The School leases its school facilities under an agreement with the Two Rivers Building Corporation, a blended component unit of the School. The lease is renewable in annual installments beginning each July 1 (subject to TABOR restrictions).

The Building Corporation purchased the facility in October of 2016. Outstanding debt of the Building Corporation at June 30, 2025, was \$7,952,884. The principal reduction in FY25 was \$306,700.

The asset capitalization threshold is \$5,000. Asset additions were \$335,163. Depreciation recognized for FY25 was \$293,793, with accumulated depreciation totaling \$2,439,031. Net Capital Assets were \$8,025,307 at June, 30 2025.

Economic Factors, Next Year’s Budget, Student Counts

The primary factor driving the budget for the School is student enrollment. The following is a table of the historical enrollment as published by the Colorado Department of Education:

	Half-Day K	Full-Day K	1st	2nd	3rd	4th	5th	6th	7th	8th	PK-8 Count	PK-8 % CHG
FY15	8	12	19	22	27	20	23	21	20	0	172	
FY16	7	13	21	24	23	27	23	27	24	23	212	23%
FY17	10	10	25	21	22	24	26	40	26	24	228	8%
FY18	9	29	26	30	28	31	43	33	43	28	300	32%
FY19	0	36	44	32	39	37	33	48	41	40	350	17%
FY20	1	30	38	42	36	37	39	40	44	42	349	0%
FY21	1	37	39	43	44	39	42	49	38	41	373	7%
FY22	0	41	44	42	47	45	43	41	48	41	392	5%
FY23	0	36	44	43	44	45	0	90	43	44	389	-1%
FY24	0	32	40	46	44	44	44	44	46	45	385	-1%
FY25	0	41	38	44	46	44	44	44	44	45	390	1%

Enrollment, the key funding driver, has been very consistent the last few years. As noted above, the enrollment was 390 in FY25. The enrollment budgeted for the FY26 school year 390. Currently there are no plans to increase the student body. Overall funding increased for FY 25-26, with PPR increasing 3.98%. It is anticipated that K-12 Funding will likely see increases aligning with inflation during the next few years as corporate and individual income tax collections continue moderate growth. The Governor’s budget was released November 1st. The FY27 District PPR is projected increase 4.6%.

**Two Rivers Community School
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2025**

Requests for Information

The financial report is designed to provide a general overview of the School's finances for those with an interest in the School. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Two Rivers Community School, 195 Center Drive, Glenwood Springs, Colorado 81601

BASIC FINANCIAL STATEMENTS

TWO RIVERS COMMUNITY SCHOOL

STATEMENT OF NET POSITION

As of June 30, 2025

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Investments	\$ 3,864,138	\$ 2,877,246
Restricted Cash and Investments	42,736	42,808
Accounts Receivable	90,103	1,036,306
Prepaid Expenses	9,264	5,844
Capital Assets, Not Depreciated	1,908,329	1,742,322
Capital Assets, Depreciated, Net of Accumulated Depreciation	<u>6,116,978</u>	<u>6,241,615</u>
TOTAL ASSETS	<u>12,031,548</u>	<u>11,946,141</u>
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	2,316,704	3,109,222
Related to OPEB	<u>72,333</u>	<u>84,531</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,389,037</u>	<u>3,193,753</u>
LIABILITIES		
Accounts Payable	319,385	124,872
Accrued Salaries and Benefits	368,937	347,175
Accrued Interest	15,787	16,436
Noncurrent Liabilities		
Due in One Year	314,389	306,700
Due in More than One Year	7,638,495	7,952,884
Net Pension Liability	8,361,747	8,028,634
Net OPEB Liability	<u>136,134</u>	<u>193,859</u>
TOTAL LIABILITIES	<u>17,154,874</u>	<u>16,970,560</u>
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	11,166	30,756
Related to OPEB	<u>73,543</u>	<u>60,289</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>84,709</u>	<u>91,045</u>
NET POSITION		
Net Investment in Capital Assets	72,423	(275,647)
Restricted for Emergencies	205,000	193,250
Unrestricted	<u>(3,096,421)</u>	<u>(1,839,314)</u>
TOTAL NET POSITION	<u>\$ (2,818,998)</u>	<u>\$ (1,921,711)</u>

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

TWO RIVERS COMMUNITY SCHOOL

STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					2025	2024
PRIMARY GOVERNMENT						
Governmental Activities						
Instructional	\$ 4,941,005	\$ 109,823	\$ 607,930	\$ -	\$ (4,223,252)	\$ (4,123,896)
Supporting Services	3,333,632	508,316	81,900	149,568	(2,593,848)	(1,922,455)
Interest and Other Fiscal Charges	200,717	-	-	-	(200,717)	(207,622)
Total Governmental Activities	<u>\$ 8,475,354</u>	<u>\$ 618,139</u>	<u>\$ 689,830</u>	<u>\$ 149,568</u>	(7,017,817)	(6,253,973)
GENERAL REVENUES						
					4,716,384	4,323,011
					1,180,703	1,150,657
					129,814	160,833
					14,428	69,853
					79,201	16,125
					<u>6,120,530</u>	<u>5,720,479</u>
					(897,287)	(533,494)
					<u>(1,921,711)</u>	<u>(1,388,217)</u>
					<u>\$ (2,818,998)</u>	<u>\$ (1,921,711)</u>

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

TWO RIVERS COMMUNITY SCHOOL

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL FUND	BUILDING CORPORATION	TOTAL GOVERNMENTAL FUNDS	
			2025	2024
ASSETS				
Cash and Investments	\$ 3,864,138	\$ -	\$ 3,864,138	\$ 2,877,246
Restricted Cash and Investments	-	42,736	42,736	42,808
Accounts Receivable	90,103	-	90,103	1,036,306
Prepaid Expenses	9,264	-	9,264	5,844
TOTAL ASSETS	\$ 3,963,505	\$ 42,736	\$ 4,006,241	\$ 3,962,204
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 319,385	\$ -	\$ 319,385	\$ 124,872
Accrued Salaries	368,937	-	368,937	347,175
TOTAL LIABILITIES	688,322	-	688,322	472,047
FUND BALANCES				
Nonspendable	9,264	-	9,264	5,844
Restricted for Emergencies	205,000	-	205,000	193,250
Restricted for Capital Projects	-	42,736	42,736	42,808
Unassigned	3,060,919	-	3,060,919	3,248,255
TOTAL FUND BALANCES	3,275,183	42,736	3,317,919	3,490,157
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,963,505	\$ 42,736		

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.	8,025,307	7,983,937
Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds. This amount is bonds payable (\$7,952,884), and accrued interest payable (\$15,787).	(7,968,671)	(8,276,020)
Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds. This includes net pension liability of (\$8,361,747), net OPEB liability of (\$136,134), deferred outflows related to pensions and OPEB \$2,389,037, and deferred inflows related to pensions and OPEB (\$84,709)	(6,193,553)	(5,119,785)
Net Position of governmental activities	\$ (2,818,998)	\$ (1,921,711)

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

TWO RIVERS COMMUNITY SCHOOL

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

	GENERAL FUND	BUILDING CORPORATION	TOTAL GOVERNMENTAL FUNDS	
			2025	2024
REVENUES				
Local Sources	\$ 6,212,284	\$ 508,731	\$ 6,721,015	\$ 6,369,320
State Sources	614,032	-	614,032	604,045
Federal Sources	163,819	-	163,819	194,121
TOTAL REVENUES	6,990,135	508,731	7,498,866	7,167,486
EXPENDITURES				
Current				
Instruction	4,224,150	-	4,224,150	4,097,450
Supporting Services	2,569,852	270	2,570,122	2,062,223
Capital Outlay	368,766	-	368,766	199,223
Debt Service				
Principal	-	306,700	306,700	299,191
Interest	-	201,366	201,366	208,874
TOTAL EXPENDITURES	7,162,768	508,336	7,671,104	6,866,961
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(172,633)	395	(172,238)	300,525
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(467)	(467)	(387)
Transfers In	467	-	467	387
TOTAL OTHER FINANCING SOURCES (USES)	467	(467)	-	-
NET CHANGE IN FUND BALANCES	(172,166)	(72)	(172,238)	300,525
FUND BALANCES, Beginning	3,447,349	42,808	3,490,157	3,189,632
FUND BALANCES, Ending	\$ 3,275,183	\$ 42,736	\$ 3,317,919	\$ 3,490,157

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

TWO RIVERS COMMUNITY SCHOOL

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF 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 change in fund balances - total governmental funds	\$ (172,238)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount of capital additions,(\$335,163), that exceeded depreciation expense, \$293,793, for the year.	41,370
Repayment of long-term principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the principal paid on debt, \$306,700 and change in accrued interest of \$649.	307,349
Deferred charges related to pensions and OPEB are not recognized in the governmental funds. However, for the government-wide funds that amount is capitalized and amortized.	<u>(1,073,768)</u>
Change in net position of governmental activities	<u>\$ (897,287)</u>

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

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Two Rivers Community School (the “School”) was formed in 2013 pursuant to the Colorado Charter Schools Act to form and operate a charter school under the guidance of the Charter School Institute. The accounting policies of the School 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 School and organizations for which the School is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the School. In addition, any legally separate organizations for which the School is financially accountable are considered part of the reporting entity. Financial accountability exists if the School 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 School.

The Two Rivers Building Corporation (the “Building Corporation”) is considered to be financially accountable to the School. The purpose of the Building Corporation is to provide a mechanism to issue and pay debt on behalf of the School. The Corporation is considered to be part of the School for financial reporting purposes because its resources are entirely for the direct benefit of the School and is blended into the School’s Governmental Fund financial statements as a special revenue fund. Separate financial statements are not available for the Building Corporation.

Government-Wide and Fund Financial Statements

The School financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the School. 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.

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.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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 School.

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

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first and the unrestricted resources as they are needed.

The School reports the following major governmental funds:

General Fund – This fund is the general operating fund of the School. It is used to account for all financial resources except those required to be accounted for in another fund.

Building Corporation Fund – This fund accounts for the activity of the Two Rivers Building Corporation.

TWO RIVERS COMMUNITY SCHOOL
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)

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

Investments – Investments are recorded at fair value.

Receivables – Receivables are reported at their gross value, and, where appropriate, are reduced by the estimated portion that is expected to be uncollectable.

Prepaid Expenses – Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses.

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 School 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 market value at the date of donation.

Depreciation of exhaustible capital assets is charged as an expense against operations, and accumulated depreciation is reported on the statement of net position in the government-wide financial statements. Depreciation has been provided over the following estimated useful lives of the capital assets using the straight-line method: buildings and improvement 10 - 45 years, land improvements 15 – 20 years, vehicles and equipment 10 years.

Unearned Revenue– Unearned revenues include grants and donations received before the eligibility requirements by the grantor have been met.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long Term Obligations - In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts 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 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 debt service expenditures.

Compensated Absences – Employees of the School are allowed to earn paid time off (PTO). However, employees are not paid for the accrued compensated absences upon termination of employment. Therefore, no liability has been reported in the financial statements.

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

- Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.
- Restricted Net Position are liquid assets, which have third party limitations on their use.
- Unrestricted Net Position represents assets that do not have any third party limitation on their use. While the School’s management may have categorized and segmented portion for various purposes, the School’s Board has the unrestricted right to revisit or alter these managerial decisions.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 School 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 School considers prepaid expenses as nonspendable as of June 30, 2025.
- 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 School has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. Fund Balance was also restricted in the Building Corporation fund for debt service and required reserves.
- 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 School 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 School 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 balances.

TWO RIVERS COMMUNITY SCHOOL
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Risk Management

The School 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 School carries commercial insurance for these risks of loss. Settled claims have not exceeded any coverages in the last three years.

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.

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

NOTE 3: CASH AND INVESTMENTS

Cash and Investments at June 30, 2025 consisted of the following:

Deposits	\$ 426,322
Investments	<u>3,480,552</u>
Total	<u>\$ 3,906,874</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. At June 30, 2025, State regulatory commissioners have indicated that all financial institutions holding deposits for the School are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 3: CASH AND INVESTMENTS

Deposits (Continued)

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 School has no policy regarding custodial credit risk for deposits.

At June 30, 2025, the School had deposits with financial institutions with a carrying amount of \$426,322. The bank balances with the financial institutions were \$451,133, of those balances \$447,786 were covered by federal depository insurance and \$3,347 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

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

The above investments are authorized for all funds and fund types used by Colorado local governments.

Interest Rate and Credit Risk Policies

The School 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, or a formal policy to limit credit risk. However, they follow state statutes regarding investments.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 3: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Local Government Investment Pools

The School had invested \$42,736 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.

The School had invested \$3,437,816 in the Colorado Surplus Asset Fund Trust (CSAFE) an investment vehicle established for local government entities in Colorado pursuant to Title 24, Article 75, Part 7 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pools. CSAFE reports its underlying investments at amortized and is considered a qualifying external investment pool under GASB Statement 79. CSAFE operates similar to money market funds where each share is equal in value to \$1.00. The fair value of the position in the pools is the same as the value of the pooled shares.

CSAFE is rated AAAM by Standard and Poor's. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are owned by the pools and 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 pools.

Investments of the pools comply with state statutes, consisting of U.S. Treasury bills, notes and note strips, repurchase agreements, U.S. Instrumentalities, Commercial Paper, Bank Deposits and Money Market Funds. CSAFE does not have any limitations or restrictions on participant withdrawals.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 3: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Fair Value

The School 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

Investments in the amount of \$42,736 is restricted for debt service in the Building Corporation Fund.

NOTE 4 CAPITAL ASSETS

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

	Balance <u>June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2025</u>
Governmental Activities				
Capital Assets, Not Depreciated				
Land	\$ 1,730,319	\$ -	\$ -	\$ 1,730,319
Construction in Process	<u>12,003</u>	<u>178,010</u>	<u>12,003</u>	<u>178,010</u>
Total Capital Assets, Not Depreciated	<u>1,742,322</u>	<u>178,010</u>	<u>12,003</u>	<u>1,908,329</u>
Capital Assets, Depreciated				
Buildings	7,533,973	-	-	7,533,973
Buildings Improvements	454,344	-	-	454,344
Equipment	<u>398,536</u>	<u>169,156</u>	<u>-</u>	<u>567,692</u>
Total Capital Assets, Depreciated	<u>8,386,853</u>	<u>169,156</u>	<u>-</u>	<u>8,556,009</u>

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 4 **CAPITAL ASSETS** (Continued)

	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
	<u>June 30, 2024</u>			<u>June 30, 2025</u>
Accumulated Depreciation				
Buildings	1,506,793	251,132	-	1,757,925
Buildings Improvements	278,424	11,927	-	290,351
Equipment	<u>360,021</u>	<u>30,734</u>	-	<u>390,755</u>
Total Accumulated Depreciation	<u>2,145,238</u>	<u>293,793</u>	-	<u>2,439,031</u>
Net Capital Assets, Depreciated	<u>6,241,615</u>	<u>(124,637)</u>	-	<u>6,116,978</u>
Net Capital Assets	<u>\$ 7,983,937</u>	<u>\$ 53,373</u>	<u>\$ 12,003</u>	<u>\$ 8,025,307</u>

Depreciation has been charged to the Supporting Services program of the School.

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 \$368,937 in the General Fund.

NOTE 6: **LONG-TERM DEBT**

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

	<u>Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u>	<u>Due In</u>
	<u>June 30, 2024</u>			<u>June 30, 2025</u>	<u>One Year</u>
2020 Bonds Payable	<u>\$ 8,259,584</u>	<u>\$ -</u>	<u>\$ 306,700</u>	<u>\$ 7,952,884</u>	<u>\$ 314,389</u>

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 6: LONG-TERM DEBT(Continued)

2020 Bonds Payable

In April 2020, the Public Finance Authority issued \$9,425,673 Charter School Revenue Bonds, Series 2020. Proceeds from the bonds were used to fully refund the Series 2016 Bonds. The School is required to make lease payments to the Two Rivers Building Corporation for the use of the building. The Building Corporation is required to make equal lease payments to the Trustee, for payment of the bonds. Interest accrues at a rate of 2.48% per year. Payments of Principal and Interest are due monthly on the first of each month beginning June 1 through March 1, 2030. With a final balloon payment of principal and interest due on April 1, 2030.

Future debt service requirements are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 314,389	\$ 193,676	\$ 508,065
2027	322,273	185,790	508,063
2028	330,360	177,706	508,066
2029	338,648	169,419	508,064
2030	<u>6,647,217</u>	<u>134,776</u>	<u>6,781,993</u>
Total	<u>\$ 7,952,884</u>	<u>\$ 861,367</u>	<u>\$ 8,814,251</u>

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.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan

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

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

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

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

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.

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

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

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

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

TWO RIVERS COMMUNITY SCHOOL
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from School were \$728,646 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. 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.

TWO RIVERS COMMUNITY SCHOOL
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

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 School’s proportion of the net pension liability was based on the School’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 School reported a liability of \$8,361,747 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 School 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 School were as follows:

The School’s proportionate share of the net pension liability	\$8,361,747
The State’s proportionate share of the net pension liability as a nonemployer contributing entity associated with the School.	751,018
Total	\$9,112,765

At December 31, 2024, the School’s proportion was 0.04846%, which was an increase of 0.00306% from its proportion measured as of December 31, 2023. For the year ended June 30, 2025, the School recognized pension expense of \$1,913,888 and revenue of \$79,201 support from the State as a nonemployer contributing entity.

TWO RIVERS COMMUNITY SCHOOL
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 School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$473,513	N/A
Changes of assumptions or other inputs	62,689	N/A
Net difference between projected and actual earnings on pension plan investments	157,763	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	1,256,201	\$11,166
Contributions subsequent to the measurement date	366,538	N/A
Total	\$2,316,704	\$11,166

\$366,538 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2026	\$1,078,458
2027	\$725,849
2028	\$134,693
2029	-
2030	-
Thereafter	-

TWO RIVERS COMMUNITY SCHOOL
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 ¹	Financed by the AIR

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

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

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

TWO RIVERS COMMUNITY SCHOOL
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.

TWO RIVERS COMMUNITY SCHOOL
 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)

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

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	Males: 106% of the rates for all ages Females: 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	Males: 92% of the rates for all ages Females: 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.

TWO RIVERS COMMUNITY SCHOOL

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)

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

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- 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.

TWO RIVERS COMMUNITY SCHOOL

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)

- 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.

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension	\$11,336,590	\$8,361,747	\$5,869,899

TWO RIVERS COMMUNITY SCHOOL
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)

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.

NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN
Summary of Significant Accounting Policies

OPEB. The School 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 School 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.

TWO RIVERS COMMUNITY SCHOOL
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)

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.

TWO RIVERS COMMUNITY SCHOOL

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 \$36,468 for the year ended June 30, 2025.

TWO RIVERS COMMUNITY SCHOOL
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 School reported a liability of \$136,134 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 School's proportion of the net OPEB liability was based on the School'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 School's proportion was 0.0285%, which was an increase of 0.00131% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the School recognized OPEB income of \$3,351. At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	N/A	\$30,028
Changes of assumptions or other inputs	\$1,561	43,515
Net difference between projected and actual earnings on OPEB plan investments	461	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	51,966	N/A
Contributions subsequent to the measurement date	18,345	N/A
Total	\$72,333	\$73,543

TWO RIVERS COMMUNITY SCHOOL
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)

\$18,345 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	(\$5,751)
2027	\$921
2028	\$2,382
2029	(\$7,634)
2030	(\$5,700)
Thereafter	(\$3,773)

TWO RIVERS COMMUNITY SCHOOL
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 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	

TWO RIVERS COMMUNITY SCHOOL
 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)

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

TWO RIVERS COMMUNITY SCHOOL

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)

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.

TWO RIVERS COMMUNITY SCHOOL
 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 ¹	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%

¹ 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.

TWO RIVERS COMMUNITY SCHOOL

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)

Pre-Retirement	Mortality Table	Adjustments, as Applicable
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
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 94% of the rates prior to age 80/ 90% of the rates age 80 and older Females: 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	Males: 112% of the rates prior to age 80/ 94% of the rates age 80 and older Females: 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
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages Females: 105% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	99% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

TWO RIVERS COMMUNITY SCHOOL

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

TWO RIVERS COMMUNITY SCHOOL
 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.

TWO RIVERS COMMUNITY SCHOOL

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)

Pre-Retirement	Mortality Table	Adjustments, as Applicable
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
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than Safety Officers)	PubG-2010 Healthy Retiree	Males: 90% of the rates for all ages Females: 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	Males: 106% of the rates for all ages Females: 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
Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 92% of the rates for all ages Females: 100% of the rates for all ages
Disabled	Mortality Table	Adjustments, as Applicable
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.

TWO RIVERS COMMUNITY SCHOOL

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:

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

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

TWO RIVERS COMMUNITY SCHOOL

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 School'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 ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate ¹	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate ¹	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$132,466	\$136,134	\$140,285

¹For 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.

TWO RIVERS COMMUNITY SCHOOL

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 School'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 (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$166,834	\$136,134	\$109,667

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

TWO RIVERS COMMUNITY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 9: COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The School 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 School may be required to reimburse the grantor government. As of June 30, 2025, significant amounts of grant expenditures have not been audited, but the School believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the School.

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 School believes it has complied with the Amendment. As required by the Amendment, the School has established a reserve for emergencies. At June 30, 2025, \$187,000 was recorded as a reservation of fund balance in the General Fund.

NOTE 10: DEFICIT NET POSITION

The net position of the governmental activities is in a deficit position of \$2,818,998 due to the School including its Net Pension Liability per the requirements of GASB Statements No. 68 and 75.

NOTE 11: SUBSEQUENT EVENTS

Potential subsequent events were considered through November 13, 2025. It was determined that no events were required to be disclosed through this date.

REQUIRED SUPPLEMENTARY INFORMATION

TWO RIVERS COMMUNITY SCHOOL

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended June 30, 2025

	2025			VARIANCE	2024 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Local Sources					
Per Pupil Revenue	\$ 4,748,168	\$ 4,724,005	\$ 4,716,384	\$ (7,621)	\$ 4,323,011
Mill Levy Override	1,113,840	1,159,623	1,180,703	21,080	1,150,657
Tuition and Fees	181,887	134,387	109,823	(24,564)	76,502
Contributions	29,500	91,019	61,547	(29,472)	139,433
Interest	110,000	126,607	129,399	2,792	135,906
Other	5,000	6,000	14,428	8,428	34,988
State Sources					
Grants and Donations	628,182	624,257	614,032	(10,225)	604,045
Federal Sources					
Grants and Donations	188,396	188,396	163,819	(24,577)	194,121
TOTAL REVENUES	<u>7,004,973</u>	<u>7,054,294</u>	<u>6,990,135</u>	<u>(64,159)</u>	<u>6,658,663</u>
EXPENDITURES					
Salaries	3,682,442	3,897,180	3,742,084	155,096	3,410,112
Employee Benefits	1,272,489	1,337,905	1,324,172	13,733	1,188,846
Purchased Services	1,218,751	1,298,743	1,323,399	(24,656)	1,133,083
Supplies and Materials	442,401	423,501	381,269	42,232	418,927
Property	338,500	965,019	368,766	596,253	199,223
Other	50,390	18,050	23,078	(5,028)	8,434
TOTAL EXPENDITURES	<u>7,004,973</u>	<u>7,940,398</u>	<u>7,162,768</u>	<u>777,630</u>	<u>6,358,625</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(886,104)</u>	<u>(172,633)</u>	<u>713,471</u>	<u>300,038</u>
OTHER FINANCING (USES)					
Transfers In	75,023	93,606	-	(93,606)	-
Transfers Out	<u>(75,023)</u>	<u>(93,606)</u>	<u>467</u>	<u>94,073</u>	<u>387</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>467</u>	<u>467</u>	<u>387</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>(886,104)</u>	<u>(172,166)</u>	<u>713,938</u>	<u>300,425</u>
FUND BALANCE, Beginning	<u>3,287,635</u>	<u>3,447,349</u>	<u>3,447,349</u>	<u>-</u>	<u>3,146,924</u>
FUND BALANCE, Ending	<u>\$ 3,287,635</u>	<u>\$ 2,561,245</u>	<u>\$ 3,275,183</u>	<u>\$ 713,938</u>	<u>\$ 3,447,349</u>

See the accompanying independent auditors' report.

TWO RIVERS COMMUNITY SCHOOL

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

Years Ended December 31,

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's proportionate share of the Net Pension Liability	0.015%	0.018%	0.021%	0.024%	0.026%	0.032%	0.032%	0.032%	0.045%	0.048%
School's proportionate share of the Net Pension Liability	\$ 2,340,008	\$ 5,356,072	\$ 6,865,978	\$ 4,247,533	\$ 3,876,286	\$ 4,763,366	\$ 3,756,235	\$ 5,790,780	\$ 8,028,634	\$ 8,361,747
State of Colorado's Proportionate Share of the Net Pension Liability associated with the School	\$ -	\$ -	\$ -	\$ 580,791	\$ 622,734	\$ -	\$ 386,318	\$ 1,306,705	\$ 172,267	\$ 751,018
Total portion of the Net Pension Liability associated with the School	\$ 2,340,008	\$ 5,356,072	\$ 6,865,978	\$ 4,828,324	\$ 4,499,020	\$ 4,763,366	\$ 4,142,553	\$ 7,097,485	\$ 8,200,901	\$ 9,112,765
School's covered payroll	\$ 793,194	\$ 807,386	\$ 977,966	\$ 1,317,109	\$ 1,524,453	\$ 1,684,240	\$ 2,017,225	\$ 2,383,216	\$ 3,001,478	\$ 3,436,116
School's proportionate share of the Net Pension Liability as a percentage of its covered payroll	295.0%	663.4%	702.1%	366.6%	295.1%	282.8%	205.4%	297.8%	273.2%	265.2%
Plan fiduciary net position as a percentage of the total pension liability	59.2%	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.

See the accompanying independent auditors' report.

TWO RIVERS COMMUNITY SCHOOL
SCHEDULE OF THE SCHOOL'S CONTRIBUTIONS
SCHOOL DISVISION TRUST FUND

Years Ended June 30,

	<u>2016</u>	<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	\$ 142,114	\$ 153,411	\$ 222,063	\$ 275,911	\$ 308,941	\$ 379,372	\$ 421,601	\$ 555,626	\$ 665,541	\$ 728,646
Contributions in relation to the Statutorily required contributions	<u>142,114</u>	<u>153,411</u>	<u>222,063</u>	<u>275,911</u>	<u>308,941</u>	<u>379,372</u>	<u>421,601</u>	<u>555,626</u>	<u>665,541</u>	<u>728,646</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's covered payroll	\$ 757,284	\$ 845,207	\$ 1,175,477	\$ 1,442,296	\$ 1,594,113	\$ 1,797,431	\$ 2,005,558	\$ 2,726,320	\$ 3,265,657	\$ 3,575,292
Contributions as a percentage of covered payroll	18.77%	18.15%	18.89%	19.13%	19.38%	21.11%	21.02%	20.38%	20.38%	20.38%

See the accompanying independent auditors' report.

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

Years Ended December 31,

	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's proportionate share of the Net OPEB Liability	0.010%	0.012%	0.016%	0.017%	0.018%	0.021%	0.024%	0.027%	0.028%
School's proportionate share of the Net OPEB Liability(Asset)	\$ 132,574	\$ 156,552	\$ 212,138	\$ 190,565	\$ 173,062	\$ 181,730	\$ 197,166	\$ 193,859	\$ 136,134
School's covered payroll	\$ 807,386	\$ 977,966	\$ 977,966	\$ 1,524,453	\$ 1,684,240	\$ 2,383,216	\$ 2,383,216	\$ 3,001,478	\$ 3,575,292
School's proportionate share of the Net OPEB Liability as a percentage of its covered payroll	16.4%	16.0%	21.7%	12.5%	10.3%	7.6%	8.3%	6.5%	3.8%
Plan fiduciary net position as a percentage of the total OBEB 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.

See the accompanying independent auditors' report.

TWO RIVERS COMMUNITY SCHOOL
 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	\$ 8,621	\$ 11,990	\$ 14,711	\$ 16,260	\$ 18,333	\$ 20,457	\$ 27,808	\$ 33,310	\$ 36,468
Contributions in relation to the Statutorily required contributions	<u>8,621</u>	<u>11,990</u>	<u>14,711</u>	<u>16,260</u>	<u>18,333</u>	<u>20,457</u>	<u>27,808</u>	<u>33,310</u>	<u>36,468</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	\$ 845,207	\$ 1,175,477	\$ 1,442,296	\$ 1,594,113	\$ 1,797,431	\$ 2,005,558	\$ 2,726,320	\$ 3,265,657	\$ 3,575,292
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.

See the accompanying independent auditors' report.