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ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024



DENVER
PUBLIC
SCHOOLS

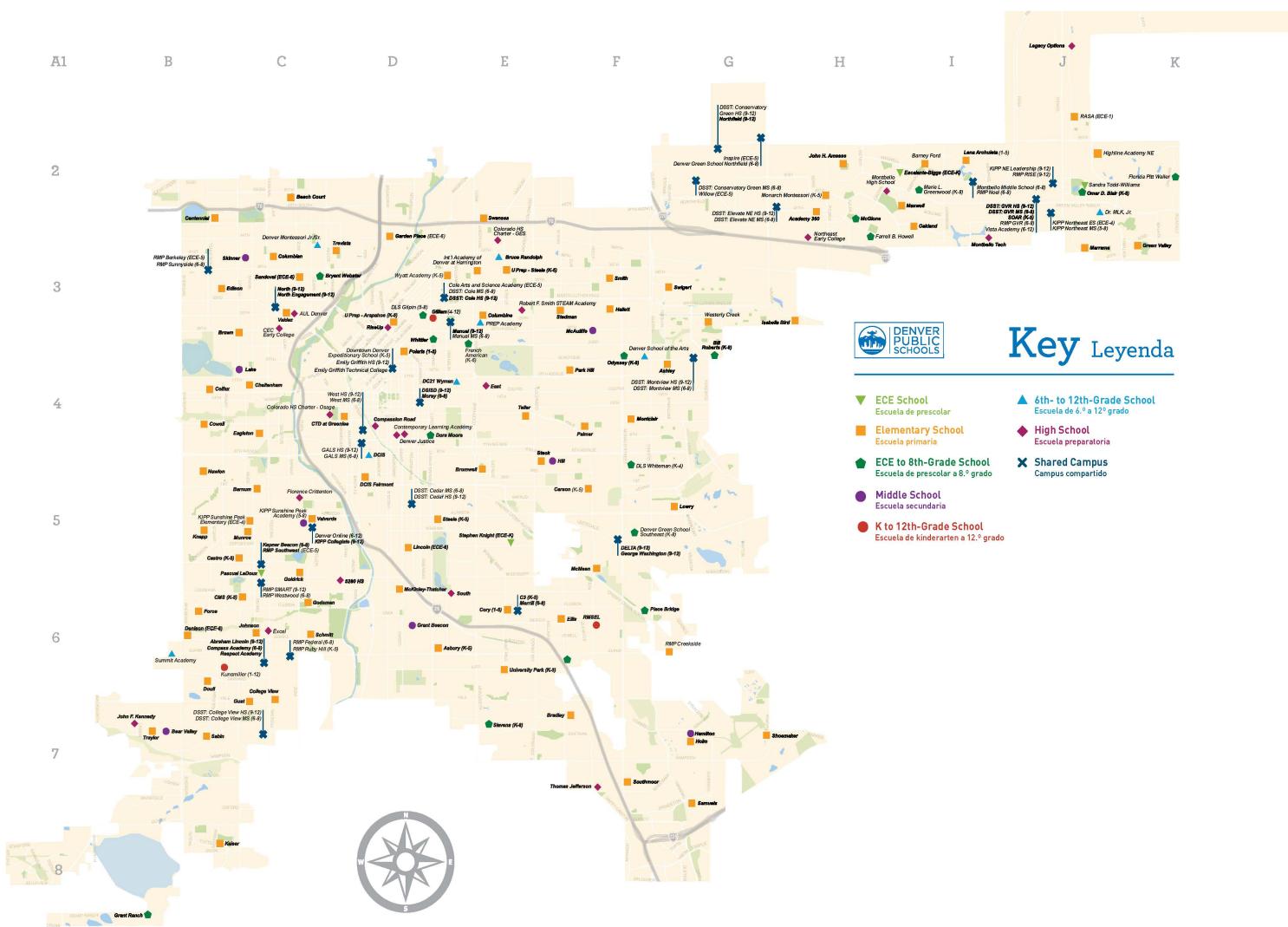


SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE
STATE OF COLORADO

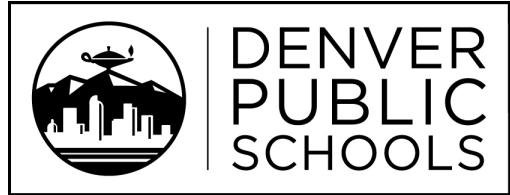
Denver Public Schools

The District's financial operations support Denver Public Schools' vision of Every Learner Thrives.

Denver Public Schools serves more than 89,000 students in 207 schools in the City and County of Denver and is the largest district in the State of Colorado.



School District No. 1 in the City and County of Denver
For the year ended June 30, 2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT



Stephen Clawson, Controller
Patricia Morris, Senior Manager of Accounting Operations
Juan Martinez, Accounting Supervisor
Jordan Eaglin, Accounting Supervisor
Jerre Fleming, Senior Financial Accountant
Duncan Zelkin, Senior Financial Accountant
Kaylee Gardner, Senior Financial Accountant
Jason Reasa, Senior Financial Accountant
Nere Sanchez-Gutierrez, Financial Accountant
Wyatt Kahle, Senior Financial Analyst
Xiomara Sifuentes, Financial Services Executive Assistant

Denver Public Schools
Emily Griffith Campus
Office of the Controller
1860 Lincoln St 11th Floor
Denver, CO 80203
720.423.3440

OFFICE OF THE CONTROLLER

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

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INTRODUCTORY SECTION



Denver Public Schools
Department of Financial Services
Tel 720-423-3225
www.dpsk12.org

November 21, 2024

Board of Education and Citizens of
School District No. 1 in the
City and County of Denver and
State of Colorado

On behalf of the Denver Public Schools, we are proud to present the Annual Comprehensive Financial Report (ACFR) of School District No. 1 in the City and County of Denver for the fiscal year ending June 30, 2024. Denver Public Schools enrolls the largest number of ECE to 12th grade students in the state of Colorado. The mission of Denver Public Schools is clear: *Educational equity is our collective responsibility. We prepare students for career, college and life. We create conditions and partnerships where students, families and team members belong and thrive.*

What follows in this document is but one part of the essential work to help our students gain the skills necessary to succeed in life. Our responsibility in this and other financial documents produced by the district is to operate with the highest standards of financial accountability, integrity, and transparency. Nearly all of the funding provided to Denver Public Schools (DPS) is public funding from taxpayers. All of our transactions are subject to public review and public scrutiny. Because we operate with these high standards, our community can have confidence we are spending their resources wisely and reporting back to them on our financial health annually.

GOVERNANCE PROFILE OF THE DISTRICT

The District is a fiscally and politically independent subdivision operating under the applicable laws of the State of Colorado, governed by a seven-member Board of Education (the Board). The Board is empowered to establish annual operating and capital budgets; determine the ECE-12 educational programs and services to be carried on in the schools of the District; employ all personnel necessary to maintain District operations; determine staffing levels and compensation thereof; and to prescribe the curriculum of any course of instruction or study through the District's educational programs and services. The District receives funding from local, state and federal government sources and other sources. It must comply with the requirements of such funding sources.

FINANCIAL STATE OF THE DISTRICT

At the end of fiscal year 2023-24, the DPS is in strong financial health. The ending General Fund balance grew by \$21.7 million to a total of \$169.4 million which is 12.3% of General Fund revenue. Enrollment increased in the most recent year largely from new to country migration to Denver, the district maintains AA+ credit rating for General Obligation bonds, the additional funds provided by the Federal Government through ESSER supported students who were impacted by COVID-19 pandemic, and DPS continued to deliver the capital projects approved in the most recent bond election. As with all local government institutions, DPS must pursue its mission with a balance between prioritizing budgets to serve currently enrolled students and the long-term fiscal health of the district. DPS has lived up to this challenge over recent years and is poised to continue to meet these challenges into the future.

While we maintain strong fiscal health today, the decisions we make in the coming years will determine whether the organization continues on that path. There are many challenges and headwinds including fewer school aged children because of lower birth rates, strained state government funding with an aging population, and rapidly rising costs in core business expenses like wages and benefits. All of this is occurring while there continues to be an increase in services demanded of DPS by our community. Even with our challenges, we have reasons for optimism. Our community has demonstrated strong support for DPS through voter authorization of additional

resources. Our tax base from assessed property values of the City and County of Denver is strong and resilient. Most of the families residing in Denver choose to send their students to DPS as do many families in neighboring districts who affirmatively choose DPS. We have outstanding educators all through our system who want to help students learn and thrive. We have a strong history of balancing our budgets, gaining efficiencies in appropriate ways, and always keeping our students top of mind in those decisions. Our goal is to continue to maintain our strong financial position with wise decisions and execution in the future. Our students, educators, and the city of Denver are depending on it.

ECONOMIC CONDITION AND OUTLOOK

Since 2020, Colorado and the Denver Public Schools experienced several volatile macroeconomic changes, any one of which could have defined the financial challenges of a generation. First and most notably was the COVID-19 Pandemic. In March of 2020, schools closed and students in Denver left their physical school buildings for the final time that academic year. The academic loss from this disruption continues to present itself in the usual measures. Shortly thereafter, the federal government announced the federal funding program known as ESSER which deployed billions of dollars to Colorado and several hundred millions of dollars to the Denver Public Schools alone. While the additional ESSER funding was much needed, and the funds were deployed to cover gaps created from the pandemic, public schools are not systematically designed to spend lumpy revenues, except on capital projects. The loss of the ESSER revenue, while predictable, has left many struggling to make the required trade-offs. Nearly all of the ESSER funding was spent by the end of fiscal year 2023-24. Only a very small percentage remains. As this was happening, home prices and other real estate valuations climbed fast and to new heights. Public schools in Colorado and most states rely heavily on property taxes to fund schools. This increase in valuation, and the resulting property tax revenues, allowed the state of Colorado to increase funding to both keep up with inflation and eliminate the Budget Stabilization Factor which had kept funding below 2010 levels on a real dollar basis while lowering the state's commitment to public schools from sales and income taxes. This predictably led homeowner concerns about increasing taxes which lead to a cap on property taxes in 2024 which could result in limiting K-12 funding for coming years. On top of all the aforementioned, headline inflation in the US reached its highest point since the early 1980s. This created real challenges for employers and employees. While wages significantly grew in the Denver Public Schools and across the nation, the relative increases were not as meaningful as they would have otherwise been because the cost of basic goods in the economy increased along with it. Finally, the number of children born in Denver and the US have declined significantly. There are over 2,000 fewer births today than at the peak in Denver over 20 years ago. There are many causes for this, and it is hard to overstate the economic consequences of this change. In Denver, this is more than a 20% decrease in births from peak levels to the publication of this document. There will be economic papers and whole volumes written about the ripple effects of lower birth rates in the western world. That alone may be the most significant and long lasting of all the items mentioned here. Immediately for the Denver Public Schools, the result is that there are fewer children in public schools. The estimated enrollment across all DPS schools, including charter schools, by 25-26 is just under 85,500, which is a 2.6% decline from 2023-24 levels. In 2020-21, DPS saw the first decline in total enrollment in over 15 years. Even with steady enrollment in the most recent year (2023-24), the birth rate decline is a reality that will lead to fewer students and a trend that is likely to continue and put great pressure on DPS and school districts nationally to contend with the economic realities of revenue declines from fewer students and aging infrastructure. This is the economic context in which we operate: pandemic, unprecedented federal stimulus, high inflation in wages and goods, rapidly increasing housing prices, and lower birth rates.

The volatility of the past five years should give us humility about any forecast. The non-partisan Colorado Legislative Council forecasts for the state of Colorado lower inflation and stabilizing revenues. Though pressures on the state budget remain significant. Our assumptions align to this outlook, and it means future per student base funding increases will likely not exceed 2%-3%. However, in the spring of 2024, the General Assembly passed and the Governor signed HB-1448, which rewrote the school finance act in Colorado for the first time since 1994. The law focuses additional funding to districts with high levels of students in poverty, English Language Learners, and students requiring special education services. This is an important update to School Finance in Colorado, focusing resources on our students who need them the most. Should the General Assembly fully fund the new finance act in coming years, this is forecasted to provide DPS with an additional \$9 million a year for 6 years. Should this occur, it will be a welcome increase in funding for the students who deserve our focused resources.

PER PUPIL REVENUES (PPR)

Colorado uses a public school funding formula that provides resources to school districts on a per pupil basis. While there are many nuances, to oversimplify, the per pupil amount is multiplied by the number of students in the district to calculate the state determined allocation called "Total Program." The state calculates each district's individual per pupil revenue based on a number of factors including poverty, students learning English, size of the district, and cost of living. The Total Program amount is funded from three sources. Local Property taxes is the first source, the second source is "Specific Ownership Tax" which are local taxes from car registrations and other local fees, and whatever is not generated by those two sources is funded through a state funded allocation called "State Equalization". This combined state equalization and local property tax funding amount is termed "Total Program".

Local property tax revenue makes up almost 43% of public school funding in the state in 2023-24. Given that K-12 funding makes up nearly 40% of the State of Colorado's operating budget, the state is forced to make a choice between fully funding K-12 education or continuing to fund other vital public services such as Corrections, Healthcare/Medicaid, Higher Education and Human Services.

State statute allows school districts to levy general fund property taxes at a general or special Override Election. These additional resources for Denver Public Schools were raised through local property taxes. In 2023-24, the revenues from those authorized elections totaled over \$370 million for Denver Public School Students for both programmatic and capital expenditures.

CAPITAL IMPROVEMENTS

At an election held in November 2020, district voters approved the issuance of General Obligation Bonds with a par amount of \$795 million to acquire, construct and improve capital assets. This will improve the teaching and learning environment by: maintaining, repairing and renovating existing school buildings including air conditioning in some facilities; addressing critical health, safety and security concerns in district school buildings; improving environmental sustainability; providing technology for 21st century learning; constructing additions and making improvements to existing schools; and constructing new buildings to support the projected new student capacity needs (collectively, the Projects).

With the addition of the 2020 bond funds the District has been able to continue the efforts of renovating existing schools, classroom cooling and building additions. In FY24, significant funds were spent from 2020 bond funds on the new Montbello Campus, Ceylon Campus, DSA South Campus and the MLK Gymnasium. The District also completed major heat mitigation work at Thomas Jefferson, Ebert, Fallis, Place Bridge, Sabin, Stedman, Cowell, West HS, among many others. Another major investment was the progress towards the implementation of new software system Oracle ERP HR/Payroll module.

In August of 2024, the District's Board of Education referred a \$975 million bond to the ballot for the 2024 general election, and if that is successful, the district will continue the meaningful capital program noted above for another four years. Priorities in that bond are providing air conditioning at schools without it, general maintenance, a new school in a growing region of the city, safety infrastructure, additional career and technical education classrooms, and technology. Lack of success in that election would create several financial challenges for DPS including trade-offs between programmatic costs including wages for educators and capital expenditures including basic maintenance.

CREATION OF THE ACFR

This Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024, was prepared by the Financial Services Department and includes the report of the independent auditors, Forvis Mazars, LLP. The responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, remains with the District. Accordingly, the District has established and continues to refine a comprehensive framework of controls to protect the District's assets and to compile sufficiently reliable information for the preparation of the District's financial statements in conformity with generally accepted accounting principles (GAAP). As management, to the best of our knowledge and belief, we assert that the data presented is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds. The District received an unmodified opinion on the financial statements for the year ended June 30, 2024, as the

independent auditors concluded that there was reasonable assurance the financial statements are free of material misstatement. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A.

The Annual Comprehensive Financial Report is presented in three sections: introductory, financial and statistical.

- The introductory section includes this letter of transmittal, the District's organizational chart, a list of District officials, a reproduction of the 2023 Government Finance Officers Association (GFOA) Certificate of Achievement and the 2023 Association of School Business Officials (ASBO) Certificate of Excellence.
- The financial section includes the MD&A, the basic financial statements, required supplementary information and other supplementary information, as well as the independent auditors' report on the financial statements and schedules.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The independent auditor's reports on the District's internal control over financial reporting and compliance and other matters are included in the Single Audit reports.

FINANCIAL INFORMATION

Internal Control

The management team of the District is responsible for establishing and maintaining effective internal control to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The District's system of internal control is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

As a recipient of federal, state and local financial assistance, the District is also responsible for maintaining effective internal control to ensure compliance with applicable laws and regulations related to those programs. This system of internal control is subject to periodic evaluation by management and the internal audit staff of the District.

Accounting and Budgetary Controls

The District maintains its records on the full accrual basis for fiduciary fund types and modified accrual basis for all other funds. For financial statement presentation purposes, the modified accrual basis of accounting is followed for all governmental funds. The management's discussion and analysis and the notes to financial statements expand upon this and other accounting policies. The financial statements are prepared in accordance with the standards of the Governmental Accounting Standards Board. All of the District's funds are presented in this report and all opinion units consisting of those funds have been audited by the District's independent auditors, Forvis Mazars, LLP, except for the ProComp Special Revenue Fund and discretely presented component units, which are audited separately. The Local Government Audit Law requires Colorado local governments to have an annual audit of their financial statements. The law states that the audit must be performed by an independent Certified Public Accountant and be in accordance with generally accepted auditing standards. The auditor's role is to conduct an independent audit and render to outside parties an opinion on the fair presentation of the financial statements. Budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is maintained at the total fund level for each fund.

PERA Merger

As defined in Senate Bill 09-282, the Denver Public Schools Retirement System (DPSRS) merged with Colorado's Public Employee Retirement Association (PERA) on January 1, 2010. The entire DPSRS membership along with existing Denver Public Schools hourly employees and all future employees were placed into a new DPS division of PERA.

Financial Policies

Per Colorado Constitution Article X, section 20(5), the District maintains an emergency reserve of three percent of

fiscal year spending and does so by designation of real property. The District also maintains an emergency cash reserve in the general fund equal to three percent of the amount of revenue budgeted to the general fund. The Board of Education seeks to maintain a fund balance reserve at a floor of 10% of annual expenditures on the General Fund, established in administrative policy DFB.

Long-term Financial Planning

The District continually develops and refines forward-looking financial projections as part of its budgetary process and considers it to be a critical component to successfully managing the finances of the District. This is especially true in the current environment as the District will continue to face funding challenges related to enrollment declines. The District reviews its projected financial position to ensure that appropriate re-balancing and budget setting occurs proactively to mitigate and prepare for future financial pressures.

OTHER INFORMATION

Independent Audit

The laws of the State of Colorado require that the District's annual financial report be audited by independent Certified Public Accountants. The accounting firm Forvis Mazars, LLP was selected by the District's Board of Education and performed the audit of this report which is included in the financial section.

Awards

The District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the District's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the thirty-ninth consecutive year that the District received this award. This award requires that a government publish an easily readable and efficiently organized Annual Comprehensive Financial Report which must satisfy both generally accepted accounting principles and applicable legal requirements. Although the award is applicable only to the June 30, 2023 report, we believe that this report continues to meet the requirements for this award and will be submitted to the GFOA to determine its eligibility for this certificate of achievement for excellence.

The District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBO) for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the twenty-fourth consecutive year that the District received this award. An expert ASBO review panel consisting of Certified Public Accountants and practicing school business officials grants the award after review of the Annual Comprehensive Financial Report. The award recognizes that the District met standards of excellence in school financial reporting. Although this award is applicable only to the 2023 report, we believe this report continues to meet the requirements for this award and will be submitted to the ASBO to determine its eligibility for this certificate of excellence.

Acknowledgement

The preparation of this report requires contribution from and the work of many people throughout the District. We would like to thank all those who played a part in the preparation of this report. Additionally, we express our appreciation to the Board of Education for its oversight of the financial aspects of the District during the year.

Respectfully submitted,



Chuck Carpenter
Chief Financial Officer



Stephen A. Clawson, CPA
Controller



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District No. 1 in the City and County of Denver
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

**School District No.1 in the City and County
of Denver and State of Colorado**

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink that reads "Ryan S. Stechschulte".

Ryan S. Stechschulte
President

A handwritten signature in black ink that reads "James M. Rowan".

James M. Rowan, CAE, SFO
CEO/Executive Director

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DISTRICT OFFICIALS

BOARD OF EDUCATION

| | |
|----------------------|----------------|
| Dr. Carrie A. Olson | President |
| Marlene De La Rosa | Vice President |
| Kimberlee Sia | Treasurer |
| John Youngquist | Secretary |
| Xochitl Gaytan | Member |
| Michelle Quattlebaum | Member |
| Scott Esserman | Member |

SUPERINTENDENT

Dr. Alex Marrero

CHIEF FINANCIAL OFFICER

Chuck Carpenter

CONTROLLER

Stephen A. Clawson, CPA

Denver Public Schools Organization Chart

District Leadership Team as of June 30, 2024

Board of Education

Superintendent
Dr. Alex Marrero

DPS Leadership Team

Deputy Superintendent of Schools
Dr. Anthony Smith

Chief of Operations
Trena Marsal

Deputy Chief of Staff
Deborah Staten

Chief of Communications
Bill Good

Chief of Finance
Chuck Carpenter

Chief of Talent
Edwin Hudson

General Counsel
Aaron Thompson



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FINANCIAL SECTION



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Forvis Mazars, LLP
1801 California Street, Suite 2900
Denver, CO 80202
P 303.861.4545 | F 303.832.5705
forvismazars.us



Independent Auditor's Report

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado
Denver, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District No. 1 in the City and County of Denver and State of Colorado (the District), as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District No. 1 in the City and County of Denver and State of Colorado, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Denver Public Schools Professional Compensation System for Teachers Trust (ProComp), which represent 26.8%, 23.4%, 35.9% of assets, revenues, and net position of the aggregate remaining fund information, respectively, as of and for the year ended June 30, 2024. With the exception of DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools, we also did not audit the financial statements, which represent 42.5%, 35.5%, and 36.8% of assets, revenues, and net position of the aggregate discretely presented component units, respectively, as of and for the year ended June 30, 2024. Those statements were audited by other auditors whose reports have been furnished to us and our opinions, insofar as it relates to the amounts included for the ProComp fund and various discretely component units, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The component units included in the financial statements of the aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, except for DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools.

Emphasis of a Matter – Change in Reporting Entity

As discussed in Note 15 to the financial statements, the beginning net position of aggregate discretely presented component units has been restated for a change in reporting entity, to correct misstatements and for the GASB Statement Number 69, *Government Combinations and Disposals of Government Operations*, (GASB 69) merger of Rocky Mountain Preparatory Schools into STRIVE Preparatory Schools. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Board of Education
School District No. 1 in the City and County of
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Page 3

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information including the combining fund statements – nonmajor funds, the budgetary comparison schedules, the Colorado Department of Education Auditor's Integrity Report, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, combining fund statements – non major funds, the budgetary comparison schedules, the Colorado Department of Education Auditor's Integrity Report, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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School District No. 1 in the City and County of
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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Denver, Colorado
November 21, 2024



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SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Management of School District No. 1 in the City and County of Denver and State of Colorado (the District), provides readers of the District's Annual Comprehensive Financial Report this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that is presented in the letter of transmittal, which starts on page 10 of this report.

Financial Highlights

On the statement of net position, as of June 30, 2024, the District's net position for governmental activities is a deficit of \$357.5 million. The deficit net position can be partially attributed to liabilities related to the District's Certificates of Participation and General Obligation bonds that are to fund retirement and necessary capital and maintenance projects of the District's facilities as well as the District's net pension liability. The entire negative net position can be attributed to the net pension liability, and there is a strong likelihood this will decline in coming years. As a result of greater retirement contributions than normal costs, the District's PERA division is 87.03% funded compared to the PERA School division of 64.74% as of December 31, 2023. According to the annual financial report published by PERA, the DPS Division is forecasted to eliminate the unfunded actuarial accrued liabilities in six years.

Long-term liabilities decreased to \$3,652.1 million from \$3,738.8 million in FY 2023 primarily due to debt service on Bonds and Certificates of Participation payable partially offset with an increase in net pension liability.

On the statement of activities, general revenues accounted for \$1,567.7 million or 75% of total revenues and program revenues were \$518.0 million or 25% of the total revenues of the primary government. The total revenues increased to \$2,085.6 million from \$1,913.3 million, or 9.0% when compared to prior year. The change in net position of \$204.0 million is partially due to an increase in property tax revenue of \$170 million, an increase in program revenues of \$39.3 million, state share revenue decrease of \$47.9 million and an increase of \$127.7 million in total expenses compared to last year. The 9% increase is primarily driven by the inflationary increase to the Total Program funding provided by the state of Colorado.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information.

Government-wide Statements

The government-wide financial statements are designed to provide readers with information about the District as a whole using accounting methods similar to those used by private-sector businesses.

The statement of net position includes District assets, deferred outflows of resources, liabilities and deferred inflows of resources, with differences reported as net position to the exclusion of fiduciary funds. The statement of activities presents information on how the District's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and retiree sick leave payable).

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

In the government-wide financial statements the District's activities are shown as:

Governmental activities: Most of the District's basic services are included here, such as instruction, transportation, operations and maintenance and administration. Taxes and state funding principally support these activities. The government-wide financial statements encompass not only the District itself (the primary government) but also legally-separate entities including the ProComp Special Revenue Fund, Denver School Facilities Leasing Corporation and Private Purpose Trust as blended component units and Denver Public Schools Foundation and charter schools as discretely presented component units.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide more detailed information about the District's operations, focusing on its most significant or major funds, not the District as a whole. The District has two types of funds: governmental funds and fiduciary funds.

Governmental funds: Most of the District's services are included in governmental funds, which generally focus on how cash and other financial assets that can readily be converted to cash flows and the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the status of financial resources that can be spent in the near future to finance the District's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Thus, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to the government-wide financial statements in order to facilitate this comparison between governmental funds and governmental activities. The District maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Grants Special Revenue, Bond Redemption (debt service), and Building, all of which are considered to be major funds. Data for the other five governmental funds (Pupil Activity Special Revenue, Food Services Special Revenue, ProComp Special Revenue, Mill Levy Technology Maintenance and Permanent) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements included in this report.

Fiduciary fund: The District has one Fiduciary fund which includes the Private Purpose Trust Fund. The Fiduciary fund is used to account for resources held by the District in a fiduciary capacity and can only be used for specified purposes. The Fiduciary fund is not reflected in the government-wide financial statement because the resources of this fund are not available to support the District's programs.

Notes to the basic financial statements: The notes provide additional information essential to a full understanding of the data provided in the financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and other supplementary information. The required supplemental information includes the District's annual appropriated budgets with comparison schedules that demonstrate compliance with budgets for the General Fund and Special Revenue Funds. The schedule of changes in the collective net pension liability and OPEB liability are provided next, followed by

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

notes to required supplementary information. The other supplementary information includes the combining statements in connection with nonmajor governmental funds and budgetary comparison schedules. In addition, fiduciary fund information is presented.

Financial Analysis of the District

Increases or decreases in net position may serve as a useful indicator of the District's overall financial position. The District's net position increased \$204.0 million primarily due to continued revenue growth and prudent management of expenses. Additionally, there are several other measures that indicate a sustainable financial position, including:

- The District has the largest and most diverse tax base in the State of Colorado with \$25.2 billion of net assessed value.
- Continued growth of general fund balance including an increase of \$21.7 million in FY 2024, with ending fund balance of \$169.4 million.
- Building fund balance of \$459.5 million including remaining funds from the 2020 bond and other capital reserves. Of the total remaining fund balance \$144.3 million belongs to capital reserve.

A significant portion of the District's assets are its investment in capital assets (e.g., land, buildings, equipment, lease of tangible assets and software-based information technology arrangement assets). The District uses these assets to provide instruction and related services to its students. Capital, lease and software assets (net) increased to \$1,936.6 million in FY 2024 from \$1,762.3 million in FY 2023. The increase is primarily a result of capital spending from the District's general obligation bonds and certificates of participation. The District's capital assets will continue to increase as planned projects are completed in the Building Fund. Though the district's assets are mostly land and buildings, the value of those assets for the purposes of this calculation are not "market rate" or the value if the properties were to be acquired on the open market. They are valued based on the original purchase price plus improvements and depreciation. In that way, the realistic value of the asset of the district should not be compared to a non-government valuation.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Current and other assets decreased to \$1,216.2 million from \$1,346.2 million primarily due to the continued spend of general obligation bonds and certificates of participation proceeds.

The following table provides a summary of the District's net position as of June 30, 2024 and 2023, respectively (in millions):

| | June 30, 2024 | June 30, 2023 |
|----------------------------------|----------------------|----------------------|
| Current and other assets | \$ 1,216.2 | \$ 1,346.2 |
| Capital assets, net | 1,936.6 | 1,762.3 |
| Total assets | <u>3,152.8</u> | <u>3,108.5</u> |
| Deferred outflows of resources | 452.6 | 420.4 |
| Other liabilities | 222.9 | 197.6 |
| Long-term liabilities | 3,652.1 | 3,738.8 |
| Total liabilities | <u>3,875.0</u> | <u>3,936.4</u> |
| Deferred inflows of resources | 87.8 | 154.1 |
| Net position (deficit): | | |
| Net investment in capital assets | 36.5 | 5.8 |
| Restricted | 354.7 | 294.4 |
| Unrestricted | (748.7) | (861.7) |
| Total net position (deficit) | <u>\$ (357.5)</u> | <u>\$ (561.5)</u> |

To calculate net investment in capital assets, the original long-term debt was evaluated to ascertain the amount of proceeds spent on capital improvement versus non-capital expenditures. The percentage was then applied to the outstanding long-term debt to determine the amount applicable to capital assets.

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IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

The following table provides a summary of the District's activities for the fiscal years ended June 30, 2024 and 2023, respectively (in millions).

| | June 30, 2024 | June 30, 2023 |
|------------------------------------|----------------------|----------------------|
| REVENUES | | |
| Program revenues | | |
| Charges for services | \$ 95.2 | \$ 91.8 |
| Operating grants and contributions | 422.8 | 386.9 |
| General revenues | | |
| Taxes | 1,310.4 | 1,142.0 |
| State equalization | 216.2 | 264.1 |
| Investment income | 31.9 | 23.5 |
| Other | 9.2 | 5.0 |
| Total revenues | <u>2,085.6</u> | <u>1,913.3</u> |
| EXPENSES | | |
| Instruction | 944.5 | 914.6 |
| Support services | 815.2 | 711.2 |
| Interest on long-term debt | 121.9 | 128.1 |
| Total expenses | <u>1,881.6</u> | <u>1,753.9</u> |
| Change in net position | 204.0 | 159.4 |
| Net position - beginning | (561.5) | (720.9) |
| Net position - ending | <u>\$ (357.5)</u> | <u>\$ (561.5)</u> |

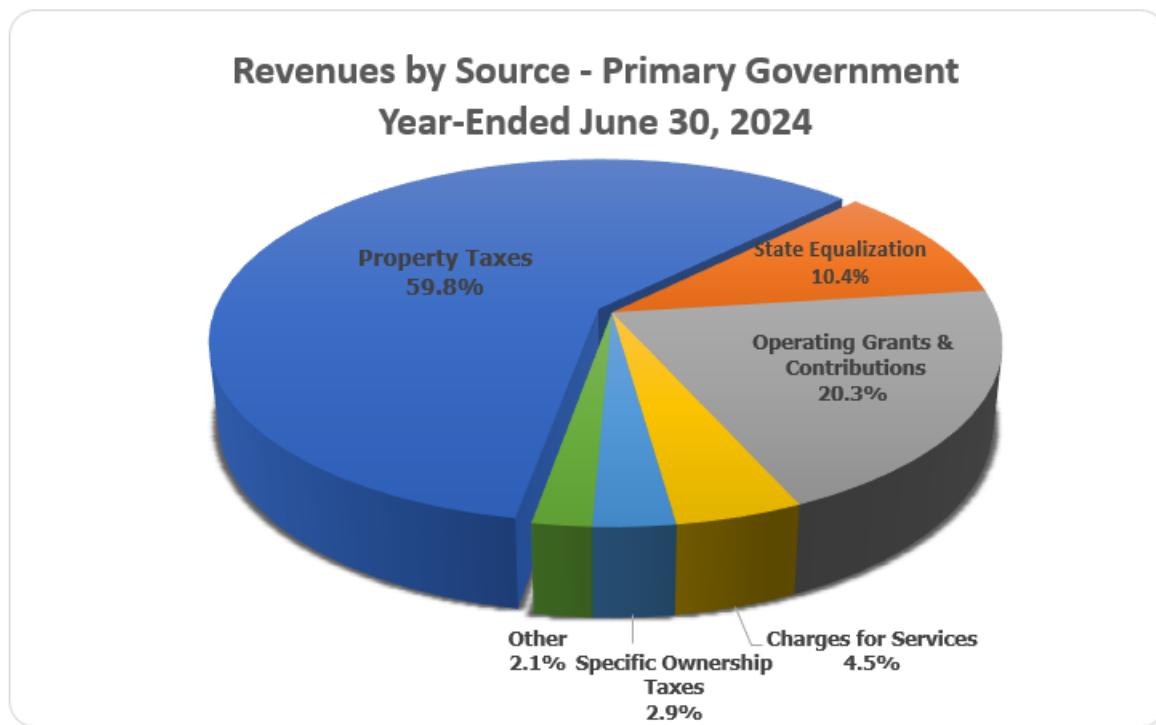
Most revenues to Colorado's school districts are provided through the Public School Finance Act of 1994 (as amended). The District's adjusted total program funding for FY 2024 was \$931.5 million reflected as a combination of state equalization and a portion of property tax revenues in the Statement of Activities. This was based on a funded pupil count of 84,848 and per pupil total program funding of \$10,979 compared to total program funding of \$886.1 million funded pupil count of 89,176 and per pupil total program funding of \$9,936 in FY 2023. Of the adjusted total program funding, \$216.2 million was funded through state share compared to \$264.1 million in FY 2023. The remainder was funded through a combination of local property and specific ownership taxes. The decline in state share from the previous year is one of the ways the increases in property values and the resulting real property tax increases has supported the state of Colorado's budget in the past year.

The District generated \$1,246.8 million in property tax revenues in FY 2024 compared to \$1,076.8 million in FY 2023. Total property tax revenues include School Finance Act mills, override election mills, Tax Abatement mills and Bond Redemption Fund mills. Property tax revenues increased by \$170.0 million and are attributable to the rising property valuations in the City and County of Denver. The District also recognized a decrease in state equalization of \$(47.9) million. District grants operating revenue increased by \$35.9 million year over year due to the second and third phase of Elementary and Secondary School Emergency Relief Fund. Total expenses for the primary government in FY 2024 were \$1,881.6 million compared to \$1,753.9 million in FY 2023. Total expenses increased by \$127.7 million primarily due to increased funding of instruction and student support services programs. Most of this increase was for salary and benefits for the District's employees.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

The following chart illustrates the District's revenues by source.



Financial Analysis of the District's Funds

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

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

Fund balance of all governmental funds is \$948.0 million in FY 2024 compared to \$1,094.7 million in FY 2023.

The General Fund is the primary operating fund of the District. Fund balance of the General Fund at June 30, 2024 was \$169.4 million, compared to \$147.7 million as of June 30, 2023. The growth in fund balance is achieved when revenues exceed expenses and transfers. In this case, the growth in fund balance is primarily attributed to additional revenues that became known after the final budget including additional funding from the state for students arriving after October 1st, 2023, and higher than budgeting interest earnings on the District's cash. Additionally, due to hiring constraints, particularly in the early part of the fiscal year, individual departments and schools kept expenditures lower than budgeted. Constraints on use of the General Fund balance include a restricted emergency reserve of \$40.7 million as required by the Taxpayer Bill of Rights (TABOR) and state statute. The District targets at least a fund balance of 10% of revenue in the General Fund as a matter of policy.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Assigned fund balance includes \$2.6 million budgeted for subsequent year expenditure and \$13.0 million for special projects.

The Grant Special Revenue Fund balance as of June 30, 2024 was \$28.5 million compared to \$22.1 million at June 30, 2023. The fund balance is restricted to the District's grant funded programs that generated the fund balance.

The Bond Redemption Fund balance as of June 30, 2024 was \$274.2 million compared to \$226.6 million as of June 30, 2023. The Bond Redemption Fund is restricted for payment of the District's General Obligation Bond debt service as authorized by Denver voters. The Bond Redemption Fund increased by \$47.6 million due to timing of upcoming debt service payments. The Bond Redemption Fund maintains a fund balance in anticipation of principal and interest payments in December of the subsequent year because property tax collections are not collected until after January 2025.

The Building Fund as of June 30, 2024 was \$459.4 million compared to \$682.8 million as of June 30, 2023. The Building Fund consists of unspent proceeds from issuance of voter approved general obligation bonds and is restricted for financing projects as described in the respective ballot language. The Building Fund also consists of unspent Certificates of Participation (COPs) restricted for financing capital projects and for debt service. Additionally, a portion of these funds is restricted for capital projects by Board authorization and assigned to debt service by Board adoption of the annual budget. The Building Fund decreased by \$223.4 million primarily as a result of continuing to spend down the 2020 general obligation bond and COPs proceeds.

General Fund Budgetary Highlights

In accordance with state law, the District's budget is prepared on a GAAP basis. The most significant budgeted fund is the General Fund.

The difference between the General Fund original and final budget for expenditures, excluding reserves, increased by \$51.5 million due to additional allocation of funds to schools and school support services.

The actual change to fund balance for the general fund was a \$21.7 million increase. The main factor driving the increase compared to the final budgeted revenue amount is in receiving \$15.5 million in additional total revenues.

Capital and Lease/Software Assets and Debt Administration

Capital and Lease/Software Assets

The District's investment in capital assets and lease/software assets, net of accumulated depreciation for its governmental activities as of June 30, 2024 amounted to \$1,936.6 million. Investment in capital assets includes land, buildings and improvements, equipment, right to use lease tangible assets and software-based information technology (SBITA) intangible assets, and construction in progress with an original cost greater than or equal to \$25,000 and an estimated useful life longer than one year.

The major capital event during the current fiscal year within the Building Fund included the completion of the new Montbello Campus. Capital projects are used to make improvements and critical repairs. In fiscal year 2023, the District implemented GASB 96 (Statement No. 96) software-based information technology arrangements reporting requirements for all state and local governments where the District is named the lessee of intangible assets. The District recognized a SBITA liability within the government-wide financial statements.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

The District's total capital assets at June 30, 2024 and 2023, respectively, net of accumulated depreciation, were as follows (in millions).

| | June 30, 2024 | June 30, 2023 |
|----------------------------|----------------------|----------------------|
| Buildings and improvements | \$ 1,536.3 | \$ 1,374.5 |
| Construction in progress | 195.2 | 199.0 |
| Land | 121.1 | 110.5 |
| Equipment | 59.3 | 54.1 |
| Leases | 13.7 | 12.2 |
| SBITA/Software | 11.0 | 12.0 |
| Total | \$ 1,936.6 | \$ 1,762.3 |

(Please see additional details in Note 5 and 6 to the financial statements)

Long-Term Debt

At June 30, 2024 and 2023, respectively, the District's long-term debt consisted of the following (in millions).

| | June 30, 2024 | June 30, 2023 |
|-------------------------------|----------------------|----------------------|
| General obligation bonds | \$ 2,186.4 | \$ 2,320.9 |
| Certificates of participation | 870.0 | 913.4 |
| Net pension liability | 537.8 | 439.2 |
| Net OPEB liability (asset) | (3.8) | 7.6 |
| Compensated absences | 20.3 | 19.0 |
| Accrued claims liability | 12.6 | 12.4 |
| Lease liability | 14.5 | 12.8 |
| SBITA/software liability | 10.5 | 12.0 |
| Other obligation | - | 1.5 |
| Total | \$ 3,648.3 | \$ 3,738.8 |

(Please see additional details in Note 7 to the financial statements)

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

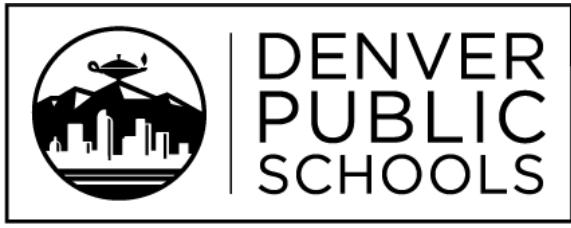
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, parents, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Department, Denver Public School District, 1860 Lincoln Street, Denver, Colorado 80203.



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BASIC FINANCIAL STATEMENTS

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

| | Primary Government Governmental Activities | Component Units |
|--|---|-----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 342,534,653 | \$ 123,674,897 |
| Investments | 3,982 | 10,708,036 |
| Receivables (net of allowance): | | |
| Taxes | 63,457,608 | - |
| Intergovernmental | 92,239,573 | - |
| Leases receivable | 4,285,202 | - |
| Other | 47,977,778 | 42,940,864 |
| Inventory | 6,027,951 | 72,457 |
| Prepaid items | 162,974 | 1,562,496 |
| Held by fiscal agents | 3,346,968 | - |
| Restricted cash and cash equivalents | 386,268,735 | 6,389,856 |
| Restricted investments | 266,095,883 | - |
| OPEB Asset | 3,806,512 | 571,488 |
| Capital assets: | | |
| Land and construction in progress | 316,237,357 | - |
| Building, net of accumulated depreciation | 1,536,327,944 | 72,500,838 |
| Equipment, net of accumulated depreciation | 59,259,161 | - |
| Leases and Software, net of accumulated depreciation | 24,752,813 | 9,655,793 |
| Total assets | <u>3,152,785,094</u> | <u>268,076,725</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred loss on refundings | 116,528,567 | 442,648 |
| Related to pensions | 329,471,602 | 57,006,298 |
| Related to OPEB | 6,560,214 | 1,499,176 |
| Total deferred outflows of resources | <u>452,560,383</u> | <u>58,948,122</u> |
| LIABILITIES | | |
| Accounts and interest payable | 100,342,380 | 11,433,300 |
| Accrued payroll and benefits | 93,797,820 | 12,593,508 |
| Claims payable | 7,302,448 | - |
| Unearned revenue | 21,479,645 | 1,415,183 |
| Due to fiduciary funds | 8,941 | - |
| Long-term liabilities: | | |
| Due within one year | 195,923,543 | 11,029,680 |
| Due in more than one year | 3,456,128,682 | 127,282,069 |
| Total long-term liabilities | <u>3,874,983,459</u> | <u>163,753,740</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Deferred gain on refundings | 4,469,770 | - |
| Related to leases | 4,338,206 | 194,503 |
| Related to pensions | 68,018,727 | 15,994,061 |
| Related to OPEB | 10,996,198 | 1,995,606 |
| Total deferred inflows of resources | <u>87,822,901</u> | <u>18,184,170</u> |
| NET POSITION (deficit) | | |
| Net investment in capital assets | 36,479,274 | 26,329,630 |
| Restricted for: | | |
| OPEB Asset | 3,806,512 | 571,488 |
| Debt service | 275,277,856 | 4,153,533 |
| Performance-based teacher compensation | 6,334,673 | - |
| Higher education | 24,311,281 | - |
| Non-governmental grantor-designated purposes | 4,216,356 | - |
| Permanent fund and nonexpendable | 71,128 | - |
| Capital projects | - | 2,648,255 |
| Donor-designated purposes | - | 5,984,571 |
| TABOR Multi Year Obligations | - | 344,877 |
| Emergency reserve | 40,707,510 | 10,481,328 |
| Unrestricted (deficit) | (748,665,473) | 94,573,255 |
| Total net position (deficit) | <u>\$ (357,460,883)</u> | <u>\$ 145,086,937</u> |

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

| Functions/Programs | Program Revenues | | | | | Net (Expense) Revenue |
|---|--------------------------------|-------------------------|------------------------------------|----------------------------------|-------------------------|-----------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | | |
| Primary government | | | | | | |
| Governmental activities: | | | | | | |
| Instruction: | | | | | | |
| Regular Instruction | \$ 737,736,197 | \$ 42,696,118 | \$ 169,711,029 | \$ | \$ (525,329,050) | |
| Special education | 150,355,094 | 8,700,691 | 32,414,310 | - | (109,240,093) | |
| Vocational | 56,851 | 3,290 | 12,256 | - | (41,305) | |
| Other instruction | 56,343,456 | 3,260,462 | 12,146,806 | - | (40,936,188) | |
| Total instruction | <u>944,491,598</u> | <u>54,660,561</u> | <u>214,284,401</u> | <u>-</u> | <u>(675,546,636)</u> | |
| Support services: | | | | | | |
| Pupil support | 133,650,930 | 7,734,061 | 28,813,142 | - | (97,103,727) | |
| Instructional support | 148,474,837 | 8,591,885 | 32,008,955 | - | (107,873,997) | |
| General administration | 21,016,543 | 1,216,177 | 4,530,852 | - | (15,269,514) | |
| School administration | 91,798,455 | 5,312,158 | 19,790,374 | - | (66,695,923) | |
| Business services | 16,178,062 | 936,186 | 3,487,748 | - | (11,754,128) | |
| Operations and maintenance | 150,765,853 | 2,076,692 | 65,257,985 | - | (83,431,176) | |
| Pupil transportation | 38,592,477 | 2,233,255 | 8,319,961 | - | (28,039,261) | |
| Central services | 97,002,907 | 5,613,327 | 20,912,377 | - | (70,477,203) | |
| Other support services | 63,426,153 | 3,670,320 | 13,673,730 | - | (46,082,103) | |
| Community services | 22,008,952 | 1,273,606 | 4,744,801 | - | (15,990,545) | |
| Education for adults | 32,306,314 | 1,869,489 | 6,964,758 | - | (23,472,067) | |
| Interest and fiscal charges | 121,850,231 | - | - | - | (121,850,231) | |
| Total support services | <u>937,071,714</u> | <u>40,527,156</u> | <u>208,504,683</u> | <u>-</u> | <u>(688,039,875)</u> | |
| Total governmental activities | <u>1,881,563,312</u> | <u>95,187,717</u> | <u>422,789,084</u> | <u>-</u> | <u>(1,363,586,511)</u> | |
| Component units | | | | | | |
| Charter Schools | 349,945,294 | 3,195,292 | 28,938,019 | 1,387,119 | (316,424,864) | |
| DPS Foundation | 9,496,525 | - | 17,871,403 | - | 8,374,878 | |
| Total component units | <u>\$ 359,441,819</u> | <u>\$ 3,195,292</u> | <u>\$ 46,809,422</u> | <u>\$ 1,387,119</u> | <u>\$ (308,049,986)</u> | |
| | Primary Government | | | | | |
| | Governmental Activities | | | | | |
| Net (expense) revenue | <u>\$ (1,363,586,511)</u> | <u>\$ (308,049,986)</u> | | | | |
| General revenues: | | | | | | |
| Property taxes | 1,246,798,645 | 67,619,603 | | | | |
| Specific ownership taxes | 60,358,489 | - | | | | |
| Payment in lieu of taxes | 3,268,242 | - | | | | |
| State equalization | 216,155,954 | 219,903,120 | | | | |
| Interest and investment income | 31,937,486 | 5,372,034 | | | | |
| Other | 9,162,349 | 29,078,476 | | | | |
| Total general revenues | <u>1,567,681,165</u> | <u>321,973,233</u> | | | | |
| Changes in net position | <u>204,094,654</u> | <u>13,923,247</u> | | | | |
| Net position (deficit) - beginning | (561,555,537) | 122,634,498 | | | | |
| Correction of Error | - | (800,259) | | | | |
| GASB 69 Merger | - | 9,329,451 | | | | |
| Net position (deficit) - beginning, as restated | <u>(561,555,537)</u> | <u>131,163,690</u> | | | | |
| Net position (deficit) - ending | <u>\$ (357,460,883)</u> | <u>\$ 145,086,937</u> | | | | |

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2024

| | General | Grants Special Revenue | Bond Redemption |
|---|-----------------------|---------------------------|-----------------------|
| ASSETS | | | |
| Assets: | | | |
| Cash and cash equivalents | \$ 342,205,790 | \$ - | \$ - |
| Investments | - | - | - |
| Receivables (net of allowance): | | | |
| Taxes receivable | 46,398,682 | - - | 11,476,883 |
| Intergovernmental | - | 86,112,175 | - |
| Leases receivable | - | - | - |
| Other | 9,694,372 | 4,881,782 | - |
| Due from other funds | - | - | - |
| Inventory | 1,455,548 | - | - |
| Prepaid items | - | - | - |
| Cash with fiscal agents | 3,346,968 | - | - |
| Restricted cash and cash equivalents | 1,750,122 | - | - |
| Restricted investments | - | - | - |
| Total assets | <u>\$ 404,851,482</u> | <u>\$ 90,993,957</u> | <u>\$ 277,572,766</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 87,956,746 | \$ 1,712,173 | \$ - |
| Claims Liability | 7,302,448 | - | - |
| Accrued payroll and benefits | 93,797,820 | - | - |
| Due to other funds | 29,759,588 | 46,718,150 | 159,880 |
| Unearned revenue | 4,744,242 | 14,035,997 | - |
| Total liabilities | <u>223,560,844</u> | <u>62,466,320</u> | <u>159,880</u> |
| Deferred inflows of resources: | | | |
| Property taxes | 11,928,572 | - | 3,244,846 |
| Lease related | - | - | - |
| Unavailable revenues - long-term receivables | - | - | - |
| Total deferred inflows of resources | <u>11,928,572</u> | <u>-</u> | <u>3,244,846</u> |
| FUND BALANCES: | | | |
| Nonspendable: | | | |
| Inventory | 1,455,548 | - | - |
| Prepaid items | - | - | - |
| Permanent fund | - | - | - |
| Restricted for: | | | |
| Higher education | - | 24,311,281 | - |
| Non-governmental grantor-designated purposes | - | 4,216,356 | - |
| Performance-based teacher compensation | - | - | - |
| Debt service | - | - | 274,168,040 |
| Capital projects | - | - | - |
| Emergency reserve | 40,707,510 | - | - |
| Committed to: | | | |
| Pupil activities | 6,876,510 | - | - |
| Food service | - | - | - |
| Assigned to: | | | |
| Subsequent year expenditures | 2,627,000 | - | - |
| Special projects | 12,995,401 | - | - |
| Capital Projects | - | - | - |
| Unassigned | 104,700,097 | - | - |
| Total fund balances | <u>\$ 169,362,066</u> | <u>\$ 28,527,637</u> | <u>\$ 274,168,040</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 404,851,482</u> | <u>\$ 90,993,957</u> | <u>\$ 277,572,766</u> |

The notes to the financial statements are an integral part of this statement.

Continued next page

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2024

| | Building | Nonmajor Governmental Funds | Total Governmental Funds |
|---|-----------------------|-----------------------------------|--------------------------------|
| ASSETS | | | |
| Assets: | | | |
| Cash and cash equivalents | \$ - | \$ 328,863 | \$ 342,534,653 |
| Investments | - | 3,982 | 3,982 |
| Receivables (net of allowance): | | | |
| Taxes receivable | - | 5,582,043 | 63,457,608 |
| Intergovernmental | - | 6,127,398 | 92,239,573 |
| Leases receivable | 4,285,202 | - | 4,285,202 |
| Other | 33,392,207 | 9,417 | 47,977,778 |
| Due from other funds | 77,830,368 | 6,599,963 | 84,430,331 |
| Inventory | - | 4,572,403 | 6,027,951 |
| Prepaid items | 162,974 | - | 162,974 |
| Cash with fiscal agents | - | - | 3,346,968 |
| Restricted cash and cash equivalents | 378,181,127 | 6,337,486 | 386,268,735 |
| Restricted investments | - | - | 266,095,883 |
| Total assets | <u>\$ 493,851,878</u> | <u>\$ 29,561,555</u> | <u>\$ 1,296,831,638</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ - | \$ 975,491 | \$ 90,644,410 |
| Claims Liability | - | - | 7,302,448 |
| Accrued payroll and benefits | - | - | 93,797,820 |
| Due to other funds | - | 7,801,654 | 84,439,272 |
| Unearned revenue | - | 2,699,406 | 21,479,645 |
| Total liabilities | <u>-</u> | <u>11,476,551</u> | <u>297,663,595</u> |
| Deferred inflows of resources: | | | |
| Property taxes | - | 1,584,480 | 16,757,898 |
| Lease related | 4,338,206 | - | 4,338,206 |
| Unavailable revenues - long-term receivables | 30,062,572 | - | 30,062,572 |
| Total deferred inflows of resources | <u>34,400,778</u> | <u>1,584,480</u> | <u>51,158,676</u> |
| FUND BALANCES: | | | |
| Nonspendable: | | | |
| Inventory | - | 557,481 | 2,013,029 |
| Prepaid items | 162,974 | - | 162,974 |
| Permanent fund | - | 71,128 | 71,128 |
| Restricted for: | | | |
| Higher education | - | - | 24,311,281 |
| Non-governmental grantor-designated purposes | - | - | 4,216,356 |
| Performance-based teacher compensation | - | 6,334,673 | 6,334,673 |
| Debt service | 1,109,816 | - | 275,277,856 |
| Capital projects | 378,181,127 | - | 378,181,127 |
| Emergency reserve | - | - | 40,707,510 |
| Committed to: | | | |
| Pupil activities | - | 4,454,009 | 11,330,519 |
| Food service | - | 5,083,233 | 5,083,233 |
| Assigned to: | | | |
| Subsequent year expenditures | - | - | 2,627,000 |
| Special projects | - | - | 12,995,401 |
| Capital Projects | 79,997,183 | - | 79,997,183 |
| Unassigned | - | - | 104,700,097 |
| Total fund balances | <u>459,451,100</u> | <u>16,500,524</u> | <u>948,009,367</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 493,851,878</u> | <u>\$ 29,561,555</u> | <u>\$ 1,296,831,638</u> |

The notes to the financial statements are an integral part of this statement.



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SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2024

| | |
|--|-------------------------|
| Total fund balances for governmental funds | \$ 948,009,367 |
| Capital assets including donated land used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 1,911,824,462 |
| Leases and Software assets are not financial resources and, therefore, are not reported in the funds. | 24,752,813 |
| Deferred outflows of resources related to loss on refundings are not financial resources and therefore, are not reported in the funds. | 116,528,567 |
| Deferred outflows of resources related to pensions are not included in the funds. | 329,471,602 |
| Deferred outflows of resources related to OPEB are not included in the funds. | 6,560,214 |
| Accrued interest payable, is not due and payable in the current period and, therefore is not reported in the funds. | (9,697,970) |
| Long term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | (3,652,052,225) |
| OPEB Asset is not available to pay current period expenditures and, therefore, is not recorded in the funds. | 3,806,512 |
| Deferred inflows of resources related to gain on refundings are not financial resources and, therefore are not reported in the funds. | (4,469,770) |
| Deferred inflows of resources related to pensions are not financial resources and, therefore are not reported in the funds. | (68,018,727) |
| Deferred inflows of resources related to OPEB are not financial resources and, therefore are not reported in the funds. | (10,996,198) |
| Deferred inflows of resources related to property taxes and long-term receivables are economic resources and, therefore are recognized in governmental activities. | <u>46,820,470</u> |
| Net position (deficit) of governmental activities | <u>\$ (357,460,883)</u> |

The notes to the basic financial statements are an integral part of this statement.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

| | General | Grants Special Revenue | Bond Redemption |
|--|-----------------------|---------------------------|-----------------------|
| REVENUES | | | |
| Taxes | \$ 956,558,328 | \$ - | \$ 244,240,961 |
| Intergovernmental: | | | |
| Revenue from state sources | 317,397,656 | 31,067,646 | - |
| Revenue from federal sources | 1,294,324 | 190,964,971 | - |
| Charges for services | 75,572,368 | 11,648,217 | - |
| Investment income | 8,091,550 | - | 7,634,531 |
| Other local sources | 13,452,746 | 4,775,642 | - |
| Total revenues | <u>1,372,366,972</u> | <u>238,456,476</u> | <u>251,875,492</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Regular instruction | 604,168,994 | 58,193,740 | - |
| Special education | 112,160,280 | 26,419,901 | - |
| Vocational education | 35,795 | 17,949 | - |
| Other instruction | 44,520,176 | 3,418,259 | - |
| Total instruction | <u>760,885,245</u> | <u>88,049,849</u> | <u>-</u> |
| Support services: | | | |
| Pupil supporting services | 91,140,006 | 33,640,576 | - |
| Instructional support | 110,181,770 | 29,988,466 | - |
| General administration | 14,472,874 | 5,148,632 | - |
| School administration | 86,563,235 | 218,705 | - |
| Business services | 10,116,419 | 5,166,345 | 8,048 |
| Operations and maintenance | 49,095,024 | 765,993 | - |
| Pupil transportation | 33,000,829 | 140,413 | - |
| Central services | 73,532,682 | 8,355,537 | - |
| Other support services | 460,826 | 11,407,898 | - |
| Total support services | <u>468,563,665</u> | <u>94,832,565</u> | <u>8,048</u> |
| Community services | 17,153,672 | 3,649,620 | - |
| Education for adults | 324,572 | 30,216,372 | - |
| Capital outlay | 4,781,818 | 15,810,705 | - |
| Debt service: | | | |
| Principal payments | 32,418,823 | 104,362 | 109,955,000 |
| Interest and fiscal charges | 40,417,259 | 18,517 | 94,347,692 |
| Total debt service | <u>72,836,082</u> | <u>122,879</u> | <u>204,302,692</u> |
| Total expenditures | <u>1,324,545,054</u> | <u>232,681,990</u> | <u>204,310,740</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>47,821,918</u> | <u>5,774,486</u> | <u>47,564,752</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | - | 648,908 | - |
| Transfers out | (30,073,883) | - | - |
| Issuance of leases and software | 3,932,261 | - | - |
| Total other financing sources (uses) | <u>(26,141,622)</u> | <u>648,908</u> | <u>-</u> |
| Net change in fund balances | 21,680,296 | 6,423,394 | 47,564,752 |
| Fund balance - beginning | 147,681,770 | 22,104,243 | 226,603,288 |
| Fund balance - ending | <u>\$ 169,362,066</u> | <u>\$ 28,527,637</u> | <u>\$ 274,168,040</u> |

The notes to the financial statements are an integral part of this statement.

Continued next page

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

| | Building | Nonmajor Governmental Funds | Total Governmental Funds |
|--|-----------------------|-----------------------------------|--------------------------------|
| REVENUES | | | |
| Taxes | \$ - | \$ 118,646,020 | \$ 1,319,445,309 |
| Intergovernmental: | | | |
| Revenue from state sources | - | 13,988,906 | 362,454,208 |
| Revenue from federal sources | 6,560,458 | 32,863,206 | 231,682,959 |
| Charges for services | 696,527 | 1,059,413 | 88,976,525 |
| Investment income | 26,722,589 | 136,028 | 42,584,698 |
| Other local sources | 26,995,641 | 6,063,500 | 51,287,529 |
| Total revenues | <u>60,975,215</u> | <u>172,757,073</u> | <u>2,096,431,228</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Regular instruction | - | 35,145,336 | 697,508,070 |
| Special education | - | 3,559,352 | 142,139,533 |
| Vocational education | - | - | 53,744 |
| Other instruction | - | 5,326,356 | 53,264,791 |
| Total instruction | <u>-</u> | <u>44,031,044</u> | <u>892,966,138</u> |
| Support services: | | | |
| Pupil supporting services | - | 1,567,520 | 126,348,102 |
| Instructional support | - | 191,780 | 140,362,016 |
| General administration | - | 246,670 | 19,868,176 |
| School administration | - | 552 | 86,782,492 |
| Business services | - | 3,264 | 15,294,076 |
| Operations and maintenance | 26,087,787 | 72,932,331 | 148,881,135 |
| Pupil transportation | - | 3,342,502 | 36,483,744 |
| Central services | 8,344,569 | 1,469,778 | 91,702,566 |
| Other support services | - | 48,091,757 | 59,960,481 |
| Total support services | <u>34,432,356</u> | <u>127,846,154</u> | <u>725,682,788</u> |
| Community services | - | 3,067 | 20,806,359 |
| Education for adults | - | 119 | 30,541,063 |
| Capital outlay | <u>262,059,105</u> | - | 282,651,628 |
| Debt service: | | | |
| Principal payments | 11,844,263 | 1,269,593 | 155,592,041 |
| Interest and fiscal charges | 6,054,595 | - | 140,838,063 |
| Total debt service | <u>17,898,858</u> | <u>1,269,593</u> | <u>296,430,104</u> |
| Total expenditures | <u>314,390,319</u> | <u>173,149,977</u> | <u>2,249,078,080</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(253,415,104)</u> | <u>(392,904)</u> | <u>(152,646,852)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 28,024,975 | 1,400,000 | 30,073,883 |
| Transfers out | - | - | (30,073,883) |
| Issuance of leases and software | 2,002,493 | - | 5,934,754 |
| Total other financing sources (uses) | <u>30,027,468</u> | <u>1,400,000</u> | <u>5,934,754</u> |
| Net change in fund balances | (223,387,636) | 1,007,096 | (146,712,098) |
| Fund balance - beginning | 682,838,736 | 15,493,428 | 1,094,721,465 |
| Fund balance - ending | <u>\$ 459,451,100</u> | <u>\$ 16,500,524</u> | <u>\$ 948,009,367</u> |

The notes to the financial statements are an integral part of this statement.



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SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2024

| | |
|---|------------------|
| Net change in fund balance - governmental funds | \$ (146,712,098) |
| Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of capitalized assets is allocated over the estimated useful lives and reported as depreciation expense. | |
| Capital, leases and software asset additions | 287,872,131 |
| Capital, leases and software asset depreciation | (110,951,848) |
| Capital, leases and software asset loss on disposal | (2,640,870) |
| Principal retirements - Retirements of principal outstanding on the School District's debt result in a reduction of accumulated resources on the fund financial statements. The government-wide statements show these as reductions against the long-term liability. | 151,270,000 |
| Amortization of premium on debt has no effect on the governmental funds, but increases the change in net position of governmental activities. | 26,648,819 |
| Amortization of deferred loss on refundings are not reported on the governmental fund statements while on the government-wide net position they are amortized over the life of the debt as an adjustment to interest expense. | (11,006,754) |
| Amortization of deferred gain on refundings are not reported on the governmental fund statements while on the government-wide net position they are amortized over the life of the debt as an adjustment to interest expense. Current year deferred gain on refunding less amortization - gain on refunding | 2,861,543 |
| Some expenses reported in the statement of activities do /(do not) require the use of current financial resources and, therefore, are/(are not) reported as expenditures in governmental funds: | |
| Change in compensated absences | (1,317,285) |
| Change in leases liability | (1,702,175) |
| Change in SBITA liability | 1,417,786 |
| Change in accrued claims liability | (116,961) |
| Change in other obligation | 1,500,000 |
| Change in interest payable related to long-term liabilities | 571,579 |
| Net Pension Credit | 7,992,844 |
| Net OPEB Credit | 10,696,118 |
| Change in deferred property tax and other revenues - revenues that do not provide current financial resources are deferred on the governmental fund financial statements but are recognized on the government-wide financial statements. | (12,288,175) |
| Change in net position of governmental activities | \$ 204,094,654 |

The notes to the basic financial statements are an integral part of this statement.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2024

| | Private Purpose Trust Fund |
|----------------------------|-------------------------------|
| Assets | |
| Cash and investments | \$ 1,114,143 |
| Due from other funds | <u>8,941</u> |
| Total Assets | <u>1,123,084</u> |
| Net Position | |
| Restricted for | |
| Net position held in trust | 1,123,084 |
| Total Net Position | <u>\$ 1,123,084</u> |

The notes to the financial statements are an integral part of this statement.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

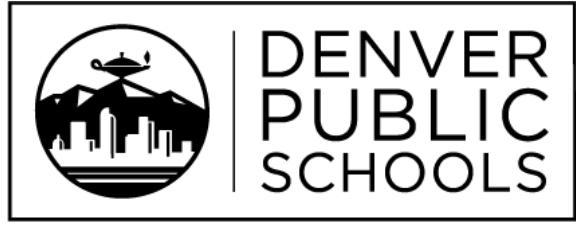
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2024

| | Private Purpose Trust Fund |
|---|-------------------------------|
| Additions | |
| Interest income | \$ 66,549 |
| Total Additions | <u>66,549</u> |
| Net increase in fiduciary net position | 66,549 |
| Net position - beginning | 1,056,535 |
| Net position - ending | <u>\$ 1,123,084</u> |

The notes to the financial statements are an integral part of this statement.



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NOTES TO THE BASIC FINANCIAL STATEMENTS

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of School District No. 1 in the City and County of Denver and State of Colorado (the District) is presented to assist in understanding the District's financial statements. A summary of the significant accounting policies applied in the preparation of the basic financial statements is described below.

Financial Reporting Entity

The District was created for the purpose of supervising and governing the public schools and public school property within the boundaries of the City and County of Denver.

The financial statements of the District include all of the integral parts of the District's operations. The District applied various criteria to determine if it is financially accountable for any legally separate organizations, which would require that organization to be included in the District's reporting entity. These criteria include fiscal dependency, financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

This report contains financial statements of the District (the primary government) and its component units. Refer to Note 15 and the basic financial statements for additional information on component units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) display the information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds which are reported separately. Governmental activities are normally supported by taxes and intergovernmental revenues and reported in this manner. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are also included in the program expense reported for individual functions and activities. Program revenues include 1) charges to customers or applicants 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for major governmental funds and fiduciary funds. Fiduciary activities are not reflected in the government-wide financial statements because those resources are not available to support the district's own programs. General Fund, Grants Special Revenue, Bond Redemption and Building are major governmental funds and are reported as separate columns in the fund financial statements.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

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 as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The effect of interfund activity has generally been eliminated from the government-wide financial statements. Exceptions to this are charges between the District's governmental activities and component units. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers grant and state revenues to be available if they are collected within 180 days of the fiscal year-end. Property tax and other revenues are considered available if collected within 60 days of the year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, pension and OPEB are recorded only when payment is due.

The District's fiduciary funds apply the accrual basis of accounting and the economic resources measurement focus.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenue and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

For governmental activities, when both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

Governmental Funds

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds as detailed below. Primary revenue sources for the general fund include property taxes, state equalization, tuition billing for early childhood education and revenue and expenditures of sponsoring athletic events at District middle and high schools starting fiscal year 2024.

The Grants Special Revenue Fund is used for the revenues and expenditures related to federal, state, and local grants. Special Revenue funds are used to account for proceeds of special revenue sources that are

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legally or otherwise restricted to expenditures for specified purposes. Revenue restrictions in this fund are imposed by the grantor for the specific purposes of the grant.

The Bond Redemption Fund (debt service fund) accounts for and reports financial resources that are restricted for the payment of principal and interest on long-term general obligation debt of the District as a result of the issuance of general obligation bonds.

The Building Fund is a capital projects fund and accounts for ongoing capital outlay needs of the District such as construction, renovation projects, repairs and maintenance funded by the sale of general obligation bonds, proceeds from the issuance of certificates of participation (COPs), other external revenue sources and interfund transfers. Debt payments on certain COPs are also accounted for here.

The District reports the following nonmajor governmental funds:

The Food Services Special Revenue Fund accounts for the revenue and expenses related to providing students with healthy and nutritious meals. Revenue sources for this fund include federal and state grants and private sources.

The Pupil Activity Special Revenue Fund represents school sponsored student activities managed at the school level.

The Mill Levy Technology Maintenance Special Revenue Fund accounts for the proceeds of voter approved taxes from the 2020 mill levy override. The investments and expenditures are dedicated to maintenance operations and technology improvements.

The ProComp Special Revenue Fund is a blended component unit used to account for the proceeds of voter approved taxes from the 2005 mill levy override. The investments and expenditures are the professional compensation system of the teachers.

The Permanent Fund is used to account for and report resources that are restricted to the extent that only earnings and not principal may be used for purposes that support the District's programs.

Fiduciary Funds

The District has a Fiduciary Fund which is Private Purpose Trust Fund. The Private Purpose Trust Fund is used to report all fiduciary activities that are not required to be reported in pension and other employee benefit trust funds or investment trust funds and are held in trust

Budgets and Budgetary Accounting

The District adopts an annual budget for all funds, following these procedures in establishing the budgetary data reflected in the accompanying financial statements:

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1. Late in April, but no later than June 1, the Superintendent presents to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and projected revenue.
2. A public hearing is conducted at the administration building to obtain taxpayer comments.
3. A balanced budget and appropriation resolution must be adopted by June 30. The District cannot expend monies in excess of the amount appropriated for an individual fund unless an amended or supplemental budget is approved by resolution.
4. The District's Board of Education or management can modify the budget by line item within the total fund's appropriation.
5. Mill levies must be certified to the City and County of Denver by December 15.
6. Formal budgetary integration is employed as a management control device during the year for all funds.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Revenues are on the modified accrual basis.
8. Total appropriations are as amended.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Deposits and Investments

For the purposes of the government-wide financial statements, the fund financial statements and the statement of cash flows, the District's cash and cash equivalents are considered to be cash on hand, demand deposits held in banks and other securities with original maturities of less than three months.

Investments are reported at fair value in accordance with GASB Statement 72. Investments excluded from fair value measurement are:

1. Investments in the external investment pool Colorado Surplus Asset Fund Trust (CSAFE) and Colorado Statewide Investment Program (CSIP) Liquid Portfolio are reported at \$1 net asset value per share or amortized cost.
2. Investments in the external investment pool Colorado Local Government Liquid Asset Trust (COLOTRUST) and CSIP Term Investments are reported at \$1 net asset value per share.
3. Stocks held by trust which are reported at cost.
4. Restricted cash is a result of unspent bond proceeds.

Unearned Revenue

Unearned revenue consists of funds that have been received but the corresponding revenue recognition criteria have not been met and primarily consists of grants.

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased.

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Inventories of governmental funds, except the Food Services Fund, are associated with nonspendable fund balance. In accordance with GASB Statement 54, nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, including items that are not expected to be converted to cash.

Food Services inventory consists of food items, including commodities donated by the federal government and cafeteria supplies held at the central warehouse for distribution to school lunchrooms. General Fund inventory consists of transportation and building maintenance parts and fuel. Expendable supplies issued to schools or other locations are not included in inventory.

The cost of inventory items is recorded as expenditures when consumed. Donated government commodities are recorded as inventory at the acquisition value at the time of donation.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The District records prepaid items using the consumption method.

Capital, Leases and Software Assets

Capital and leases/software assets are real, personal and intangible property that have a cost equal to or greater than an established capitalization threshold of \$25,000 and have an estimated useful life extending beyond one year. For additional information, refer to Note 5, Note 6 and Note 7.

Due From and Due to Other Funds

A general disbursing account within the General Fund is used on an imprest basis to make expenditures on behalf of all funds. This account is periodically reimbursed by the applicable funds. Interfund balances at June 30, 2024 represent reimbursements and adjustments due but not transferred as of that date.

Indirect Costs

Indirect costs are allocated to grants in the Grant Special Revenue Fund based on an indirect cost rate established by the Colorado Department of Education. The indirect cost expenditure in the Grant Special Revenue Fund is offset against expenditures in the General Fund.

Accrued Payroll

The accrued payroll represents payment in arrears earned as of June 30 as well as the liability to teachers and certain other employees who earn their salaries over the school year but are paid over a twelve-month period from August 1 to July 31. Changes in the accrual are reflected in expenditures or expenses on the applicable fund's statement of revenues, expenditures and changes in fund balances. Certain payroll benefits and part-time salaries which are payable at June 30 are also included.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in all funds.

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Compensated Absences

The compensated absence liability including payroll taxes, reported on the government-wide financial statements consists of accumulated sick and vacation leave which vests and is payable upon termination or retirement. Accumulated sick leave vests only at qualified retirement and vests as a rate determined by contract, which is less than the normal rate of pay. A qualified retiree can be paid for up to one work-years' worth of accumulated sick leave. Retirees who accumulate vacation leave are compensated at their normal rate of pay for the balance at retirement. On the fund financial statements, compensated absence amounts are reported as expenditures or expenses, as appropriate, when paid.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest method. The appropriate obligations are reported net of the applicable debt premium or discount.

In the fund financial statements, governmental fund types recognize debt premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. In accordance with Section 22-45-103, CRS, the District's bond redemption fund custodian for FY 2024 was U.S. Bank.

Deferred Outflows of Resources and Deferred Inflows of Resources

In accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* and GASB Statement No. 87 *Leases* the government-wide statements include deferred outflows of resources representing the deferred loss on refunding of the District's certificates of participation and bond obligations and items relating to the District's pension and OPEB obligations. Deferred inflows of resources relate to deferred gain on refunding, pension, OPEB obligations and leases. Additionally, the governmental fund financial statements include deferred inflows of resources for property taxes receivable and long-term receivables that have not met modified accrual revenue recognition criteria.

Net Position

In the government-wide statements, net position consists of net investment in capital assets, restricted and unrestricted net positions. Restricted net position includes amounts for debt service, performance-based teacher compensation, emergency reserve, higher education, non-governmental grantor-designated purposes, and capital projects.

Fund Balances

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. For the classification of fund balances, the District considers amounts to have been spent when expenditure is incurred for purposes for which fund balance is both available and can be used. In accordance with GASB Statement 54, the fund balances of the District are classified into the following categories: nonspendable, restricted, committed, assigned or unassigned.

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Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact, including items that are not expected to be converted to cash.

Restricted fund balance includes amounts where constraints have been placed on the use of resources by either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Education. Committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of formal action (for example, resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Education adopted a fund balance policy and as part of the policy delegated the authority to the Superintendent or designee to assign amounts to be used for specific purposes.

Unassigned fund balance represents residual fund balance that has not been restricted, committed or assigned. Positive unassigned fund balance can only be reported in the general fund while negative unassigned fund balance may be reported in any governmental fund.

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

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2. CASH AND INVESTMENTS

Investments Authorized by the Colorado Statutes and District's Investment Policy

The table below identifies the investment types that are authorized by the District's investment policy or Colorado Revised Statutes (CRS), where more restrictive. The table also identifies certain provisions of the District's investment policy that address interest rate risk, credit risk and concentration of credit risk. The table does not address the investments of (a) debt proceeds that are governed by the provisions of the debt agreements of the District, or (b) Special Revenue ProComp Trust assets that are governed by the Trust's Investment Policy Statement rather than the general provisions of the District's investment policy.

| <u>Authorized Investment Type</u> | Maximum Maturity | Maximum % of Portfolio | Maximum Investment in One Issuer |
|---|-------------------------|-------------------------------|---|
| U.S Treasury Obligations | 5 years | 100% | N/A |
| Federal Agency and instrumentality Securities | 5 years | 100% | 50% |
| Local Government Investment Pools | 13 months | 100% | 50% |
| Money Market Mutual funds | 13 months | 100% | 50% |
| Repurchase Agreements* | 5 years | 100% | N/A |
| Commercial Paper | 9 months | 35% | 5% |
| Corporate Bonds | 3 years | 35% | 5% |
| Municipal Bonds | 5 years | 25% | 5% |
| Non-negotiable Certificates of Deposit | 1 year | 5% | 2% |
| Negotiable Certificates of Deposit | 3 years | 35% | 5% |
| Flexible Repurchase Agreements | 5 years | 100% | N/A |
| Guaranteed Investment Contracts | C.R.S. 24-75-601 | N/A | N/A |

*Other than repurchase agreements for investment of general obligation bond proceeds and certificates of deposit.

As of June 30, 2024, the District investments are in compliance with the investment policy.

Investments Authorized by Debt Agreements

The District invests in various investment securities that are exposed to interest rate risk and credit risk. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The valuation is based on the 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 inputs other than those within Level 1 that are directly or indirectly observable; and Level 3 inputs are significant unobservable inputs.

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The District has the following recurring fair value measurements as of June 30, 2024:

- Corporate Notes of \$22,240,872 are valued using quoted market price or other observable inputs (Level 1 and 2 inputs).
- U.S. Treasury securities of \$181,317,419 are valued using quoted price in active markets for identical assets (Level 1 and 2 inputs).
- Repurchase Agreements of \$42,275,000 are valued using pricing models (Level 2 inputs).

Custodial Credit Risk

Colorado law requires the District to use eligible public depositories as defined by the Public Deposit Protection Act of 1989 (the Act). Under the Act, the depository is required to pledge eligible collateral having a market value at all times equal to 102% of the aggregate public depositories not insured by the Federal Deposit Insurance Corporation. Eligible collateral as defined by the Act primarily includes obligations of, or guarantees by, the U.S. government, the State of Colorado or any political subdivision thereof and obligations evidenced by notes secured by first lien mortgages of trust on real property.

Custodial credit risk is the risk that in the event of a bank failure, the District will not be able to recover its deposits nor the collateral securities that are in the possession of an outside party.

The District's deposits are with eligible public depositories and are considered to be held in the name of the District. These deposits have bank balances of \$18,426,748 and related carrying amount of \$11,435,308.

Interest Rate Risk

Interest rate risk is the risk that an investment's value will change due to a change in interest rates. The District's investment policy addresses interest rate risk by requiring adherence to the Colorado Revised Statutes. The District manages its exposure to interest rate risk by purchasing a combination of shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is either maturing or close to maturing as necessary to provide the cash flow and liquidity needed by operations and debt service requirements.

The following table shows the distribution of the District's cash and cash equivalents and investments by maturity, which displays the sensitivity of the fair values of the District's investments, including investments held by bond trustee, to market rate fluctuations:

| Type of Security | Fair Value | Maturity | | | |
|---------------------------|----------------|-----------------|-------------------|--------------|---------------|
| | | 30 days or less | 12 months or less | 1 to 2 years | 2 to 7 years |
| US Treasury Notes | \$ 181,317,419 | | \$ 181,317,419 | | |
| Corporate Note | 22,240,872 | - | 22,240,872 | - | - |
| External Investment Pools | 554,244,331 | 554,244,331 | - | - | - |
| Money Market Funds | 187,847,451 | 187,847,451 | - | - | - |
| Repurchase Agreements | 42,275,000 | - | - | - | 42,275,000 |
| Total | \$ 987,925,073 | \$ 742,091,782 | \$ 203,558,291 | \$ - | \$ 42,275,000 |

Stocks with an amount of \$3,982 are the only securities without maturity.

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Reconciliation

The following is a reconciliation of cash and investments per this note to the basic financial statements:

| | |
|--|-----------------------|
| Cash and investments per footnote presentation: | |
| Cash in bank - carrying amount | \$ 11,435,308 |
| Investments | 987,925,073 |
| Stocks | 3,982 |
| Total | <u>\$ 999,364,364</u> |
| Cash and investments per government-wide statements of net position: | |
| Cash and cash equivalents | \$ 342,534,653 |
| Investments | 3,982 |
| Restricted cash and cash equivalents | 386,268,735 |
| Held by fiscal agents | 3,346,968 |
| Restricted investments | 266,095,883 |
| Cash and investments per the fiduciary statements of net position: | |
| Private purpose trust | 1,114,143 |
| Total | <u>\$ 999,364,364</u> |

Foreign Currency Rate Risk

Foreign currency rate risk is the risk that changes in monetary exchange rates will adversely affect the fair value of an investment or a deposit in terms of U.S. dollars. The District has no formal policy relating to foreign currency risk, nor are any deposits or investments exposed to foreign currency risk.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization (NRSROs). State law limits investments for school districts to U.S. Treasury instruments, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. State law further limits investments in money market funds that are organized according to the Federal Investment Company Act of 1940, as specified in Rule 2a-7, as amended, as long as such rule does not increase the remaining maturities beyond a maximum of three years. The District's investment policy requires money market funds and local government investment pools to have a rating of AAA or equivalent by one or more NRSROs. Corporate bonds must have a rating of at least AA- or equivalent by at least two NRSROs. General obligations must be rated at the time of purchase at least AA or the equivalent by two or more NRSROs, and revenue obligations at least AAA or the equivalent at the time of purchase. Commercial paper must have a rating of at least A-1 or the equivalent at the time of purchase by at least two NRSROs.

As of June 30, 2024, the money market funds that the District participated in were rated as follows by Standard and Poor's:

| <u>Financial Institution</u> | <u>Fund</u> | <u>Rating as of June 30, 2024</u> |
|-------------------------------------|---------------------------------|--|
| Wells Fargo | Government Money Market Fund | AAA |
| Wells Fargo | Treasury Plus Money Market Fund | AAA |

Standard and Poor's rates all U.S. Agency Obligations as AA+.

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The District utilizes government investment pools for investment, when a high degree of liquidity is prudent. The pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE) cash account and the Colorado Statewide Investment Program (CSIP) collectively, the Trusts. COLOTRUST and CSIP Term Investment are local government investment pools with a stable net asset value. CSAFE and CSIP Liquid Portfolio are considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The District invests \$53,308,636 in the CSAFE-Cash account, \$144,897,031 in COLOTRUST, and \$356,038,664 in CSIP. The Colorado Division of Securities regulates these local government investment pools. The District's position is that these pools are the same as the value of pool shares. Standard and Poor's rates COLOTRUST as AAA and CSIP as AAA. Fitch Ratings Financial Services Company rates CSAFE-Cash as AAAm.

The District has \$3,346,968 in the State of Colorado Treasury ("T-Pool") as required by the Colorado Workers' Compensation Act for self-insurance security. T-Pool is held by fiscal agents and considered a money market fund. The pool is not rated.

District utilizes government investment pools for investment, when a high degree of liquidity is prudent. The pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST), the Colorado Surplus Asset Fund Trust (CSAFE), and the Colorado Statewide Investment Program (CSIP) collectively, the Trusts. COLOTRUST and CSIP Term Investment are local government investment pools with a stable net asset value. CSAFE and CSIP Liquid Portfolio are considered a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The State Securities Commissioner administers and enforces all State statutes governing the Trusts. The Trusts operate similarly to a money market fund and each share is equal in value to \$1.00, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The Trusts may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and at least A-1 or equivalent commercial paper.

A designated custodial bank serves as custodian for the Trusts' portfolios pursuant to a custodian agreement. The custodian acts as a safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trusts. The Trusts do not have any limitations or restrictions on participant withdrawals.

The District's investment policy requires that repurchase agreements and flexible repurchase agreements are collateralized as required by state law at a minimum of 102% of the purchase price plus accrued interest. For repurchase agreements, the collateral is to be delivered and held in a third party safekeeping account and the market value of the collateral securities marked-to-market daily.

Concentration of Credit Risk

Concentration of credit risk as defined by the Government Accounting Standards Board (GASB) is any investment that represents 5% or more of the total investments to any one issuer. The District's investments in includable investment types of corporate notes, repurchase agreements and stocks do not contain more than a 5% concentration as of June 30, 2024.

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3. REVENUE AND RECEIVABLES

Property Taxes

Property taxes are levied on December 15 and attach an enforceable lien on property as of January 1 of the following year. Taxes are payable in either one installment on or before April 30, or in two equal payments on or before February 28 and June 15 of each year. The mill levy is determined by the District in accordance with state laws and finance formulas. The assessments and collections are made by the City and County of Denver and remitted upon receipt to the District.

Property taxes levied for the General Fund totaled \$908,371,057 and for ProComp totaled \$40,765,405 in 2024. The Mill Levy Technology Maintenance Fund, which was created in fiscal year 2021, levied property taxes of \$79,894,150. In 1988, 1998, 2003, 2005, 2012 and 2016 the voters of Denver approved mill levy overrides. The 1988, 1998 and 2003 override election mill levies are fixed amounts of \$12.1 million, \$17.0 million and \$20.0 million, respectively. The 2005 override election mill levy initially set at \$25.0 million is adjusted annually for inflation as measured by the Denver-Boulder-Greeley consumer price index. The 2005 override election mill levy amount for the 2024 collection year was approximately \$40.8 million. The 2012 override will generate \$83.6 million for the 2024 property tax collection year which results in a levy of 3.322 mills. The 2016 override election mill levy is variable at 3.379 mills and will generate \$85.1 million for the 2024 property tax collection year.

Deferred inflow of resources of property taxes at June 30, 2024, included General Fund \$11,928,572, ProComp Special Revenue Fund \$535,324 and Mill Levy Technology Maintenance Fund \$1,049,156. In addition, property taxes levied for the Bond Redemption Fund totaled \$247,840,568 in 2024 and accounted for the entire deferred inflow of resources of \$3,244,846 at June 30, 2024. Property tax revenue is recorded in the General Fund, the ProComp Special Revenue Fund, the Mill Levy Technology Maintenance Fund and the Bond Redemption Fund. The taxes receivable are recorded net of an estimated uncollectible amount of \$3,790,257 in the governmental activities, \$3,045,018 in the General Fund and \$745,239 in the Bond Redemption Fund.

Collection fees by the City and County of Denver amount to one-quarter of one percent of property taxes collected for the General Fund and no collection fees are charged for the Bond Redemption Fund. Collection fees are recorded as expenditures.

DURA

The District and the Denver Urban Renewal Authority (Authority) are parties to the Amended and Restated Central Park School Funding Agreement (Funding Agreement). The Funding Agreement provides funding of various projects in the Central Park Urban Redevelopment Area.

The Central Park School Redevelopment Plan and Cooperation Agreement (Redevelopment Plan) authorize the Authority to receive and use certain incremental increases in sales and property tax revenues generated within the Central Park Urban Redevelopment Area. The Authority and the District entered into the Funding Agreement which provides for the payment of the actual development costs of certain schools and other property identified therein from proceeds of obligations issued by the Authority.

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In accordance with the Funding Agreement, the District has performed work and is eligible for reimbursement with respect to an elementary school, a K-8 school and the acquisition and construction of a District high school and sports field. The District entered into a supplemental agreement with the Authority which included land for an elementary school and construction of a new fire station to accommodate the needs of the growing area. Per the supplemental agreement, the District also received donated land for a second school site. Reimbursement to the District is in accordance with the Redevelopment Plan and Funding Agreement including amendments. Payments are expected each year through 2026. The following table summarizes the projects and outstanding reimbursable amounts as of June 30, 2024. The remaining balances are reflected as accounts receivable and deferred inflow of resources in the Building Fund.

| Project | Beginning Balance | Earned | Received | Receivable at June 30, 2024 |
|---------------------------------|-------------------|--------|---------------|-----------------------------|
| Central Park Redevelopment Plan | \$ 43,789,188 | \$ - | \$ 13,751,730 | \$ 30,037,458 |

Other Revenue

The District holds bond issuances comprised of 2009C Build America Bond, 2010A Qualified School Construction Bond, 2010B Build America Bond and 2012C Qualified Zone Academy Bond which credits payments to issuers. The 2010B Build America Bond, the 2009C Build America Bond, 2010A Qualified School Construction Bond, 2010B Build America Bond and 2012C Qualified Zone Academy Bond payments are outstanding for the current fiscal year but the District is expecting credits that will be paid the following fiscal year as outlined below.

| Project | Beginning Balance | Earned | Received | Receivable at June 30, 2024 |
|-----------------------|-------------------|--------------|--------------|-----------------------------|
| U.S. Treasury Subsidy | \$ 12,543 | \$ 6,616,150 | \$ 3,273,944 | \$ 3,354,749 |

Other Receivables

Other Receivables for the District include the receivables mentioned above for Central Park Redevelopment, the U.S. Treasury and other receivables that are expected to be paid in the following fiscal year. General Fund receivables of \$9.7 million consists of other state and local revenues. Grants Special Revenue receivables of \$4.9 million consists of private grants and higher education student tuition.

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4. INTERFUND BALANCES AND TRANSFERS

Balances of interfund receivables, payables and transfers at June 30, 2024 are as follows:

| | Due From | Due To | Transfer In | Transfer Out |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Major Funds | | | | |
| General Fund - Due to Other Funds | \$ - | \$ 29,759,588 | \$ - | \$ 30,073,883 |
| Grants Special Revenue | - | 46,718,150 | 648,908 | - |
| Bond Redemption | - | 159,880 | - | - |
| Building | 77,830,368 | - | 28,024,975 | - |
| Subtotal | <u>\$ 77,830,368</u> | <u>\$ 76,637,618</u> | <u>\$ 28,673,883</u> | <u>\$ 30,073,883</u> |
| Nonmajor Funds | | | | |
| Food Service | - | 3,744,660 | 1,400,000 | - |
| Pupil Activity Fund | 6,599,963 | - | - | - |
| ProComp | - | 1,353,409 | - | - |
| Mill Levy Technology Maintenance | - | 2,643,058 | - | - |
| Permanent | - | 60,527 | - | - |
| Subtotal | <u>\$ 6,599,963</u> | <u>\$ 7,801,654</u> | <u>\$ 1,400,000</u> | <u>\$ -</u> |
| Fiduciary Funds | | | | |
| Private Purpose Trust | 8,941 | - | - | - |
| Total | <u>\$ 84,439,272</u> | <u>\$ 84,439,272</u> | <u>\$ 30,073,883</u> | <u>\$ 30,073,883</u> |

The majority of the District transfers are from the General Fund to sustain the capital project fund, funding for student athletic programs, additional funding support for food services and to finance various programs accounted for in other funds in accordance with budgetary authorizations. All interfund receivables and payables are the result of normal business and are expected to be paid in the current fiscal year.



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5. CAPITAL, LEASES AND SOFTWARE ASSETS

Capital, lease and software-based information technology arrangements (SBITA) assets resulting from expenditures in the governmental funds are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital and lease/software assets are capitalized at cost, or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are recorded at acquisition value as of the date received. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital and lease/software assets except land and construction in progress are depreciated.

Depreciation is computed using the straight-line method over the following useful lives.

| Description | Estimated Lives |
|----------------------------|-----------------|
| Buildings and improvements | 5-39 years |
| Furniture and equipment | 5 years |
| Computer equipment | 3-5 years |
| Buses | 7 years |
| Other vehicles | 5 years |
| Leases/software assets* | Varies |

* The shorter of the lease/software term or useful life of the underlying asset.

Following is a detail by function of depreciation expense for governmental activities reported in the government-wide statement of activities:

| Instruction: | |
|-----------------------------|-----------------------|
| Regular | \$ 46,341,303 |
| Special education | 9,443,520 |
| Vocational | 3,571 |
| Other Instruction | 3,538,826 |
| Supporting services: | |
| Pupil support | 8,394,363 |
| Instructional support | 9,325,425 |
| General administration | 1,320,009 |
| School administration | 5,765,688 |
| Business services | 1,016,114 |
| Operations and maintenance | 9,891,421 |
| Pupil transportation | 2,423,921 |
| Central services | 6,092,570 |
| Other support services | 3,983,677 |
| Community services | 1,382,341 |
| Education for adults | 2,029,099 |
| Total Depreciation Expense | <u>\$ 110,951,848</u> |

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A summary of changes in governmental capital, lease and software assets are as follows:

| | July 1, 2023 | Additions | Transfers | Retirements | June 30, 2024 |
|-------------------------------|-------------------------|------------------------|-------------------------|-----------------------|-------------------------|
| Land | \$ 110,487,963 | \$ 10,580,164 | \$ - | \$ - | \$ 121,068,127 |
| Buildings and Improvements | \$ 2,393,578,925 | - | 246,077,299 | (65,403) | \$ 2,639,590,821 |
| Less accumulated depreciation | <u>1,019,035,648</u> | <u>84,227,229</u> | <u>-</u> | <u>-</u> | <u>1,103,262,877</u> |
| Net | <u>\$ 1,374,543,277</u> | <u>\$ (84,227,229)</u> | <u>\$ 246,077,299</u> | <u>\$ (65,403)</u> | <u>\$ 1,536,327,944</u> |
| Equipment | \$ 352,472,933 | 10,237,271 | 17,034,729 | (1,479,564) | \$ 378,265,369 |
| Less accumulated depreciation | <u>298,425,017</u> | <u>22,055,501</u> | <u>-</u> | <u>(1,474,310)</u> | <u>319,006,208</u> |
| Net | <u>\$ 54,047,916</u> | <u>\$ (11,818,230)</u> | <u>\$ 17,034,729</u> | <u>\$ (5,254)</u> | <u>\$ 59,259,161</u> |
| Construction in progress | <u>\$ 199,024,231</u> | <u>\$ 259,257,027</u> | <u>\$ (263,112,028)</u> | <u>\$ -</u> | <u>\$ 195,169,230</u> |
| Lease Assets: | | | | | |
| Land | \$ 509,467 | 846,131 | - | (408,196) | \$ 947,402 |
| Less amortization expense | <u>399,125</u> | <u>205,887</u> | <u>-</u> | <u>(397,144)</u> | <u>207,868</u> |
| Net | <u>\$ 110,342</u> | <u>\$ 640,244</u> | <u>\$ -</u> | <u>\$ (11,052)</u> | <u>\$ 739,534</u> |
| Building | \$ 14,390,694 | - | - | - | \$ 14,390,694 |
| Less amortization expense | <u>2,812,564</u> | <u>1,403,831</u> | <u>-</u> | <u>-</u> | <u>4,216,395</u> |
| Net | <u>\$ 11,578,130</u> | <u>\$ (1,403,831)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 10,174,299</u> |
| Equipment | \$ 2,206,257 | 2,930,002 | - | (1,507,447) | \$ 3,628,812 |
| Less amortization expense | <u>1,664,270</u> | <u>690,183</u> | <u>-</u> | <u>(1,507,447)</u> | <u>847,006</u> |
| Net | <u>\$ 541,987</u> | <u>\$ 2,239,819</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,781,806</u> |
| Software Assets | \$ 14,191,214 | 4,021,536 | - | (3,030,270) | \$ 15,182,480 |
| Less amortization expense | <u>2,227,198</u> | <u>2,369,217</u> | <u>-</u> | <u>(471,109)</u> | <u>4,125,306</u> |
| Net | <u>\$ 11,964,016</u> | <u>\$ 1,652,319</u> | <u>\$ -</u> | <u>\$ (2,559,161)</u> | <u>\$ 11,057,174</u> |
| Total Capital Assets (Net) | <u>\$ 1,762,297,862</u> | <u>\$ 176,920,283</u> | <u>\$ -</u> | <u>\$ (2,640,870)</u> | <u>\$ 1,936,577,275</u> |

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Net investment in capital assets is estimated by first comparing the total building fund expenditures since 2015 to the capital outlay from the building fund for the same time frame which is 86.26% as of June 30, 2024. The calculation of net investment in capital assets is below and results in a positive net investment in capital assets net of related debt.

| | | |
|---|----|----------------------|
| Capital assets (net) | \$ | 1,936,577,275 |
| Outstanding bonds payable | \$ | 2,186,383,604 |
| Less unspent bond proceeds | | (374,699,032) |
| Less capital related deferred loss on refunding | | (13,272,564) |
| Plus capital related deferred gain on refunding | | 4,469,770 |
| Adjusted bonds payable | \$ | 1,802,881,778 |
| Percent of capitalized assets | | 86.26% |
| Bonds payable related to capital assets | \$ | <u>1,555,165,822</u> |
| Related Debt: | | |
| Certificates of participation | | 268,065,618 |
| Lease assets liability | | 14,522,710 |
| SBITA/software assets liability | | 10,530,966 |
| Accounts payable capital related | | 36,036,545 |
| Retainage payable | | 15,776,340 |
| Total related debt | \$ | <u>1,900,098,001</u> |
| Net investment in capital assets | \$ | <u>36,479,274</u> |

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6. LEASES AND SOFTWARE BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Lessee

Denver Public Schools implemented GASB No. 87 July 1, 2021 and GASB No. 96 July 1, 2022 requirement to recognize a tangible lease and intangible software lease liability.

The following is the lease and software liability payment schedule as of June 30, 2024:

| | Fiscal Year | Principal | Interest | Total Expenditures |
|------------------------------------|-------------|-----------------------------|----------------------------|-----------------------------|
| Equipment | 2025 | \$ 621,869 | \$ 125,431 | \$ 747,300 |
| | 2026 | 579,955 | 92,769 | 672,724 |
| | 2027 | 611,481 | 58,999 | 670,480 |
| | 2028 | 702,806 | 23,548 | 726,354 |
| | | <u>\$ 2,516,111</u> | <u>\$ 300,747</u> | <u>\$ 2,816,858</u> |
| Buildings | 2025 | \$ 1,153,691 | \$ 478,028 | \$ 1,631,719 |
| | 2026 | 1,254,164 | 427,230 | 1,681,394 |
| | 2027 | 1,158,791 | 375,149 | 1,533,940 |
| | 2028 | 1,135,261 | 326,084 | 1,461,345 |
| | 2029 | 837,676 | 282,635 | 1,120,311 |
| | 2030-2034 | 5,143,350 | 747,170 | 5,890,520 |
| | 2035 | 567,075 | 11,174 | 578,249 |
| | | <u>\$ 11,250,008</u> | <u>\$ 2,647,470</u> | <u>\$ 13,897,478</u> |
| Land | 2025 | \$ 145,581 | \$ 39,414 | \$ 184,995 |
| | 2026 | 159,754 | 30,748 | 190,502 |
| | 2027 | 174,926 | 21,248 | 196,174 |
| | 2028 | 191,161 | 10,855 | 202,016 |
| | 2029 | 85,169 | 1,706 | 86,875 |
| | | <u>\$ 756,591</u> | <u>\$ 103,971</u> | <u>\$ 860,562</u> |
| Total Lease Liability | | <u>\$ 14,522,710</u> | <u>\$ 3,052,188</u> | <u>\$ 17,574,898</u> |
| Software | 2025 | \$ 2,233,054 | \$ 291,593 | \$ 2,524,647 |
| | 2026 | 1,700,877 | 207,945 | 1,908,822 |
| | 2027 | 1,582,726 | 152,398 | 1,735,124 |
| | 2028 | 1,467,756 | 112,984 | 1,580,740 |
| | 2029 | 1,392,793 | 73,856 | 1,466,649 |
| | 2030-2031 | 2,153,760 | 46,216 | 2,199,976 |
| Total Software Liability | | <u>\$ 10,530,966</u> | <u>\$ 884,992</u> | <u>\$ 11,415,958</u> |
| Total Lease and Software Liability | | <u><u>\$ 25,053,676</u></u> | <u><u>\$ 3,937,180</u></u> | <u><u>\$ 28,990,856</u></u> |

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Lessor

Denver Public Schools recognized a lease receivable for twenty-six Cell Towers, and two Building Leases during fiscal year 2024.

Total lease revenue recognized during the fiscal year ending June 2024 is as follows:

| | Revenue | Interest | Total Revenue |
|-------------|-------------------|-------------------|-------------------|
| Cell Towers | \$ 682,090 | \$ 105,201 | \$ 787,291 |
| Buildings | 14,437 | 142,360 | 156,797 |
| | <u>\$ 696,527</u> | <u>\$ 247,561</u> | <u>\$ 944,088</u> |

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7. LONG-TERM LIABILITIES

A summary of changes in long-term liabilities is as follows:

| | Balance June 30, 2023 | Additions | Refunded/ Reductions | Balance June 30, 2024 | Due Within One Year |
|-------------------------------------|--------------------------|-----------------------|-------------------------|--------------------------|------------------------|
| Bonds payable | \$ 2,070,107,000 | \$ - | \$ (109,955,000) | \$ 1,960,152,000 | \$ 139,247,000 |
| Premiums | 250,823,866 | - | (24,592,262) | 226,231,604 | - |
| Total bonds payable | 2,320,930,866 | - | (134,547,262) | 2,186,383,604 | 139,247,000 |
| Certificates of participation | 896,985,000 | - | (41,315,000) | 855,670,000 | 45,445,000 |
| Premiums | 16,392,628 | - | (2,056,558) | 14,336,070 | - |
| Total certificates of participation | 913,377,628 | - | (43,371,558) | 870,006,070 | 45,445,000 |
| Other long-term liabilities: | | | | | |
| Compensated absences | 19,022,971 | 12,509,949 | (11,192,664) | 20,340,256 | 3,449,983 |
| Lease Liability | 12,820,535 | 3,769,529 | (2,067,354) | 14,522,710 | 1,921,141 |
| SBITA Liability | 11,948,752 | 2,165,225 | (3,583,011) | 10,530,966 | 2,233,054 |
| Accrued Claims Liability | 12,435,809 | 6,802,483 | (6,685,522) | 12,552,770 | 3,627,365 |
| Net OPEB | | | | | |
| obligation(asset)* | 7,612,542 | - | (11,419,054) | (3,806,512) | - |
| Net Pension Liability* | 439,145,019 | 98,570,830 | - | 537,715,849 | - |
| Other obligation | 1,500,000 | - | (1,500,000) | - | - |
| Total other long-term liabilities | 504,485,628 | 123,818,016 | (36,447,605) | 591,856,039 | 11,231,543 |
| Total long-term liabilities | <u>\$ 3,738,794,122</u> | <u>\$ 123,818,016</u> | <u>\$ (214,366,425)</u> | <u>\$ 3,648,245,713</u> | <u>\$ 195,923,543</u> |

* In prior years the General Fund has been used to liquidate pension, OPEB liabilities and compensated absences.

Bonds payable and certificates of participation at June 30, 2024 are comprised of the following:

| Bonds: | Amount Issued | Amount Outstanding | Interest Rate | Final Maturity |
|--|------------------|-------------------------|------------------|-------------------|
| 2009B GO Qualified School Construction Bonds | \$ 24,022,000 | \$ 24,022,000 | 1.39% | 12/1/2024 |
| 2009C GO Taxable Build America New Money bonds | 250,000,000 | 250,000,000 | 5.664% | 12/1/2033 |
| 2010A GO Qualified School Construction Bonds | 29,260,000 | 29,260,000 | 4.73% | 9/1/2027 |
| 2010B GO Taxable Build America New Money Bonds | 1,545,000 | 1,545,000 | 4.93% | 12/1/2028 |
| 2012B GO Tax-Exempt Bonds | 428,600,000 | 77,340,000 | 3.00% - 5.00% | 12/1/2032 |
| 2012C GO Taxable Qualified Zone Academy Bonds | 16,000,000 | 16,000,000 | 3.773% | 12/1/2035 |
| 2012D GO Taxable Refunding Bonds | 67,220,000 | 2,010,000 | 1.680% - 3.154% | 12/1/2028 |
| 2014A GO Bonds | 21,400,000 | 14,360,000 | 5.00% - 5.50% | 12/1/2034 |
| 2014B GO Refunding Bonds | 149,170,000 | 114,730,000 | 3.50% - 5.00% | 12/1/2029 |
| 2016A GO Refunding Bonds | 143,280,000 | 137,300,000 | 1.75% - 5.00% | 12/1/2031 |
| 2017 GO Bonds | 466,675,000 | 404,335,000 | 4.00% - 5.00% | 12/1/2041 |
| 2018A GO Bonds | 105,325,000 | 89,720,000 | 5.00% - 5.50% | 12/1/2041 |
| 2018B GO Refunding Bonds | 106,130,000 | 31,275,000 | 2.297% - 3.587% | 12/1/2032 |
| 2021 GO Bonds | 450,000,000 | 364,515,000 | 3.00% - 5.00% | 12/1/2045 |
| 2021A GO Refunding Bonds | 52,890,000 | 52,890,000 | 4.00% | 12/1/2028 |
| 2022A GO Bonds | 345,000,000 | 345,000,000 | 5.00% | 12/1/2045 |
| 2022B GO Refunding Bonds | 33,380,000 | 5,850,000 | 5.00% | 12/1/2024 |
| Premium | - | 226,231,604 | - | - |
| Total bonds payable | | <u>\$ 2,186,383,604</u> | | |

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| Certificates of Participation: | Amount Issued | Amount Outstanding | Interest Rate | Final Maturity |
|-------------------------------------|----------------|-----------------------|-----------------|----------------|
| 2011B Taxable | \$ 396,235,000 | \$ 335,190,000 | 6.22% - 7.017% | 12/15/2037 |
| 2013B Taxable | 536,855,000 | 400,330,000 | 2.018% - 4.242% | 12/31/2037 |
| 2013C | 58,740,000 | 41,415,000 | 3.25% - 5.00% | 12/15/2033 |
| 2015B Tax-exempt | 8,570,000 | 7,525,000 | 2.50% - 5.00% | 12/15/2045 |
| 2017A | 32,080,000 | 16,730,000 | 2.00% - 5.00% | 12/1/2030 |
| 2017B | 14,095,000 | 7,480,000 | 4.00% - 5.00% | 12/1/2025 |
| 2017C | 10,000,000 | 7,420,000 | 2.94% | 12/1/2036 |
| 2018 | 7,710,000 | 6,105,000 | 3.000% - 5.000% | 12/1/2037 |
| 2020A | 35,225,000 | 33,475,000 | 5.000% | 12/1/2041 |
| Premium | - | 14,336,070 | - | - |
| Total certificates of participation | | <u>\$ 870,006,070</u> | | |

In prior years, the registered voters of Denver authorized the School District to issue general obligation bonds. As of June 30, 2024, all previously authorized bonds had been issued.

On May 1, 2013, as authorized by Board resolution, the District executed \$58.7 million Certificates of Participation, Series 2013C. The certificates provided funding of various projects in the Central Park Urban Redevelopment Area including the acquisition, improvement, and placement in service of one additional District elementary and K-8 schools. Also included were various improvements to the high school and sports field. The District and the Denver Urban Renewal Authority have entered into a 2013 Supplemental Denver Public Schools Funding Agreement to provide reimbursement to the District for the above listed projects which will serve as the source of repayment for the Series 2013C Certificates of Participation.

In September of 2015, as authorized by Board resolution, the District executed \$8.6 million Certificates of Participation, Series 2015B. The proceeds were used for the purchase of the parking garage located at 1855 Lincoln Street in downtown Denver and the land upon which it is located. The primary purpose is to provide affordable and long-term parking for the users of the Emily Griffith Campus. The Certificates explain undivided interests in the right to receive certain revenues payable by the District under an annually renewed Lease Purchase Agreement dated on October 5, 2015.

In May of 2017, as authorized by Board resolution, the District issued \$32 million Certificates of Participation, Series 2017A and \$14 million of Certificates of Participation, Series 2017B. The purpose of the 2017A issuance was to construct the Central Park Street School, an elementary school located in the Central Park neighborhood of Denver. The proceeds from 2017B issuance were used to purchase a school site for the Central Park Street School and to help fund the design and construction cost of a fire station near the school site to meet safety standards for DPS schools within Central Park.

In November of 2017, as authorized by the Board resolution, the District issued \$10 million Refunding Certificate of Participation, Series 2017C. The proceeds for the issuance in combination with the proceeds received from the sale of Emily Griffith Opportunity School properties were used for the refunding of \$35.2 million of 2013A Certificate of Participation.

In February of 2018, as authorized by Board resolution, the District issued \$7.7 million Certificates of Participation, Series 2018. The proceeds were used to purchase a building located at 1617 South Acoma Street in Denver and the site upon which it is located. The Acoma building currently houses 150 District employees in the Planning, Design and Construction, Library Services, JROTC, Extended Learning and Community Schools departments.

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In December of 2019, as authorized by Board resolution, the District issued \$35.2 million Certificates of Participation, Series 2020A. The proceeds from the 2020A Certificate financed the Kepner Shared Campus improvements and expansion and the Energy Performance Contract Project (EPC).

In November of 2020, as authorized by Board resolution, the District issued \$450 million general obligation bonds, Series 2021A. The proceeds will finance investments in critical maintenance, the Montbello campus, air conditioning, 2020A COP payback of Kepner portion, upgrading quality learning environments for students, District capacity needs, upgraded technology and safety, general fund relief, a greenhouse for food and nutrition services, master planning, and the prepayment of the District's obligations under the 2018B issuance.

In August of 2021, as authorized by the Board resolution, the District issued \$52.8 million Refunding general obligation bonds, Series 2021B. The proceeds for the issuance were used for the refunding of \$61.2 million of 2012A general obligation bonds. This results in a deferred gain on refunding of \$3.4 million.

In February of 2022, as authorized by Board resolution, the District issued \$345 million general obligation bonds, Series 2022A. The proceeds will finance investments in critical maintenance, the Montbello campus, air conditioning, 2020A COP payback of Kepner portion, upgrading quality learning environments for students, District capacity needs, upgraded technology and safety, general fund relief, a greenhouse for food and nutrition services, master planning, and the prepayment of the District's obligations under the 2018B issuance.

In September of 2022, as authorized by Board resolution, the District issued \$33.4 million Refunding general obligation bonds, Series 2022B. The proceeds were used for the refunding of \$33.7 million of 2012B general obligation bonds. This results in a deferred gain on refunding of \$4.6 million.

Annual requirements to maturity are as follows:

| Year Ending June 30, | General Obligation Bonds | | Certificates of Participation | |
|-------------------------|--------------------------|----------------|-------------------------------|----------------|
| | Principal | Interest | Principal | Interest |
| 2025 | 139,247,000 | 88,614,319 | 45,445,000 | 43,836,635 |
| 2026 | 92,330,000 | 83,327,660 | 48,550,000 | 42,023,550 |
| 2027 | 94,215,000 | 78,896,253 | 44,955,000 | 39,573,504 |
| 2028 | 114,435,000 | 75,218,384 | 47,880,000 | 37,337,935 |
| 2029 | 106,850,000 | 68,751,704 | 51,065,000 | 34,875,359 |
| 2030-2034 | 564,405,000 | 263,867,299 | 304,620,000 | 129,071,075 |
| 2035-2039 | 349,255,000 | 153,544,795 | 300,115,000 | 38,167,109 |
| 2040-2044 | 365,310,000 | 67,961,025 | 12,015,000 | 1,414,900 |
| 2045-2046 | 134,105,000 | 6,235,125 | 1,025,000 | 51,875 |
| Total | \$ 1,960,152,000 | \$ 886,416,564 | \$ 855,670,000 | \$ 366,351,942 |

The bonds are general obligations of the District. The full faith and credit of the District are pledged for the payment of the principal of and interest on the bonds. The Board annually determines and certifies, to the City and County of Denver a rate of levy for general ad valorem taxes, on all of the taxable property in the District, sufficient to pay debt service on bonds when due. The COPs are secured by schools and administrative properties owned and operated by the District.

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All bond obligations will be paid from the Bond Redemption Fund. The 2013C, 2017A, 2017B, 2017C and 2020A COPs are to be paid from the Building Capital Fund; whereas the 2011B and 2013B taxable COPs are attributable to pension obligations and are paid from the General Fund. The 2015B tax-exempt COPs are paid from General Fund.

The Building Fund ending fund balance of \$459,451,100 is from the issuance of Series 2017, 2018 and 2020 general obligation bonds and related interest earnings. At June 30, 2024, the Building Fund had capital expenditure purchase commitments outstanding of \$40,084,522.

Leases and Software Liability

The District has multiple agreements for leasing of buildings, equipment, land and software arrangements. In accordance with generally accepted accounting principles, the agreements have been capitalized at the present value of future minimum payments. The assets are reflected in the government-wide financial statements as of June 30, 2024 as follows:

| Type | Original Amount | Amount Outstanding | Interest Rate | Final Maturity |
|------------------------------------|-----------------|--------------------|---------------|----------------|
| Building | \$ 14,059,790 | \$ 11,250,008 | Variable | 06/01/2035 |
| Equipment | 3,220,820 | 2,516,111 | Variable | 07/01/2028 |
| Land | 839,526 | 756,591 | Variable | 02/01/2029 |
| Software | 14,224,578 | 10,530,966 | Variable | 12/23/2030 |
| Total Lease and Software Liability | \$ 32,344,714 | \$ 25,053,676 | | |

Annual debt service requirements to maturity for leases and software are as follows:

| Year Ending June 30, | Total |
|---|---------------|
| 2025 | \$ 5,088,661 |
| 2026 | 4,453,442 |
| 2027 | 4,135,718 |
| 2028 | 3,970,455 |
| 2029 | 2,673,835 |
| 2030-2034 | 8,090,495 |
| 2035-2036 | 578,250 |
| Total Minimum Lease and Software Payments | \$ 28,990,856 |
| Less: Interest | 3,937,180 |
| Present Value of Future Minimum Lease and Software Payments | \$ 25,053,676 |

Defeasance of General Obligation Bonds

In prior years, the District advance refunded a portion of the District's general obligation bonds with the proceeds from the issuance of new general obligation bonds. The defeased bonds are not considered a liability of the District. At June 30, 2024, \$315,040,000 of refunded 2012A and 2012B bonds are considered in-substance defeased.

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Compensated Absences Liability

Compensated absences liability consists of accumulated sick leave time that vests and is payable upon retirement and accumulated vacation leave time that vests and is payable upon retirement or termination. On the fund financial statements, compensated absence amounts are reported as expenditures or expenses when paid. The estimated cost for fiscal year 2025 is \$3,449,983. These expenditures are recognized in the fund where incurred.

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8. SHORT-TERM DEBT

The District participates in the State Treasurer's Interest-Free Loan Program for Colorado School Districts authorized by Sections 29-15-112 and 22-54-110 of the Colorado Revised Statutes. The loan is secured by ad valorem taxes on real and personal property received by the District on and after March 1, 2024, to and including June 30, 2024. The District borrowed \$513,000,000 throughout the fiscal year to meet cash flow needs since the majority of property taxes are received starting in March. The loan was repaid during the months of March and May. In June of 2024, the District's Board of Education authorized participation in the Fiscal Year 2025 State Interest Free Loan Program with a Maximum Principal Amount of \$630,000,000.

| June 30, 2023 | Borrowed | Repayment | June 30, 2024 |
|---------------|----------------|----------------|---------------|
| Balance | | | Balance |
| \$ 0 | \$ 513,000,000 | \$ 513,000,000 | \$ 0 |

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9. PENSION PLAN

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The District participates in the Denver Public Schools Division Trust Fund (DPS Division), a single-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The District's discretely presented component units also participate in the DPS Division, except for the employees of the Denver Public Schools Foundation and Denver School of Science and Technology schools. All assumptions and information contained in this footnote apply to the District and its discretely presented component units that participate in the plan, unless otherwise noted. 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 DPS Division have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the District are provided with pensions through the DPS Division—a single-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly.

PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

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

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

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

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

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.

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- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

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

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

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

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

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

Contributions provisions as of June 30, 2024. Eligible employees of the District, the District's discretely presented component units, and the State are required to contribute to the DPS Division at a rate set by Colorado statute. The contribution requirements for the DPS Division are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00 percent of their PERA-includable salary period of July 1, 2023 through June 30, 2024. Employer contribution requirements are summarized in the table below:

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| | July 1, 2023 through December 31, 2023 | January 1, 2024 through June 30, 2024 |
|--|--|---|
| Employer Contribution Rate | 11.40% | 11.40% |
| Amount of Employer Contribution apportioned to the DPS HCTF as specified in C.R.S. § 24-51-208(1)(f) | (1.02)% | (1.02)% |
| PCOP offset as specified in C.R.S. § 24-51-412* | (10.93)% | (9.78)% |
| Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 | 4.50% | 4.50% |
| Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 | 5.50% | 5.50% |
| Total employer contribution rate to the DPS Division | 9.45% | 10.60% |

*To conform with this presentation of contribution rates, the 2023 annual PCOP offset of 11.47 percent has been adjusted based on the portion of the PCOP offset used to satisfy employer contribution requirements.

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

Employer contributions are recognized by the DPS Division in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the DPS Division. Employer contributions recognized by the DPS Division from the District and the discretely presented component units were \$86,679,253 and \$807,747 respectively, for the year ended June 30, 2024.

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

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

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

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At June 30, 2024, the District and its discretely presented component units reported a liability of \$537,715,849 and \$80,733,615, respectively, for their 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 District and the discretely presented component units as their proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District and its component units were as follows:

| | |
|--|----------------|
| The District's proportionate share of the net pension liability | \$ 537,715,849 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with DPS | 25,435,591 |
| Discretely presented component units | 80,733,615 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with discretely presented component units | 3,818,945 |
| Total | \$ 647,704,000 |

At December 31, 2023, the District's proportion was 83.01 percent, which was an increase of 32.41 percent from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District and its discretely presented component units recognized a pension expense of \$78,686,411 and \$6,593,641 respectively.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ 142,403,745 | \$ - |
| Contributions subsequent to the measurement date | 45,675,275 | - |
| Difference between expected and actual experience | 30,601,546 | - |
| Changes in proportion | 110,791,036 | (68,018,727) |
| Changes of assumptions or other inputs | - | |
| Total | <u>\$ 329,471,602</u> | <u>\$ (68,018,727)</u> |

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At June 30, 2024, the District's discretely presented component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ 29,682,331 | \$ (8,590,144) |
| Contributions subsequent to the measurement date | 6,517,620 | - |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 16,211,776 | (7,403,917) |
| Difference between expected and actual experience | 4,594,571 | - |
| Changes of assumptions or other inputs | - | - |
| Total | <u>\$ 57,006,298</u> | <u>\$ (15,994,061)</u> |

The District and the component units reported \$45,675,275 and \$6,517,620 respectively as deferred outflows of resources from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| District | |
|--------------------|-----------------------|
| Year ended: | |
| 2025 | \$ 10,486,616 |
| 2026 | 98,856,820 |
| 2027 | 145,631,472 |
| 2028 | (39,197,308) |
| Total | <u>\$ 215,777,600</u> |

| Component units | |
|------------------------|----------------------|
| Year ended: | |
| 2025 | \$ 467,823 |
| 2026 | 14,997,429 |
| 2027 | 21,192,061 |
| 2028 | (3,583,134) |
| 2029 | \$ 1,420,438 |
| Total | <u>\$ 34,494,617</u> |

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

| | |
|---|---------------------|
| Actuarial cost method | Entry age |
| Price inflation | 2.30% |
| Real wage growth | 0.70% |
| Wage inflation | 3.00% |
| Salary increases, including wage inflation | 3.80% – 11.50% |
| 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 |

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

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

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

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

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

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

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

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

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed

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and adopted by the PERA Board at their November 20, 2020, meeting.

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

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

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

| Asset Class | Target Allocation | 30 Year Expected Geometric Real Rate of Return |
|----------------|-------------------|--|
| Global Equity | 54.00% | 5.60% |
| Fixed Income | 23.00% | 1.30% |
| Private Equity | 8.50% | 7.10% |
| Real Estate | 8.50% | 4.40% |
| Alternatives | 6.00% | 4.70% |
| Total | 100.00% | |

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

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

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

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adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions for the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

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

| | Increase (Decrease) | | |
|--|-----------------------------|---------------------------------|---------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| | \$ 4,803,157,000 | \$ 3,935,428,000 | \$ 867,729,000 |
| Balances at 6/30/2023 | | | |
| Changes for the year: | | | |
| Service cost | 113,314,000 | - | 113,314,000 |
| Interest | 345,494,000 | - | 345,494,000 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience | 34,752,000 | - | 34,752,000 |

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| | | | |
|---|-------------------------|-------------------------|-----------------------|
| Changes of assumptions or other inputs | - | - | - |
| Contributions - employer | - | 87,487,000 | (87,487,000) |
| Contributions - nonemployer | - | 4,132,000 | (4,132,000) |
| Contributions - active member (includes purchased service) | - | 104,916,000 | (104,916,000) |
| Net investment income | - | 517,546,000 | (517,546,000) |
| Benefit payments, including refunds and disability premiums | (302,075,000) | (302,075,000) | - |
| Administrative expense | - | (3,292,000) | 3,292,000 |
| Other changes | - | 2,796,000 | (2,796,000) |
| Net changes | 191,485,000 | 411,510,000 | (220,025,000) |
| Balances at 6/30/2024 | \$ 4,994,642,000 | \$ 4,346,938,000 | \$ 647,704,000 |

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

| Sensitivity of proportionate share of the Net Pension Liability/(Asset) | 1% Decrease (6.25)% | Current Discount Rate (7.25%) | 1% Increase (8.25)% |
|---|-------------------------|-------------------------------|------------------------|
| District | \$ 1,059,820,849 | \$ 537,715,849 | \$ 107,931,033 |
| Component units | 159,141,455 | 80,733,615 | 16,206,797 |
| | \$ 1,218,962,304 | \$ 618,449,464 | \$ 124,137,830 |

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

Membership – Benefit recipients and members of PERA consisted of the following as of December 31, 2023. These numbers include all recipients and members for the DPS Division, including those from the District's discretely presented component units.

| Classification | Members |
|--|----------------|
| Retirees and beneficiaries | 7,316 |
| Inactive members eligible but not yet receiving benefits | 3,364 |
| Inactive members not eligible for benefits | 17,173 |
| Active members | |
| Vested general employees | 8,475 |
| Non-vested general employees | 7,151 |
| Total Actives | 15,626 |
| Total | 43,479 |

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Defined Contribution Pension Plan

Voluntary Investment Program

Plan Description - Employees of the District that are also members of the DPS Division may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available Annual Report which includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, the District does not match employee contributions. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended June 30, 2024, Program members contributed \$2,981,383 for the Voluntary Investment Program.

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10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Denver Public Schools provides the following other postemployment benefit plans through Colorado PERA's Denver Public Schools Health Care Trust Fund (DPS HCTF)

Aggregate OPEB items for the plan is as follows for the District and its discretely presented component units (DPCU):

| DPS HCTF | Net OPEB Liability (Asset) | Deferred Outflows of Resources | Deferred Inflows of Resources | OPEB Expense (Credit) |
|------------|-------------------------------|-----------------------------------|----------------------------------|--------------------------|
| District | (3,806,512) | 6,560,214 | (10,996,198) | (2,180,603) |
| DPCU | (571,488) | 1,499,176 | (1,995,606) | (307,674) |
| Plan Total | (4,378,000) | 8,059,390 | (12,991,804) | (2,488,277) |

Colorado PERA's Denver Public Schools Health Care Trust Fund (DPS HCTF)

Summary of Significant Accounting Policies

OPEB. – The District participates in the Denver Public Schools Health Care Trust Fund (DPS HCTF), a single-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The District's discretely presented component units also participate in the DPS HCTF, except for the employees of the Denver Public Schools Foundation and Denver School of Science and Technology schools. 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 DPS HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

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

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

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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.

Membership. Benefit recipients and members of PERA consisted of the following as of December 31, 2023. These numbers include all recipients and members for the DPS Division, including those from the District's discretely presented component units.

| Classification | Members |
|--|----------------|
| Retirees and beneficiaries | 7,316 |
| Inactive members eligible but not yet receiving benefits | 3,364 |
| Inactive members not eligible for benefits | 17,173 |
| Active members | |
| Vested general employees | 8,475 |
| Non-vested general employees | 7,151 |
| Total active members | 15,626 |
| Total | 43,479 |

PERA Benefit Structure - HCTF

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.

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 DPS HCTF or the HCTF on behalf of benefit recipients not covered by Medicare Part A.

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DPS Benefit Structure - HCTF

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

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

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the DPS HCTF. PERA reporting agencies of the DPS Division are required to contribute at a rate of 1.02 percent of PERA-includable salary into the DPS HCTF.

Employer contributions are recognized by the DPS HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the DPS HCTF from the District and its discretely presented component units were \$8,515,515 and \$911,686 for the year ended June 30, 2024.

OPEB Liabilities (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - HCTF

At June 30, 2024, the District reported an asset of \$3,806,512 for its proportionate share of the net OPEB asset and the discretely presented component units reported an aggregate asset of \$571,488. The net OPEB asset for the DPS HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. The District proportion of the net OPEB asset was based on District contributions to the DPS HCTF for the calendar year 2023 relative to the total contributions of participating employers to the DPS HCTF.

At December 31, 2023, the District's proportion was 86.9 percent, which is an increase of 0.33 percent from its proportion measured as of December 31, 2022, and the discretely presented component units proportion was 13.1 percent, which is a decrease of 0.33 percent from the proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized OPEB credit of \$(2,180,603) and the discretely presented component units recognized OPEB credit of \$(307,674). At June 30, 2024, the District reported

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deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows | Deferred Inflows |
|---|---------------------|-----------------------|
| Difference between expected and actual experience | \$ - | \$(7,676,495) |
| Changes of assumptions or other inputs | 99,119 | (2,974,435) |
| Net difference between projected and actual earnings on OPEB plan investments | 1,851,958 | - |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 87,103 | (345,268) |
| Contributions subsequent to the measurement date | 4,522,034 | - |
| Total | <u>\$ 6,560,214</u> | <u>\$(10,996,198)</u> |

At June 30, 2024, the District's discretely presented components units reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows | Deferred Inflows |
|---|---------------------|----------------------|
| Difference between expected and actual experience | \$ 520 | \$(1,152,505) |
| Changes of assumptions or other inputs | 14,881 | (446,565) |
| Net difference between projected and actual earnings on OPEB plan investments | 278,042 | - |
| Changes in proportion and differences between contributions recognized and proportionate share of contributions | 575,662 | (396,536) |
| Contributions subsequent to the measurement date | 630,071 | - |
| Total | <u>\$ 1,499,176</u> | <u>\$(1,995,606)</u> |

The District and its component units reported \$4,522,034 and \$630,071, respectively, as deferred outflow of resources from contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability for the year ended 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| District | |
|----------------------------|-----------------------|
| Year Ended June 30: | |
| 2025 | \$ (2,983,810) |
| 2026 | (1,864,193) |
| 2027 | (824,992) |
| 2028 | (2,112,822) |
| 2029 | (968,447) |
| Thereafter | (203,754) |
| Total | <u>\$ (8,958,018)</u> |

**Discretely Presented
Component Units**

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| Year Ended June 30: | | |
|----------------------------|----|--------------------|
| 2024 | \$ | (319,875) |
| 2025 | | (263,164) |
| 2026 | | (113,195) |
| 2027 | | (232,473) |
| 2028 | | (116,086) |
| Thereafter | | (81,708) |
| Total | \$ | <u>(1,126,501)</u> |

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

| | |
|--|---|
| Actuarial cost method | Entry age |
| Price inflation | 2.30% |
| Real wage growth | 0.70% |
| Wage inflation | 3.00% |
| Salary increases, including wage inflation | 3.80% - 11.50% |
| Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation | 7.25% |
| Discount rate | 7.25% |
| Health care cost trend rates | |
| PERA benefit structure: | |
| Service-based premium subsidy | 0.00% |
| PERACare Medicare plans | 7.00% in 2023, gradually decreasing to 4.50% in 2033 |
| Medicare Part A premiums | 3.50% in 2023, gradually increasing to 4.50% in 2035 |
| DPS benefit structure: | |
| Service-based premium subsidy | 0.00% |
| PERACare Medicare plans | N/A |
| Medicare Part A premiums | N/A |

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

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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% |

| 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 | \$ 1,692 | \$ 1,406 | \$ 579 | \$ 481 | \$ 1,913 |
| 70 | \$ 1,901 | \$ 1,573 | \$ 650 | \$ 538 | \$ 2,149 | \$ 1,778 |
| 75 | \$ 2,100 | \$ 1,653 | \$ 718 | \$ 566 | \$ 2,374 | \$ 1,869 |

| Sample Age | MAPD PPO #1 without Medicare Part A | | 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 | \$ 6,469 | \$ 5,373 | \$ 4,198 | \$ 3,487 | \$ 6,719 |
| 70 | \$ 7,266 | \$ 6,011 | \$ 4,715 | \$ 3,900 | \$ 7,546 | \$ 6,243 |
| 75 | \$ 8,026 | \$ 6,319 | \$ 5,208 | \$ 4,101 | \$ 8,336 | \$ 6,563 |

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

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

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

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

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

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

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for the DPS Division as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the DPS HCTF, but developed using a headcount-weighted basis. Reporting agencies of the DPS Division participate in the DPS HCTF.

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

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

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

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

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

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

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

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

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

The actuarial assumptions used in the December 31, 2022, valuation were based on the results of the 2020 experience analysis dated October 28, 2020 and November 4, 2020 for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board on November 20, 2020.

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

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

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

| Asset Class | Target Allocation | 30 Year Expected Geometric Real Rate of Return |
|----------------|-------------------|--|
| Global Equity | 54.00% | 5.60% |
| Fixed Income | 23.00% | 1.30% |
| Private Equity | 8.50% | 7.10% |
| Real Estate | 8.50% | 4.40% |
| Alternatives | 6.00% | 4.70% |
| Total | 100.00% | |

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

Sensitivity of the District's proportionate share of the net OPEB liability (asset) to changes in the Health Care Cost Trend Rates. The following presents the net OPEB liability using the current health care cost trend rates applicable to the 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* | 5.75% | 6.75% | 7.75% |
| Ultimate PERACare Medicare trend rate | 3.50% | 4.50% | 5.50% |
| Initial Medicare Part A trend rate | 2.50% | 3.50% | 4.50% |
| Ultimate Medicare Part A trend rate | 3.50% | 4.50% | 5.50% |
| Net OPEB Liability (Asset) | \$ (4,556,000) | \$ (4,378,000) | \$ (4,235,000) |
| District Portion | \$ (3,961,277) | \$ (3,806,512) | \$ (3,682,179) |
| Discretely Presented Component Units | \$ (594,723) | \$ (571,488) | \$ (552,821) |

*For the January 1, 2024, plan year.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarial determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the DPS 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.

Based on the above assumptions and methods, the DPS HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and

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therefore, the discount rate is 7.25 percent.. There was no change in the discount rate from the prior measurement date.

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

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|--|------------------------|----------------------------------|------------------------|
| Proportionate Share of the Net OPEB Liability (Asset) | \$ 1,547,645 | \$ (3,806,512) | \$ (8,355,546) |
| Discretely Presented Component Units | \$ 232,355 | \$ (571,488) | \$ (1,254,454) |

Schedule of Changes in Net OPEB Liability - HCTF

| | Increase (Decrease) | | | Net OPEB Liability/(Asset) (a) - (b) |
|---|-----------------------------|------------------------------------|-----------------------|--|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | (a) - (b) | |
| | \$ | \$ | \$ | |
| Balances as of June 30, 2023 | \$ 61,024,000 | \$ 52,235,002 | \$ 8,788,998 | |
| Changes for the year: | | | | |
| Service cost | 1,138,000 | - | 1,138,000 | |
| Interest | 4,358,000 | - | 4,358,000 | |
| Differences between expected and actual experience | (2,206,000) | - | (2,206,000) | |
| Changes of assumptions or other inputs | 134,000 | - | 134,000 | |
| Benefit payments | (4,105,000) | (3,951,000) | (154,000) | |
| Contributions - employer | - | 9,445,000 | (9,445,000) | |
| Purchased service transfers | - | 236,000 | (236,000) | |
| Net investment income (loss) | - | 7,218,000 | (7,218,000) | |
| Administrative expense | - | (461,000) | 461,000 | |
| Other additions and deductions | - | (1,002) | 1,002 | |
| Balances as of June 30, 2024 | \$ 60,343,000 | \$ 64,721,000 | \$ (4,378,000) | |

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

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11. RISK MANAGEMENT

The District's risk management program deals with the efficient operations of the commercial insurance programs that provide financial protection to the District. These programs include property insurance, several lines of liability insurance, workers' compensation insurance, medical, and dental. For the prior three years the amount of claim payments for property and liability insurance has not exceeded the amount of insurance coverage.

Property and Liability Insurance

The District has the normal exposures to loss that are part of any large organization. The District is a public facility that teaches and supervises over 89,000 students, employs approximately 13,000 people to accomplish these functions and provides these services in over 207 facilities located throughout the City and County of Denver. Exposures to loss includes damages and theft of property, tort claims, errors and omissions on the part of District employees or Board members, on the job injuries and automobile liability claims.

The District participates in the Colorado School District Self-Insurance Pool (the Pool) for liability and property coverage. The Pool provides coverage, claims handling and loss prevention services to its members.

The District retains a certain level of all liability losses. For the year ended June 30, 2024 the District retained \$250,000 of each school entity liability loss and \$250,000 for each automobile liability loss. For the same period the retention level for each property claim was \$100,000. These deductible levels were arrived at after reviewing the average historical losses and determining the amount of each loss the District could pay directly.

| Fiscal Year ended June 30 | 2024 | 2023 |
|--|----------------------------|----------------------------|
| Claims Liability, Beginning of Fiscal Year | \$ 1,964,624 | \$ 2,126,351 |
| IBNR Adjustment | (19,134) | (2,394,605) |
| Claims incurred | 564,809 | 2,406,279 |
| Claims Paid | (78,885) | (173,401) |
| Claims Liability, End of Fiscal Year | <u><u>\$ 2,431,414</u></u> | <u><u>\$ 1,964,624</u></u> |

Workmen's Compensation

The workers' compensation insurance program is a self-financed program, for the first \$550,000 of each loss. Risk Management funds for the workers' compensation program to pay expenses and claims costs, as well as premiums for excess insurance to cover losses above the \$550,000 self-insured retention. The District uses a third party claims administrator to process claims. Claim liabilities for automobile liability, school entity and workers' compensation, including incurred but not reported (IBNR) claims, were determined by Aon Global Risk Consulting (AGRC) at the request of the District.

| Fiscal Year Ended June 30 | 2024 | 2023 |
|--|-----------------------------|-----------------------------|
| Claims Liability, Beginning of Fiscal Year | \$ 10,471,185 | \$ 9,451,722 |
| Claims Incurred | 6,237,674 | 4,484,593 |
| Claims Paid | (6,587,503) | (3,465,130) |
| Claims Liability, End of Fiscal Year | <u><u>\$ 10,121,356</u></u> | <u><u>\$ 10,471,185</u></u> |

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Medical and Dental

The District began self-insuring for employee medical and dental benefits on July 1, 2023. Premiums are paid into the Medical, Dental and Vision account in the General Fund by all participating employees and operating departments to pay claims, claim reserves, and administrative costs. Sun Life Provides Stop Loss Insurance for the District's medical plans. Sun Life covers claims that are in excess of 400k and this insurance helps DPS limit our exposure/risk to high medical claims. All claims are reviewed and approved for payment by Kaiser Motiv and Aetna in accordance with their administrative services agreement with the District.

| Fiscal Year ended June 30 | 2024 | 2023 |
|--|---------------------|---------------------|
| Claims Liability, Beginning of Fiscal Year | \$ 6,382,979 | \$ 5,230,741 |
| Claims Incurred | 42,763,249 | 45,247,695 |
| Claims Paid | (56,448,676) | (56,861,415) |
| Claims Liability, end of Fiscal Year | <u>\$ 7,302,448</u> | <u>\$ 6,382,979</u> |

Medical and dental claims liability are reflected in the fund financial statements as the claims are generally settled utilizing current financial resources.



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12. RELATED PARTIES

The District has an intergovernmental agreement with Douglas County School District RE-1, Arapahoe County School District No. 6 (Littleton Public Schools), Cherry Creek School District No. 5 and Aurora Public Schools to create a board of cooperative educational services (BOCES) for the purpose of operating an expeditionary learning school. The Rocky Mountain School of Expeditionary Learning (RMSEL), is a kindergarten through 12th grade school. RMSEL is a self-governing organization with its own Board of Education. The six Board members consist of one school Board member from each of the participating districts and one member appointed by the sponsoring districts from the public at large. During FY 2024, Douglas County School District RE-1 and Cherry Creek School District No. 5 withdrew from the BOCES. Per the current Intergovernmental Agreement 2022 - 2027, both districts remained partners through June 30, 2024. The BOCES is continuing to operate under the current Intergovernmental Agreement 2022 - 2027.

By contract, the maximum number of students the RMSEL may serve is 400. These students must be residents of one of the five participating school districts. All students at RMSEL are included in the District's enrollment number that is reported to the Colorado Department of Education for funding purposes. The District receives the funding related to the RMSEL students and passes 100% of that funding on to RMSEL along with a portion of state and federal categorical aid as appropriate. That funding was \$4,150,039 for FY 2024. RMSEL purchased special education services from the District for \$138,144 for the same year.

RMSEL is located at 1700 South Holly St., Denver, CO 80222 in one of the District's buildings. RMSEL leases the facility from the District for \$151,500 per year and is included as part of GASB 87 lease reporting requirements in our government wide statements and lease note to the financials.

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13. COMMITMENTS AND CONTINGENCIES

The District is a party to pending or potential lawsuits under which it may be required to pay certain amounts upon final disposition of these matters. After consulting with counsel, the District's management has concluded that no significant adverse effect on the June 30, 2024 financial statements should result upon final disposition of these proceedings.

The District has a potential liability relating to the "Asbestos Hazard Emergency Response Act" (the Act), which is a federally-funded hazardous material/asbestos management program administered by the State Health Department. It is not possible to estimate the costs associated with the Act, therefore no liability has been accrued. It is expected that these expenditures will not have a significant impact on the financial position of the District.

Under terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The District's management believes a disallowance, if any, will be immaterial.

For the year ended June 30, 2024, the District reported a deficit net position of \$357,460,883 in the government-wide statements. This deficit can be primarily attributed to the implementation of GASB 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* requiring the recognition of a long-term liability for pensions. The deficit net position can also be attributed to liabilities related to the District's Certificates of Participation and General Obligation bonds to fund retirement and necessary capital and maintenance projects of the District's facilities.

Encumbrances represent a contractual obligation and expenditures are recognized when the goods and services are delivered and/or received. As of June 30, 2024 encumbrances for the governmental funds were:

| Fund | Encumbrances |
|----------------------------|----------------------|
| General | 14,925,747 |
| Grant Special Revenue Fund | 2,784,666 |
| Building Fund | 40,084,522 |
| Nonmajor Funds | 1,959,207 |
| Total | <u>\$ 59,754,142</u> |

General Fund encumbrances include utilities, commitments to the District's health care plans as well as districtwide and school level operations.

Grant Special Revenue Fund comprises commitments for literacy professional services, summer school tuition assistance and student technology devices.

Building Fund encumbrances include commitments towards major capital maintenance and construction projects such as but not limited to construction of the future phases of Montbello and Ceylon campus, DSA South Remodel, John F. Kennedy electrical upgrades and Loretto Heights soccer field. Other major commitments for heating ventilation and cooling projects at Thomas Jefferson, Stedman, Columbine and Sabin. Also included are commitments towards the District Wide Long Term Safety Plan, District Wide Student My Tech and Enterprise Management.

Nonmajor Fund encumbrances include commitments for food services and athletics equipment.

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14. CERTAIN CONSTITUTIONAL LIMITATIONS

At the general election held November 1992, voters approved the TABOR amendment to the Colorado Constitution limiting the ability of the state and local governments such as the District to increase revenues, debt and spending and restricting property, income and other taxes. In November 1999 the Denver voters gave the District approval to exceed the spending limits established in TABOR beginning with the 1999 fiscal year. The amendment also requires that the state and local governments obtain voter approval to create any "multiple fiscal year direct or indirect debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years." The amendment exempts from its restrictions the borrowings and fiscal operations of enterprises. Enterprises are defined to include government owned businesses authorized to issue their own revenue bonds and receiving under 10% of their grants from all state and local government sources combined. The amendment also requires the establishment of an emergency reserve equal to three percent of fiscal year spending excluding debt service.

In accordance with TABOR, the District maintains an emergency reserve of 3% of fiscal year spending by designating real property owned by the District in lieu of cash. For fiscal year 2024, spending was \$1,550,870,445 and the 3% emergency reserve was \$46,526,113, which excludes multi-year obligations of \$359,868. Additionally, in accordance with C.R.S. Section 22-44-105, the District established an emergency cash reserve as a restricted fund balance in the General Fund for \$40,707,510 equal to 3% of budgeted General Fund revenues. The remaining \$5.8 million of the emergency reserve is secured by physical property.

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15. COMPONENT UNITS

The District has 24 component units consisting of 2 blended component units and 22 discretely presented component units. Charter schools are included in the component units as they are fiscally dependent upon revenues derived from the State per pupil revenue funding calculation.

Change in Reporting Entity

The component units combining financial statements reflect changes in reporting entity. The changes in reporting entity include charter schools that closed.

As of June 30, 2024, American Indian Academy was closed due to financials and declining enrollment. American Indian's School board of directors voted to close the school at the end of the 2022-2023 school year and terminate its charter contract with its authorizer.

Blended Component Units

Denver School Facilities Leasing Corporation

The DSFLC was formed in December 1985 as a not-for-profit corporation under Sections 501(c) (3) and 501(c) (4) of the Internal Revenue Code and exists solely to acquire real estate, buildings and equipment for schools for future lease to the District. The District is primarily responsible for the creation and continued management of the DSFLC, has influence over its operations and is ultimately responsible for any deficits or operating deficiencies. The certificates of participation issued by the DSFLC and its activities for the year are reflected in the accompanying government-wide financial statements of the District. An evaluation of the DSFLC using the above considerations results in its blended inclusion in the accompanying financial statements. There are no separate financial statements available for the DSFLC and the financial information of the DSFLC is blended with that of the primary government which is why DSFLC is not shown on the schedules in this note.

Denver Public Schools Professional Compensation System for Teachers

The Denver Public Schools Professional Compensation System (ProComp) was established following the approval of the 2005 Mill Levy Override as a groundbreaking compensation system that links teacher pay to the instructional mission of the District. Designed in a partnership between the Denver Classroom Teachers Association (DCTA) and the District, ProComp has received national attention because it rewards teachers for their professional accomplishments while linking pay to student achievement. The financial information of ProComp is blended with that of the primary government, which is why ProComp is not shown on the schedules in this note. ProComp is presented as a component unit because it is a separate legal entity and is financially accountable to the District.

Discretely Presented Component Units

Denver Public Schools Foundation

In 1984 the Denver Public Schools Foundation (the Foundation) was incorporated as a widely based not-for-profit charitable organization whose educational purposes are to support the mission, goals and objectives of the District. Programs administered by the foundation provide a financial benefit to the District in the form of grants, scholarships and special projects which support innovative classroom initiatives and enhance the educational opportunities of District students and staff. In addition, donations

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to the foundation support various educational programs within the District. Even though the foundation is a separate legal entity and the District is not financially accountable for the foundation, the foundation's financial statements are included as part of the District's financial reporting entity because of the nature and significance of the relationship between the primary government and the foundation. The foundation solicits donations and manages those funds for the benefit of the students and District. Complete financial statements for this component unit may be obtained from 1860 Lincoln St, Denver, CO 80203.

Charter Schools

In 1993, the State of Colorado Legislature enacted the "Charter School Act – Colorado Revised Statutes (CRS) Section 22-30.5-101," which permits the District to contract with individuals and organizations for the operation of charter schools within the District. The charter schools are financed by a portion of the District's School Finance Act Revenues (based on student enrollment), mill levy override property tax dollars and state and federal grants, as well as other revenues generated by the charter school. The District's Board of Education must approve all charter school applications; however, they have their own separate governing boards.

Separately issued financial statements for the District's 22 charter schools are available from the individual charter schools at the addresses noted below:

- 5280 High School, 899 Broadway, Denver, CO 80203
- Academy 360 Charter School, 12505 Elmendorf Place, Denver, CO 80239
- Academy of Urban Learning, 2417 W. 29th Avenue, Denver, CO 80211
- Colorado High School Charter, 1175 Osage Street, Suite #100, Denver, CO 80204
- Compass Academy, 2285 S. Federal Boulevard, Denver, CO 80219
- Denver Justice High School, 300 E. 9th Avenue, Denver, CO 80203
- Denver Language School, 451 Newport Street, Denver, CO 80220
- Downtown Denver Expeditionary School, 1860 Lincoln Street, Denver CO 80295
- DSST Public Schools, 3401 Quebec Street, Suite 7200, Denver, CO 80207
- French American School of Denver, 2350 N. Gaylord Street, Denver, CO 80205
- Girls Athletic Leadership Schools, 750 Galapago Street, Denver CO 80204
- Highline Academy Schools, 2170 S. Dahlia Street, Denver, CO 80222
- KIPP Colorado Schools, 1390 Lawrence Street, Suite 200, Denver, CO 80204
- Monarch Montessori of Denver Charter, 4895 Peoria Street, Denver, CO 80239
- Odyssey School of Denver, 6550 E. 21st Avenue, Denver, CO 80207
- Omar D. Blair Charter School, 4905 Cathay Street, Denver, CO 80249
- RiseUp Community School, 1801 Federal Boulevard, Denver, CO 80204
- SOAR Charter School, 4800 Telluride Street, #4, Denver, CO 80249
- STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools, 2480 W. 26th Avenue, B-360, Denver, CO 80280
- University Preparatory Schools, 2409 Arapahoe Street, Denver, CO 80205
- Wyatt Academy, 3620 Franklin Street, Denver, CO 80205

Pension Plan

Charter school employees participate in the Denver Public Schools Division Trust Fund (DPS Division), a single-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 68 and is administered by the Colorado Public Employees' Retirement Association (PERA). The employees at all Denver School of Science and Technology schools do not participate in the DPS Division pension plan.

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OPEB Plan

Charter school employees participates in the Denver Public Schools Health Care Trust Fund (DPS HTCF), a single-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado as defined in Governmental Accounting Standards Board (GASB), except for the employees of the Denver School of Science and Technology schools.

Change in Reporting Entity and Correction of an Error:

Beginning net position for all discretely-presented component units in the aggregate differs with ending net position from the prior report as follows:

| | June 30, 2023 | | | | |
|---|---------------------------|----------------------------|-------------------|------------------------|-----------------------------|
| | as previously reported | Reporting Entity Change | GASB 69 Merger | Correction of error | July 1, 2024 as restated |
| Ending net position for component units in the aggregate | \$ 132,695,718 | (731,769) | - | (800,259) | 131,163,690 |

School Closures:

| | | | | | |
|-------------------------|------------|-----------|---|---|---|
| American Indian Academy | \$ 731,769 | (731,769) | - | - | - |
|-------------------------|------------|-----------|---|---|---|

GASB 69 Merger:

| | | | | | |
|---|---------------------|----------|-------------|----------|------------------|
| Strive Preparatory Schools, inclusion of Rocky Mountain Prep Merger | \$ (1,774,260) | - | 9,329,451 | - | 7,555,191 |
| Rocky Mountain Preparatory Schools | \$ 9,329,451 | - | (9,329,451) | - | - |
| GASB 69 Merger Total | \$ 7,555,191 | - | - | - | 7,555,191 |

Correction of Error:

| | | | | | |
|------------------------------|--------------|---|---|-----------|-----------|
| Colorado High School Charter | \$ 6,881,678 | - | - | (800,259) | 6,081,419 |
|------------------------------|--------------|---|---|-----------|-----------|



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| | Denver Public Schools Foundation | 5280 High School | Academy 360 Charter School | Academy of Urban Learning | Colorado High School Charter |
|---------------------------------------|----------------------------------|---------------------|----------------------------|---------------------------|------------------------------|
| ASSETS | | | | | |
| Assets: | | | | | |
| Cash and cash equivalents | \$ 1,599,973 | \$ 293,350 | \$ 899,499 | \$ 2,037,774 | \$ 5,255,100 |
| Investments | 10,708,036 | - | - | - | - |
| Deposits | - | - | - | - | 6,588 |
| Receivables: | | | | | |
| Accounts | - | 114,325 | 182,169 | 107,768 | 743,581 |
| Grants | - | - | - | - | - |
| Other | 2,763,858 | - | - | - | - |
| Inventory | - | - | - | - | - |
| Prepaid items | 19,000 | 21,517 | 52,250 | 12,543 | - |
| Restricted cash | 200,000 | - | - | - | - |
| Capital assets, net | - | 4,198,598 | 697,196 | 10,837 | 4,624,018 |
| Leases and Software assets, net | - | 1,032,239 | 368,942 | - | - |
| OPEB Asset | - | 7,026 | 8,682 | 8,014 | 16,805 |
| Total assets | <u>15,290,867</u> | <u>5,667,055</u> | <u>2,208,738</u> | <u>2,176,936</u> | <u>10,646,092</u> |
| Deferred Outflows of Resources | | | | | |
| Related to pensions | - | 1,054,423 | 770,102 | 1,405,789 | 2,917,568 |
| Related to OPEB | - | 45,825 | 28,888 | 27,680 | 41,532 |
| Loss on deferred charges | - | - | - | - | - |
| Total deferred outflows of resources | <u>-</u> | <u>1,100,248</u> | <u>798,990</u> | <u>1,433,469</u> | <u>2,959,100</u> |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 19,146 | 70,598 | 945 | 13,627 | 111,200 |
| Grants payable | 3,411,756 | - | - | - | - |
| Accrued interest | - | - | - | - | 4,851 |
| Accrued payroll | - | 103,006 | 226,559 | 209,407 | 435,385 |
| Compensated absences | - | - | - | - | 52,897 |
| Other liabilities | 912,402 | - | - | - | - |
| Accrued liabilities | - | - | - | - | - |
| Unearned revenue | - | - | 40,623 | 171,200 | - |
| Noncurrent liabilities: | | | | | |
| Due within one year | - | 86,574 | 473,861 | - | 43,133 |
| Due in more than one year | - | 2,854,832 | 117,771 | - | 1,375,481 |
| Pension liabilities | - | 992,479 | 1,226,367 | 1,132,113 | 2,373,650 |
| Total liabilities | <u>4,343,304</u> | <u>4,107,489</u> | <u>2,086,126</u> | <u>1,526,347</u> | <u>4,396,597</u> |
| Deferred Inflows of Resources | | | | | |
| Related to pensions | - | 901,295 | 76,959 | 733,745 | 1,759,261 |
| Inflows Related to OPEB | - | 13,119 | 24,352 | 80,541 | 47,637 |
| Inflows Related to leases | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>914,414</u> | <u>101,311</u> | <u>814,286</u> | <u>1,806,898</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | - | 2,289,431 | 474,506 | 10,837 | 3,205,404 |
| Restricted for: | | | | | |
| Debt service | - | - | - | - | - |
| Capital projects | - | - | - | - | - |
| Donor-designated purposes | 5,984,571 | - | - | - | - |
| Multi Year Obligations | - | - | - | - | 299,053 |
| Capital Construction | - | - | - | 19,980 | - |
| Emergency reserve | - | 100,000 | 114,000 | 97,300 | 228,303 |
| OPEB Asset | - | 7,026 | 8,682 | 8,014 | 16,805 |
| Unrestricted (deficit) | 4,962,992 | (651,057) | 223,103 | 1,133,641 | 3,652,132 |
| Total net position | <u>\$ 10,947,563</u> | <u>\$ 1,745,400</u> | <u>\$ 820,291</u> | <u>\$ 1,269,772</u> | <u>\$ 7,401,697</u> |

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| | Compass Academy | Denver Justice High School | Denver Language School | Downtown Denver Expeditionary School | DSST Public Schools |
|---------------------------------------|---------------------|----------------------------|------------------------|--------------------------------------|----------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 2,986,271 | \$ 1,772,913 | \$ 4,969,978 | \$ 1,961,966 | \$ 23,352,714 |
| Investments | - | - | - | - | - |
| Deposits | - | - | - | - | - |
| Receivables: | | | | | |
| Accounts | 115,163 | 1,566 | 46,569 | 195,553 | 983,840 |
| Grants | - | 369,259 | - | - | 33,709,414 |
| Other | - | - | - | - | 1,094,045 |
| Inventory | - | - | - | - | - |
| Prepaid items | 36,152 | 17,768 | 149,191 | 16,660 | 286,697 |
| Restricted cash | - | - | - | - | 1,806,055 |
| Capital assets, net | 27,619 | 137 | 21,443 | 64,379 | 34,153,105 |
| Leases and Software assets, net | - | - | 216,933 | - | 4,258,336 |
| OPEB Asset | 10,957 | 5,185 | 26,147 | 11,898 | - |
| Total assets | <u>3,176,162</u> | <u>2,166,828</u> | <u>5,430,261</u> | <u>2,250,456</u> | <u>99,644,206</u> |
| Deferred Outflows of Resources | | | | | |
| Related to pensions | 906,357 | 430,890 | 4,550,288 | 2,086,688 | - |
| Related to OPEB | 27,529 | 15,163 | 91,703 | 33,409 | - |
| Loss on deferred charges | - | - | - | - | - |
| Total deferred outflows of resources | <u>933,886</u> | <u>446,053</u> | <u>4,641,991</u> | <u>2,120,097</u> | <u>-</u> |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 47,382 | 86,865 | 5,397 | 4,179 | 1,210,869 |
| Grants payable | - | - | - | - | - |
| Accrued interest | - | - | - | - | - |
| Accrued payroll | 188,630 | 89,824 | 515,160 | 200,626 | 8,535,092 |
| Compensated absences | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Accrued liabilities | 1,174 | - | - | - | - |
| Unearned revenue | - | - | 86,009 | 7,519 | - |
| Noncurrent liabilities: | | | | | |
| Due within one year | 6,553 | - | 40,325 | - | 958,441 |
| Due in more than one year | 19,079 | - | 149,921 | - | 21,859,451 |
| Pension liabilities | 1,547,835 | 732,495 | 3,693,915 | 1,680,705 | - |
| Total liabilities | <u>1,810,653</u> | <u>909,184</u> | <u>4,490,727</u> | <u>1,893,029</u> | <u>32,563,853</u> |
| Deferred Inflows of Resources | | | | | |
| Related to pensions | 170,402 | 35,058 | 2,678,729 | 1,269,089 | - |
| Inflows Related to OPEB | 31,704 | 19,682 | 102,195 | 82,896 | - |
| Inflows Related to leases | - | - | - | - | - |
| Total deferred inflows of resources | <u>202,106</u> | <u>54,740</u> | <u>2,780,924</u> | <u>1,351,985</u> | <u>-</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 1,987 | 137 | 48,130 | 64,379 | 15,593,549 |
| Restricted for: | | | | | |
| Debt service | - | - | - | - | 966,432 |
| Capital projects | - | - | - | - | 923,730 |
| Donor-designated purposes | - | - | - | - | - |
| Multi Year Obligations | - | - | - | - | - |
| Capital Construction | - | - | 59,944 | 33,091 | - |
| Emergency reserve | 116,000 | 62,599 | 385,000 | 115,000 | 3,574,588 |
| OPEB Asset | 10,957 | 5,185 | 26,147 | 11,898 | - |
| Unrestricted (deficit) | 1,968,345 | 1,581,036 | 2,281,380 | 901,171 | 46,022,054 |
| Total net position | <u>\$ 2,097,289</u> | <u>\$ 1,648,957</u> | <u>\$ 2,800,601</u> | <u>\$ 1,125,539</u> | <u>\$ 67,080,353</u> |

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| | French American School | Girls Athletic Leadership Schools | Highline Academy Schools | KIPP Colorado Schools | Monarch Montessori of Denver Charter |
|---------------------------------------|------------------------|-----------------------------------|--------------------------|-----------------------|--------------------------------------|
| ASSETS | | | | | |
| Assets: | | | | | |
| Cash and cash equivalents | \$ 353,514 | \$ 1,984,134 | \$ 7,541,519 | \$ 21,287,037 | \$ 1,636,815 |
| Investments | - | - | - | - | - |
| Deposits | 24,000 | - | 104,000 | - | - |
| Receivables: | | | | | |
| Accounts | 77,303 | - | 188,515 | - | 109,927 |
| Grants | - | 62,269 | - | 498,475 | - |
| Other | - | 5,804 | - | - | 194,503 |
| Inventory | - | - | 28,716 | - | - |
| Prepaid items | 45,575 | 19,225 | 87,336 | 223,485 | 45,187 |
| Restricted cash | - | 15,188 | 3,977,434 | - | 391,179 |
| Capital assets, net | 144,447 | 18,558 | 11,362,001 | 28,309 | 9,007,531 |
| Leases and Software assets, net | 1,506,803 | - | 151,430 | 344,279 | - |
| OPEB Asset | 3,587 | 14,233 | 42,057 | 107,687 | 9,629 |
| Total assets | <u>2,155,229</u> | <u>2,119,411</u> | <u>23,483,008</u> | <u>22,489,272</u> | <u>11,394,771</u> |
| Deferred Outflows of Resources | | | | | |
| Related to pensions | 414,709 | 1,196,964 | 3,718,687 | 9,448,647 | 866,493 |
| Related to OPEB | 21,007 | 28,576 | 124,017 | 322,092 | 17,083 |
| Loss on deferred charges | - | - | 442,648 | - | - |
| Total deferred outflows of resources | <u>435,716</u> | <u>1,225,540</u> | <u>4,285,352</u> | <u>9,770,739</u> | <u>883,576</u> |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 865 | 175,155 | 996,878 | 779,040 | 8,270 |
| Grants payable | - | - | - | - | - |
| Accrued interest | - | - | 79,671 | - | 49,618 |
| Accrued payroll | 85,468 | 205,517 | 437,563 | - | 197,472 |
| Compensated absences | - | - | - | - | - |
| Other liabilities | - | - | 224,516 | - | - |
| Accrued liabilities | - | - | - | 1,309,252 | - |
| Unearned revenue | - | 140,089 | 181,116 | 417,715 | 3,793 |
| Noncurrent liabilities: | | | | | |
| Due within one year | 176,047 | - | 167,330 | 178,900 | 8,175,000 |
| Due in more than one year | 1,591,916 | - | 15,762,185 | 158,183 | - |
| Pension liabilities | 506,666 | 2,010,514 | 5,940,940 | 15,211,469 | 1,360,124 |
| Total liabilities | <u>2,360,962</u> | <u>2,531,275</u> | <u>23,790,199</u> | <u>18,054,559</u> | <u>9,794,277</u> |
| Deferred Inflows of Resources | | | | | |
| Related to pensions | - | 298,419 | 588,920 | 1,216,774 | 90,133 |
| Inflows Related to OPEB | 10,036 | 73,603 | 118,627 | 315,660 | 31,843 |
| Inflows Related to leases | - | - | - | - | 194,503 |
| Total deferred inflows of resources | <u>10,036</u> | <u>372,022</u> | <u>707,547</u> | <u>1,532,434</u> | <u>316,479</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | (116,713) | 190,125 | (3,973,436) | 35,505 | 832,531 |
| Restricted for: | | | | | |
| Debt service | - | - | 2,795,922 | - | 391,179 |
| Capital projects | - | - | - | - | - |
| Donor-designated purposes | - | - | - | - | - |
| Multi Year Obligations | - | 45,824 | - | - | - |
| Capital Construction | - | - | 69,134 | 725,581 | - |
| Emergency reserve | 76,606 | 166,905 | 577,651 | 1,357,965 | 137,212 |
| OPEB Asset | 3,587 | 14,233 | 42,057 | 107,687 | 9,629 |
| Unrestricted (deficit) | 256,467 | 24,567 | 3,759,286 | 10,446,280 | 797,040 |
| Total net position | <u>\$ 219,947</u> | <u>\$ 441,654</u> | <u>\$ 3,270,614</u> | <u>\$ 12,673,018</u> | <u>\$ 2,167,591</u> |

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| | Odyssey School of Denver | Omar D. Blair Charter School | RiseUp Community School | SOAR Charter School | STRIVE Preparatory Schools dba Rocky Mountain Prep |
|---------------------------------------|-----------------------------|---------------------------------|-------------------------------|------------------------|--|
| ASSETS | | | | | |
| Assets: | | | | | |
| Cash and cash equivalents | \$ 1,587,309 | \$ 7,264,361 | \$ 1,182,001 | \$ 6,042,080 | \$ 23,701,755 |
| Investments | - | - | - | - | - |
| Deposits | - | - | 10,000 | - | - |
| Receivables: | | | | | |
| Accounts | - | - | 28,109 | 10,479 | 71,532 |
| Grants | 27,354 | 105,225 | - | - | 969,618 |
| Other | 12,660 | - | - | - | 83,237 |
| Inventory | 5,592 | - | - | - | - |
| Prepaid items | 1,956 | 84,381 | - | 1,346 | 309,313 |
| Restricted cash | - | - | - | - | - |
| Capital assets, net | 92,129 | 451,942 | 109,635 | - | 5,513,196 |
| Leases and Software assets, net | - | - | 541,447 | - | 1,235,384 |
| OPEB Asset | 10,963 | 23,966 | 6,712 | 18,587 | 205,571 |
| Total assets | <u>1,737,963</u> | <u>7,929,875</u> | <u>1,877,904</u> | <u>6,072,492</u> | <u>32,089,606</u> |
| Deferred Outflows of Resources | | | | | |
| Related to pensions | 967,303 | 2,139,611 | 1,423,688 | 3,254,412 | 16,517,936 |
| Related to OPEB | 33,351 | 56,861 | 11,201 | 70,031 | 437,540 |
| Loss on deferred charges | - | - | - | - | - |
| Total deferred outflows of resources | <u>1,000,654</u> | <u>2,196,472</u> | <u>1,434,889</u> | <u>3,324,443</u> | <u>16,955,476</u> |
| LIABILITIES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | 3,878 | 103,304 | 35,266 | 20,239 | 2,210,755 |
| Grants payable | - | - | - | - | - |
| Accrued interest | - | - | - | - | - |
| Accrued payroll | 9,367 | 624,532 | - | 370,754 | - |
| Compensated absences | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Accrued liabilities | - | 5,000 | - | - | 267,141 |
| Unearned revenue | - | - | 139,413 | 73,754 | 153,952 |
| Noncurrent liabilities: | | | | | |
| Due within one year | 11,402 | 18,761 | 211,240 | - | 418,205 |
| Due in more than one year | 33,198 | 47,387 | 484,770 | - | 876,853 |
| Pension liabilities | 1,548,704 | 3,385,471 | 948,204 | 2,625,547 | 29,044,326 |
| Total liabilities | <u>1,606,549</u> | <u>4,184,455</u> | <u>1,818,893</u> | <u>3,090,294</u> | <u>32,971,232</u> |
| Deferred Inflows of Resources | | | | | |
| Related to pensions | 87,222 | 269,999 | 585,396 | 1,706,611 | 3,000,725 |
| Inflows Related to OPEB | 30,677 | 67,115 | 53,061 | 72,164 | 702,516 |
| Inflows Related to leases | - | - | - | - | - |
| Total deferred inflows of resources | <u>117,899</u> | <u>337,114</u> | <u>638,457</u> | <u>1,778,775</u> | <u>3,703,241</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 47,529 | 385,794 | (44,928) | - | 5,453,522 |
| Restricted for: | | | | | |
| Debt service | - | - | - | - | - |
| Capital projects | - | - | - | - | - |
| Donor-designated purposes | - | - | - | - | - |
| Multi Year Obligations | - | - | - | - | - |
| Capital Construction | 41,172 | - | - | - | 775,623 |
| Emergency reserve | 136,000 | 354,900 | 60,200 | 235,000 | 2,102,669 |
| OPEB Asset | 10,963 | 23,966 | 6,712 | 18,587 | 205,571 |
| Unrestricted (deficit) | 778,505 | 4,840,118 | 833,459 | 4,274,279 | 3,833,224 |
| Total net position | <u>\$ 1,014,169</u> | <u>\$ 5,604,778</u> | <u>\$ 855,443</u> | <u>\$ 4,527,866</u> | <u>\$ 12,370,609</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

| | University Preparatory Schools | Wyatt Academy | Total |
|---------------------------------------|--------------------------------------|---------------------|-----------------------|
| ASSETS | | | |
| Assets: | | | |
| Cash and cash equivalents | \$ 3,897,482 | \$ 1,913,097 | \$ 123,520,642 |
| Investments | - | - | 10,708,036 |
| Deposits | 9,667 | - | 154,255 |
| Receivables: | | | |
| Accounts | 2,000 | - | 2,978,399 |
| Grants | 12,694 | 54,050 | 35,808,358 |
| Other | - | - | 4,154,107 |
| Inventory | 38,149 | - | 72,457 |
| Prepaid items | 132,747 | 167 | 1,562,496 |
| Restricted cash | - | - | 6,389,856 |
| Capital assets, net | 600,394 | 1,375,364 | 72,500,838 |
| Leases and Software assets, net | - | - | 9,655,793 |
| OPEB Asset | 26,478 | 7,304 | 571,488 |
| Total assets | <u>4,719,611</u> | <u>3,349,982</u> | <u>268,076,725</u> |
| Deferred Outflows of Resources | | | |
| Related to pensions | 2,272,719 | 663,024 | 57,006,298 |
| Related to OPEB | 50,984 | 14,704 | 1,499,176 |
| Loss on deferred charges | - | - | 442,648 |
| Total deferred outflows of resources | <u>2,323,703</u> | <u>677,728</u> | <u>58,948,122</u> |
| LIABILITIES | | | |
| Liabilities: | | | |
| Accounts payable | 275,093 | 11,945 | 6,190,896 |
| Grants payable | - | - | 3,411,756 |
| Accrued interest | - | - | 134,140 |
| Accrued payroll | - | 159,146 | 12,593,508 |
| Compensated absences | - | - | 52,897 |
| Other liabilities | - | - | 1,136,918 |
| Accrued liabilities | 2,019 | 59,025 | 1,643,611 |
| Unearned revenue | - | - | 1,415,183 |
| Noncurrent liabilities: | | | |
| Due within one year | - | 63,908 | 11,029,680 |
| Due in more than one year | - | 80,509 | 45,411,536 |
| Pension liabilities | 3,740,303 | 1,031,788 | 80,733,615 |
| Total liabilities | <u>4,017,415</u> | <u>1,406,321</u> | <u>163,753,740</u> |
| Deferred Inflows of Resources | | | |
| Related to pensions | 387,390 | 137,934 | 15,994,061 |
| Inflows Related to OPEB | 75,635 | 42,543 | 1,995,606 |
| Inflows Related to leases | - | - | 194,503 |
| Total deferred inflows of resources | <u>463,025</u> | <u>180,477</u> | <u>18,184,170</u> |
| NET POSITION | | | |
| Net investment in capital assets | 600,394 | 1,230,947 | 26,329,630 |
| Restricted for: | | | |
| Debt service | - | - | 4,153,533 |
| Capital projects | - | - | 923,730 |
| Donor-designated purposes | - | - | 5,984,571 |
| Multi Year Obligations | - | - | 344,877 |
| Capital Construction | - | - | 1,724,525 |
| Emergency reserve | 369,430 | 114,000 | 10,481,328 |
| OPEB Asset | 26,478 | 7,304 | 571,488 |
| Unrestricted (deficit) | 1,566,572 | 1,088,661 | 94,573,255 |
| Total net position | <u>\$ 2,562,874</u> | <u>\$ 2,440,912</u> | <u>\$ 145,086,937</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

| | Denver Public Schools Foundation | 5280 High School | Academy 360 Charter School | Academy of Urban Learning | Colorado High School Charter |
|---|----------------------------------|---------------------|----------------------------|---------------------------|------------------------------|
| Expenses: | | | | | |
| Instruction | \$ - | \$ 1,798,030 | \$ 2,124,850 | \$ 1,937,428 | \$ 2,779,681 |
| Supporting services | - | 2,345,833 | 1,845,484 | 1,412,482 | 4,181,256 |
| Interest | - | 1,606 | 57,036 | - | 167,679 |
| Program services | 7,395,020 | - | - | - | - |
| Fundraising | 917,695 | - | - | - | - |
| Management and general | 1,183,810 | - | - | - | - |
| Total expenses | <u>9,496,525</u> | <u>4,145,469</u> | <u>4,027,370</u> | <u>3,349,910</u> | <u>7,128,616</u> |
| Program revenues: | | | | | |
| Operating grants and contributions | 6,333,054 | 1,548,528 | 1,094,991 | 852,259 | 1,170,049 |
| Capital grants and contributions | - | 40,017 | 66,959 | 31,300 | 153,815 |
| Charges for services | - | - | - | - | - |
| Total program revenues | <u>6,333,054</u> | <u>1,588,545</u> | <u>1,161,950</u> | <u>883,559</u> | <u>1,323,864</u> |
| Net program expense | <u>(3,163,471)</u> | <u>(2,556,924)</u> | <u>(2,865,420)</u> | <u>(2,466,351)</u> | <u>(5,804,752)</u> |
| General revenues: | | | | | |
| Per pupil revenue | - | 957,987 | 1,552,487 | 1,678,473 | 4,352,892 |
| Capital construction funding | - | - | - | - | - |
| Property tax mill levy override | - | 425,283 | 630,429 | 938,846 | 2,487,623 |
| Investment earnings | 771,038 | - | - | - | - |
| Interest income | - | - | 21,508 | 51,664 | 259,706 |
| Unrestricted grants and contributions | 1,368,203 | - | - | - | 9,170 |
| At-risk supplemental aid | - | - | - | - | - |
| Other | - | - | 783,249 | 20,868 | 15,639 |
| Transfers to/from Denver Public Schools | <u>190,500</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total general revenues | <u>2,329,741</u> | <u>1,383,270</u> | <u>2,987,673</u> | <u>2,689,851</u> | <u>7,125,030</u> |
| Change in net position | <u>(833,730)</u> | <u>(1,173,654)</u> | <u>122,253</u> | <u>223,500</u> | <u>1,320,278</u> |
| Net position (deficit) - beginning | <u>11,781,293</u> | <u>2,919,054</u> | <u>698,038</u> | <u>1,046,272</u> | <u>6,881,678</u> |
| Correction of error | - | - | - | - | (800,259) |
| GASB 69 Merger | - | - | - | - | - |
| Net position (deficit) - beginning, as restated | <u>11,781,293</u> | <u>2,919,054</u> | <u>698,038</u> | <u>1,046,272</u> | <u>6,081,419</u> |
| Net position (deficit) - ending | <u>\$ 10,947,563</u> | <u>\$ 1,745,400</u> | <u>\$ 820,291</u> | <u>\$ 1,269,772</u> | <u>\$ 7,401,697</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

| | Compass Academy | Denver Justice High School | Denver Language School | Downtown Denver Expeditionary School | DSST Public Schools |
|---|---------------------|----------------------------|------------------------|--------------------------------------|----------------------|
| Expenses: | | | | | |
| Instruction | \$ 2,377,348 | \$ 840,543 | \$ 7,117,575 | \$ 2,116,112 | \$ 109,964,011 |
| Supporting services | 1,920,697 | 1,255,972 | 5,166,905 | 2,337,412 | - |
| Interest | 1,594 | - | - | - | - |
| Program services | - | - | - | - | - |
| Fundraising | - | - | - | - | - |
| Management and general | - | - | - | - | - |
| Total expenses | <u>4,299,639</u> | <u>2,096,515</u> | <u>12,284,480</u> | <u>4,453,524</u> | <u>109,964,011</u> |
| Program revenues: | | | | | |
| Operating grants and contributions | 1,398,278 | 352,504 | 451,279 | 879,309 | 11,538,349 |
| Capital grants and contributions | - | 20,207 | 174,528 | 51,309 | - |
| Charges for services | 3,537 | - | 630,977 | 369,255 | 907,245 |
| Total program revenues | <u>1,401,815</u> | <u>372,711</u> | <u>1,256,784</u> | <u>1,299,873</u> | <u>12,445,594</u> |
| Net program expense | <u>(2,897,824)</u> | <u>(1,723,804)</u> | <u>(11,027,696)</u> | <u>(3,153,651)</u> | <u>(97,518,417)</u> |
| General revenues: | | | | | |
| Per pupil revenue | 2,272,876 | 1,186,140 | 9,525,873 | 2,548,200 | 72,614,948 |
| Capital construction funding | 48,535 | - | - | - | - |
| Property tax mill levy override | 663,735 | 681,860 | 2,154,621 | 627,592 | 21,253,291 |
| Investment earnings | 116,038 | 16,495 | - | 39,181 | 1,084,050 |
| Interest income | - | - | 191,924 | - | - |
| Unrestricted grants and contributions | - | - | 14,271 | 6,493 | 6,169,994 |
| At-risk supplemental aid | 2,200 | - | - | - | - |
| Other | 10,597 | 16,602 | 310,373 | 240,136 | (401,860) |
| Transfers to/from Denver Public Schools | - | - | - | - | - |
| Total general revenues | <u>3,113,981</u> | <u>1,901,097</u> | <u>12,197,062</u> | <u>3,461,602</u> | <u>100,720,423</u> |
| Change in net position | <u>216,157</u> | <u>177,293</u> | <u>1,169,366</u> | <u>307,951</u> | <u>3,202,006</u> |
| Net position (deficit) - beginning | <u>1,881,132</u> | <u>1,471,664</u> | <u>1,631,235</u> | <u>817,588</u> | <u>63,878,347</u> |
| Correction of error | - | - | - | - | - |
| GASB 69 Merger | - | - | - | - | - |
| Net position (deficit) - beginning, as restated | <u>1,881,132</u> | <u>1,471,664</u> | <u>1,631,235</u> | <u>817,588</u> | <u>63,878,347</u> |
| Net position (deficit) - ending | <u>\$ 2,097,289</u> | <u>\$ 1,648,957</u> | <u>\$ 2,800,601</u> | <u>\$ 1,125,539</u> | <u>\$ 67,080,353</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

| | French American School | Girls Athletic Leadership Schools | Highline Academy Schools | KIPP Colorado Schools | Monarch Montessori of Denver Charter |
|---|------------------------|-----------------------------------|--------------------------|-----------------------|--------------------------------------|
| Expenses: | | | | | |
| Instruction | \$ 1,539,110 | \$ 3,038,658 | \$ 11,804,304 | \$ 22,277,504 | \$ 2,311,400 |
| Supporting services | 1,244,717 | 2,627,588 | 7,181,951 | 23,036,592 | 1,773,645 |
| Interest | 90,995 | - | 949,175 | - | 394,527 |
| Program services | - | - | - | - | - |
| Fundraising | - | - | - | - | - |
| Management and general | - | - | - | - | - |
| Total expenses | <u>2,874,822</u> | <u>5,666,246</u> | <u>19,935,430</u> | <u>45,314,096</u> | <u>4,479,572</u> |
| Program revenues: | | | | | |
| Operating grants and contributions | 474,020 | 775,715 | 2,229,530 | 614,900 | 552,562 |
| Capital grants and contributions | 76,657 | 56,261 | 316,865 | - | 88,354 |
| Charges for services | - | 862,367 | 85,707 | 190,761 | 9,219 |
| Total program revenues | <u>550,677</u> | <u>1,694,343</u> | <u>2,632,102</u> | <u>805,661</u> | <u>650,135</u> |
| Net program expense | <u>(2,324,145)</u> | <u>(3,971,903)</u> | <u>(17,303,328)</u> | <u>(44,508,435)</u> | <u>(3,829,437)</u> |
| General revenues: | | | | | |
| Per pupil revenue | 1,937,628 | 3,108,244 | 11,641,530 | 26,996,898 | 2,754,993 |
| Capital construction funding | - | - | - | - | - |
| Property tax mill levy override | 429,588 | 796,467 | 3,384,069 | 9,171,888 | 828,870 |
| Investment earnings | - | 42,703 | - | 1,013,259 | - |
| Interest income | 623 | - | 561,793 | - | 94,600 |
| Unrestricted grants and contributions | - | 326,439 | - | 7,262,392 | - |
| At-risk supplemental aid | - | - | - | - | - |
| Other | 145,820 | 29,196 | 2,651,993 | 379,775 | 308,011 |
| Transfers to/from Denver Public Schools | - | - | - | - | - |
| Total general revenues | <u>2,513,659</u> | <u>4,303,049</u> | <u>18,239,385</u> | <u>44,824,212</u> | <u>3,986,474</u> |
| Change in net position | <u>189,514</u> | <u>331,146</u> | <u>936,057</u> | <u>315,777</u> | <u>157,037</u> |
| Net position (deficit) - beginning | <u>30,433</u> | <u>110,508</u> | <u>2,334,557</u> | <u>12,357,241</u> | <u>2,010,554</u> |
| Correction of error | - | - | - | - | - |
| GASB 69 Merger | - | - | - | - | - |
| Net position (deficit) - beginning, as restated | <u>30,433</u> | <u>110,508</u> | <u>2,334,557</u> | <u>12,357,241</u> | <u>2,010,554</u> |
| Net position (deficit) - ending | <u>\$ 219,947</u> | <u>\$ 441,654</u> | <u>\$ 3,270,614</u> | <u>\$ 12,673,018</u> | <u>\$ 2,167,591</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

| | Odyssey School of Denver | Omar D. Blair Charter School | RiseUp Community School | SOAR Charter School | STRIVE Preparatory Schools dba Rocky Mountain Prep |
|--|-----------------------------|---------------------------------|-------------------------------|------------------------|--|
| Expenses: | | | | | |
| Instruction | \$ 2,715,254 | \$ 6,980,867 | \$ 1,060,840 | \$ 4,695,564 | \$ 41,653,098 |
| Supporting services | 1,752,233 | 4,586,441 | 1,984,071 | 3,370,435 | 35,555,777 |
| Interest | 2,773 | 4,201 | - | - | 87,441 |
| Program services | - | - | - | - | - |
| Fundraising | - | - | - | - | - |
| Management and general | - | - | - | - | - |
| Total expenses | <u>4,470,260</u> | <u>11,571,509</u> | <u>3,044,911</u> | <u>8,065,999</u> | <u>77,296,316</u> |
| Program revenues: | | | | | |
| Operating grants and contributions | 407,333 | 1,699,095 | 1,044,048 | 869,916 | 10,478,743 |
| Capital grants and contributions | 57,648 | 143,624 | 33,189 | 76,386 | - |
| Charges for services | 50,574 | 28,695 | - | 26,774 | - |
| Total program revenues | <u>515,555</u> | <u>1,871,414</u> | <u>1,077,237</u> | <u>973,076</u> | <u>10,478,743</u> |
| Net program expense | <u>(3,954,705)</u> | <u>(9,700,095)</u> | <u>(1,967,674)</u> | <u>(7,092,923)</u> | <u>(66,817,573)</u> |
| General revenues: | | | | | |
| Per pupil revenue | 3,343,087 | 8,212,247 | 1,228,373 | 5,621,876 | 49,122,165 |
| Capital construction funding | - | - | - | - | - |
| Property tax mill levy override | 742,856 | 2,394,626 | 687,964 | 1,601,164 | 14,700,928 |
| Investment earnings | 66,391 | 47,918 | - | 155,882 | 671,084 |
| Interest income | - | - | - | - | - |
| Unrestricted grants and contributions | 6,447 | - | - | 10,143 | 2,499,327 |
| At-risk supplemental aid | - | - | - | - | - |
| Other | 1,497 | 582,336 | 93,691 | 419,823 | 4,639,487 |
| Transfers to/from Denver Public Schools | - | - | - | - | - |
| Total general revenues | <u>4,160,278</u> | <u>11,237,127</u> | <u>2,010,028</u> | <u>7,808,888</u> | <u>71,632,991</u> |
| Change in net position | <u>205,573</u> | <u>1,537,032</u> | <u>42,354</u> | <u>715,965</u> | <u>4,815,418</u> |
| Net position (deficit) - beginning | <u>808,596</u> | <u>4,067,746</u> | <u>813,089</u> | <u>3,811,901</u> | <u>(1,774,260)</u> |
| Correction of error | - | - | - | - | - |
| GASB 69 Merger | - | - | - | - | 9,329,451 |
| Net position (deficit) - beginning, as restated | <u>808,596</u> | <u>4,067,746</u> | <u>813,089</u> | <u>3,811,901</u> | <u>7,555,191</u> |
| Net position (deficit) - ending | <u>\$ 1,014,169</u> | <u>\$ 5,604,778</u> | <u>\$ 855,443</u> | <u>\$ 4,527,866</u> | <u>\$ 12,370,609</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND THE STATE OF COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

| | University Preparatory Schools | Wyatt Academy | Total |
|--|--------------------------------------|---------------------|-----------------------|
| Expenses: | | | |
| Instruction | \$ 5,441,449 | \$ 1,696,278 | \$ 236,269,904 |
| Supporting services | 6,470,202 | 1,863,081 | 111,912,774 |
| Interest | - | 5,589 | 1,762,616 |
| Program services | - | - | 7,395,020 |
| Fundraising | - | - | 917,695 |
| Management and general | - | - | 1,183,810 |
| Total expenses | <u>11,911,651</u> | <u>3,564,948</u> | <u>359,441,819</u> |
| Program revenues: | | | |
| Operating grants and contributions | 1,612,455 | 432,505 | 46,809,422 |
| Capital grants and contributions | - | - | 1,387,119 |
| Charges for services | <u>29,352</u> | <u>829</u> | <u>3,195,292</u> |
| Total program revenues | <u>1,641,807</u> | <u>433,334</u> | <u>51,391,833</u> |
| Net program expense | <u>(10,269,844)</u> | <u>(3,131,614)</u> | <u>(308,049,986)</u> |
| General revenues: | | | |
| Per pupil revenue | 6,995,520 | 2,250,683 | 219,903,120 |
| Capital construction funding | - | 75,279 | 123,814 |
| Property tax mill levy override | 2,289,252 | 728,651 | 67,619,603 |
| Investment earnings | - | - | 4,024,039 |
| Interest income | 107,883 | 58,294 | 1,347,995 |
| Unrestricted grants and contributions | - | 339,120 | 18,011,999 |
| At-risk supplemental aid | - | 79,263 | 81,463 |
| Other | 120,025 | 303,442 | 10,670,700 |
| Transfers to/from Denver Public Schools | - | - | 190,500 |
| Total general revenues | <u>9,512,680</u> | <u>3,834,732</u> | <u>321,973,233</u> |
| Change in net position | <u>(757,164)</u> | <u>703,118</u> | <u>13,923,247</u> |
| Net position (deficit) - beginning | <u>3,320,038</u> | <u>1,737,794</u> | <u>122,634,498</u> |
| Correction of error | - | - | (800,259) |
| GASB 69 Merger | - | - | 9,329,451 |
| Net position (deficit) - beginning, as restated | <u>3,320,038</u> | <u>1,737,794</u> | <u>131,163,690</u> |
| Net position (deficit) - ending | <u>\$ 2,562,874</u> | <u>\$ 2,440,912</u> | <u>\$ 145,086,937</u> |



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SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

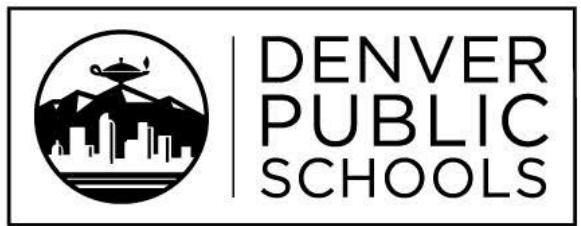
16. Subsequent Events

On August 15, 2024 the DPS Board of Education approved the 2024 Bond ballot issue to authorize general obligation bonds, without increasing taxes, for the purposes set forth in the ballot question. This will be included in the November 2024 ballot.

On the November 2024 ballot the District was seeking approval for a general obligation bond for \$975 million. The primary areas of investment will be for critical maintenance, air conditioning, capacity needs and quality learning environments. The Denver voters approved this District initiative by a 74% approval rate.



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REQUIRED SUPPLEMENTARY INFORMATION

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

YEAR ENDED JUNE 30, 2024

Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|------------------|------------------|-------------------|----------------------------------|
| REVENUES | | | | |
| Taxes | \$ 876,845 | \$ 956,459 | \$ 956,558 | \$ 99 |
| State sources | 367,303 | 308,656 | 317,398 | 8,742 |
| Federal sources | 1,042 | 1,042 | 1,294 | 252 |
| Local sources | 43,306 | 90,759 | 97,117 | 6,358 |
| Total revenues | <u>1,288,496</u> | <u>1,356,916</u> | <u>1,372,367</u> | <u>15,451</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 672,397 | 694,694 | 702,639 | (7,945) |
| Employee Benefits | 113,010 | 130,087 | 108,456 | 21,631 |
| Charter school* | 227,246 | 269,263 | 265,437 | 3,826 |
| Supplies and Materials | 66,260 | 72,149 | 58,626 | 13,523 |
| Purchased Services | 87,088 | 85,536 | 102,539 | (17,003) |
| Property | 26,417 | 27,858 | 8,546 | 19,312 |
| Other Expenses | 48,336 | 15,675 | 5,477 | 10,198 |
| Debt Service Principal | 34,260 | 31,280 | 32,419 | (1,139) |
| Debt Service Interest | 40,276 | 40,276 | 40,405 | (129) |
| Appropriated Reserves | 96,567 | 124,118 | - | 124,118 |
| Unappropriated reserves | 15,166 | 29,013 | - | 29,013 |
| Total expenditures | <u>1,427,023</u> | <u>1,519,949</u> | <u>1,324,544</u> | <u>195,405</u> |
| Excess (deficiency) of revenues over expenditures | <u>(138,527)</u> | <u>(163,033)</u> | <u>47,823</u> | <u>210,856</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Interfund transfers | (6,883) | (5,649) | (30,074) | (24,425) |
| Issuance of leases | 21,000 | 21,000 | 3,932 | (17,068) |
| Total other financing sources (uses) | <u>14,117</u> | <u>15,351</u> | <u>(26,142)</u> | <u>(41,493)</u> |
| Net change in fund balance | <u>(124,410)</u> | <u>(147,682)</u> | <u>21,681</u> | <u>169,363</u> |
| Beginning fund balance | <u>124,410</u> | <u>147,682</u> | <u>147,682</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 169,363</u> | <u>\$ 169,363</u> |

* The Charter School expense is presented net of Charges for Services to Charter Schools as presented in the Fund Financial Statements to align with the budget presentation.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024
Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|-----------------|-----------------|------------------|----------------------------------|
| REVENUES | | | | |
| State sources | \$ 15,339 | \$ 16,773 | \$ 31,068 | \$ 14,295 |
| Federal sources | 258,962 | 258,962 | 190,965 | (67,997) |
| Local sources | 14,023 | 13,565 | 16,424 | 2,859 |
| Total revenues | <u>288,324</u> | <u>289,300</u> | <u>238,457</u> | <u>(50,843)</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 121,146 | 124,542 | 83,264 | 41,278 |
| Employee Benefits | 36,937 | 37,027 | 24,552 | 12,475 |
| Charter school | 45,513 | 45,513 | 30,469 | 15,044 |
| Supplies and Materials | 9,229 | 8,598 | 16,666 | (8,068) |
| Purchased Services | 49,286 | 49,827 | 34,888 | 14,939 |
| Property | 6,482 | 6,464 | 17,627 | (11,163) |
| Other Expenses | 20,063 | 19,979 | 25,093 | (5,114) |
| Debt Service Principal | - | - | 104 | (104) |
| Debt Service Interest | - | - | 19 | (19) |
| Appropriated Reserves | <u>16,812</u> | <u>20,103</u> | <u>-</u> | <u>20,103</u> |
| Total expenditures | <u>305,468</u> | <u>312,053</u> | <u>232,682</u> | <u>79,371</u> |
| Excess (deficiency) of revenues over expenditures | <u>(17,144)</u> | <u>(22,753)</u> | <u>5,775</u> | <u>28,528</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Interfund transfers | 649 | 649 | 649 | - |
| Total other financing sources (uses) | <u>649</u> | <u>649</u> | <u>649</u> | <u>-</u> |
| Net change in fund balance | <u>(16,495)</u> | <u>(22,104)</u> | <u>6,424</u> | <u>28,528</u> |
| Beginning fund balance | <u>16,495</u> | <u>22,104</u> | <u>22,104</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 28,528</u> | <u>\$ 28,528</u> |



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SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Total pension liability | | | | | |
| Service cost at end of year | \$ 113,314,000 | \$ 113,836,000 | \$ 107,672,000 | \$ 93,058,000 | \$ 91,764,000 |
| Interest | 345,494,000 | 333,769,000 | 326,361,000 | 309,174,000 | 301,210,000 |
| Changes of benefit terms | - | - | (89,028,000) | - | (82,064,000) |
| Difference between expected and actual experience | 34,752,000 | 15,514,000 | 46,732,000 | (15,298,000) | 86,001,000 |
| Changes of assumptions or other inputs | - | - | - | 125,275,000 | - |
| Benefit payments, including refunds of active member contributions and disability premiums | (302,075,000) | (299,660,000) | (291,799,000) | (287,719,000) | (288,984,000) |
| Net change in total pension liability | <u>191,485,000</u> | <u>163,459,000</u> | <u>99,938,000</u> | <u>224,490,000</u> | <u>107,927,000</u> |
| Total pension liability - beginning | <u>4,803,157,000</u> | <u>4,639,698,000</u> | <u>4,539,760,000</u> | <u>4,315,270,000</u> | <u>4,207,343,000</u> |
| Total pension liability - ending (a) | <u>4,994,642,000</u> | <u>4,803,157,000</u> | <u>4,639,698,000</u> | <u>4,539,760,000</u> | <u>4,315,270,000</u> |
| Plan fiduciary net position | | | | | |
| Contributions - employer | 87,487,000 | 74,199,000 | 65,215,000 | 56,245,000 | 43,340,000 |
| Contributions - nonemployer | 4,132,000 | 52,784,000 | 19,153,000 | - | 19,201,000 |
| Contributions - active member (includes purchased service) | 104,916,000 | 96,124,000 | 90,154,000 | 75,456,000 | 65,496,000 |
| Net investment income (loss) | 517,546,000 | (619,265,000) | 649,370,000 | 610,847,000 | 632,669,000 |
| Benefit payments (includes refunds and disability premiums) | (302,075,000) | (299,660,000) | (291,799,000) | (287,719,000) | (288,984,000) |
| Administrative expense | (3,292,000) | (3,133,000) | (2,829,000) | (2,667,000) | (2,713,000) |
| Other additions and deductions | 2,796,000 | 652,000 | (3,115,000) | (1,010,000) | 2,975,000 |
| Net change in plan fiduciary net position | <u>411,510,000</u> | <u>(698,299,000)</u> | <u>526,149,000</u> | <u>451,152,000</u> | <u>471,984,000</u> |
| Plan fiduciary net position - beginning | <u>3,935,428,000</u> | <u>4,633,727,000</u> | <u>4,107,578,000</u> | <u>3,656,426,000</u> | <u>3,184,442,000</u> |
| Plan fiduciary net position - ending (b) | <u>4,346,938,000</u> | <u>3,935,428,000</u> | <u>4,633,727,000</u> | <u>4,107,578,000</u> | <u>3,656,426,000</u> |
| Collective net pension liability - ending (a)-(b) | <u>\$ 647,704,000</u> | <u>\$ 867,729,000</u> | <u>\$ 5,971,000</u> | <u>\$ 432,182,000</u> | <u>\$ 658,844,000</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 87.03% | 81.93% | 99.87% | 90.48% | 84.73% |
| The District's proportionate share of the net pension liability | \$ 537,715,849 | \$ 439,145,019 | \$ 4,035,111 | \$ 395,426,442 | \$ 400,400,429 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with DPS | \$ 25,435,591 | \$ 312,455,572 | \$ 1,167,079 | \$ - | \$ 177,449,057 |
| Discretely presented component units | \$ 80,733,615 | \$ 67,851,476 | \$ 580,771 | \$ 54,487,558 | \$ 56,122,281 |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with discretely presented component units | \$ 3,818,945 | \$ 48,276,933 | \$ 188,039 | \$ - | \$ 24,872,233 |
| Covered payroll | 894,245,000 | 810,403,000 | 823,396,000 | 771,347,000 | 736,264,000 |
| District's net pension liability as a percentage of covered payroll | 72.43% | 107.07% | 0.73% | 56.03% | 89.48% |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|-------------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| Total pension liability | | | | | |
| Service cost at end of year | \$ 90,657,000 | \$ 91,986,000 | \$ 85,988,000 | \$ 82,079,000 | \$ 76,564,000 |
| Interest | 313,294,000 | 295,838,000 | 283,862,000 | 281,752,000 | 274,862,000 |
| Changes of benefit terms | (318,480,000) | - | - | - | - |
| Difference between expected and actual experience | 35,147,000 | 47,121,000 | (2,839,000) | 45,767,000 | (174,000) |
| Changes of assumptions or other inputs | - | - | 205,645,000 | (113,772,000) | - |
| Benefit payments, including refunds of active member contributions and disability premiums | (287,825,000) | (281,844,000) | (272,071,000) | (263,323,000) | (255,434,000) |
| Net change in total pension liability | <u>(167,207,000)</u> | <u>153,101,000</u> | <u>300,585,000</u> | <u>32,503,000</u> | <u>95,818,000</u> |
| Total pension liability - beginning | <u>4,374,550,000</u> | <u>4,221,449,000</u> | <u>3,920,864,000</u> | <u>3,888,361,000</u> | <u>3,792,543,000</u> |
| Total pension liability - ending (a) | <u>4,207,343,000</u> | <u>4,374,550,000</u> | <u>4,221,449,000</u> | <u>3,920,864,000</u> | <u>3,888,361,000</u> |
| Plan fiduciary net position | | | | | |
| Contributions - employer | 35,994,000 | 27,578,000 | 17,071,000 | 8,494,000 | 18,478,000 |
| Contributions - nonemployer | 18,621,000 | 56,820,000 | 54,852,000 | 53,558,000 | 49,409,000 |
| Contributions - active member (includes purchased service) | 61,098,000 | - | - | - | - |
| Net investment income (loss) | (114,070,000) | 548,585,000 | 218,415,000 | 49,172,000 | 182,823,000 |
| Benefit payments (includes refunds and disability premiums) | (287,825,000) | (281,844,000) | (272,071,000) | (263,323,000) | (255,434,000) |
| Administrative expense | (2,919,000) | (2,857,000) | (2,754,000) | (2,599,000) | (2,377,000) |
| Other additions and deductions | (4,497,000) | 3,781,000 | 3,135,000 | (1,764,000) | (1,547,000) |
| Net change in plan fiduciary net position | <u>(293,598,000)</u> | <u>352,063,000</u> | <u>18,648,000</u> | <u>(156,462,000)</u> | <u>(8,648,000)</u> |
| Plan fiduciary net position - beginning | <u>3,478,040,000</u> | <u>3,125,977,000</u> | <u>3,107,329,000</u> | <u>3,263,791,000</u> | <u>3,272,439,000</u> |
| Plan fiduciary net position - ending (b) | <u>3,184,442,000</u> | <u>3,478,040,000</u> | <u>3,125,977,000</u> | <u>3,107,329,000</u> | <u>3,263,791,000</u> |
| Collective net pension liability - ending (a)-(b) | <u>\$ 1,022,901,000</u> | <u>\$ 896,510,000</u> | <u>\$ 1,095,472,000</u> | <u>\$ 813,535,000</u> | <u>\$ 624,570,000</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 75.69% | 79.51% | 74.05% | 79.25% | 83.94% |
| The District's proportionate share of the net pension liability | \$ 594,110,636 | \$ - | \$ - | \$ - | \$ - |
| The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with DPS | \$ 307,805,513 | - | - | - | - |
| Discretely presented component units | \$ 79,695,199 | - | - | - | - |
| The State's proportionate share of the net pension liability as a component units | \$ 41,289,652 | - | - | - | - |
| Covered payroll | 722,040,000 | 658,198,000 | 642,177,000 | 621,115,000 | 584,319,000 |
| District's net pension liability as a percentage of covered payroll | 141.67% | 136.21% | 170.59% | 130.98% | 106.89% |

Information above is presented as of the measurement date and include information for the reporting entity as a whole.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|---|---|---|---|---|
| Statutorily required contribution | \$ 87,487,000 | \$ 74,199,000 | \$ 66,121,676 | \$ 62,056,740 | \$ 70,421,044 |
| Contributions in relation to the statutorily required contribution | 87,487,000 | 74,199,000 | 66,121,676 | 62,056,740 | 70,421,044 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | 935,260,723 | 838,837,781 | 830,670,252 | 787,919,015 | 759,247,080 |
| Contributions as a percentage of covered payroll | 9.35% | 8.85% | 7.96% | 7.88% | 9.28% |
| 2024 and 2023 contributions include \$4.1 and \$52.8 million respectively from the special funding situation with the State of Colorado as a nonemployer contributing entity per SB 18-200. | | | | | |
| 2020 and 2019 contributions include \$19.2 and \$18.6 million respectively from the special funding situation with the State of Colorado as a nonemployer contributing entity per SB 18-200. | | | | | |
| Information above is presented as of the District's fiscal year end. | | | | | |
| Notes to Schedule | | | | | |
| Valuation date: | December 31, 2022 | December 31, 2021 | December 31, 2020 | December 31, 2019 | December 31, 2018 |
| Methods and assumptions used to determine contribution rates: | | | | | |
| Actuarial cost method | Entry Age Level Percentage of Payroll |
| Amortization method | 30 Years, Open |
| Remaining amortization period | 4-year smoothed market |
| Asset valuation method | 2.30% annually | 2.30% annually | 2.30% annually | 2.30% annually | 2.40% annually |
| Inflation | 3.80% - 11.50% | 3.80% - 11.50% | 3.80% - 11.50% | 3.80% - 11.50% | 3.50% - 9.70% |
| Salary increases | Inclusive of wage inflation |
| PERA benefit structure hired prior to 1/1/07 and DPS benefit structure | 1.00% 0.00% as financed by the AIR | 1.00% 0.00% as financed by the AIR | 1.00% 0.00% as financed by the AIR | 1.25% 0.00% as financed by the AIR | 1.25% 0.00% as financed by the AIR |
| PERA benefit structure hired after 12/31/06 | | | | | |
| Investment rate of return | 7.25% | 7.25% | 7.25% | 7.25% | 7.25% |

Continued next page

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF PENSION CONTRIBUTIONS
YEAR ENDED JUNE 30

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Statutorily required contribution | \$ 57,730,581 | \$ 31,585,070 | \$ 21,625,469 | \$ 12,672,704 | \$ 8,102,466 |
| Contributions in relation to the statutorily required contribution | 57,730,581 | 31,585,070 | 21,625,469 | 12,672,704 | 8,102,466 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | 725,751,189 | 677,633,712 | 649,296,499 | 626,445,854 | 590,847,652 |
| Contributions as a percentage of covered payroll | 7.95% | 4.66% | 3.33% | 2.02% | 1.37% |
| 2020 and 2019 contributions include \$19.2 and \$18.6 million respectively from the special funding situation with the State of Colorado as a nonemployer contributing entity per SB 18-200. | | | | | |
| Information above is presented as of the District's fiscal year end. | | | | | |
| Notes to Schedule | | | | | |
| Valuation date: | December 31, 2017 | December 31, 2016 | December 31, 2015 | December 31, 2014 | December 31, 2013 |
| Methods and assumptions used to determine contribution rates: | | | | | |
| Actuarial cost method | Entry Age |
| | Level Percentage of Payroll |
| Amortization method | | | | | |
| Remaining amortization period | 30 Years, Open |
| Asset valuation method | 4-year smoothed market |
| Inflation | 2.40% annually | 2.40% annually | 2.80% annually | 2.80% annually | 2.80% annually |
| | 3.50% - 9.70% | 3.90% - 9.70% | 3.90% - 10.10% | 3.90% - 10.85% | 3.90% - 10.10% |
| Salary increases | Inclusive of wage inflation |
| PERA benefit structure hired prior to 1/1/07 and DPS benefit structure | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| | 0.00% as financed by the AIR |
| PERA benefit structure hired after 12/31/06 | | | | | |
| Investment rate of return | 7.25% | 7.25% | 7.25% | 7.50% | 7.50% |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
DPS HEALTHCARE TRUST FUND
YEAR ENDED JUNE 30

| DPS Health Care Trust Fund | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|-----------------------|---------------------|----------------------|----------------------|----------------------|
| Total OPEB liability | | | | | |
| Service cost | \$ 1,138,000 | \$ 1,095,000 | \$ 1,237,000 | \$ 1,291,000 | \$ 1,342,000 |
| Interest | 4,358,000 | 4,675,000 | 4,750,000 | 5,005,000 | 4,970,000 |
| Changes of benefit terms | - | - | - | - | - |
| Difference between expected and actual experience | (2,206,000) | (2,353,000) | (2,855,000) | (4,339,000) | (2,070,000) |
| Changes of assumptions or other inputs | 134,000 | (3,703,000) | - | (1,764,000) | - |
| Benefit payments | (4,105,000) | (4,162,000) | (3,873,000) | (3,453,000) | (3,968,000) |
| Net change in total OPEB liability | (681,000) | (4,448,000) | (741,000) | (3,260,000) | 274,000 |
| Total OPEB liability - beginning | 61,024,000 | 65,472,000 | 66,213,000 | 69,473,000 | 69,199,000 |
| Total OPEB liability - ending (a) | 60,343,000 | 61,024,000 | 65,472,000 | 66,213,000 | 69,473,000 |
| Plan fiduciary net position | | | | | |
| Contributions - employer | 9,445,000 | 8,744,000 | 8,622,000 | 8,045,000 | 7,649,000 |
| Other additions (includes purchased service) | 236,000 | 306,000 | 206,000 | 224,000 | 188,000 |
| Net investment income | 7,218,000 | (7,311,000) | 6,963,000 | 6,019,000 | 4,892,000 |
| Benefit payments | (3,951,000) | (4,022,000) | (3,516,000) | (3,086,000) | (3,644,000) |
| Administrative expense | (461,000) | (434,000) | (639,000) | (516,000) | (477,000) |
| Other deductions | (1,000) | (998) | (4,000) | (1,000) | (1,000) |
| Net change in plan fiduciary net position | 12,486,000 | (2,717,998) | 11,632,000 | 10,685,000 | 8,607,000 |
| Plan fiduciary net position - beginning | 52,235,002 | 54,953,000 | 43,321,000 | 32,636,000 | 24,029,000 |
| Plan fiduciary net position - ending (b) | 64,721,002 | 52,235,002 | 54,953,000 | 43,321,000 | 32,636,000 |
| Collective net OPEB liability/(asset) - ending (a) - (b) | \$ (4,378,002) | \$ 8,788,998 | \$ 10,519,000 | \$ 22,892,000 | \$ 36,837,000 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 107.26% | 85.60% | 83.93% | 65.43% | 46.98% |
| Covered payroll | 894,245,000 | 810,403,000 | 823,396,000 | 771,347,000 | 736,264,000 |
| District's net OPEB liability/(asset) as a percentage of covered payroll | (0.49)% | 1.08% | 1.28% | 2.97% | 5.00% |

Continued next page

Note: Information is not available for prior years. In future reports, additional years will be added until 10 years of historical data are presented. Information above is presented as of the measurement date and include information for the reporting entity as a whole.

The notes are an integral part of the Required Supplementary Information.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
DPS HEALTHCARE TRUST FUND
YEAR ENDED JUNE 30

| DPS Health Care Trust Fund | 2019 | 2018 |
|--|----------------------|----------------------|
| Total OPEB liability | | |
| Service cost | \$ 1,420,000 | \$ 1,591,000 |
| Interest | 5,245,000 | 5,057,000 |
| Changes of benefit terms | - | - |
| Difference between expected and actual experience | (6,045,000) | (35,000) |
| Changes of assumptions or other inputs | 5,000 | |
| Benefit payments | (4,693,000) | (6,191,000) |
| Net change in total OPEB liability | <u>(4,068,000)</u> | <u>422,000</u> |
| Total OPEB liability - beginning | <u>73,267,000</u> | <u>72,845,000</u> |
| Total OPEB liability - ending (a) | <u>69,199,000</u> | <u>73,267,000</u> |
| | | |
| Plan fiduciary net position | | |
| Contributions - employer | 7,417,000 | 6,930,000 |
| Other additions (includes purchased service) | (4,000) | 242,000 |
| Net investment income | (894,000) | 3,305,000 |
| Benefit payments | (4,158,000) | (5,694,000) |
| Administrative expense | (845,000) | (808,000) |
| Other deductions | 205,000 | (4,000) |
| Net change in plan fiduciary net position | <u>1,721,000</u> | <u>3,971,000</u> |
| Plan fiduciary net position - beginning | <u>22,308,000</u> | <u>18,337,000</u> |
| Plan fiduciary net position - ending (b) | <u>24,029,000</u> | <u>22,308,000</u> |
| Collective net OPEB liability/(asset) - ending (a) - (b) | <u>\$ 45,170,000</u> | <u>\$ 50,959,000</u> |
| | | |
| Plan fiduciary net position | | |
| as a percentage of the total OPEB liability | 34.72% | 30.45% |
| Covered payroll | 722,040,000 | 658,198,000 |
| | | |
| District's net OPEB liability/(asset) | | |
| as a percentage of covered payroll | 6.26% | 7.74% |

Note: Information is not available for prior years. In future reports, additional years will be added until 10 years of historical data are presented. Information above is presented as of the measurement date and include information for the reporting entity as a whole.

The notes are an integral part of the Required Supplementary Information.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DPS DIVISION SCHEDULE OF OPEB CONTRIBUTIONS
DPS HEALTHCARE TRUST FUND
YEAR ENDED JUNE 30

| DPS Health Care Trust Fund | 2024 | 2023 | 2022 | 2021 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| Actuarially determined contribution | \$ 2,146,000 | \$ 2,836,000 | \$ 3,623,000 | \$ 3,934,000 |
| Contributions in relation to the actuarially determined contribution | <u>9,427,201</u> | <u>8,744,000</u> | <u>8,749,889</u> | <u>8,159,161</u> |
| Contribution deficiency (excess) | <u><u>\$ (7,281,201)</u></u> | <u><u>\$ (5,908,000)</u></u> | <u><u>\$ (5,126,889)</u></u> | <u><u>\$ (4,225,161)</u></u> |
| Covered payroll | \$ 935,260,723 | \$ 838,837,781 | \$ 830,670,252 | \$ 787,919,015 |
| Contribution as a percentage of covered payroll | 1.01% | 1.04% | 1.05% | 1.04% |
| DPS Health Care Trust Fund | 2020 | 2019 | 2018 | |
| Actuarially determined contribution | \$ 4,418,000 | \$ 4,838,000 | \$ 4,476,000 | |
| Contributions in relation to the actuarially determined contribution | <u>7,847,796</u> | <u>7,662,714</u> | <u>7,079,432</u> | |
| Contribution deficiency (excess) | <u><u>\$ (3,429,796)</u></u> | <u><u>\$ (2,824,714)</u></u> | <u><u>\$ (2,603,432)</u></u> | |
| Covered payroll | \$ 759,247,080 | \$ 725,751,189 | \$ 677,633,712 | |
| Contribution as a percentage of covered payroll | 1.03% | 1.06% | 1.04% | |

Note: Information is not available for prior years. In future reports, additional years will be added until 10 years of historical data are presented. Information is presented as of the District and component unit fiscal year end for each year presented. The DPS HCTF was established on January 1, 2010, and received the balance for the Denver Public Schools Retiree Health Benefit Trust.



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SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO OTHER REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024

1. SIGNIFICANT CHANGES AFFECTING TRENDS IN ACTUARIAL INFORMATION - PENSIONS

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

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14.561 million.
- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter.

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

- Price inflation assumption decreased from 2.40% per year to 2.30% per year
- Real rate of investment return assumption remained at 7.25% per year, net of investment expenses
- Wage inflation assumption decreased from 3.50% per year to 3.00% per year
- Real wage growth decreased from 1.10% to 0.70%
- House Bill (HB) 22-1029, effective upon enactment in 2022, required the State treasurer to issue, in addition to the regularly scheduled \$225 million (actual dollars) direct distribution, a warrant to PERA in the amount of \$380 million (actual dollars) with reductions to future direct distributions. The July 1, 2023, direct distribution will be reduced by \$190 million (actual dollars) to \$35 million (actual dollars). The July 1, 2024, direct distribution will not be reduced from \$225 million (actual dollars) due to a negative investment return in 2022.
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter

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

- The assumption used to value the automatic increase cap benefit provision was changed from 1.25 percent to 1.00 percent
- Actual employer contributions to the DPS Division are reduced by an amount equal to the principal payments plus interest necessary each year to finance the pension certificates of participation (PCOPs) issued in 1997 and 2008 and refinanced thereafter

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NOTES TO OTHER REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024

2. OPEB

Denver Public Schools Health Care Trust Fund

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

- There were no changes to the actuarial methods or assumptions

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

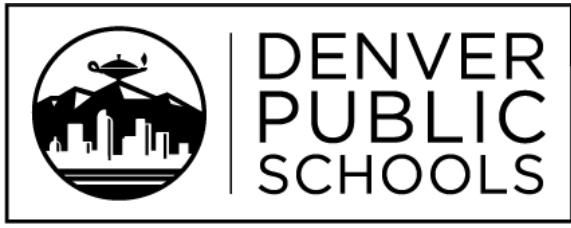
- The total OPEB liability for the Health Care Trust Fund (HCTF), as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022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

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

- There were no changes in assumptions or other inputs effective for the December 31, 2021 measurement period for OPEB

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

| | |
|--|--|
| Actuarial cost method | Entry age |
| Price inflation | 2.30 percent |
| Real wage growth | 0.70 percent |
| Wage inflation | 3.00 percent |
| Salary increases, including wage inflation | 3.80 percent to 11.50 percent |
| Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation | 7.25 percent |
| Discount rate | 7.25 percent |
| Health care cost trend rates | |
| PERA benefit structure: | |
| Service-based premium subsidy | 0.00 percent |
| PERACare Medicare plans | 6.50 percent in 2022, gradually decreasing to 4.50 percent in 2030 |
| Medicare Part A premiums | 3.75 percent in 2022, gradually increasing to 4.50 percent in 2029 |
| DPS benefit structure: | |
| Service-based premium subsidy | 0.00 percent |
| PERACare Medicare plans | N/A |
| Medicare Part A premiums | N/A |

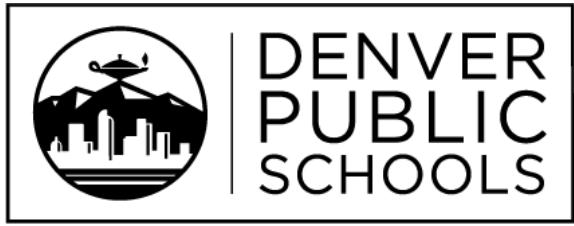


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OTHER SUPPLEMENTARY INFORMATION



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GOVERNMENTAL FUNDS

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2024

| | Food Services Special Revenue Fund | Pupil Activity Special Revenue Fund | ProComp Special Revenue Fund | Mill Levy Technology Maintenance | Permanent Fund | Total |
|---|--|---|------------------------------------|--|-------------------|----------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 201,190 | \$ - | \$ - | \$ - | \$ 127,673 | \$ 328,863 |
| Investments | - | - | - | - | 3,982 | 3,982 |
| Taxes receivable | - | - | 1,885,920 | 3,696,123 | - | 5,582,043 |
| Intergovernmental receivables | 6,127,398 | - | - | - | - | 6,127,398 |
| Other receivables | 9,417 | - | - | - | - | 9,417 |
| Due from other funds | - | 6,599,963 | - | - | - | 6,599,963 |
| Inventory | 4,572,403 | - | - | - | - | 4,572,403 |
| Restricted cash and cash equivalents | - | - | 6,337,486 | - | - | 6,337,486 |
| Total assets | <u>10,910,408</u> | <u>6,599,963</u> | <u>8,223,406</u> | <u>3,696,123</u> | <u>131,655</u> | <u>29,561,555</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | 971,582 | - | - | 3,909 | - | 975,491 |
| Due to other funds | 3,744,660 | - | 1,353,409 | 2,643,058 | 60,527 | 7,801,654 |
| Unearned revenue | 553,452 | 2,145,954 | - | - | - | 2,699,406 |
| Total liabilities | <u>5,269,694</u> | <u>2,145,954</u> | <u>1,353,409</u> | <u>2,646,967</u> | <u>60,527</u> | <u>11,476,551</u> |
| Deferred inflows of resources: | | | | | | |
| Property taxes | - | - | 535,324 | 1,049,156 | - | 1,584,480 |
| Total deferred inflows of resources | - | - | 535,324 | 1,049,156 | - | 1,584,480 |
| Fund balances: | | | | | | |
| Nonspendable: | | | | | | |
| Inventory | 557,481 | - | - | - | - | 557,481 |
| Permanent fund | - | - | - | - | 71,128 | 71,128 |
| Restricted for: | | | | | | |
| Performance-based teacher compensation | - | - | 6,334,673 | - | - | 6,334,673 |
| Committed to: | | | | | | |
| Pupil activities | - | 4,454,009 | - | - | - | 4,454,009 |
| Food service | 5,083,233 | - | - | - | - | 5,083,233 |
| Total fund balances | <u>5,640,714</u> | <u>4,454,009</u> | <u>6,334,673</u> | <u>-</u> | <u>71,128</u> | <u>16,500,524</u> |
| Total liabilities and fund balances | <u>\$ 10,910,408</u> | <u>\$ 6,599,963</u> | <u>\$ 8,223,406</u> | <u>\$ 3,696,123</u> | <u>\$ 131,655</u> | <u>\$ 29,561,555</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

| | Food Services Special Revenue Fund | Pupil Activity Special Revenue Fund | ProComp Special Revenue Fund | Mill Levy Technology Maintenance | Permanent Fund | Total |
|--|--|---|------------------------------------|--|-------------------|----------------------|
| REVENUES | | | | | | |
| Taxes | \$ - | \$ - | \$ 40,238,129 | \$ 78,407,891 | \$ - | \$ 118,646,020 |
| Intergovernmental: | | | | | | |
| Revenue from state sources | 13,988,906 | - | - | - | - | 13,988,906 |
| Revenue from federal sources | 32,863,206 | - | - | - | - | 32,863,206 |
| Charges for services | 1,059,413 | - | - | - | - | 1,059,413 |
| Investment income | - | - | 130,420 | - | 5,608 | 136,028 |
| Other local sources | 25,907 | 6,037,593 | - | - | - | 6,063,500 |
| Total revenues | <u>47,937,432</u> | <u>6,037,593</u> | <u>40,368,549</u> | <u>78,407,891</u> | <u>5,608</u> | <u>172,757,073</u> |
| EXPENDITURES | | | | | | |
| Instruction: | | | | | | |
| Regular instruction | - | 921,234 | 34,224,102 | - | - | 35,145,336 |
| Special education | - | 504 | 3,558,848 | - | - | 3,559,352 |
| Other instruction | - | 5,326,327 | 29 | - | - | 5,326,356 |
| Total instruction | <u>-</u> | <u>6,248,065</u> | <u>37,782,979</u> | <u>-</u> | <u>-</u> | <u>44,031,044</u> |
| Support services: | | | | | | |
| Pupil supporting services | - | 1,064 | 1,566,456 | - | - | 1,567,520 |
| Instructional support | - | 26,327 | 165,453 | - | - | 191,780 |
| General administration | - | - | 29,358 | 217,312 | - | 246,670 |
| School administration | - | 552 | - | - | - | 552 |
| Business services | - | 3,264 | - | - | - | 3,264 |
| Operations and maintenance | - | - | 11,200 | 72,921,131 | - | 72,932,331 |
| Pupil transportation | - | - | - | 3,342,502 | - | 3,342,502 |
| Central services | - | - | 812,425 | 657,353 | - | 1,469,778 |
| Other support services | 48,091,582 | 175 | - | - | - | 48,091,757 |
| Total support services | <u>48,091,582</u> | <u>31,382</u> | <u>2,584,892</u> | <u>77,138,298</u> | <u>-</u> | <u>127,846,154</u> |
| Community services | - | 2,508 | 559 | - | - | 3,067 |
| Education for adults | - | - | 119 | - | - | 119 |
| Principal payments | - | - | - | 1,269,593 | - | 1,269,593 |
| Total expenditures | <u>48,091,582</u> | <u>6,281,955</u> | <u>40,368,549</u> | <u>78,407,891</u> | <u>-</u> | <u>173,149,977</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(154,150)</u> | <u>(244,362)</u> | <u>-</u> | <u>-</u> | <u>5,608</u> | <u>(392,904)</u> |
| OTHER FINANCING SOURCES | | | | | | |
| Transfers in | | | | | | |
| Total other financing sources | 1,400,000 | - | - | - | - | 1,400,000 |
| Net change in fund balances | 1,245,850 | (244,362) | - | - | 5,608 | 1,007,096 |
| Fund balances - beginning | 4,394,864 | 4,698,371 | 6,334,673 | - | 65,520 | 15,493,428 |
| Fund balances - ending | <u>\$ 5,640,714</u> | <u>\$ 4,454,009</u> | <u>\$ 6,334,673</u> | <u>\$ -</u> | <u>\$ 71,128</u> | <u>\$ 16,500,524</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
BOND REDEMPTION FUND
YEAR ENDED JUNE 30, 2024
Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|----------------------------|------------------|------------------|-------------------|----------------------------------|
| REVENUES | | | | |
| Taxes | \$ 226,698 | \$ 246,601 | \$ 244,241 | \$ (2,360) |
| Local sources | 2,000 | 4,000 | 7,635 | 3,635 |
| Total revenues | <u>228,698</u> | <u>250,601</u> | <u>251,876</u> | <u>1,275</u> |
| EXPENDITURES | | | | |
| Purchased Services | 150 | 150 | 8 | 142 |
| Debt Service Principal | 109,955 | 109,955 | 109,955 | - |
| Debt Service Interest | 92,003 | 94,323 | 94,348 | (25) |
| Appropriated Reserves | 220,189 | 272,776 | - | 272,776 |
| Total expenditures | <u>422,297</u> | <u>477,204</u> | <u>204,311</u> | <u>272,893</u> |
| Net change in fund balance | <u>(193,599)</u> | <u>(226,603)</u> | <u>47,565</u> | <u>274,168</u> |
| Beginning fund balance | <u>193,599</u> | <u>226,603</u> | <u>226,603</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 274,168</u> | <u>\$ 274,168</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE

BUILDING FUND

YEAR ENDED JUNE 30, 2024

Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|------------------|------------------|-------------------|----------------------------------|
| REVENUES | | | | |
| Federal sources | \$ 6,413 | \$ 6,413 | \$ 6,560 | \$ 147 |
| Local sources | 30,605 | 30,605 | 54,415 | 23,810 |
| Total revenues | <u>37,018</u> | <u>37,018</u> | <u>60,975</u> | <u>23,957</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 9,518 | 9,518 | 9,082 | 436 |
| Employee Benefits | 2,902 | 2,902 | 2,752 | 150 |
| Supplies and Materials | 12,966 | 12,966 | 4,194 | 8,772 |
| Purchased Services | 5,093 | 5,093 | 18,290 | (13,197) |
| Property | 320,100 | 322,500 | 262,317 | 60,183 |
| Other Expenses | 2,100 | 2,100 | (143) | 2,243 |
| Debt Service Principal | 10,035 | 10,035 | 11,844 | (1,809) |
| Debt Service Interest | 5,467 | 5,467 | 6,054 | (587) |
| Appropriated Reserves | 105,921 | 139,433 | - | 139,433 |
| Unappropriated reserves | 225,521 | 217,243 | - | 217,243 |
| Total expenditures | <u>699,623</u> | <u>727,257</u> | <u>314,390</u> | <u>412,867</u> |
| Excess (deficiency) of revenues over expenditures | <u>(662,605)</u> | <u>(690,239)</u> | <u>(253,415)</u> | <u>436,824</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Interfund transfers | 1,000 | 5,000 | 28,025 | 23,025 |
| Issuance of Leases and Software | - | 2,400 | 2,002 | (398) |
| Total other financing sources (uses) | <u>1,000</u> | <u>7,400</u> | <u>30,027</u> | <u>22,627</u> |
| Net change in fund balance | <u>(661,605)</u> | <u>(682,839)</u> | <u>(223,388)</u> | <u>459,451</u> |
| Beginning fund balance | <u>661,605</u> | <u>682,839</u> | <u>682,839</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 459,451</u> | <u>\$ 459,451</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
FOOD SERVICES SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024
Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|-----------------|----------------|-----------------|----------------------------------|
| REVENUES | | | | |
| State sources | \$ 13,220 | \$ 17,372 | \$ 13,989 | \$ (3,383) |
| Federal sources | 25,640 | 33,091 | 32,863 | (228) |
| Local sources | 475 | 475 | 1,085 | 610 |
| Total revenues | <u>39,335</u> | <u>50,938</u> | <u>47,937</u> | <u>(3,001)</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 19,607 | 20,458 | 22,574 | (2,116) |
| Employee Benefits | 5,784 | 6,431 | 6,864 | (433) |
| Supplies and Materials | 18,364 | 24,406 | 24,178 | 228 |
| Purchased Services | 1,230 | 1,560 | 1,645 | (85) |
| Property | 448 | 419 | 442 | (23) |
| Other Expenses | (864) | (2,337) | (7,612) | 5,275 |
| Appropriated Reserves | 1,500 | 4,395 | - | 4,395 |
| Total expenditures | <u>46,069</u> | <u>55,332</u> | <u>48,091</u> | <u>7,241</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,734)</u> | <u>(4,394)</u> | <u>(154)</u> | <u>4,240</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Interfund transfers | 5,234 | - | 1,400 | 1,400 |
| Total other financing sources (uses) | <u>5,234</u> | <u>-</u> | <u>1,400</u> | <u>1,400</u> |
| Net change in fund balance | (1,500) | (4,394) | 1,246 | 5,640 |
| Beginning fund balance | 1,500 | 4,394 | 4,394 | - |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,640</u> | <u>\$ 5,640</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
PUPIL ACTIVITY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024
Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|----------------|-----------------|----------------------------------|
| REVENUES | | | | |
| Local sources | \$ 8,000 | \$ 8,000 | \$ 6,038 | \$ (1,962) |
| Total revenues | <u>8,000</u> | <u>8,000</u> | <u>6,038</u> | <u>(1,962)</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 225 | 225 | 55 | 170 |
| Employee Benefits | 67 | 67 | 12 | 55 |
| Supplies and Materials | 3,500 | 3,500 | 4,219 | (719) |
| Purchased Services | 480 | 480 | 1,039 | (559) |
| Property | 50 | 50 | 20 | 30 |
| Other Expenses | 3,678 | 3,678 | 937 | 2,741 |
| Appropriated Reserves | 4,717 | 4,698 | - | 4,698 |
| Total expenditures | <u>12,717</u> | <u>12,698</u> | <u>6,282</u> | <u>6,416</u> |
| Net change in fund balance | <u>(4,717)</u> | <u>(4,698)</u> | <u>(244)</u> | <u>4,454</u> |
| Beginning fund balance | <u>4,717</u> | <u>4,698</u> | <u>4,698</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,454</u> | <u>\$ 4,454</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
PROCOMP SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024
Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|----------------|-----------------|----------------------------------|
| REVENUES | | | | |
| Taxes | \$ 40,497 | \$ 40,497 | \$ 40,238 | \$ (259) |
| Local sources | 25 | 25 | 130 | 105 |
| Total revenues | <u>40,522</u> | <u>40,522</u> | <u>40,368</u> | <u>(154)</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 30,937 | 31,054 | 30,846 | 208 |
| Employee Benefits | 9,426 | 9,462 | 9,383 | 79 |
| Purchased Services | 159 | 159 | 139 | 20 |
| Appropriated Reserves | - | 6,182 | - | 6,182 |
| Unappropriated reserves | <u>6,214</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>46,736</u> | <u>46,857</u> | <u>40,368</u> | <u>6,489</u> |
| Net change in fund balance | <u>(6,214)</u> | <u>(6,335)</u> | <u>-</u> | <u>6,335</u> |
| Beginning fund balance | <u>6,214</u> | <u>6,335</u> | <u>6,335</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,335</u> | <u>\$ 6,335</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE
MILL LEVY TECHNOLOGY MAINTENANCE FUND
YEAR ENDED JUNE 30, 2024
Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|-----------------|-----------------|---------------|----------------------------------|
| REVENUES | | | | |
| Taxes | \$ 70,601 | \$ 79,894 | \$ 78,408 | \$ (1,486) |
| Total revenues | <u>70,601</u> | <u>79,894</u> | <u>78,408</u> | <u>(1,486)</u> |
| EXPENDITURES | | | | |
| Employee Salaries | 40,193 | 38,214 | 32,538 | 5,676 |
| Employee Benefits | 12,255 | 11,458 | 9,843 | 1,615 |
| Charter school | 15,367 | 17,626 | 17,632 | (6) |
| Supplies and Materials | 2,786 | 8,297 | 4,034 | 4,263 |
| Purchased Services | - | 4,299 | 12,857 | (8,558) |
| Property | - | 12,400 | - | 12,400 |
| Other Expenses | - | - | 234 | (234) |
| Debt Service Principal | - | - | 1,270 | (1,270) |
| Total expenditures | <u>70,601</u> | <u>92,294</u> | <u>78,408</u> | <u>13,886</u> |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>(12,400)</u> | <u>-</u> | <u>12,400</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Issuance of leases | - | 12,400 | - | (12,400) |
| Total other financing sources (uses) | <u>-</u> | <u>12,400</u> | <u>-</u> | <u>(12,400)</u> |
| Net change in fund balance | - | - | - | - |
| Beginning fund balance | - | - | - | - |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

SCHOOL DISTRICT NO. 1
 IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

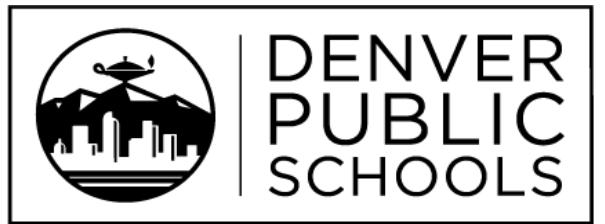
BUDGETARY COMPARISON SCHEDULE

PERMANENT FUND

YEAR ENDED JUNE 30, 2024

Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|--------------|--------|----------------------------------|
| REVENUES | | | | |
| Local sources | \$ 1 | \$ 1 | \$ 6 | \$ 5 |
| Total revenues | 1 | 1 | 6 | 5 |
| EXPENDITURES | | | | |
| Appropriated Reserves | 61 | 67 | - | 67 |
| Total expenditures | 61 | 67 | - | 67 |
| Net change in fund balance | (60) | (66) | 6 | 72 |
| Beginning fund balance | 60 | 66 | 66 | - |
| Ending fund balance | \$ - | \$ - | \$ 72 | \$ 72 |



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FIDUCIARY FUND

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

BUDGETARY COMPARISON SCHEDULE

FIDUCIARY FUNDS

YEAR ENDED JUNE 30, 2024

Amount in 000's

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|----------------------------|-----------------|--------------|-----------------|----------------------------------|
| REVENUES | | | | |
| Interest income | \$ 3,640 | \$ - | \$ 67 | \$ 67 |
| Total revenues | <u>3,640</u> | <u>-</u> | <u>67</u> | <u>67</u> |
| EXPENDITURES | | | | |
| Other | 2,800 | - | - | - |
| Appropriated Reserves | 21,357 | 1,057 | - | 1,057 |
| Total expenditures | <u>24,157</u> | <u>1,057</u> | <u>-</u> | <u>1,057</u> |
| Net change in fund balance | (20,517) | (1,057) | 67 | 1,124 |
| Beginning fund balance | <u>20,517</u> | <u>1,057</u> | <u>1,057</u> | <u>-</u> |
| Ending fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,124</u> | <u>\$ 1,124</u> |



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**Colorado Department of
Education**

Auditors Integrity Report

District: 0880 - Denver County, 1
Fiscal Year 2023-24
Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

| Fund Type & Number | Beg Fund Balance & Prior Per Adj (6880*) | 1000 - 5999 Total Revenues & Other Sources Used | 0001-0999 Total Expenditures & Other Sources Used | 6700-6799 & Prior Per Adj (6880*) Ending Fund Balance |
|---|---|--|--|--|
| Governmental | + - = | - | - | = |
| 10 General Fund | 147,681,770 | 1,128,034,018 | 1,106,353,722 | 169,362,066 |
| 18 Risk Mgmt Sub-Fund of General Fund | 0 | 0 | 0 | 0 |
| 19 Colorado Preschool Program Fund | 0 | 0 | 0 | 0 |
| Sub- Total | 147,681,770 | 1,128,034,018 | 1,106,353,722 | 169,362,066 |
| 11 Charter School Fund | 137,535,917 | 391,336,655 | 381,336,700 | 147,535,872 |
| 20,26-29 Special Revenue Fund | 6,334,673 | 40,368,549 | 40,368,549 | 6,334,673 |
| 06 Supplemental Cap Const, Tech, Maint, Fund | 0 | 78,407,891 | 78,407,891 | 0 |
| 07 Total Program Reserve Fund | 0 | 0 | 0 | 0 |
| 21 Food Service Spec Revenue Fund | 4,394,864 | 49,337,432 | 48,091,582 | 5,640,714 |
| 22 Govt Designated-Purpose Grants Fund | 22,104,243 | 239,105,384 | 232,681,980 | 28,527,837 |
| 23 Pupil Activity Special Revenue Fund | 4,698,371 | 6,037,593 | 6,281,985 | 4,454,009 |
| 25 Transportation Fund | 0 | 0 | 0 | 0 |
| 31 Bond Redemption Fund | 226,603,288 | 251,875,492 | 204,310,740 | 274,168,040 |
| 39 Certificate of Participation (COP) Debt Service Fund | 0 | 0 | 0 | 0 |
| 41 Building Fund | 682,838,736 | 91,002,683 | 314,390,319 | 459,451,100 |
| 42 Special Building Fund | 0 | 0 | 0 | 0 |
| 43 Capital Reserve Capital Projects Fund | 0 | 0 | 0 | 0 |
| 46 Supplemental Cap Const, Tech, Maint Fund | 0 | 0 | 0 | 0 |
| Totals | 1,232,191,861 | 2,275,505,698 | 2,412,223,447 | 1,095,474,111 |
| Proprietary | | | | |
| 50 Other Enterprise Funds | 0 | 0 | 0 | 0 |
| 64 (63) Risk-Related Activity Fund | 0 | 0 | 0 | 0 |
| 60-65-69 Other Internal Service Funds | 0 | 0 | 0 | 0 |
| Totals | 0 | 0 | 0 | 0 |
| Fiduciary | | | | |
| 70 Other Trust and Agency Funds | 0 | 0 | 0 | 0 |
| 72 Private Purpose Trust Fund | 1,056,535 | 66,549 | 66,549 | 1,123,084 |
| 73 Agency Fund | 0 | 0 | 0 | 0 |
| 74 Pupil Activity Agency Fund | 0 | 0 | 0 | 0 |
| 79 GASB 34 Permanent Fund | 65,520 | 5,608 | 5,608 | 71,128 |
| 85 Foundations | 11,781,293 | 8,662,795 | 8,662,795 | 10,947,563 |
| Totals | 12,903,348 | 8,734,952 | 9,496,525 | 12,141,775 |

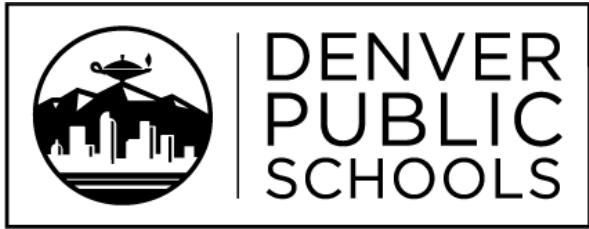
FINAL

*If you have a prior period adjustment in any fund (Balance Sheet 6880), the amount of your prior period adjustment is added into both your ending and beginning fund balances on this report.
12/11/24

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STATISTICAL SECTION

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

STATISTICAL SECTION
YEAR ENDED JUNE 30, 2024

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District.

| Contents | Page |
|--|-------------|
| Financial Trends | |
| These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | |
| Net Position by Component | 157 |
| Changes in Net Position | 158 |
| Fund Balances, Governmental Funds | 160 |
| Changes in Fund Balances, Government Funds | 162 |
| Summary of Expenditures by Function and other Financing Uses - General Fund | 164 |
| Revenue Capacity | |
| These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. | |
| Summary of Revenues by Source and other Financing Sources - General Fund | 166 |
| Assessed Net Value and Estimated Actual Value of Taxable Property | 167 |
| District Net Assessed Valuations and Mills | 169 |
| Property Tax Rates per \$1,000 of Assessed Valuation- Direct and all Overlapping Governments | 170 |
| Principal Property Taxpayers | 171 |
| Property Tax Levies and Collections | 172 |
| Debt Capacity | |
| These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | |
| Legal Debt Margin Information | 173 |
| Ratios of Outstanding Debt by Type and Net General Bond Debt | 175 |
| Direct and Overlapping Debt | 177 |
| Demographic and Economic Information | |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | |
| Demographic and Economic Statistics | 178 |
| Principal Employers | 179 |
| Operating Information | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | |
| Nutrition Services - Facts and Figures | 180 |
| Full-time Equivalent (FTE) Employees | 183 |
| Capital Asset Information - by Schools | 184 |

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Governmental activities | | | | | |
| Net investment in capital assets | \$ 36,479,274 | \$ 5,788,163 | \$ (58,596,829) | \$ (54,971,225) | \$ (67,160,973) |
| Restricted | 354,725,316 | 294,405,998 | 287,564,514 | 281,985,613 | 260,280,665 |
| Unrestricted (deficit) | (748,665,473) | (861,749,698) | (949,863,107) | (1,234,450,492) | (1,322,642,234) |
| Total governmental activities net position (deficit) | <u>(357,460,883)</u> | <u>(561,555,537)</u> | <u>(720,895,422)</u> | <u>(1,007,436,104)</u> | <u>(1,129,522,542)</u> |
| Primary government | | | | | |
| Net investment in capital assets | 36,479,274 | 5,788,163 | (58,596,829) | (54,971,225) | (67,160,973) |
| Restricted | 354,725,316 | 294,405,998 | 287,564,514 | 281,985,613 | 260,280,665 |
| Unrestricted (deficit) | (748,665,473) | (861,749,698) | (949,863,107) | (1,234,450,492) | (1,322,642,234) |
| Total primary government net position (deficit) | <u>\$ (357,460,883)</u> | <u>\$ (561,555,537)</u> | <u>\$ (720,895,422)</u> | <u>\$ (1,007,436,104)</u> | <u>\$ (1,129,522,542)</u> |
| | | | | | |
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| Governmental activities | | | | | |
| Net investment in capital assets | \$ (62,814,668) | \$ (48,797,256) | \$ 148,648,229 | \$ 104,965,907 | \$ 118,645,799 |
| Restricted | 616,186,143 | 650,615,101 | 648,556,477 | 290,705,891 | 391,653,002 |
| Unrestricted (deficit) | (1,834,629,855) | (2,093,681,026) | (2,154,349,495) | (1,652,698,513) | (1,702,868,865) |
| Total governmental activities net position (deficit) | <u>(1,281,258,380)</u> | <u>(1,491,863,181)</u> | <u>(1,357,144,789)</u> | <u>(1,257,026,715)</u> | <u>(1,192,570,064)</u> |
| Primary government | | | | | |
| Net investment in capital assets | (62,814,668) | (48,797,256) | 148,648,229 | 104,965,907 | 118,645,799 |
| Restricted | 616,186,143 | 650,615,101 | 648,556,477 | 290,705,891 | 391,653,002 |
| Unrestricted (deficit) | (1,834,629,855) | (2,093,681,026) | (2,154,349,495) | (1,652,698,513) | (1,702,868,865) |
| Total primary government net position (deficit) | <u>\$ (1,281,258,380)</u> | <u>\$ (1,491,863,181)</u> | <u>\$ (1,357,144,789)</u> | <u>\$ (1,257,026,715)</u> | <u>\$ (1,192,570,064)</u> |

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| Expenses: | | | | | |
| Governmental activities: | | | | | |
| Instructional services | \$ 944,491,598 | \$ 914,711,136 | \$ 676,114,938 | \$ 721,672,819 | \$ 696,846,877 |
| Supporting services: | | | | | |
| Pupil support | 133,650,930 | 126,633,648 | 101,253,791 | 105,227,056 | 83,180,894 |
| Instructional support | 148,474,837 | 139,565,736 | 120,594,357 | 139,036,789 | 129,767,373 |
| General administration | 21,016,543 | 14,941,890 | 12,476,768 | 9,927,774 | 8,188,423 |
| School administration | 91,798,455 | 91,682,513 | 72,605,869 | 83,576,693 | 80,450,074 |
| Business services | 16,178,062 | 22,794,030 | 15,091,303 | 15,260,179 | 14,857,663 |
| Operations and maintenance | 150,765,853 | 129,412,125 | 121,134,834 | 126,680,477 | 102,853,799 |
| Pupil transportation | 38,592,477 | 35,053,433 | 26,934,216 | 26,904,924 | 28,916,105 |
| Central services | 97,002,907 | 55,178,459 | 47,767,462 | 52,582,084 | 49,694,958 |
| Other support services | 63,426,153 | 48,296,510 | 59,840,338 | 40,929,494 | 51,852,458 |
| Community services | 22,008,952 | 20,356,928 | 14,378,888 | 10,546,516 | 16,698,518 |
| Education for adults | 32,306,314 | 27,273,093 | 22,349,130 | 26,212,064 | 23,954,101 |
| Food services | - | - | - | - | - |
| Principal payments | - | - | - | - | 7,172,890 |
| Interest and fiscal charges | 121,850,231 | 128,072,087 | 115,823,208 | 126,994,110 | 118,717,714 |
| Total governmental activities expenses | <u>1,881,563,312</u> | <u>1,753,971,588</u> | <u>1,406,365,102</u> | <u>1,485,550,979</u> | <u>1,413,151,847</u> |
| Total primary government expenses | <u>1,881,563,312</u> | <u>1,753,971,588</u> | <u>1,406,365,102</u> | <u>1,485,550,979</u> | <u>1,413,151,847</u> |
| Program revenues: | | | | | |
| Governmental activities: | | | | | |
| Charges for services - Instructional | 54,660,561 | 51,695,050 | 43,919,285 | 35,081,610 | 42,579,085 |
| Charges for services - Other | 40,527,156 | 40,071,562 | 39,877,949 | 30,797,332 | 35,150,712 |
| Operating grants and contributions | 422,789,084 | 386,869,863 | 282,026,841 | 270,988,646 | 187,021,129 |
| Capital grants and contributions | - | - | - | - | 10,077,400 |
| Total governmental activities program revenues | <u>517,976,801</u> | <u>478,636,475</u> | <u>365,824,075</u> | <u>336,867,588</u> | <u>274,828,326</u> |
| Total primary government program revenues | <u>517,976,801</u> | <u>478,636,475</u> | <u>365,824,075</u> | <u>336,867,588</u> | <u>274,828,326</u> |
| Net Expenses | | | | | |
| Governmental activities | (1,363,586,511) | (1,275,335,113) | (1,040,541,027) | (1,148,683,391) | (1,138,323,521) |
| Total primary government net expense | <u>(1,363,586,511)</u> | <u>(1,275,335,113)</u> | <u>(1,040,541,027)</u> | <u>(1,148,683,391)</u> | <u>(1,138,323,521)</u> |
| General revenues and other changes in net position: | | | | | |
| Governmental activities: | | | | | |
| Property taxes | 1,246,798,645 | 1,076,826,381 | 1,026,245,124 | 997,407,662 | 956,891,384 |
| Specific ownership taxes | 60,358,489 | 59,720,206 | 58,412,078 | 53,379,052 | 50,937,342 |
| Payment in lieu of taxes | 3,268,242 | 5,478,167 | - | 4,205,252 | 3,596,102 |
| State equalization | 216,155,954 | 264,084,334 | 222,280,693 | 182,477,557 | 238,991,040 |
| Interest and investment income | 31,937,486 | 23,541,755 | (10,085,488) | 1,753,078 | 10,546,065 |
| Other | 9,162,349 | 5,024,155 | 30,229,951 | 31,547,228 | 24,855,144 |
| Total governmental activities | <u>1,567,681,165</u> | <u>1,434,674,998</u> | <u>1,327,082,358</u> | <u>1,270,769,829</u> | <u>1,285,817,077</u> |
| Total primary government | <u>1,567,681,165</u> | <u>1,434,674,998</u> | <u>1,327,082,358</u> | <u>1,270,769,829</u> | <u>1,285,817,077</u> |
| Change in net position | | | | | |
| Governmental activities | 204,094,654 | 159,339,885 | 286,541,331 | 122,086,438 | 147,493,556 |
| Total primary government | <u>\$ 204,094,654</u> | <u>\$ 159,339,885</u> | <u>\$ 286,541,331</u> | <u>\$ 122,086,438</u> | <u>\$ 147,493,556</u> |

Continued net page

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Unaudited)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------------|-----------------|------------------|-----------------|-----------------|
| Expenses: | | | | | |
| Governmental activities: | | | | | |
| Instructional services | \$ 605,647,740 | \$ 647,048,830 | \$ 661,536,065 | \$ 668,873,429 | \$ 606,202,845 |
| Supporting services: | | | | | |
| Pupil support | 71,532,274 | 66,443,705 | 58,337,272 | 45,246,471 | 36,294,290 |
| Instructional support | 124,605,828 | 125,760,427 | 114,572,496 | 111,594,016 | 113,735,904 |
| General administration | 6,123,865 | 7,526,400 | 6,964,963 | 6,096,731 | 5,299,658 |
| School administration | 78,604,576 | 78,617,586 | 77,079,051 | 69,544,540 | 65,203,286 |
| Business services | 14,842,975 | 14,882,801 | 12,957,204 | 8,609,001 | 6,971,488 |
| Operations and maintenance | 100,668,711 | 96,681,984 | 91,074,789 | 79,314,548 | 74,977,465 |
| Pupil transportation | 29,743,657 | 26,546,492 | 25,164,705 | 26,012,440 | 22,571,539 |
| Central services | 70,219,410 | 183,402,521 | 176,020,151 | 134,964,286 | 126,422,167 |
| Other support services | 51,903,765 | 46,450,521 | 51,052,612 | 48,582,600 | 47,742,261 |
| Community services | 15,982,204 | 17,638,447 | 16,515,410 | 14,366,660 | 12,899,167 |
| Education for adults | 21,951,395 | 22,244,905 | 20,508,759 | 17,828,984 | 17,810,825 |
| Food services | - | - | - | - | - |
| Principal payments | - | - | - | - | - |
| Interest and fiscal charges | 129,019,562 | 162,850,968 | 137,843,846 | 128,003,672 | 127,899,257 |
| Total governmental activities expenses | 1,320,845,962 | 1,496,095,587 | 1,449,627,323 | 1,359,037,378 | 1,264,030,152 |
| Total primary government expenses | 1,320,845,962 | 1,496,095,587 | 1,449,627,323 | 1,359,037,378 | 1,264,030,152 |
| Program revenues: | | | | | |
| Governmental activities: | | | | | |
| Charges for services - Instructional | 42,939,547 | 36,974,879 | 33,194,921 | 29,805,479 | 27,970,405 |
| Charges for services - Other | 41,558,397 | 33,989,449 | 30,514,695 | 27,398,922 | 25,712,014 |
| Operating grants and contributions | 264,820,334 | 220,120,675 | 214,428,461 | 212,702,661 | 221,919,647 |
| Capital grants and contributions | - | - | - | - | - |
| Total governmental activities program revenues | 349,318,278 | 291,085,003 | 278,138,077 | 269,907,062 | 275,602,066 |
| Total primary government program revenues | 349,318,278 | 291,085,003 | 278,138,077 | 269,907,062 | 275,602,066 |
| Net Expenses | | | | | |
| Governmental activities | (971,527,684) | (1,205,010,584) | (1,171,489,246) | (1,089,130,316) | (988,428,086) |
| Total primary government net expense | (971,527,684) | (1,205,010,584) | (1,171,489,246) | (1,089,130,316) | (988,428,086) |
| General revenues and other changes in net position: | | | | | |
| Governmental activities: | | | | | |
| Property taxes | 814,556,942 | 796,450,648 | 671,768,786 | 623,495,039 | 512,100,229 |
| Specific ownership taxes | 52,944,185 | 51,821,726 | 44,805,199 | 40,303,943 | 36,829,683 |
| Payment in lieu of taxes | 3,604,926 | 2,990,033 | 2,828,616 | 2,522,094 | 2,489,581 |
| State equalization | 279,467,577 | 243,213,839 | 296,486,570 | 294,025,391 | 331,479,392 |
| Interest and investment income | 18,101,994 | 8,630,469 | 5,922,616 | 1,958,554 | 2,481,057 |
| Other | 13,456,861 | 38,472,898 | 49,559,385 | 62,368,644 | 35,645,024 |
| Total governmental activities | 1,182,132,485 | 1,141,579,613 | 1,071,371,172 | 1,024,673,665 | 921,024,966 |
| Total primary government | 1,182,132,485 | 1,141,579,613 | 1,071,371,172 | 1,024,673,665 | 921,024,966 |
| Change in net position | | | | | |
| Governmental activities | 210,604,801 | (63,430,971) | (100,118,074) | (64,456,651) | (67,403,120) |
| Total primary government | \$ 210,604,801 | \$ (63,430,971) | \$ (100,118,074) | \$ (64,456,651) | \$ (67,403,120) |

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|-----------------------|-------------------------|-------------------------|-----------------------|-----------------------|
| General Fund | | | | | |
| Nonspendable: | | | | | |
| Inventory | \$ 1,455,548 | \$ 1,475,845 | \$ 1,386,782 | \$ 1,160,643 | \$ 1,238,552 |
| Prepaid expenses | - | - | - | - | - |
| Restricted for: | | | | | |
| Emergency reserve | 40,707,510 | 38,060,520 | 40,200,974 | 31,697,040 | 33,618,750 |
| Committed to: | | | | | |
| Pupil Activities | 6,876,510 | 6,609,037 | 2,316,528 | 8,672,016 | 1,448,767 |
| Emergency reserve | - | - | - | - | - |
| Assigned to: | | | | | |
| Special projects | 12,995,401 | 12,439,657 | 24,128,060 | 23,671,535 | 23,478,391 |
| Subsequent year expenditures | 2,627,000 | 12,677,000 | 11,760,000 | 3,790,000 | 13,847,000 |
| Unassigned | <u>104,700,097</u> | <u>76,419,711</u> | <u>53,600,992</u> | <u>56,144,186</u> | <u>45,424,828</u> |
| Total General Fund | <u>169,362,066</u> | <u>147,681,770</u> | <u>133,393,336</u> | <u>125,135,420</u> | <u>119,056,288</u> |
| All other governmental funds | | | | | |
| Nonspendable: | | | | | |
| Permanent fund | 71,128 | 65,520 | 60,491 | 59,519 | 58,871 |
| Inventory | 557,481 | 540,879 | 801,824 | 497,844 | 504,881 |
| Prepaid expenses | 162,974 | 93,192 | 142,325 | 424,389 | 913,699 |
| Restricted for: | | | | | |
| Debt service | 275,277,856 | 227,841,042 | 222,260,120 | 226,255,934 | 203,916,531 |
| Capital projects | 378,181,127 | 643,116,618 | 780,687,082 | 508,861,239 | 236,677,860 |
| Performance-based teacher compensation | 6,334,673 | 6,334,673 | 7,616,799 | 7,676,261 | 7,858,567 |
| Higher education | 24,311,281 | 19,012,629 | 16,439,498 | 15,091,649 | 12,819,754 |
| Non-governmental grantor-designated purposes | 4,216,356 | 3,091,614 | 986,632 | 1,077,193 | 1,043,138 |
| State programs | - | - | - | - | - |
| Federal programs | - | - | - | 128,017 | 965,054 |
| Committed to: | | | | | |
| Capital projects | - | - | - | - | - |
| Pupil activities | 4,454,009 | 4,698,371 | 4,716,917 | 5,381,600 | 4,808,712 |
| Food service | 5,083,233 | - | - | - | - |
| Assigned to: | | | | | |
| Debt service | - | - | - | - | - |
| Capital projects | 79,997,183 | 38,391,172 | 87,437,849 | 64,223,469 | 16,683,835 |
| Food service | - | 3,853,985 | 8,517,788 | 2,443,493 | 935,636 |
| Unassigned | - | - | - | - | - |
| Total all other governmental funds | <u>778,647,301</u> | <u>947,039,695</u> | <u>1,129,667,325</u> | <u>832,120,607</u> | <u>487,186,538</u> |
| Total fund balances | <u>\$ 948,009,367</u> | <u>\$ 1,094,721,465</u> | <u>\$ 1,263,060,661</u> | <u>\$ 957,256,027</u> | <u>\$ 606,242,826</u> |

Continued next page

Source: District annual financial reports for the respective years

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Unaudited)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund | | | | | |
| Nonspendable: | | | | | |
| Inventory | \$ 1,107,816 | \$ 892,874 | \$ 761,736 | \$ 704,168 | \$ 824,309 |
| Prepaid expenses | - | - | 150,566 | 142,383 | - |
| Restricted for: | | | | | |
| Emergency reserve | 31,046,220 | 28,893,630 | 27,033,570 | 24,910,740 | 23,587,040 |
| Committed to: | | | | | |
| Pupil Activities | 1,266,865 | - | - | - | - |
| Emergency reserve | - | - | - | - | - |
| Assigned to: | | | | | |
| Special projects | 25,093,990 | 22,869,037 | 15,923,740 | 17,397,322 | 15,920,181 |
| Subsequent year expenditures | 6,827,418 | 17,886,037 | 8,182,740 | 1,315,705 | 4,082,181 |
| Unassigned | 53,165,742 | 48,469,286 | 70,097,523 | 50,072,162 | 62,139,089 |
| Total General Fund | <u>118,508,051</u> | <u>119,010,864</u> | <u>122,149,875</u> | <u>94,542,480</u> | <u>106,552,800</u> |
| All other governmental funds | | | | | |
| Nonspendable: | | | | | |
| Permanent fund | 131,044 | 131,371 | 130,992 | 128,553 | 128,806 |
| Inventory | 393,196 | 2,935,450 | 332,113 | 3,485,663 | 3,059,757 |
| Prepaid expenses | 288,384 | 458,901 | 1,531,060 | 509,302 | - |
| Restricted for: | | | | | |
| Debt service | 173,213,859 | 160,157,619 | 130,144,786 | 140,280,738 | 109,761,547 |
| Capital projects | 381,306,757 | 443,137,420 | 470,254,135 | 87,492,008 | 202,717,436 |
| Performance-based teacher compensation | 11,664,070 | 8,590,764 | 11,837,366 | 18,345,329 | 31,352,361 |
| Higher education | 11,235,893 | 9,936,855 | 9,595,895 | 10,572,551 | 10,047,631 |
| Non-governmental grantor-designated purposes | 817,330 | 1,013,135 | 1,492,383 | 6,111,724 | 9,859,915 |
| State programs | - | - | - | - | - |
| Federal programs | 4,981,574 | 7,766,488 | 5,876,870 | 8,548,506 | 4,198,266 |
| Committed to: | | | | | |
| Capital projects | - | 28,005,130 | 35,949,286 | 5,554,771 | 17,390,944 |
| Pupil activities | 332,120 | 2,263,445 | 3,505,285 | 3,168,599 | - |
| Food service | - | - | - | - | - |
| Assigned to: | | | | | |
| Debt service | - | 16,447,000 | 46,598,000 | 10,963,000 | 6,964,000 |
| Capital projects | 28,209,850 | - | - | - | - |
| Food service | 6,992 | - | - | - | - |
| Unassigned | - | (737,940) | (46,913) | (3,344,733) | (3,059,757) |
| Total all other governmental funds | <u>612,581,069</u> | <u>680,105,638</u> | <u>717,201,258</u> | <u>291,816,011</u> | <u>392,420,906</u> |
| Total fund balances | <u>\$ 731,089,120</u> | <u>\$ 799,116,502</u> | <u>\$ 839,351,133</u> | <u>\$ 386,358,491</u> | <u>\$ 498,973,706</u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|-------------------------|-------------------------|-----------------------|-----------------------|-------------------------|
| Revenues: | | | | | |
| Taxes | \$ 1,319,445,309 | \$ 1,165,706,159 | \$ 1,101,742,098 | \$ 1,054,513,077 | \$ 998,219,378 |
| Intergovernmental: | | | | | |
| State sources | 362,454,208 | 391,759,312 | 307,891,606 | 244,656,236 | 326,157,713 |
| Federal sources | 231,682,959 | 211,100,109 | 223,838,236 | 192,730,693 | 109,255,314 |
| Charges for services | 88,976,525 | 90,114,011 | 83,796,585 | 65,878,942 | 75,572,797 |
| Investment income (loss) | 42,584,698 | 23,541,755 | (10,082,439) | 1,753,078 | 10,546,065 |
| Other local sources | 51,287,529 | 60,928,940 | 54,517,271 | 51,832,738 | 55,339,778 |
| Total revenue | <u>2,096,431,228</u> | <u>1,943,150,286</u> | <u>1,761,703,357</u> | <u>1,611,364,764</u> | <u>1,575,091,045</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instructional services | 892,966,138 | 890,860,568 | 780,510,913 | 694,846,491 | 709,651,580 |
| Supporting services: | | | | | |
| Pupil support | 126,348,102 | 123,323,235 | 115,228,146 | 100,576,930 | 82,736,120 |
| Instructional support | 140,362,016 | 135,917,254 | 125,935,594 | 133,611,460 | 129,073,497 |
| General administration | 19,868,176 | 14,551,287 | 14,198,726 | 9,501,382 | 8,062,993 |
| School administration | 86,782,492 | 89,285,781 | 82,626,435 | 80,403,979 | 80,112,333 |
| Business services | 15,294,076 | 22,198,150 | 14,490,900 | 14,575,241 | 14,716,470 |
| Operations and maintenance | 148,881,135 | 123,996,764 | 124,211,645 | 119,394,688 | 102,251,049 |
| Pupil transportation | 36,483,744 | 34,137,079 | 30,447,107 | 25,992,801 | 28,761,438 |
| Central services | 91,702,566 | 53,736,002 | 54,502,677 | 50,736,344 | 49,678,519 |
| Other support services | 59,960,481 | 47,022,600 | 68,028,876 | 39,834,647 | 51,574,682 |
| Total support services | <u>725,682,788</u> | <u>644,168,152</u> | <u>629,670,106</u> | <u>574,627,472</u> | <u>546,967,101</u> |
| Community services | 20,806,359 | 19,824,764 | 16,363,364 | 10,383,123 | 16,609,229 |
| Education for adults | 30,541,063 | 26,560,131 | 24,574,574 | 24,979,010 | 23,573,860 |
| Capital outlay | 282,651,628 | 233,175,400 | 129,424,043 | 161,111,733 | 205,539,953 |
| Debt service: | | | | | |
| Principal | 155,592,041 | 164,270,331 | 156,734,529 | 212,403,162 | 114,480,000 |
| Interest and fiscal charges | <u>140,838,063</u> | <u>148,267,984</u> | <u>142,784,197</u> | <u>135,496,728</u> | <u>133,013,278</u> |
| Total debt service | <u>296,430,104</u> | <u>312,538,315</u> | <u>299,518,726</u> | <u>347,899,890</u> | <u>247,493,278</u> |
| Total expenditures | <u>2,249,078,080</u> | <u>2,127,127,330</u> | <u>1,880,061,726</u> | <u>1,813,847,719</u> | <u>1,749,835,001</u> |
| Deficiency of revenues under expenditures | (152,646,852) | (183,977,044) | (118,358,369) | (202,482,955) | (174,743,956) |
| Other financing sources (uses): | | | | | |
| Transfers in | 30,073,883 | 45,813,428 | 23,728,558 | 22,323,536 | 18,184,640 |
| Transfers out | (30,073,883) | (45,813,428) | (23,728,558) | (22,323,536) | (18,184,640) |
| Issuance of leases and Software | 5,934,754 | 14,756,990 | - | 355,289 | 110,658 |
| Issuance of certificates of participation | - | - | - | - | 45,544,722 |
| Issuance of bonds | - | - | 345,000,000 | 450,000,000 | - |
| Premium on issuance of debt | - | 1,124,848 | 86,575,794 | 103,140,867 | - |
| Payment to refunded debt | - | - | - | - | - |
| Proceeds from refunding bonds | - | 33,380,000 | 52,890,000 | - | - |
| Premium on refunding bonds | - | - | - | - | - |
| Payment to Bond Escrow Agent | - | (33,705,000) | (61,215,000) | - | - |
| Total other financing sources | <u>5,934,754</u> | <u>15,556,838</u> | <u>423,250,794</u> | <u>553,496,156</u> | <u>45,655,380</u> |
| Change in fund balances | <u>\$ (146,712,098)</u> | <u>\$ (168,420,206)</u> | <u>\$ 304,892,425</u> | <u>\$ 351,013,201</u> | <u>\$ (129,088,576)</u> |
| Debt service as a percentage of noncapital expenditures | 15.11% | 16.48% | 17.09% | 21.05% | 16.03% |

Continued next page

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (Unaudited)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------------|------------------------|-----------------------|-------------------------|-------------------------|
| Revenues: | | | | | |
| Taxes | \$ 858,529,862 | \$ 848,458,684 | \$ 717,451,368 | \$ 662,087,462 | \$ 549,453,629 |
| Intergovernmental: | | | | | |
| State sources | 357,074,878 | 304,016,976 | 354,546,283 | 352,543,848 | 386,841,732 |
| Federal sources | 111,381,652 | 114,906,618 | 118,038,010 | 128,143,943 | 135,266,941 |
| Charges for services | 84,497,944 | 78,175,058 | 70,136,444 | 63,538,071 | 58,485,884 |
| Investment income | 18,101,994 | 8,440,469 | 5,697,617 | 1,703,554 | 2,191,056 |
| Other local sources | 53,325,393 | 55,720,801 | 72,195,800 | 45,033,043 | 46,432,436 |
| Total revenue | <u>1,482,911,723</u> | <u>1,409,718,606</u> | <u>1,338,065,522</u> | <u>1,253,049,921</u> | <u>1,178,671,678</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instructional services | 625,813,397 | 563,170,061 | 533,413,133 | 580,342,703 | 545,258,244 |
| Supporting services: | | | | | |
| Pupil support | 73,950,774 | 66,443,705 | 58,337,272 | 45,246,471 | 36,294,290 |
| Instructional support | 128,828,831 | 125,760,427 | 114,572,496 | 111,594,016 | 113,735,903 |
| General administration | 6,330,914 | 7,526,400 | 6,964,963 | 6,096,731 | 5,299,657 |
| School administration | 81,262,191 | 78,617,586 | 77,079,051 | 69,544,540 | 65,203,286 |
| Business services | 15,679,087 | 14,996,029 | 12,817,546 | 8,581,051 | 6,700,984 |
| Operations and maintenance | 104,354,778 | 95,181,985 | 91,074,789 | 79,314,548 | 74,977,466 |
| Pupil transportation | 30,768,374 | 26,546,492 | 25,164,705 | 26,012,440 | 22,571,539 |
| Central services | 72,593,522 | 96,964,007 | 104,428,614 | 67,066,399 | 72,231,405 |
| Other support services | 53,658,626 | 46,450,521 | 49,799,171 | 48,582,600 | 47,742,261 |
| Total support services | <u>567,427,097</u> | <u>558,487,152</u> | <u>540,238,607</u> | <u>462,038,796</u> | <u>444,756,791</u> |
| Community services | 16,522,561 | 17,638,447 | 16,515,410 | 14,366,660 | 12,899,168 |
| Education for adults | 22,693,569 | 22,244,905 | 20,508,759 | 17,828,984 | 17,810,826 |
| Capital outlay | 166,970,851 | 200,399,726 | 161,734,202 | 132,056,762 | 207,594,348 |
| Debt service: | | | | | |
| Principal | 101,926,321 | 75,815,765 | 90,105,000 | 62,663,175 | 57,125,000 |
| Interest and fiscal charges | 134,464,342 | 141,457,068 | 118,391,994 | 106,825,938 | 284,599,941 |
| Total debt service | <u>236,390,663</u> | <u>217,272,833</u> | <u>208,496,994</u> | <u>169,489,113</u> | <u>341,724,941</u> |
| Total expenditures | <u>1,635,818,138</u> | <u>1,579,213,124</u> | <u>1,480,907,105</u> | <u>1,376,123,018</u> | <u>1,570,044,318</u> |
| Deficiency of revenues under expenditures | (152,906,415) | (169,494,518) | (142,841,583) | (123,073,097) | (391,372,640) |
| Other financing sources (uses): | | | | | |
| Transfers in | 20,519,669 | 23,722,566 | 23,172,970 | 16,052,982 | 26,513,288 |
| Transfers out | (20,519,669) | (23,722,566) | (23,256,436) | (16,052,982) | (26,513,288) |
| Issuance of capital leases | 395,098 | 5,468,230 | 2,271,141 | - | - |
| Issuance of certificates of participation | 84,483,935 | 17,710,000 | 46,175,000 | 9,680,591 | - |
| Issuance of bonds | - | 105,325,000 | 466,675,000 | - | - |
| Premium on issuance of debt | - | 25,776,657 | 80,796,550 | - | - |
| Payment to refunded debt | - | - | - | - | - |
| Proceeds from refunding bonds | - | 106,130,000 | - | 143,280,000 | 149,170,000 |
| Premium on refunding bonds | - | - | - | 26,500,712 | 24,225,792 |
| Payment to Bond Escrow Agent | - | (131,150,000) | - | (169,003,421) | - |
| Total other financing sources | <u>84,879,033</u> | <u>129,259,887</u> | <u>595,834,225</u> | <u>10,457,882</u> | <u>173,395,792</u> |
| Change in fund balances | <u>\$ (68,027,382)</u> | <u>\$ (40,234,631)</u> | <u>\$ 452,992,642</u> | <u>\$ (112,615,215)</u> | <u>\$ (217,976,848)</u> |
| Debt service as a percentage of noncapital expenditures | 16.09% | 15.75% | 15.89% | 13.71% | 25.08% |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Expenditures: | | | | | |
| Instructional services | \$ 760,885,245 | \$ 739,427,941 | \$ 657,192,165 | \$ 580,623,950 | \$ 622,903,734 |
| Supporting services: | | | | | |
| Pupil support | 91,140,006 | 86,702,501 | 74,193,579 | 74,251,724 | 69,814,604 |
| Instructional support | 110,181,770 | 106,644,896 | 93,651,824 | 97,018,956 | 99,003,429 |
| General administration | 14,472,874 | 10,918,334 | 9,994,152 | 8,626,792 | 7,539,801 |
| School administration | 86,563,235 | 87,529,034 | 79,687,970 | 77,298,216 | 77,047,427 |
| Business services | 10,116,419 | 15,748,677 | 13,602,200 | 11,505,865 | 13,294,858 |
| Operations and maintenance | 49,095,024 | 51,880,969 | 76,820,175 | 64,396,850 | 86,305,872 |
| Pupil transportation | 33,000,829 | 33,888,903 | 29,788,063 | 25,126,430 | 28,368,149 |
| Central services | 73,532,682 | 35,465,538 | 42,583,410 | 37,729,172 | 38,847,732 |
| Other support services | 460,826 | - | 492,055 | 1,404,453 | 51,261 |
| Total support services | <u>468,563,665</u> | <u>428,778,852</u> | <u>420,813,428</u> | <u>397,358,458</u> | <u>420,273,133</u> |
| Community services | 17,153,672 | 12,734,634 | 11,037,996 | 6,836,774 | 13,994,995 |
| Education for adults | 324,572 | 175,203 | - | 14,098 | 20,353 |
| Capital outlay | 4,781,818 | 330,796 | 2,587,751 | 2,063,854 | 1,603,160 |
| Debt service: | | | | | |
| Principal payments | 32,418,823 | 30,374,869 | 29,059,492 | 27,355,402 | 24,185,000 |
| Interest and fiscal charges | <u>40,417,259</u> | <u>41,773,535</u> | <u>42,476,054</u> | <u>43,696,155</u> | <u>46,185,341</u> |
| Total expenditures | <u>1,324,545,054</u> | <u>1,253,595,830</u> | <u>1,163,166,886</u> | <u>1,057,948,691</u> | <u>1,129,165,716</u> |
| Other financing uses: | | | | | |
| Transfers out | 30,073,883 | 45,813,428 | 23,728,558 | 22,323,536 | 18,114,719 |
| Total other financing uses | <u>30,073,883</u> | <u>45,813,428</u> | <u>23,728,558</u> | <u>22,323,536</u> | <u>18,114,719</u> |
| Total expenditures and other financing uses | <u><u>\$ 1,354,618,937</u></u> | <u><u>\$ 1,299,409,258</u></u> | <u><u>\$ 1,186,895,444</u></u> | <u><u>\$ 1,080,272,227</u></u> | <u><u>\$ 1,147,280,435</u></u> |

Continued next page

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SUMMARY OF EXPENDITURES BY FUNCTION AND OTHER FINANCING USES - GENERAL FUND
LAST TEN FISCAL YEARS (Unaudited)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|--------------------------------|--------------------------------|------------------------------|------------------------------|------------------------------|
| Expenditures: | | | | | |
| Instructional services | \$ 555,976,258 | \$ 484,208,616 | \$ 437,905,667 | \$ 466,866,692 | \$ 435,036,390 |
| Supporting services: | | | | | |
| Pupil support | 58,488,826 | 56,583,981 | 49,753,091 | 37,126,952 | 29,300,812 |
| Instructional support | 99,065,785 | 95,764,566 | 79,952,672 | 70,635,195 | 64,420,077 |
| General administration | 5,740,240 | 7,064,098 | 6,525,345 | 5,642,389 | 4,891,160 |
| School administration | 78,720,284 | 75,888,710 | 73,368,180 | 68,299,902 | 63,290,849 |
| Business services | 15,033,777 | 14,339,316 | 12,152,815 | 7,571,069 | 5,970,739 |
| Operations and maintenance | 86,106,056 | 79,691,394 | 77,568,148 | 71,563,249 | 57,100,385 |
| Pupil transportation | 30,726,808 | 26,546,492 | 25,102,779 | 25,724,818 | 21,942,671 |
| Central services | 61,936,798 | 86,356,839 | 89,188,409 | 53,956,802 | 54,801,151 |
| Other support services | 24,650 | 97,898 | 1,131,085 | 1,036,037 | 914,267 |
| Total support services | <u>435,843,224</u> | <u>442,333,294</u> | <u>414,742,524</u> | <u>341,556,413</u> | <u>302,632,111</u> |
| Community services | 14,539,363 | 15,120,743 | 13,587,690 | 11,021,566 | 8,555,867 |
| Education for adults | 124,599 | 952,581 | 1,750,462 | 2,256,856 | 629,177 |
| Capital outlay | 1,642,364 | 6,387,652 | 2,092,671 | 1,467,271 | 1,270,899 |
| Debt service: | | | | | |
| Principal payments | 24,138,012 | 21,891,858 | 18,945,000 | 14,730,000 | 13,360,000 |
| Interest and fiscal charges | 45,508,555 | 46,097,937 | 46,170,414 | 46,114,624 | 45,878,257 |
| Total expenditures | <u>1,077,772,375</u> | <u>1,016,992,681</u> | <u>935,194,428</u> | <u>884,013,422</u> | <u>807,362,701</u> |
| Other financing uses: | | | | | |
| Transfers out | 20,440,202 | 23,176,635 | 9,775,503 | 9,926,794 | 19,727,702 |
| Total other financing uses | <u>20,440,202</u> | <u>23,176,635</u> | <u>9,775,503</u> | <u>9,926,794</u> | <u>19,727,702</u> |
| Total expenditures and other financing uses | <u><u>\$ 1,098,212,577</u></u> | <u><u>\$ 1,040,169,316</u></u> | <u><u>\$ 944,969,931</u></u> | <u><u>\$ 893,940,216</u></u> | <u><u>\$ 827,090,403</u></u> |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

SUMMARY OF REVENUES BY SOURCE AND OTHER FINANCING SOURCES - GENERAL FUND
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Revenues: | | | | | |
| Property taxes | \$ 956,558,328 | \$ 860,813,112 | \$ 828,144,100 | \$ 788,001,851 | \$ 769,149,008 |
| Intergovernmental: | | | | | |
| State sources | 317,397,656 | 357,665,238 | 284,201,031 | 227,877,959 | 303,212,342 |
| Federal sources | 1,294,324 | 1,213,978 | 1,142,972 | 1,312,843 | 1,195,373 |
| Charges for services | 75,572,368 | 74,736,609 | 73,155,090 | 56,492,660 | 61,185,131 |
| Investment income | 8,091,550 | 4,519,945 | 274,821 | 176,958 | 1,593,600 |
| Other local sources | 13,452,746 | 14,667,800 | 7,323,137 | 11,460,481 | 11,382,560 |
| Total revenue | <u>1,372,366,972</u> | <u>1,313,616,682</u> | <u>1,194,241,151</u> | <u>1,085,322,752</u> | <u>1,147,718,014</u> |
| Other financing sources: | | | | | |
| Transfers in | - | - | - | 673,318 | - |
| Issuance of leases and Software | 3,932,261 | - | 912,209 | 355,289 | 110,658 |
| Total other financing sources | <u>3,932,261</u> | <u>-</u> | <u>912,209</u> | <u>1,028,607</u> | <u>110,658</u> |
| Total revenue and other financing sources | <u>\$ 1,376,299,233</u> | <u>\$ 1,313,616,682</u> | <u>\$ 1,195,153,360</u> | <u>\$ 1,086,351,359</u> | <u>\$ 1,147,828,672</u> |
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| Revenues: | | | | | |
| Property taxes | \$ 664,565,675 | \$ 657,100,914 | \$ 559,685,741 | \$ 495,515,584 | \$ 408,845,811 |
| Intergovernmental: | | | | | |
| State sources | 339,992,597 | 281,166,970 | 334,508,875 | 330,071,454 | 367,131,089 |
| Federal sources | 1,154,792 | 1,047,048 | 1,051,459 | 1,021,504 | 1,017,755 |
| Charges for services | 67,507,804 | 62,970,356 | 40,640,410 | 36,843,509 | 33,656,565 |
| Investment income | 2,442,363 | 1,967,899 | 1,243,941 | 876,883 | 725,088 |
| Other local sources | 21,571,968 | 25,694,780 | 20,344,239 | 8,669,688 | 8,708,951 |
| Total revenue | <u>1,097,235,199</u> | <u>1,029,947,967</u> | <u>957,474,665</u> | <u>872,998,622</u> | <u>820,085,259</u> |
| Other financing sources: | | | | | |
| Transfers in | 79,467 | 1,876,568 | 12,969,063 | 8,931,274 | 6,785,586 |
| Issuance of leases | 395,098 | 5,205,770 | 2,133,598 | - | - |
| Total other financing sources | <u>474,565</u> | <u>7,082,338</u> | <u>15,102,661</u> | <u>8,931,274</u> | <u>6,785,586</u> |
| Total revenue and other financing sources | <u>\$ 1,097,709,764</u> | <u>\$ 1,037,030,305</u> | <u>\$ 972,577,326</u> | <u>\$ 881,929,896</u> | <u>\$ 826,870,845</u> |

Source: School District annual financial reports for the respective years

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

ASSESSED NET VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX YEARS (Unaudited)
Amount in 000's

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Vacant property | \$ 488,424 | \$ 425,525 | \$ 470,322 | \$ 328,355 | \$ 352,077 |
| Residential property | 12,237,613 | 9,888,755 | 10,290,939 | 9,211,401 | 8,957,539 |
| Commercial property | 12,147,454 | 10,926,343 | 11,391,813 | 10,832,339 | 10,664,888 |
| Industrial property | 215,378 | 264,626 | 281,325 | 219,793 | 230,238 |
| Agricultural property | 78 | 83 | 227 | 125 | 133 |
| Personal property | 967,504 | 851,143 | 817,751 | 970,056 | 988,926 |
| State assessed property | 896,101 | 879,331 | 872,881 | 965,822 | 914,200 |
| Total taxable assessed value | 26,952,552 | 23,235,806 | 24,125,258 | 22,527,891 | 22,108,001 |
| Total direct tax rate | 77.486 | 79.525 | 74.618 | 74.201 | 72.116 |
| Estimated actual taxable value | \$ 235,392,653 | \$ 192,464,828 | \$ 192,464,828 | \$ 166,203,442 | \$ 171,449,490 |
| Assessed value as a percentage of estimated actual value | 11.5% | 12.1% | 12.5% | 13.6% | 12.9% |

Continued next page

Source: December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report
(The most current information available)

Taxable assessed values are reported net of tax-exempt property

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

ASSESSED NET VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN TAX YEARS (Unaudited)
Amount in 000's

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|--------------------|--------------------|--------------------|--------------------|-------------------|
| Vacant property | \$ 231,259 | \$ 259,521 | \$ 186,774 | \$ 219,528 | \$ 181,758 |
| Residential property | 7,428,065 | 7,211,589 | 6,059,029 | 5,919,659 | 4,567,603 |
| Commercial property | 8,224,419 | 8,084,596 | 6,521,348 | 6,445,053 | 4,909,533 |
| Industrial property | 175,198 | 179,325 | 143,930 | 150,606 | 122,425 |
| Agricultural property | 356 | 92 | 138 | 79 | 69 |
| Personal property | 918,036 | 887,721 | 827,331 | 825,798 | 765,486 |
| State assessed property | <u>947,791</u> | <u>925,503</u> | <u>920,535</u> | <u>824,187</u> | <u>838,378</u> |
| Total taxable assessed value | 17,925,124 | 17,548,347 | 14,659,085 | 14,384,910 | 11,385,252 |
| Total direct tax rate | 77.365 | 77.134 | 81.547 | 78.127 | 83.054 |
| Estimated actual taxable value | \$ 139,408,175 | \$ 134,744,419 | \$ 105,772,919 | \$ 100,203,607 | \$ 80,891,083 |
| Assessed value as a percentage of estimated actual value | 12.9% | 13.0% | 13.9% | 14.4% | 14.1% |

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DISTRICT NET ASSESSED VALUATIONS AND MILLS
LAST TEN TAX YEARS (Unaudited)

Levy

| Collection | Assessed | Tax Increment | Net Assessed | Percent |
|-------------------|-------------------|----------------------|---------------------|----------------|
| Year | Valuation | Valuation | Value | Change |
| 2024 | \$ 21,765,724,345 | \$ 3,413,648,566 | \$ 25,179,372,911 | 15.68% |
| 2023 | \$ 22,042,141,036 | \$ (276,416,691) | \$ 21,765,724,345 | -1.27% |
| 2022 | \$ 21,091,522,247 | \$ 950,618,789 | \$ 22,042,141,036 | 4.31% |
| 2021 | \$ 20,722,174,107 | \$ 369,348,140 | \$ 21,091,522,247 | 1.75% |
| 2020 | \$ 16,824,261,116 | \$ 3,897,912,991 | \$ 20,722,174,107 | 18.81% |
| 2019 | \$ 16,576,650,104 | \$ 247,611,012 | \$ 16,824,261,116 | 1.47% |
| 2018 | \$ 13,460,852,897 | \$ 3,115,797,207 | \$ 16,576,650,104 | 18.80% |
| 2017 | \$ 13,221,694,094 | \$ 239,158,803 | \$ 13,460,852,897 | 1.78% |
| 2016 | \$ 10,517,386,669 | \$ 2,704,307,425 | \$ 13,221,694,094 | 20.45% |
| 2015 | \$ 10,454,481,228 | \$ 62,905,441 | \$ 10,517,386,669 | 0.60% |

Levy

| Collection | General Fund | Debt Service | Special Revenue | Mill Levy | Abatement | Total Mill |
|-------------------|---------------------|---------------------|------------------------|------------------|------------------|-------------------|
| Year | Mills | Mills | Mill Levy | Override | Mills | Levy |
| 2024 | 27.000 | 9.843 | 3.173 | 10.270 | 0.425 | 50.711 |
| 2023 | 27.000 | 9.843 | 2.345 | 11.208 | 1.183 | 51.579 |
| 2022 | 26.541 | 9.568 | 1.517 | 10.445 | 0.427 | 48.498 |
| 2021 | 25.541 | 9.568 | 1.517 | 10.852 | 0.533 | 48.011 |
| 2020 | 25.541 | 9.568 | - | 11.014 | 0.541 | 46.664 |
| 2019 | 25.541 | 9.568 | - | 12.829 | 0.306 | 48.244 |
| 2018 | 25.541 | 9.650 | - | 12.547 | 0.506 | 48.244 |
| 2017 | 25.541 | 9.383 | - | 14.948 | 0.524 | 50.396 |
| 2016 | 25.541 | 10.250 | - | 10.976 | 0.630 | 47.397 |
| 2015 | 25.541 | 10.519 | - | 12.466 | 0.773 | 49.299 |

For Fiscal Year Ended June 30, 2024

| Taxing Entity | Mill Levy |
|----------------------------------|------------------|
| City and County of Denver | 25.775 |
| Urban Drainage and Flood Control | 1.000 |
| Overlapping Mill Levy | 26.775 |
| School District #1 | 50.711 |
| Total Mill Levy | 77.486 |

Source: Certification of Levy for Current Year

Source: The taxing entity mill levy is from the City and County of Denver Assessor's Office

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PROPERTY TAX RATES PER \$1,000 OF ASSESSED VALUATION -
DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN YEARS (Unaudited)

| <u>Tax Year</u> | <u>General Fund</u> | <u>Bond Redemption Fund</u> | <u>Special Revenue Mill</u> | <u>Total</u> | <u>Denver County</u> | <u>Police and Firemen Pension</u> | <u>Improvement and Services Districts</u> | <u>Total</u> |
|-----------------|---------------------|-----------------------------|-----------------------------|--------------|----------------------|-----------------------------------|---|--------------|
| 2023 | 37.695 | 9.843 | 3.173 | 50.711 | 15.799 | 2.134 | 8.842 | 77.486 |
| 2022 | 39.391 | 9.843 | 2.345 | 51.579 | 16.571 | 2.307 | 9.068 | 79.525 |
| 2021 | 37.413 | 9.568 | 1.517 | 48.498 | 16.32 | 2.277 | 7.523 | 74.618 |
| 2020 | 36.926 | 9.568 | 1.517 | 48.011 | 16.32 | 2.28 | 7.59 | 74.201 |
| 2019 | 37.096 | 9.568 | - | 46.664 | 15.76 | 2.285 | 7.407 | 72.116 |
| 2018 | 38.676 | 9.568 | - | 48.244 | 18.355 | 2.594 | 8.172 | 77.365 |
| 2017 | 38.594 | 9.65 | - | 48.244 | 18.377 | 2.598 | 7.915 | 77.134 |
| 2016 | 41.013 | 9.383 | - | 50.396 | 19.709 | 2.949 | 8.493 | 81.547 |
| 2015 | 37.147 | 10.25 | - | 47.397 | 19.764 | 2.96 | 8.006 | 78.127 |
| 2014 | 38.78 | 10.519 | - | 49.299 | 21.589 | 3.438 | 8.728 | 83.054 |

Source: December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report
(The most current information available)

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PRINCIPAL PROPERTY TAXPAYERS
CURRENT COMPLETED CALENDAR YEAR AND NINE YEARS PRIOR (Unaudited)

| Taxpayer | 2023 | | | 2014 | | |
|------------------------------|------------------------------|------|--|------------------------------|------|--|
| | Taxable Assessed Value | Rank | Percent of District's Total Taxable Value | Taxable Assessed Value | Rank | Percent of District's Total Taxable Value |
| Brookfield Properties | \$ 453,335 | 1 | 1.68% | \$ 157,806 | 3 | 1.39% |
| Public Service Co. | 335,542 | 2 | 1.24% | 238,892 | 1 | 2.10% |
| Simon Property Group | 210,289 | 3 | 0.78% | - | - | 0.00% |
| Beacon Capital Partners | 201,949 | 4 | 0.75% | 140,874 | 4 | 1.24% |
| Invesco Realty Advisors Inc. | 191,312 | 5 | 0.71% | - | - | 0.00% |
| Hines Securities Inc | 167,463 | 6 | 0.62% | - | - | 0.00% |
| Kroenke Sports Enterprises | 151,833 | 7 | 0.56% | - | - | 0.00% |
| Franklin Street Properties | 128,981 | 8 | 0.48% | - | - | 0.00% |
| ProLogis | 128,765 | 9 | 0.48% | - | - | 0.00% |
| Columbia-Healthone | 119,690 | 10 | 0.44% | 93,118 | 5 | 0.82% |
| CenturyLink Inc. | | | | 160,625 | 2 | 1.41% |
| UBS Realty Investors | | | | 82,268 | 6 | 0.72% |
| Taubman Centers Inc. | | | | 82,255 | 7 | 0.72% |
| Callahan Capital Partners | | | | 75,956 | 8 | 0.67% |
| LBA Realty Fund | | | | 73,287 | 9 | 0.64% |
| Frontier Airlines | | | | 61,653 | 10 | 0.54% |
| Totals | <u>\$ 2,089,159</u> | | <u>7.74%</u> | <u>\$ 1,166,734</u> | | <u>10.25%</u> |

Source: December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report
(The most current information available)

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS (Unaudited)

| <u>Calendar Year</u> | <u>Total Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Levy Collected</u> | <u>Delinquent Taxes Collected (Taxes Refunded)</u> | <u>Total Taxes Collected</u> | <u>Percent of Total Tax Collections to Current Tax Levy</u> |
|----------------------|-----------------------|--------------------------------|----------------------------------|--|------------------------------|---|
| 2015 | 518,496,645 | 513,820,030 | 99.10 | (1,163,514) | 512,656,516 | 98.87 |
| 2016 | 626,668,635 | 621,313,860 | 99.15 | 160,185 | 621,474,045 | 99.17 |
| 2017 | 678,373,143 | 674,714,380 | 99.46 | (620,259) | 674,094,121 | 99.37 |
| 2018 | 799,723,908 | 793,052,267 | 99.17 | 557,110 | 793,609,377 | 99.24 |
| 2019 | 811,669,653 | 807,221,301 | 99.45 | (3,315,419) | 803,905,882 | 99.04 |
| 2020 | 966,979,533 | 957,264,361 | 99.00 | (972,185) | 956,292,176 | 98.89 |
| 2021 | 1,012,625,074 | 978,177,687 | 96.60 | (3,212,794) | 974,964,893 | 98.89 |
| 2022 | 1,068,999,756 | 1,048,810,976 | 98.11 | (6,003,420) | 1,042,807,556 | 97.55 |
| 2023** | 1,122,654,297 | 1,110,337,677 | 98.90 | (798,831) | 1,109,538,846 | 98.83 |
| 2024* | 1,276,871,180 | 1,246,587,725 | 97.63 | (1,613,422) | 1,244,974,303 | 97.50 |

Source: District financial records for the respective years

* Property taxes are levied on a calendar year basis. Tax collections for 2024 represent collections for January through September 2024.

** Current Tax Collections for 2023 have been updated with the full calendar year figures.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Assessed value (prior year) | \$ 26,952,552,320 | \$ 23,235,806,840 | \$ 23,529,238,541 | \$ 22,527,890,740 | \$ 22,108,001,450 |
| Actual value (prior year) | 235,392,652,619 | 189,064,565,772 | 187,562,086,035 | 175,333,718,321 | 171,449,489,953 |
| Debt limit is greater of: | | | | | |
| 20% of assessed value | 5,390,510,464 | 4,647,161,368 | 4,705,847,708 | 4,505,578,148 | 4,421,600,290 |
| or 6% of actual value* | 14,123,559,157 | 11,343,873,946 | 11,253,725,162 | 10,520,023,099 | 10,286,969,397 |
| Debt limit | 14,123,559,157 | 11,343,873,946 | 11,253,725,162 | 10,520,023,099 | 10,286,969,397 |
| Amount of debt applicable to debt limits | 1,960,152,000 | 2,070,107,000 | 2,192,172,000 | 1,974,762,000 | 1,623,512,000 |
| Less: amount reserved for long-term debt | (274,168,040) | (226,603,288) | (220,866,772) | (224,018,962) | (201,801,053) |
| Net chargeable to bond limit | <u>1,685,983,960</u> | <u>1,843,503,712</u> | <u>1,971,305,228</u> | <u>1,750,743,038</u> | <u>1,421,710,947</u> |
| Legal debt margin | <u>\$ 12,437,575,197</u> | <u>\$ 9,500,370,234</u> | <u>\$ 9,282,419,934</u> | <u>\$ 8,769,280,061</u> | <u>\$ 8,865,258,450</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 11.94% | 16.25% | 17.52% | 16.64% | 13.82% |

Continued next page

Sources: The Certification of Assessed Valuation is from the City and County of Denver Assessor's Office in early December, prior to the District's certification of the mill levies which can be no later than December 15th. The assessed valuation figure is inclusive of tax increment values.

* Section 22-42-104 of the Colorado School Law limits the amount of bonded indebtedness to the greater of 20% of the latest valuation for assessment of taxable property in such district, as verified by the County Assessor to the Board of County Commissioners, or 6% of the most recent determination of the actual value of the taxable property in the district, as certified by the County Assessor to the Board of County Commissioners.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (Unaudited)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Assessed value (prior year) | \$ 17,925,134,030 | \$ 17,548,347,337 | \$ 14,659,085,700 | \$ 14,384,909,283 | \$ 11,385,251,250 |
| Actual value (prior year) | 139,408,174,638 | 134,744,419,497 | 105,772,919,056 | 100,203,607,405 | 80,891,082,600 |
| Debt limit is greater of: | | | | | |
| 20% of assessed value | 3,585,026,806 | 3,509,669,467 | 2,931,817,140 | 2,876,981,857 | 2,277,050,250 |
| or 6% of actual value* | 8,364,490,478 | 8,084,665,170 | 6,346,375,143 | 6,012,216,444 | 4,853,464,956 |
| Debt limit | 8,364,490,478 | 8,084,665,170 | 6,346,375,143 | 6,012,216,444 | 4,853,464,956 |
| Amount of debt applicable to debt limits | 1,708,747,000 | 1,783,592,000 | 1,718,072,000 | 1,321,607,000 | 1,364,745,175 |
| Less: amount reserved for long-term debt | (167,631,916) | (160,157,619) | (130,144,786) | (140,280,738) | (109,761,547) |
| Net chargeable to bond limit | 1,541,115,084 | 1,623,434,381 | 1,587,927,214 | 1,181,326,262 | 1,254,983,628 |
| Legal debt margin | <u>\$ 6,823,375,394</u> | <u>\$ 6,461,230,789</u> | <u>\$ 4,758,447,929</u> | <u>\$ 4,830,890,182</u> | <u>\$ 3,598,481,328</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 18.42% | 20.08% | 25.02% | 19.65% | 25.86% |

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE AND NET GENERAL BOND DEBT
LAST TEN FISCAL YEARS (Unaudited)

| Year | District Population* | Assessed Property Valuation* | General Bonded Debt | Certificates of Participation | Leases and SBITA | Gross Debt Primary Government |
|------|----------------------|------------------------------|---------------------|-------------------------------|------------------|-------------------------------|
| 2024 | 716,577 | \$ 26,952,552,320 | \$ 2,186,383,604 | \$ 870,006,070 | \$ 25,053,676 | \$ 3,081,443,350 |
| 2023 | 729,239 | 23,235,806,840 | 2,320,930,866 | 913,377,628 | 24,769,287 | 3,259,077,781 |
| 2022 | 749,103 | 23,529,238,541 | 2,473,558,246 | 954,095,823 | 14,042,628 | 3,441,696,697 |
| 2021 | 738,200 | 22,527,890,740 | 2,194,295,385 | 991,043,448 | 2,101,534 | 3,187,440,367 |
| 2020 | 727,211 | 22,108,001,450 | 1,758,455,749 | 1,105,613,043 | 3,259,407 | 2,867,328,199 |
| 2019 | 716,492 | 17,925,134,030 | 1,860,560,351 | 1,091,324,507 | 4,567,393 | 2,956,452,251 |
| 2018 | 693,292 | 17,548,347,337 | 1,953,095,785 | 1,034,383,784 | 5,430,536 | 2,992,910,105 |
| 2017 | 693,060 | 14,659,085,700 | 1,889,552,488 | 1,077,242,045 | 1,253,441 | 2,968,047,974 |
| 2016 | 682,545 | 14,384,909,283 | 1,433,272,568 | 1,044,456,762 | - | 2,477,729,330 |
| 2015 | 663,862 | 11,385,251,250 | 1,482,464,966 | 1,049,340,225 | - | 2,531,805,191 |

Continued next page

Source: School District Financials

Source: * December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report
(The most current information available)

** Personal income not available this year from data source.

Note: Detail regarding the District's outstanding debt can be found in the notes to the basic financial statements.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE AND NET GENERAL BOND DEBT
LAST TEN FISCAL YEARS (Unaudited)

| Year | Less Debt Service Funds Available | Net General Bonded Debt | Net General Bonded Debt to Assessed Value | Total Debt Per Capita | Net General Bonded Debt Per Capita | Personal Income (expressed in millions) | Percentage of Personal Income to O/S Debt |
|------|---|-------------------------------|---|-----------------------------|--|--|--|
| 2024 | \$ 275,277,856 | \$ 1,911,105,748 | 7.09% | \$ 4,300 | \$ 2,667 | n/a | ** n/a |
| 2023 | 227,841,042 | 2,093,089,824 | 9.01% | 4,469 | 2,870 | 40,225,000 | 8.10% |
| 2022 | 222,260,120 | 2,251,298,126 | 9.57% | 4,594 | 3,005 | 37,936,000 | 9.07% |
| 2021 | 226,255,934 | 1,968,039,451 | 8.74% | 4,318 | 2,666 | 51,543,000 | 6.18% |
| 2020 | 203,916,531 | 1,554,539,218 | 7.03% | 3,943 | 2,138 | 61,348,000 | 4.67% |
| 2019 | 173,213,859 | 1,687,346,492 | 9.41% | 4,126 | 2,355 | 57,211,000 | 5.17% |
| 2018 | 160,157,619 | 1,792,938,166 | 10.22% | 4,317 | 2,586 | 47,289,000 | 6.33% |
| 2017 | 130,144,786 | 1,759,407,702 | 12.00% | 4,283 | 2,539 | 46,612,000 | 6.37% |
| 2016 | 140,280,738 | 1,292,991,830 | 8.99% | 3,630 | 1,894 | 46,617,000 | 5.32% |
| 2015 | 109,761,547 | 1,372,703,419 | 12.06% | 3,814 | 2,068 | 41,743,000 | 6.07% |

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DIRECT AND OVERLAPPING DEBT
(Unaudited)

| <u>Taxing Body</u> | <u>Total Debt Outstanding</u> | <u>Outstanding As of</u> | <u>Percent Overlapping</u> | <u>Share of Debt</u> |
|------------------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| Overlapping Debt | | | | |
| City and County of Denver | <u>2,103,812,000</u> | 12/31/23 | 100% | <u>2,103,812,000</u> |
| School District No. 1 Denver | <u>3,081,443,350</u> | 06/30/24 | 100%* | <u>3,081,443,350</u> |
| | <u><u>\$ 5,185,255,350</u></u> | | | <u><u>\$ 5,185,255,350</u></u> |

Source: December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report

Source: School District Financials - June 30, 2024

*As per City and County of Denver 2023 Annual Comprehensive Financial Report, all overlapping debt for Denver Public Schools is considered overlapping at 100%

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS (Unaudited)

| Year Ended June 30, | Population | Total Personal Income | Median Per Capita Income | Median Age | School Enrollment | Unemployment Rate |
|---------------------|------------|-----------------------|--------------------------|------------|-------------------|-------------------|
| 2023 | 716,577 | N/A* | N/A* | 35.1 | 88,235 | 3.3% |
| 2022 | 729,239 | \$ 40,225 | \$ 56,381 | 35.1 | 89,213 | 2.8% |
| 2021 | 749,103 | \$ 37,936 | \$ 50,642 | 34.6 | 90,250 | 4.2% |
| 2020 | 738,200 | \$ 51,543 | \$ 69,822 | 36.6 | 90,296 | 6.9% |
| 2019 | 727,211 | \$ 61,348 | \$ 81,405 | 36.2 | 92,039 | 2.5% |
| 2018 | 716,492 | \$ 57,211 | \$ 79,849 | 35.8 | 93,356 | 3.0% |
| 2017 | 693,292 | \$ 47,289 | \$ 69,862 | 35.5 | 92,686 | 3.0% |
| 2016 | 693,060 | \$ 46,612 | \$ 67,256 | 35.2 | 92,331 | 3.0% |
| 2015 | 682,545 | \$ 46,617 | \$ 68,299 | 35.1 | 91,429 | 3.7% |
| 2014 | 663,862 | \$ 41,743 | \$ 62,880 | 34.9 | 90,150 | 4.3% |

Source: December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report

(The most current information available)

*Total personal income and median per capita income not available this year from data sources

Certain data on this table are only available on a calendar year basis. The prior calendar year data is used for a given fiscal year.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

PRINCIPAL EMPLOYERS
CURRENT COMPLETED CALENDAR YEAR AND NINE YEARS PRIOR (Unaudited)

| Employer | 2023 | | | 2014 | | |
|---|---------------|------|-------------------------------------|---------------|------|-------------------------------------|
| | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| City and County of Denver | 13,584 | 1 | 2.1% | 10,281 | 2 | 2.5% |
| Denver Public School District #1 | 12,693 | 2 | 2.0% | 12,482 | 1 | 3.1% |
| State of Colorado Central Payroll | 10,686 | 3 | 1.7% | 9,195 | 3 | 2.2% |
| Denver Health & Hospital Authority | 9,502 | 4 | 1.5% | 5,523 | 5 | 1.4% |
| United Airlines, Inc | 7,230 | 5 | 1.1% | 5,070 | 6 | 1.2% |
| CHC Payroll Agent, Inc. (HCA Health One | 4,592 | 6 | 0.7% | 4,226 | 7 | 1.0% |
| University of Denver | 4,548 | 7 | 0.7% | 3,759 | 8 | 0.9% |
| USDA National Finance Center | 4,496 | 8 | 0.7% | 7,187 | 4 | 1.8% |
| Southwest Airlines | 4,247 | 9 | 0.7% | | | |
| ADP TotalSource | 2,535 | 10 | 0.4% | | | |
| Frontier Airlines Inc | 3,642 | | | 3,642 | 9 | 0.9% |
| University of Colorado Central | <u>3,448</u> | | | <u>3,448</u> | 10 | <u>0.8%</u> |
| Total | <u>74,113</u> | | <u>11.6%</u> | <u>64,813</u> | | <u>15.8%</u> |

Source: December 31, 2023 - City and County of Denver Annual Comprehensive Financial Report
(The most current information available)
Based on 2023 and 2014 Principal Employers.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NUTRITION SERVICES - FACTS AND FIGURES
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022* | 2021 | 2020 |
|--|-----------|-----------|-----------|-----------|-----------|
| Number of schools participating in: | | | | | |
| Lunch - regular schedule | 188 | 200 | 162 | 161 | 246 |
| Breakfast program | 185 | 198 | 162 | 161 | 244 |
| Student lunches served: | | | | | |
| Free | 4,066,061 | 3,526,830 | 6,881,866 | 2,861,259 | 3,951,058 |
| Reduced | 83,076 | 611,575 | - | - | 730,590 |
| Fully paid | 2,888,929 | 1,758,006 | - | - | 1,259,076 |
| Total | 7,038,066 | 5,896,411 | 6,881,866 | 2,861,259 | 5,940,724 |
| Adult lunches served | 16,943 | 18,360 | 4,353 | 2,794 | 307,522 |
| Student breakfasts served: | | | | | |
| Free | 2,245,926 | 2,246,012 | 4,375,632 | 2,588,037 | 2,746,512 |
| Reduced | 380,965 | 381,052 | - | - | 499,217 |
| Fully paid | 1,001,296 | 1,013,007 | - | - | 935,579 |
| Total | 3,628,187 | 3,640,071 | 4,375,632 | 2,588,037 | 4,181,308 |
| Number of serving days: | | | | | |
| Regular schedule | 174.5 | 170.0 | 173.5 | 169.5 | 174.5 |
| Average daily participation: | | | | | |
| Student lunch | 40,333 | 34,685 | 39,665 | 16,881 | 34,044 |
| Adult lunch | 97 | 108 | 25 | 16 | 1,762 |
| Student breakfast | 20,792 | 21,412 | 25,220 | 15,269 | 23,962 |
| October 1 pupil count | 88,646 | 89,681 | 90,250 | 90,296 | 93,815 |
| Percentage of students daily eating school lunch | 45.50% | 38.68% | 43.95% | 18.69% | 36.29% |
| October 1 count of benefits | | | | | |
| Students on free lunch | 48,692 | 49,297 | - | 45,398 | 48,474 |
| Students on reduced lunch | 6,958 | 6,829 | - | 5,938 | 10,041 |
| Percentage of students on: | | | | | |
| Free lunch | 54.93% | 54.97% | 0.00% | 50.28% | 51.67% |
| Reduced lunch | 7.85% | 7.61% | 0.00% | 6.58% | 10.70% |
| Total | 62.78% | 62.58% | 0.01% | 56.85% | 62.37% |

Continued
next page

Source: School District Planning Department

*During the 2021-2022 school year, all students were eligible for free meals across the District.

SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

NUTRITION SERVICES - FACTS AND FIGURES
LAST TEN FISCAL YEARS (Unaudited)

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------|------------------|------------------|------------------|------------------|
| Number of schools participating in: | | | | | |
| Lunch - regular schedule | 201 | 201 | 196 | 190 | 178 |
| Breakfast program | 201 | 205 | 196 | 187 | 176 |
| Student lunches served: | | | | | |
| Free | 5,188,252 | 5,543,297 | 5,790,913 | 6,039,463 | 6,321,861 |
| Reduced | 755,021 | 842,383 | 766,864 | 710,818 | 740,182 |
| Fully paid | 1,657,770 | 1,492,549 | 1,308,708 | 1,262,199 | 1,229,486 |
| Total | <u>7,601,043</u> | <u>7,878,229</u> | <u>7,866,485</u> | <u>8,012,480</u> | <u>8,291,529</u> |
| Adult lunches served | 19,463 | 18,795 | 21,142 | 25,558 | 40,205 |
| Student breakfasts served: | | | | | |
| Free | 3,569,110 | 4,051,403 | 4,181,279 | 4,360,853 | 4,598,757 |
| Reduced | 544,058 | 670,302 | 613,974 | 555,004 | 564,425 |
| Fully paid | 1,233,206 | 1,277,618 | 1,226,889 | 1,143,377 | 1,080,075 |
| Total | <u>5,346,374</u> | <u>5,999,323</u> | <u>6,022,142</u> | <u>6,059,234</u> | <u>6,243,257</u> |
| Number of serving days: | | | | | |
| Regular schedule | 174.5 | 173 | 173.5 | 173.5 | 172.5 |
| Average daily participation: | | | | | |
| Student lunch | 43,559 | 45,539 | 45,340 | 46,181 | 48,067 |
| Adult lunch | 112 | 109 | 122 | 147 | 233 |
| Student breakfast | 30,638 | 34,678 | 34,710 | 34,924 | 36,193 |
| October 1 pupil count | 93,356 | 93,403 | 92,754 | 91,860 | 90,591 |
| Percentage of students daily eating school lunch | 46.66% | 48.76% | 48.88% | 50.27% | 53.06% |
| October 1 count of benefits | | | | | |
| Students on free lunch | 51,467 | 53,167 | 53,734 | 55,505 | 55,755 |
| Students on reduced lunch | 8,235 | 9,053 | 8,469 | 7,430 | 7,382 |
| Percentage of students on: | | | | | |
| Free lunch | 55.13% | 56.92% | 57.93% | 60.42% | 61.55% |
| Reduced lunch | 8.82% | 9.69% | 9.13% | 8.09% | 8.15% |
| Total | <u>63.95%</u> | <u>66.61%</u> | <u>67.06%</u> | <u>68.51%</u> | <u>69.69%</u> |



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SCHOOL DISTRICT NO. 1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

FULL-TIME EQUIVALENT EMPLOYEES
LAST TEN FISCAL YEARS (Unaudited)

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|
| All Funds | | | | | |
| Instruction | 6,508 | 7,436 | 6,624 | 6,510 | 6,340 |
| Pupil support | 1,144 | 1,279 | 1,232 | 1,076 | 1,089 |
| Instructional support | 1,105 | 911 | 1,118 | 1,174 | 1,200 |
| General administration | 83 | 62 | 106 | 52 | 61 |
| School administration | 802 | 729 | 841 | 834 | 878 |
| Business services | 120 | 97 | 131 | 140 | 138 |
| Operation & maintenance | 894 | 873 | 985 | 1,038 | 1,002 |
| Pupil transportation | 346 | 348 | 452 | 435 | 461 |
| Central services | 590 | 450 | 514 | 520 | 641 |
| Community services | 169 | 115 | 173 | 185 | 156 |
| Education for adults | 152 | 181 | 152 | 148 | 207 |
| Food services | 859 | 645 | 857 | 710 | 768 |
| | 12,772 | 13,126 | 13,185 | 12,822 | 12,941 |
| | | | | | |
| | 2024 | 2023 | 2022 | 2021 | 2020 |
| Degree Held | | | | | |
| Bachelor's | 2,173 | 2,628 | 3,453 | 3,552 | 3,760 |
| Master's | 3,435 | 3,835 | 4,282 | 4,372 | 4,408 |
| Doctoral / Master's plus | 159 | 171 | 218 | 224 | 229 |
| Other | 445 | 511 | 520 | 543 | 595 |
| | | | | | |
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| All Funds | | | | | |
| Instruction | 6,575 | 6,439 | 6,686 | 6,948 | 7,495 |
| Pupil support | 1,177 | 1,173 | 849 | 792 | 533 |
| Instructional support | 1,240 | 1,160 | 1,355 | 1,361 | 1,133 |
| General administration | 58 | 46 | 39 | 40 | 37 |
| School administration | 849 | 865 | 833 | 827 | 756 |
| Business services | 128 | 124 | 122 | 118 | 131 |
| Operation & maintenance | 1,115 | 1,089 | 1,073 | 964 | 917 |
| Pupil transportation | 469 | 502 | 527 | 523 | 544 |
| Central services | 561 | 537 | 628 | 619 | 589 |
| Community services | 171 | 183 | 315 | 246 | 205 |
| Education for adults | 343 | 163 | 422 | 240 | 130 |
| Food services | 764 | 772 | 790 | 675 | 676 |
| | 13,450 | 13,053 | 13,639 | 13,353 | 13,146 |

Source: School District financial reports for the respective years. Full-time equivalent employees are the number of budgeted employees for the respective years.

As of June 30, 2024 the degree held data is for 12,197 actual FTE's (10,258 of whom are full-time and 1,939 of whom are part-time) and reflect degrees disclosed for the respective year.

SCHOOL DISTRICT NO.1
IN THE CITY AND COUNTY OF DENVER AND STATE OF COLORADO

CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS - SCHOOLS (Unaudited)

Enrollment is as of October 1 in fiscal year.

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|--|-------------|-------------|-------------|-------------|-------------|
| Elementary & K-8 Schools:** | 118 | 118 | 118 | 111 | 111 |
| Total Square Feet | 8,652,987 | 8,652,985 | 8,641,464 | 8,257,097 | 8,227,573 |
| Total Capacity (Students) | 71,800 | 73,325 | 74,214 | 74,214 | 74,214 |
| Enrollment | 38,778 | 39,560 | 39,939 | 39,915 | 43,530 |
| Middle Schools:** | 14 | 14 | 14 | 14 | 14 |
| Total Square Feet | 1,669,273 | 1,669,273 | 1,667,851 | 1,667,851 | 1,651,073 |
| Total Capacity (Students) | 11,200 | 11,675 | 12,325 | 12,325 | 12,325 |
| Enrollment | 8,910 | 9,056 | 9,338 | 9,525 | 9,443 |
| High Schools:** | 46 | 45 | 45 | 44 | 44 |
| Total Square Feet | 5,943,210 | 5,871,567 | 5,891,550 | 5,776,799 | 5,778,945 |
| Total Capacity (Students) | 41,025 | 44,525 | 44,593 | 44,593 | 44,593 |
| Enrollment | 19,558 | 19,760 | 20,147 | 19,506 | 19,046 |
| Alternative Schools:** | 14 | 15 | 14 | 14 | 14 |
| Total Square Feet | - | - | - | - | - |
| Total Capacity (Students) | - | - | - | - | - |
| Enrollment | 1,977 | 1,843 | 1,521 | 1,619 | 1,743 |
| Charter Schools:** | 52 | 55 | 56 | 58 | 58 |
| Total Square Feet | - | - | - | - | - |
| Total Capacity (Students) | - | - | - | - | - |
| Enrollment | 19,035 | 18,994 | 19,305 | 19,731 | 20,053 |

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-------------|-------------|-------------|-------------|-------------|
| Elementary & K-8 Schools:** | 111 | 110 | 111 | 121 | 120 |
| Total Square Feet | 8,176,304 | 8,055,067 | 7,848,747 | 6,694,908 | 6,694,908 |
| Total Capacity (Students) | 74,214 | 73,575 | 73,200 | 67,050 | 67,050 |
| Enrollment | 43,994 | 45,426 | 46,002 | 46,388 | 48,153 |
| Middle Schools:** | 14 | 14 | 13 | 29 | 29 |
| Total Square Feet | 1,651,073 | 1,651,073 | 1,647,064 | 1,955,193 | 1,955,193 |
| Total Capacity (Students) | 12,325 | 12,325 | 12,425 | 14,825 | 14,825 |
| Enrollment | 9,271 | 12,157 | 10,185 | 9,921 | 9,146 |
| High Schools:** | 43 | 43 | 43 | 35 | 27 |
| Total Square Feet | 5,683,459 | 5,683,459 | 5,660,945 | 4,843,312 | 4,824,362 |
| Total Capacity (Students) | 44,025 | 44,025 | 44,425 | 39,050 | 39,050 |
| Enrollment | 18,711 | 14,786 | 17,082 | 16,679 | 16,053 |
| Alternative Schools:** | 14 | 13 | 14 | 18 | 18 |
| Total Square Feet | - | - | - | - | - |
| Total Capacity (Students) | - | - | - | - | - |
| Enrollment | 1,791 | 1,852 | 1,884 | 1,727 | 1,774 |
| Charter Schools:** | 58 | 58 | 54 | 60 | 51 |
| Total Square Feet | - | - | - | - | - |
| Total Capacity (Students) | - | - | - | - | - |
| Enrollment | 19,589 | 18,763 | 17,178 | 16,714 | 15,024 |

Sources: School District Research and Planning Office, and Facilities Planning Department

* Building Count - In 2017 changed presentation by counting multi grade sites as single sites within their respective grade categories.

** Program Count



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SINGLE AUDIT REPORT

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

Independent Auditor's Report

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado
Denver, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of School District No. 1 in the City and County of Denver and State of Colorado (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 21, 2024. Our report includes a reference to other auditors who audited the financial statements of the Denver Public Schools Professional Compensation System for Teachers Trust Fund (the ProComp fund), a blended component unit. Our report also includes a reference to other auditors who audited the financial statements of all of the discretely presented component units, except for DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools. The component units included as aggregate discretely presented component units were not audited in accordance with *Government Auditing Standards*, except for DSST Public Schools, KIPP Colorado Schools, and STRIVE Preparatory Schools dba Rocky Mountain Preparatory Schools. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Forvis Mazars, LLP

Denver, Colorado
November 21, 2024

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Education
School District No. 1 in the City and County of
Denver and State of Colorado
Denver, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited School District No. 1 in the City and County of Denver and State of Colorado's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. the District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. The District is responsible for preparing a corrective action plan to address the audit finding included in our auditor's report. The District's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

Denver, Colorado
November 21, 2024

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024**

| Federal Grantor/Program or Cluster Title | Pass-through Grantor | Pass-through Entity Identifying Number | Federal Assistance Listing Number | Total Federal Expenditures |
|---|---|--|-----------------------------------|----------------------------|
| Department of Agriculture | | | | |
| <i>Child Nutrition Cluster</i> | | | | |
| School Breakfast Program | Colorado Department of Education | 4553 | 10.553 | \$ 7,310,263 |
| Donated Commodities | Colorado Department of Human Services | None | 10.555 | 21,238,265 |
| Summer Food Service Program for Children | Colorado Department of Education | 4559 | 10.559 | 738,614 |
| Fresh Fruit and Vegetable Program | Colorado Department of Education | 4582 | 10.582 | 1,332,167 |
| <i>Child Nutrition Cluster Subtotal</i> | | | | <u>30,619,309</u> |
| Child and Adult Care Food Program | Colorado Department of Public Health- Environment | 4558 | 10.558 | 39,190 |
| Local Food for Schools Cooperative Agreement Program | Colorado Department of Education | 4185 | 10.185 | 106,478 |
| Total Department of Agriculture | | | | <u>30,764,977</u> |
| Department of Defense | | | | |
| JROTC Career Academy | | | 12.000 | 1,294,324 |
| Total Department of Defense | | | | <u>1,294,324</u> |
| Department of Labor | | | | |
| <i>WIA/WIOA Cluster</i> | | | | |
| WIA/WIOA Youth Activities | City and County of Denver | 7259 | 17.259 | <u>2,062</u> |
| <i>WIA/WIOA Cluster Subtotal</i> | | | | <u>2,062</u> |
| Registered Apprenticeship Grant | Colorado Department of Labor and Employment | 7285 | 17.285 | 50,000 |
| Total Department of Labor | | | | <u>52,062</u> |
| National Science Foundation | | | | |
| <i>Research and Development Cluster</i> | | | | |
| Stem Education (formerly Education and Human Resources) | University of Colorado | 7076 | 47.076 | <u>12,334</u> |
| <i>Research and Development Total</i> | | | | <u>12,334</u> |
| Total National Science Foundation | | | | <u>12,334</u> |

Federal

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024**

| Federal Grantor/Program or Cluster Title | Pass-through Grantor | Pass-through Entity Identifying Number | Assistance Listing Number | Total Federal Expenditures |
|--|-----------------------------------|---|----------------------------------|-----------------------------------|
| Department of Treasury | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | Colorado Department of Education | 5127 | 21.027 | 438,112 |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | Colorado Department of Education | 6127 | 21.027 | 698,480 |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | Colorado Community College System | 7127 | 21.027 | 902,500 |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | City and County of Denver | 7127 | 21.027 | 963,948 |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | Colorado Department of Education | 9019 | 21.027 | (2,081) |
| <i>COVID-19-Coronavirus Relief Fund Subtotal</i> | | | | <u>3,000,959</u> |
| Total Department of Treasury | | | | <u>3,000,959</u> |
| Department of Education | | | | |
| <i>Federal Student Financial Aid Cluster</i> | | | | |
| Federal Supplemental Educational Opportunity Grants | | 5007 | 84.007 | 150,000 |
| Federal Pell Grant Program | | 5063 | 84.063 | 1,444,036 |
| <i>Federal Student Financial Aid Cluster Subtotal</i> | | | | <u>1,594,036</u> |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 4010 | 84.010A | 29,092,745 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 5010 | 84.010A | 1,575,195 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 6010 | 84.010A | 10,392 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 7010 | 84.010A | 142,614 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9202 | 84.010A | 591,203 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9204 | 84.010A | 233,928 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9205 | 84.010A | 178,191 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9206 | 84.010A | 7,489,123 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9211 | 84.010A | 219,746 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9212 | 84.010A | 338,811 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9213 | 84.010A | 155,598 |
| Title I Grants to Local Educational Agencies | Colorado Department of Education | 9214 | 84.010A | 1,175 |
| <i>Title I Grants to Local Educational Agencies Subtotal</i> | | | | <u>40,028,721</u> |
| <i>Special Education Cluster (IDEA)</i> | | | | |
| Special Education Grants to States | Colorado Department of Education | 4027 | 84.027 | 24,394,919 |
| Special Education Grants to States | Colorado Department of Education | 8027 | 84.027 | 104,871 |
| Special Education Preschool Grants | Colorado Department of Education | 4173 | 84.173 | 533,770 |
| <i>Special Education Cluster Subtotal</i> | | | | <u>25,033,560</u> |
| Career and Technical Education -- Basic Grants to States | Colorado Community College System | 4048 | 84.048 | 864,204 |
| <i>Career and Technical Education -- Basic Grants to States Subtotal</i> | | | | <u>864,204</u> |

Federal Assistance

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024**

| Federal Grantor/Program or Cluster Title | Pass-through Grantor | Pass-through Entity Identifying Number | Listing Number | Total Federal Expenditures |
|--|--|---|--|--|
| Department of Education (Continued) | | | | |
| Indian Education Grants to Local Educational Agencies <i>Indian Education Grants to Local Educational Agencies</i> | Colorado Department of Education | 4060 | 84.060 | 205,238 |
| | | | | 205,238 |
| Charter Schools <i>Charter Schools Subtotal</i> | Colorado Department of Education | 5282 | 84.282 | 190,309 |
| | | | | 190,309 |
| Twenty-First Century Community Learning Centers Twenty-First Century Community Learning Centers Twenty-First Century Community Learning Centers Twenty-First Century Community Learning Centers <i>Twenty- First Century Community Learning Centers Subtotal</i> | Colorado Department of Education Colorado Department of Education Colorado Department of Education Colorado Department of Education | 5287 6287 7287 8287 | 84.287C 84.287C 84.287C 84.287C | (230) 6,970 460,611 752,402 <u>1,219,753</u> |
| English Language Acquisition State Grants English Language Acquisition State Grants <i>English Language Acquisition State Grants Subtotal</i> | Colorado Department of Education Colorado Department of Education | 4365 7365 | 84.365A 84.365A | 2,771,502 139,595 <u>2,911,097</u> |
| Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants) | Colorado Department of Education | 4367 | 84.367A | 2,986,140 |
| Student Support and Academic Enrichment Program Student Support and Academic Enrichment Program Student Support and Academic Enrichment Program Student Support and Academic Enrichment Program <i>Student Support and Academic Enrichment Program Subtotal</i> | Colorado Department of Education Colorado Department of Education Colorado Department of Education Colorado Department of Education | 4421 4422 4423 4424 | 84.424 84.424 84.424 84.424 | 586,125 1,588,241 174,582 128,301 <u>2,477,249</u> |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education Colorado Department of Education Colorado Department of Education | 4414 4418 4419 | 84.425U 84.425U 84.425D | 55,613,427 700,839 614,381 |

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024**

| Federal Grantor/Program or Cluster Title | Pass-through Grantor | Identifying Number | Number | Expenditures |
|--|----------------------------------|--------------------|---------|--------------------|
| Department of Education (Continued) | | | | |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 4420 | 84.425D | 2,283,468 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 4431 | 84.425U | 91,084 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 4434 | 84.425U | 1,025,606 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 4449 | 84.425U | 63,898 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 4453 | 84.425U | 9,567 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 4442 | 84.425D | 1,317,986 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 5625 | 84.425D | (26,990) |
| COVID-19-GEER II - Governor's Emergency Education Relief Fund (GEER II Fund) | Colorado Department of Education | 6427 | 84.425R | 66,101 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 8426 | 84.425W | 156,911 |
| COVID-19-ARP EANS Emergency Assistance for Non-Public School | Colorado Department of Education | 9426 | 84.425R | 216,901 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 9414 | 84.425U | 22,718,839 |
| COVID-19-Elementary and Secondary School Emergency Relief (ESSER) Fund | Colorado Department of Education | 9418 | 84.425U | 192,111 |
| <i>COVID-19-Education Stabilization Fund Subtotal</i> | | | | <i>85,044,129</i> |
| Total Department of Education | | | | 162,554,436 |

| <u>Federal Grantor/Program or Cluster Title</u> | <u>Pass-through Grantor</u> | <u>Pass-through Entity Identifying Number</u> | <u>Federal Assistance Listing Number</u> | <u>Total Federal Expenditures</u> |
|---|-----------------------------|---|--|-----------------------------------|
|---|-----------------------------|---|--|-----------------------------------|

**School District No. 1 in the
City and County of Denver and State of Colorado
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024**

| | | | | |
|---|---------------------------------------|------|-----------|---------------------------|
| Demonstration Grants for Domestic Victims of Human Trafficking | Colorado Department of Human Services | 7327 | 93.327 | 119,151 |
| COVID-19- Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response | Colorado Department of Human Services | 7354 | 93.354 | 67,549 |
| Every Student Succeeds ACT/Preschool Development Grants | Colorado Department of Human Services | 7434 | 93.434 | 1,999 |
| Temporary Assistance for Needy Families (TANF) | Colorado Department of Human Services | 8558 | 93.558 | 193,226 |
| Refugee and Entrant Assistance State/Replacement Designee Administered Programs | Colorado Department of Human Services | 7566 | 93.566 | 858,281 |
| <i>Head Start Cluster</i> | | | | |
| Head Start | City and County of Denver | 8600 | 93.600 | <u>2,841,350</u> |
| <i>Head Start Cluster Subtotal</i> | | | | <u>2,841,350</u> |
| Opioid STR | Colorado Department of Human Services | 7788 | 93.788 | 54,848 |
| Block Grants for Prevention and Treatment of Substance Abuse | Colorado Department of Human Services | 7959 | 93.959 | 189,774 |
| Total Department of Health and Human Services | | | | <u>4,326,178</u> |
| Total Federal Expenditures | | | \$ | <u>202,005,270</u> |

**School District No. 1 in the
City and County of Denver and State of Colorado**
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal awards activity of the District. The Schedule includes federally funded projects received directly from federal agencies and the federal amount of pass-through awards received by the District through the state of Colorado or other non-federal entities. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
2. The accompanying schedule of federal awards is presented on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.
3. The District utilizes the indirect cost rate established for it by the Colorado Department of Education, therefore it has not used the de minimis 10 percent indirect cost rate allowed under the Uniform Guidance.
4. Certain grant programs have not been assigned Federal Assistance Listing Numbers by the federal government, or the numbers are not obtainable. These programs are identified in the Schedule by the federal agency number followed by three zeros (for example, 12.000).
5. During the year ended June 30, 2024, the District did not pass through any federal funds to subrecipients.
6. For federal awards expended by the District as a subrecipient, the Schedule includes identification of the pass-through grantor and the identifying number assigned to the grant by the pass-through grantor.
7. Commodities donated to the District by the U.S Department of Agriculture (USDA) are valued based on the USDA's Donated Commodity Price List. The commodities are recognized as revenue when received. The District takes possession of all inventory, including commodity items when they reach the District's dock or cold storage facility, and title passes at that time. The majority of commodity items are stored in the district warehouse or off-site cold storage facility. Since the District has received title to the commodities, the unused commodities are not reflected as unearned revenue. The donated commodities are reported under the National School Lunch Program (Federal Assistance Listing Number 10.555) on the Schedule. The District recognized noncash awards of \$21,238,265 for the year ended June 30, 2024.

**School District No. 1 in the City and County of
Denver and State of Colorado**
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I – Summary of Auditor’s Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Significant deficiency(ies) identified? Yes None Reported
Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statement noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:

Significant deficiency(ies) identified? Yes None Reported
Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal program(s):

Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by
2 CFR 200.516(a)?

Yes No

**School District No. 1 in the City and County of
Denver and State of Colorado
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024**

(Continued)

7. Identification of major federal programs:

| Federal Assistance Listing Number | Name of Federal Program or Cluster |
|--|---|
| 21.027 | COVID-19 Coronavirus State and Local Fiscal Recovery Funds |
| 84.010A | Title I Grants to Local Educational Agencies |

8. Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000.

9. Auditee qualified as a low-risk auditee?

Yes No

**School District No. 1 in the City and County of
Denver and State of Colorado
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024**

(Continued)

Section II – Financial Statement Findings

| Reference Number | Finding |
|-----------------------------|----------------------------|
| | No matters are reportable. |

**School District No. 1 in the City and County of
Denver and State of Colorado**
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

(Continued)

Section III – Federal Award Findings and Questioned Costs

| Reference Number | Finding |
|-------------------------|--|
| 2024-001 | <p>Finding: Special Tests and Provisions (Assessment System Security)</p> <p>Federal Assistance Listing Number 84.010A – Title I Passed-Through Colorado Department of Education Award Number – 4010, 5010, 6010, 7010, 9202, 90204, 9205, 9206, 9211, 9212, 9213, 9214; Award Year 2024</p> <p>Criteria: According to 2 CFR Part 200.303 – The non-Federal entity must (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). (b) Comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal awards. (c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.</p> <p>Condition: The District did not have documentation that the internal controls in place over the Assessment System Security compliance requirement were always followed.</p> <p>Questioned Costs: None.</p> <p>Context: The District was unable to provide supporting documentation that the internal controls in place over the Assessment System Security compliance requirement were followed during 2024 for two of the sixteen schools tested. As a result, we were unable to rely on internal controls over this compliance requirement.</p> <p>Effect: The District did not have adequate internal controls in place over Assessment System Security requirements, which could result in an assessment system that is not valid, reliable or consistent with the terms and conditions of the Federal award.</p> <p>Cause: As there were no checklists in place, employees within the responsible department were unaware the internal controls in place over the Assessment System Security process were part of their duties.</p> <p>Identification as a repeat finding: Not Applicable</p> <p>Recommendation: We recommend the District's Grant Administration team and Assessment Administration team create a checklist to ensure that all required internal controls are completed.</p> <p>Views of responsible officials and planned corrective actions: Agree. See separate report for planned corrective actions.</p> |

**School District No. 1 in the City and County of
Denver and State of Colorado
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2024**

| Reference Number | Summary of Finding | Status |
|-----------------------------|---------------------------|---------------|
|-----------------------------|---------------------------|---------------|

No matters are reportable.



Department of Financial Services
720-423-3440
www.dpsk12.org

**School District No. 1 in the City and County of Denver
Corrective Action Plan
Year Ended June 30, 2024**

2024-001

Finding: The District did not have signed acknowledgement forms for two of the schools selected to detail their understanding of the District's assessment system security policies for the 2023-2024 school year.

Cause: The District did not have a tracking system in place to ensure that signed acknowledgement forms for all District schools were received.

Recommendation: We recommend the District's Grant Administration team and Assessment Administration team create a tracking tool to help ensure that all schools within the District return the required acknowledgement form on an annual basis.

Corrective Action: Moving forward, the school Accountability Leader(SAL) will be required to sign the Security Plan and return it to the Assessment team. The school SAL will also be required to complete a Google form to confirm the completion of the Security plan. Prior to the start of testing for the school, the Assessment Team will audit the Google form responses and follow up with each school that has not completed the form.

Escalation Plan: Assessment Team will remind the school SAL via email one time prior to testing; 2nd email notification will include the school leader; 3rd email notification will include the Collaborative Director.

Person Responsible for Implementing: Mackenzie Lane - Director, Assessment

Implementation Date: 10/30/2024

Status: In Progress



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