LINCOLN Academy



Executive Directors Report
November 17th, 2026

LINCOLN ACADEMY MISSION AND VISION

The **Mission** of Lincoln Academy is to help students attain their highest social and academic potential through an academically rigorous, content-rich educational program in a safe, orderly, and caring environment.

Our **Vision** is to prepare all students for their future endeavors by providing a comprehensive Core Knowledge Education.

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STAFF PRESENTATION – STUDENTS SUPPORTS

Positive Behavior Supports and Interventions - PBIS

Two years ago, our leadership team made the decision to embark on a significant effort to reimagine and strengthen the Positive Behavioral Interventions and Supports (PBIS) system that has been in place at Lincoln Academy for many years. This decision was driven by valuable feedback from our students, staff, and community, which made it clear that our existing system was not consistently providing the level of support needed for all students, particularly those who needed it most.

Recognizing the importance of this work, we brought together a dedicated group of staff members to lead the effort and participate in a three-day district training last school year. From there, this team committed countless hours throughout the school year and summer to evaluating our existing practices, developing a stronger framework, and preparing for the launch of our renewed PBIS system this fall.

The response from our staff has been incredibly positive. In fact, many have directly connected the strong start to our school year with the intentional work this team has done to establish clearer expectations, more consistent practices, and stronger systems of support for our students. This work is about more than a behavior system; it is about ensuring that every student experiences the safe, orderly, and caring environment necessary to learn, grow, and attain their highest potential.

I am incredibly thankful to work alongside such a committed and skilled group of educators. Taking on a project of this scope requires vision, collaboration, persistence, and a shared commitment to doing what is best for students. This team has demonstrated all of those qualities, and their work is already making a meaningful difference in our school community.

Please join me in welcoming this team as they share the vision, development, and early successes of our renewed PBIS system.

Special Education 101

One of our most important and consistent priorities at Lincoln Academy is ensuring that we have the right supports in place for every student, particularly those who are most vulnerable and may need additional assistance to reach their highest potential. This responsibility is shared by all of us and is accomplished through the strong partnership between our general education and special education teams.

Given the importance of this work, we recently dedicated a professional development session to re-grounding our entire staff in the laws, requirements, and expectations that guide special education services. There are significant legal protections and responsibilities in place to ensure that students with disabilities receive the services and support they are entitled to, and we believe it is essential that every member of our staff understands these expectations and their role in fulfilling them.

We are fortunate to have an incredibly talented team of special education professionals at Lincoln, led by our own Assistant Principal, Heather Frick. Mrs. Frick brings years of experience as a special education teacher across multiple schools, along with a deep understanding of the systems and practices necessary to serve students well. She did an outstanding job leading this training, and the overwhelmingly positive response from our staff demonstrated just how valuable this opportunity was.

We also recognized the importance of bringing this same foundational information to our Board of Directors. As the governing body of Lincoln Academy, it is helpful for you to understand the basic structures, legal responsibilities, and processes that guide special education, particularly as you engage with families and respond to questions about the supports we provide.

Ultimately, this work reflects one of our most important commitments: ensuring that every student is known, supported, and given the opportunity to attain their highest potential. Please join me in welcoming Mrs. Frick and thanking her for her outstanding leadership and continued commitment to our students, staff, and families.

Behavioral Supports

Another important component of supporting students is ensuring that we have strong administrative alignment and consistency when establishing, communicating, and maintaining schoolwide expectations and boundaries. As students grow and develop, they will inevitably make mistakes and sometimes make poor choices. These moments are important opportunities for learning, and how we respond to them matters.

It is essential that students experience consistency and fairness in how expectations are upheld and consequences are determined. When students know what is expected of them and understand that those expectations will be applied consistently, we create a more predictable, safe, and orderly environment. Just as importantly, consistency allows us to

respond to student behavior in ways that are intentional, appropriate, and focused on helping students learn from their choices.

Our administrative team has spent considerable time working to strengthen this alignment and develop greater continuity in how we approach student behavior and discipline across the school. The goal is not simply greater consistency in consequences, but a stronger system that better supports students, staff, and the overall learning environment.

The team would like to share some of the work we have done to establish these common practices and explain how this alignment is helping us better serve our students.

OCTOBER PROFESSIONAL DEVELOPMENT

As we move through the school year, there are certain days that stand out as particularly important in shaping our progress, and our October Professional Development Day was certainly one of them. Our administrative team has been intentionally planning this day since our summer leadership retreat, recognizing it as a critical part of the overall learning arc we established for the year. As a reminder, our leadership team identified two primary areas of focus for this school year: re-grounding our staff in the Core Knowledge curriculum and successfully implementing our renewed PBIS system. October provided an important opportunity to revisit these priorities, assess our progress, and make adjustments while we are still early enough in the school year to have a meaningful impact.

We began Tuesday by focusing on the connections and continuity of the Core Knowledge curriculum across grade levels, specifically in science. Our Instructional Coach, Ashley Betts, led this work by helping staff examine how science content builds from one grade to the next throughout the Core Knowledge Sequence. Grade-level teams then had the opportunity to connect with other grade levels, discuss the progression of content, and develop plans for stronger curriculum implementation. Teams also spent additional time mapping out plans in other content areas. It was incredibly encouraging to see and hear teachers engaging in these conversations, making connections beyond their own classrooms, and working together to strengthen the overall educational experience for our students.

Next, our PBIS team led a refresher on the system we officially launched at the beginning of the school year. As is often the case when implementing a new system, we recognized that some expectations needed additional attention and reinforcement. This time allowed us to revisit those expectations, address areas where consistency had begun to slip, and reaffirm our shared commitment to implementing the system with fidelity. Maintaining this consistency is essential to creating the safe, orderly, and caring environment that our students need to be successful.

Finally, we concluded our formal learning with another round of the Data Dig process outlined in our strategic plan. Staff reviewed the assessment data we have collected, worked collaboratively to identify areas of strength and opportunities for growth, and began developing specific interventions to better support student learning. As we have discussed previously, we believe this is one of the most valuable processes we have implemented as a school. It was incredibly encouraging to once again see our teachers engaging thoughtfully

with the data, asking important questions, and working together to identify meaningful next steps for students.

One additional adjustment to the day came directly from feedback we received from our staff. Teachers have consistently expressed appreciation for the professional learning opportunities we have provided while also communicating a desire for additional time to apply that learning through collaborative planning. We listened to that feedback and structured the day accordingly, completing our primary professional learning in the morning and dedicating the afternoon to individual and team planning. We want to ensure that professional development does not simply result in more information for teachers to absorb, but actually translates into stronger instructional practices and better outcomes for students.

These professional development days are incredibly important in establishing and maintaining the overall trajectory of our school year. They provide the opportunity to step back from the daily demands of teaching, reconnect with our shared priorities, and ensure that we are moving forward together. We are already seeing encouraging signs of progress in each of these areas, and I am grateful for the continued commitment of our staff to learning, growing, and doing the important work necessary to help every Lincoln student attain their highest potential.

LINCOLN ACADEMY STAFF EVALUATIONS

I am incredibly grateful to work alongside such dedicated professionals who strive each day to grow, improve, and do what is best for students. This is demanding and significant work that requires a great deal from each of us, and it is essential that we continually invest in the growth and development of the people doing this important work. Because our focus must always remain on providing the best possible educational experience for our students, Lincoln Academy maintains a comprehensive evaluation process designed to support, develop, and hold every staff member accountable to high standards.

When I first joined Lincoln Academy as Principal, one of the earliest priorities we identified was establishing a formal and consistent evaluation process for every staff member. At that time, no comprehensive system was in place. While the initial evaluation system we developed was an important step forward, it relied on a combination of previous Jeffco rubrics, updated rubrics, and evaluation tools from other organizations. Unfortunately, these resources did not always align, clearly communicate what excellence looks like at Lincoln, or provide staff with the specific and actionable feedback necessary to support meaningful growth. We knew there was an opportunity to do better.

With that in mind, I spent last summer redesigning the majority of our evaluation rubrics and used this past summer to complete the remaining work. Our goals were straightforward: align our evaluations with best instructional practices, provide more meaningful support and feedback to staff, and directly connect every rubric to the Lincoln Academy Mission, Vision, and Core Values. Drawing from respected evaluation models, current Colorado standards, and the defining characteristics of Lincoln Academy, I developed a comprehensive set of rubrics that are both grounded in established best practices and uniquely reflective of who we are as a school. We also leveraged AI as a tool to help organize, refine, and strengthen this work throughout the development process.

Last school year, we invested significant time in developing an implementation plan and introducing the new rubrics to staff. The response was incredibly encouraging, with the vast majority of staff eager to begin using the updated tools ahead of the full transition planned for the 2026–27 school year. We have now officially completed that transition! Every educational staff member is using an official Lincoln Academy evaluation rubric, including our Special Education staff, Mental Health staff, and Educational Assistants. Every educational staff

position now has a specific rubric designed to reflect the unique responsibilities and expectations of that role.

While the rubrics themselves have changed significantly, our overall evaluation structure remains consistent. Teachers continue to receive informal observations and feedback approximately every two to three weeks throughout the school year. Each staff member also participates in a formal fall observation, followed by a midyear evaluation in December or January and a final end-of-year evaluation in April or May. The final evaluation becomes part of the staff member's personnel file.

It is also important to recognize that our evaluation system maintains clear accountability expectations. When performance concerns arise and initial feedback and support do not result in the necessary improvement, the administrative team may implement a Professional Improvement Plan (PIP). These plans establish clearly defined goals, provide intensive support and regular coaching, and include targeted professional development led by an instructional coach and administrator. Our goal is always to provide staff with the clarity, resources, and support necessary to be successful while maintaining the high expectations our students deserve.

I want to thank everyone who contributed insight, feedback, and time throughout this process. Evaluation is not always comfortable, but it is an essential part of professional growth and continuous improvement. If we expect our students to embrace learning, accept feedback, and continually strive for excellence, we must be willing to model those same commitments as professionals. I am incredibly appreciative of our staff's openness, honesty, and willingness to engage in this process. Ultimately, our evaluation system is another way we demonstrate our commitment to Excellence and ensure that every student has the opportunity to attain their highest potential.

STAFF CELEBRATIONS!

As each of you have seen and know, we get to serve alongside some incredible staff members who demonstrate their commitment to the Lincoln Academy community through incredible ways. This month, we are excited to celebrate three outstanding team members.

Ashley Betts – Stepping into the Instructional Coach role as a new member of the Lincoln team was no small undertaking, but Ashley hit the ground running. Her background in coaching and Core Knowledge gave her a strong foundation, and she has done an incredible job building relationships, partnering with teachers, and understanding what makes Lincoln who we are. She brings a thoughtful, data-driven approach to identifying opportunities for growth, both schoolwide and through individual teacher coaching cycles. Ashley has also quickly become an invaluable partner to the administrative team, contributing to meaningful leadership conversations and helping us continually strengthen our practices and programs in support of student growth. We are fortunate to have her on the team!

Emily Johnson – Emily deserves tremendous recognition for the hard work and dedication she has brought to her role. She jumped feet first into a demanding position and has quickly built meaningful relationships with the 7th and 8th grade students she supports, while also providing valuable one-on-one support to younger students. Her kind, helpful, and always-willing-to-pitch-in attitude makes her a wonderful teammate, all while helping us maintain important SPED compliance requirements. Most importantly, the relationships she has built with our DSS middle school students have helped them experience success across different classroom settings. Emily is a tremendous asset to our DSS team, and we are grateful for all she brings to Lincoln!

Marissa Swift – Marissa has an incredible ability to bring Core Knowledge to life in meaningful and memorable ways, whether through food-sharing projects connected to *Flying Lessons* or ceramic relief projects inspired by Homeric Poems. She seamlessly blends engaging, creative instruction with a deep understanding of student data and social-emotional needs, all while ensuring students meet state standards. Her students consistently achieve the highest ELA growth scores in our school.

Just as impressive is the intentionality she brings to every minute of her classroom, from thoughtful planning and grading to parent communication and student behavior management. Nothing is an afterthought. Most importantly, she creates an environment where students are

challenged, supported, and inspired to become their best selves. We are fortunate to have her at Lincoln!

Please join us in celebrating Mrs. Betts, Mrs. Johnson, and Mrs. Swift! Their commitment to our students, their colleagues, and our Core Values helps make Lincoln Academy the exceptional community it is today.

Executive Committee Report November 2026

The executive committee is responsible for providing guidance, oversight, and, when appropriate, specialized expertise to the head(s) of school. The committee will determine the monthly agenda and support the head(s) of school on topics to present monthly per board policy. The executive committee is responsible for reporting to the board any concerning themes or information that pertains to governance of the school; these include but are not limited to legal, curriculum, and operational changes or concerns.

Executive committee meetings will typically occur every month two weeks prior to the regular Board of Directors meeting.

Committee Members in attendance: Katie Lehr (Board President), Matt Tien (Board Vice President), Paul Hurst (Principal) and Lori Woods (Operations)

The Executive Committee discussed monthly ED deliverables and miscellaneous topics.

1. **November Monthly Reports to BoD per policy**

Discussed November deliverables per board policy to be presented by Mr. Hurst and Ms. Woods in their reports to the board. These include:

a. Staff Interactions: Treatment of Staff (2.1.3)
~~b. Presentation of School UIP~~ Satisfied in Oct
~~c. Student Presentation at Board Meeting~~ Planned for Spring
d. ~~Prospective Parent Night (2.1.5 (2))~~ Planned for January due to event timing (12/3)
e. ~~Discipline Referrals/Suspension data (2.1.2)~~. Planned for January
f. Staff Presentation Discussion

2.1.3 Treatment of Staff

With respect to the treatment of paid and volunteer staff, the Executive Director, so long as consistent with at-will employment, may not cause or allow conditions that are illegal or that fail to treat staff with dignity, respect and professionalism or that fail to provide appropriate confidentiality, privacy or information. Accordingly, the Executive Director shall not:
(1) Fail to continuously inform and educate staff, and prospective staff, about the policies and procedures and appropriate elements of the Charter School Contract.
(2) Fail to operate within written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances and protect against wrongful conditions such as nepotism and grossly preferential or biased treatment of personnel concerns.
(3) Discriminate against or fail to constructively respond to any staff member.
(4) Prevent staff from grieving to the Board in accordance with the School Grievance Procedure.
(5) Evaluate staff in ways that are not consistent with the Board's adopted Ends Policies.
(6) Fail to provide the support and encouragement to staff as they work with students in their pursuit of acquiring the academic skills, passion and responsibility for learning.

2. **Shifting of deliverables: no regular board meeting in December**

3. **Governance Performance Framework**

4. **Classroom Visits: One day of observation with specific date in work**

5. **Staff Survey and Mid-year Check-ins**
   a. Survey dates: 11/18 through 12/1

Notes:

None.

Proposed Motions:

Motion xx-xx-xx: Move to approve the 2026-2027 mid-year anonymous staff survey as presented and discussed.

School Accountability Committee Report – November 2026

School Accountability Committee meetings will typically occur on the first Tuesday of every month in the Library. Next meeting Tuesday, December 1st at 6:30 PM. Contact Ashley Reynolds at ashleyreynolds@lincolnacademy.net if you would like to join.

Attendance

- Parents:
- PTO: Maudra Pacheco Dickerson
- Faculty: Sarah Demers
- Administration: Heather Frick
- Board Members: Ashley Reynolds, Katie Lehr

Discussion Items

1. DAC update: SAC survey is out. They are asking the SAC to fill it out together. Questions this year are budget related.
2. Discussed and refined questions for our student panel.
3. Year-1 Strategic Plan Update
4. Schedule for next meetings
    a. December 1st, January 12th, February 2nd, March 2nd, April 6th, May 4th

Proposed Motions

- None

Facilities Committee Report, November 2026

The facilities committee is responsible for providing guidance, oversight, and, when appropriate, specialized expertise to the operations team in order to create and maintain a safe, healthy, and functional campus. As needed, this committee will make recommendations to the Board of Directors in relation to Operational and Fiscal Planning.

Committee members in attendance: Melissa Veronesi (Facilities Chair), Katie Lehr (Board President), Lori Woods (Operations Director)

Facilities meetings will typically occur once a month.
Contact Melissa Veronesi if you would like to join this committee: melissaveronesi@lincolnacademy.net

RFQ Review Prep

- The Facilities Committee chose a winner for the RFQ: Millig Design Build
- The committee met with Millig to continue our due diligence and fact-finding to confirm if a BEST grant support contract is in Lincoln's best interest.
- Next steps:
    - We need to confirm financial limitations with the Finance Committee and also explore other funding avenues with Millig's assistance.
    - We need a full assessment of Building B by Millig in order to confirm potential scope of work.

Update on Other Facilities-Related Purchases:

- No other business of note

Next Meeting:
TBD* (Will be posted on Board of Directors' webpage)

Proposed Motions: *None*

Finance Committee Report – October 28, 2026

The finance committee is responsible for planning, monitoring, and recommending the yearly budget to the Board of Directors. As needed, this committee will make recommendations to the Board of Directors in relation to Operational and Fiscal Planning.

Discussion Items

- 11/4 Financials
- FY27 Working Budget
    - 749 is the official count for 2026
    - Held PPR at $11,385
    - Revenue increased slightly with updated MLO and PreK enrollment numbers
    - The updated budget Margin shows an increase from 1.9% to 2%
    - The updated budget includes the $50k allocation for Best Grant and the $35k for the Plow Truck
    - **Motion XX-XX-XX: Move to approve the amended budget for Fiscal Year 2026-2027 as presented by the Finance Council, to reflect updated revenue and expenditure projections in accordance with C.R.S. 22-44-110(5)**
- FY 2026 Charter Fee Analysis
    - District provided a detailed overview of costs and fees charged to charter schools for district support
- FY 2026 Financial Audit
    - Audit has been completed with one error found and corrected
    - **Motion XX-XX-XX: Move to accept the Independent Auditor's Report and Financial Statements for Fiscal Year 2025-2026, as submitted by the Finance Council, in accordance with C.R.S. 29-1-606 and C.R.S. 22-30.5-110(3).**

Next Finance Committee: TBD

Jefferson County Public Schools
Charter Schools
Lincoln Academy Charter School
Report ID: 558OPC
For Accounting Period:
10/31/26

JEFFCO PUBLIC SCHOOLS

Lincoln Academy
Unaudited Financials
07/01/2026 - 10/31/2026

Account Number	Description	Prior Year Operational Funds	Prior Year Capital Funds	Prior Year Total	Estimated Revenue	Budget	Current Year Operational Funds	Current Year Capital Funds	Current Year Total	Variance	Percent Spent
	Prior Year Carryforward	6,261,696.10		6,261,696.10			5,089,831.86	2,324,963.56	7,414,795.42		
401000	Commissions/Profits	3,428.87	-	3,428.87	8,663.00	0.00	-	-	-	8,663.00	0%
401400	Ticket Sales	1,436.75	-	1,436.75	1,668.00	0.00	-	-	-	1,668.00	0%
408000	Resale	14,678.35	-	14,678.35	20,000.00	0.00	12,235.00	-	12,235.00	7,765.00	61%
409000	Sales-Fund Raising	10,121.76	-	10,121.76	12,846.00	0.00	3,341.48	-	3,341.48	9,504.52	26%
411000	Prop Tax-Mill Levy Override	1,627,658.18	-	1,627,658.18	1,635,617.62	0.00	848,984.16	-	848,984.16	786,633.46	52%
415000	Earnings On Investments	301,709.27	23,765.12	325,474.39	200,000.00	0.00	-	3,936.55	3,936.55	196,063.45	2%
419000	Other Revenue	166,642.40	-	166,642.40	51,200.00	0.00	2,199.96	-	2,199.96	49,000.04	4%
433000	State Revenue - Other	-	290,013.76	290,013.76	286,950.00	0.00	-	73,176.20	73,176.20	213,773.80	26%
433800	Universal Preschool Funding	268,598.20	-	268,598.20	264,433.20	0.00	28,150.02	-	28,150.02	236,283.18	11%
434000	Exceptional Children Revenue	96,311.89	-	96,311.89	88,811.70	0.00	-	-	-	88,811.70	0%
450000	Transfers	8,498,584.89	564,259.08	9,062,843.97	8,539,335.00	0.00	4,441,029.84	-	4,441,029.84	4,098,305.16	52%
451000	Fees/Dues	97,030.74	-	97,030.74	90,000.00	0.00	74,087.50	-	74,087.50	15,912.50	82%
455000	Tuition from Individuals	282,238.58	-	282,238.58	284,687.50	0.00	96,447.19	-	96,447.19	188,240.31	34%
461000	Building Rental	4,870.00	-	4,870.00	5,000.00	0.00	2,611.00	-	2,611.00	2,389.00	52%
474000	Transportation - Field Trips	42,636.52	-	42,636.52	49,968.00	0.00	32,761.00	-	32,761.00	17,207.00	66%
482000	Activity Revenue	16,190.00	-	16,190.00	21,711.00	0.00	6,400.00	-	6,400.00	15,311.00	29%
498000	Donations	2,570.83	-	2,570.83	20,000.00	0.00	100.00	-	100.00	19,900.00	1%
950500	Mandatory Transfers	-	(591,823.65)	(591,823.65)	-	0.00	-	-	-	-	n/a
	Revenues	11,434,707.23	286,214.31	11,720,921.54	11,580,891.02	-	5,548,347.15	77,112.75	5,625,459.90	5,955,431.12	49%
	Available	17,696,403.33	286,214.31	17,982,617.64	11,580,891.02		10,638,179.01	2,402,076.31	13,040,255.32	5,955,431.12	113%
512100 - 513100	Administration	345,400.12	-	345,400.12		343,211.00	114,390.89	-	114,390.89	228,820.11	33%
521100	Teacher	3,735,461.52	-	3,735,461.52		3,772,508.00	1,275,905.71	-	1,275,905.71	2,496,602.29	34%
521900 - 599830	Other	2,220,318.88	-	2,220,318.88		2,328,300.00	645,775.12	-	645,775.12	1,682,524.88	28%
	Salaries	6,301,180.52	-	6,301,180.52		6,444,019.00	2,036,071.72	-	2,036,071.72	4,407,947.28	32%
699000	Employee Benefits	1,699,638.02	-	1,699,638.02		1,934,246.00	575,383.05	-	575,383.05	1,358,862.95	30%
	Benefits	1,699,638.02	-	1,699,638.02		1,934,246.00	575,383.05	-	575,383.05	1,358,862.95	30%
	Total Salaries and Benefits	8,000,818.54	-	8,000,818.54		8,378,265.00	2,611,454.77	-	2,611,454.77	5,766,810.23	31%
701000	Mileage And Travel	-	-	-		2,000.00	-	-	-	2,000.00	0%
702000	Employee Training & Conf	7,973.68	-	7,973.68		11,075.00	4,110.00	-	4,110.00	6,965.00	37%
708000	Background Verifications	2,410.83	-	2,410.83		3,250.00	660.38	-	660.38	2,589.62	20%
710000	Meals/Refreshments	5,152.58	-	5,152.58		7,805.00	1,253.81	-	1,253.81	6,551.19	16%
713000	Student Transportation	8,422.60	-	8,422.60		10,500.00	1,393.15	-	1,393.15	9,106.85	13%
715000	Student Admission/Entry Fees	46,314.99	-	46,314.99		50,000.00	31,927.00	-	31,927.00	18,073.00	64%
721000	Legal Fees	7,340.18	-	7,340.18		10,000.00	292.50	-	292.50	9,707.50	3%
723000	Printing	-	-	-		1,100.00	-	-	-	1,100.00	0%
731000	Contracted Services	254,247.25	-	254,247.25		300,000.00	92,783.36	-	92,783.36	207,216.64	31%
735000	Bank Fees & Other Expense	-	1,564.72	1,564.72		2,000.00	-	260.18	260.18	1,739.82	13%
741000	Refuse & Dump Fees	9,034.31	-	9,034.31		9,200.00	3,075.26	-	3,075.26	6,124.74	33%
743000	Equipment Rental	-	-	-		2,000.00	-	-	-	2,000.00	0%
745000	Contract Maint/Eq Repair	12,513.07	-	12,513.07		6,500.00	579.25	-	579.25	5,920.75	9%
745500	Technology Services	25,035.31	-	25,035.31		30,000.00	9,830.30	-	9,830.30	20,169.70	33%
746000	Const Maint/Repair-Bldg	72,412.50	-	72,412.50		115,500.00	12,940.95	-	12,940.95	102,559.05	11%
747000	Software Purch/Lease	31,144.78	-	31,144.78		40,000.00	17,532.95	-	17,532.95	22,467.05	44%
752000	Marketing - Advertising	5,377.46	-	5,377.46		11,000.00	241.84	-	241.84	10,758.16	2%
760000	Telephone/Pagers/Modems	5,355.75	-	5,355.75		6,770.00	1,235.00	-	1,235.00	5,535.00	18%
761000	Natural Gas	15,142.89	-	15,142.89		25,000.00	2,622.11	-	2,622.11	22,377.89	10%
763000	Data Communication Lines	4,524.56	-	4,524.56		8,700.00	1,237.58	-	1,237.58	7,462.42	14%
764000	Electricity	82,412.80	-	82,412.80		85,000.00	31,501.54	-	31,501.54	53,498.46	37%
765000	Voice Communication Line	7,588.03	-	7,588.03		13,230.00	2,900.94	-	2,900.94	10,329.06	22%
766000	Water & Sanitation	22,218.39	-	22,218.39		22,000.00	5,740.16	-	5,740.16	16,259.84	26%
768000	Postage	419.80	-	419.80		600.00	65.00	-	65.00	535.00	11%
769000	Permits/Licenses/Fees	30,453.68	-	30,453.68		28,000.00	16,229.82	-	16,229.82	11,770.18	58%
770000	Risk Management Charges	120,954.54	-	120,954.54		190,000.00	144,459.75	-	144,459.75	45,540.25	76%
770800	Unemployment Comp Insur	8,769.34	-	8,769.34		13,200.00	6,310.41	-	6,310.41	6,889.59	48%
781000	Lease Purch-Other-Principal	-	150,000.00	150,000.00		157,083.00	-	-	-	157,083.00	0%
781500	Lease Purch-Other-Interest	-	308,507.00	308,507.00		302,935.00	-	-	-	302,935.00	0%
950000	Transfers	904,139.88	-	904,139.88		1,054,277.00	515,772.48	-	515,772.48	538,504.52	49%

Jefferson County Public Schools
Charter Schools
Lincoln Academy Charter School
Report ID: 558OPC
For Accounting Period:
10/31/26

JEFFCO PUBLIC SCHOOLS

Lincoln Academy

Unaudited Financials
07/01/2026 - 10/31/2026

Account Number	Description	Prior Year Operational Funds	Prior Year Capital Funds	Prior Year Total	Estimated Revenue	Budget	Current Year Operational Funds	Current Year Capital Funds	Current Year Total	Variance	Percent Spent
	Purchased Services	1,689,359.20	460,071.72	2,149,430.92		2,518,725.00	904,695.54	260.18	904,955.72	1,613,769.28	36%
804000	Fund Raising	-	-	-		1,500.00	-	-	-	1,500.00	0%
805000	Materials/Supplies-Other	11,983.55	-	11,983.55		17,000.00	4,069.24	-	4,069.24	12,930.76	24%
806000	Materials/Supplies Resale	15,946.44	-	15,946.44		20,610.00	3,051.50	-	3,051.50	17,558.50	15%
810000	Office Material/Supplies	30,837.06	-	30,837.06		4,500.00	395.13	-	395.13	4,104.87	9%
810001	Office Equipment - Under $5K	60,822.62	-	60,822.62		26,200.00	3,143.61	-	3,143.61	23,056.39	12%
812000	Clinic Supplies/Materials	643.60	-	643.60		2,500.00	836.30	-	836.30	1,663.70	33%
814000	Custodial Supplies	13,393.92	-	13,393.92		16,200.00	4,627.81	-	4,627.81	11,572.19	29%
820000	Instructional Material/Supply	66,746.45	-	66,746.45		88,035.00	13,559.29	-	13,559.29	74,475.71	15%
820001	Instructional Equip-Under $5K	76,540.31	-	76,540.31		195,000.00	159,719.74	-	159,719.74	35,280.26	82%
822000	Textbooks	5,444.36	-	5,444.36		20,000.00	96.60	-	96.60	19,903.40	0%
823000	Copier Usage	28,598.97	-	28,598.97		30,000.00	6,346.97	-	6,346.97	23,653.03	21%
824000	Testing Materials	70.20	-	70.20		2,000.00	-	-	-	2,000.00	0%
826000	Graduation Materials	29.98	-	29.98		500.00	-	-	-	500.00	0%
829000	Athletic Supplies	1,687.18	-	1,687.18		3,000.00	1,656.54	-	1,656.54	1,343.46	55%
840000	Maint Materials/Supplies	17,644.21	-	17,644.21		27,000.00	4,973.94	-	4,973.94	22,026.06	18%
870000	Library Materials	7,098.38	-	7,098.38		3,200.00	92.78	-	92.78	3,107.22	3%
885000	Miscellaneous Expense	-	-	-		500.00	-	-	-	500.00	0%
889000	Consumable Supplies	85.53	-	85.53		500.00	27.52	-	27.52	472.48	6%
	Materials and Supplies	337,572.76	-	337,572.76		458,245.00	202,596.97	-	202,596.97	255,648.03	44%
914000	Vehicles - Utility Fleet	-	-	-		0.00	35,000.00	-	35,000.00	(35,000.00)	n/a
930000	Building Improvements	80,000.00	-	80,000.00		0.00	8,722.72	-	8,722.72	(8,722.72)	n/a
	Capital Outlay	80,000.00	-	80,000.00		-	43,722.72	-	43,722.72	(43,722.72)	n/a
	Total Expenditures	10,107,750.50	460,071.72	10,567,822.22		11,355,235.00	3,762,470.00	260.18	3,762,730.18		
	Pre-Adjusted Carryforward	7,588,652.83	(173,857.41)	7,414,795.42			6,875,709.01	2,401,816.13	9,277,525.14		
820001	Instructional Equip-Under $5K	-	-	-		0.00	-	-	-		
	Encumbrances	-	-	-		-	-	-	-		
820001	Instructional Equip-Under $5K	-	-	-		0.00	-	-	-		
	Requisitions	-	-	-		-	-	-	-		
	TABOR (school enters amount)										
	Adjusted Carryforward	7,588,652.83	(173,857.41)	7,414,795.42			6,875,709.01	2,401,816.13	9,277,525.14		

Jefferson County Public Schools
Charter Schools
Lincoln Academy Charter School
26-27 Budget

Account Number	Description	April Approved Budget			Updated November 11, 2026			Notes
		Estimated Revenue	Budget	Bond Transfers	Estimated Revenue	Budget	Bond Transfers	
	Prior Year Carry forward							
401000	Commissions/Profits	8,663.00	0.00		8,663.00	0.00		
401400	Ticket Sales	1,668.00	0.00		1,668.00	0.00		
408000	Resale	20,000.00	0.00		15,000.00	0.00		Reduced to match recent trends
409000	Sales-Fund Raising	12,846.00	0.00		12,846.00	0.00		
411000	Prop Tax-Mill Levy Override	1,635,617.62	0.00		1,696,392.88	0.00		MLO per pupil estimates provided by Jeffco 10/6/2026. Based on estimated enrollment of 749 and conservative FRL of 198.
415000	Earnings On Investments	200,000.00	0.00		200,000.00	0.00		
419000	Other Revenue	1,200.00	0.00		1,200.00	0.00		
	Transfers Grant	50,000.00			50,000.00			Likely to rise based on CDE formulas
433000	State Revenue - Cap Construction	286,950.00	0.00		295,065.00	0.00		Increased due to CSCC Distribution FY27, updated to $393.42 per pupil
433800	Universal Preschool Funding	$264,433.20	0.00		$275,389.80	0.00		Updated with current PreK enrollment
434000	Exceptional Children Revenue	88,811.70	0.00		88,811.70	0.00		Will be updated based on December learning plan counts
450000	Transfers PPR	8,539,335.00	0.00		8,527,949.22	0.00		Holding PPR at April approved value until CDE and Jeffco provide a more accurate prediction (749 FTE)
450000	Transfers Bond	460,018.00			460,018.00			
451000	Fees/Dues	90,000.00	0.00		90,000.00	0.00		
455000	Tuition from Individuals	284,687.50	0.00		$305,887.50	0.00		Updated with current PreK enrollment
461000	Building Rental	5,000.00	0.00		5,000.00	0.00		
474000	Trans - Field Trips	49,968.00	0.00		49,968.00	0.00		
482000	Resale/Activity Revenue	21,711.00	0.00		21,711.00	0.00		
498000	Donations	20,000.00	0.00		20,000.00	0.00		
499000	Miscellaneous Revenue	-	0.00		-	0.00		
950500	State Intercept Bond Transfers	(460,018.00)	0.00	(460,018.00)	(460,018.00)	0.00	(460,018.00)	
950500	Bond R & R Payments		0.00			0.00		
	Revenues	**11,580,891.02**			**11,665,552.10**			
								Updated all lines to reflect benefit contributions
512100-513100	Adminstration		343,211.00			345,011.00		
521100	Teacher		3,772,508.00			3,839,800.00		
521900-599830	Other		2,328,300.00			2,319,425.00		
	Total Salaries		**6,444,019.00**			**6,504,236.00**		
699000	Employee Benefits		1,934,246.00			1,887,527.00		
	Total Benefits		**1,934,246.00**			**1,887,527.00**		
	Total Salaries and Benefits		**8,378,265.00**			**8,391,763.00**		
701000	Mileage And Travel		2,000.00			2,000.00		
702000	Employee Training & Conf		11,075.00			11,075.00		
708000	Employee Background Verificatn		3,250.00			3,250.00		
710000	Meals/Refreshments		7,805.00			7,805.00		
713000	Student Transportation		10,500.00			10,500.00		
715000	Student Admission/Entry Fees		50,000.00			50,000.00		
721000	Legal Fees		10,000.00			10,000.00		
723000	Printing		1,100.00			1,100.00		
731000	Contracted Services		295,000.00			345,000.00		$50k BEST Grant writing
735000	Bank Fees		2,000.00			2,000.00		
741000	Refuse and Dump Fees		9,200.00			9,200.00		
743000	Equipment Rental		2,000.00			2,000.00		
745000	Contract Maint/Eq Repair		6,500.00			6,500.00		
745500	Technology Services		30,000.00			35,000.00		Moved from Textbooks
746000	Const Maint/Repair-Bldg		115,500.00			115,500.00		
747000	Software Purch/Lease		40,000.00			45,000.00		Moved from Textbooks
752000	Marketing - Advertising		11,000.00			11,000.00		
760000	Telephone/Pagers/Modems		6,770.00			6,770.00		
761000	Natural Gas		25,000.00			25,000.00		
763000	Data Communication Lines		8,700.00			8,700.00		
764000	Electricity		85,000.00			90,000.00		Slight increase in usage and rates
765000	Voice Communication Line		13,230.00			13,230.00		
766000	Water & Sanitation		22,000.00			22,000.00		
768000	Postage		600.00			600.00		
769000	Permits/Licenses/Fees		28,000.00			28,000.00		
770000	Risk Management Charges		190,000.00			190,000.00		
770800	Unemployment Comp Insur		13,000.00			13,000.00		
781000	Lease Purch-Other-Principal		0.00	157,083.38		0.00	157,083.38	
781500	Lease Purch-Other-Interest		0.00	302,935.00		0.00	302,935.00	
950000	Transfers District Fees		1,054,277.4			1,024,713.8		Enrollment of 749, Removed FNS fee for FY26 charges
	Purchased Services		**2,513,525.82**			**2,548,962.14**		
804000	Fund Raising		1,500.00			1,500.00		
805000	Materials/Supplies-Other		17,000.00			17,000.00		
806000	Materials/Supplies Resale		20,610.00			20,610.00		
810000	Office Material/Supplies		4,500.00			4,500.00		
810001	Office Equipment - Under $5K		26,200.00			26,200.00		
812000	Clinic Supplies/Materials		2,500.00			2,500.00		
814000	Custodial Supplies		16,200.00			16,200.00		
820000	Instructional Material/Supply		88,035.00			88,035.00		
820001	Instructional Equip-Under $5K		195,000.00			195,000.00		

822000	Textbooks		20,000.00			10,000.00		Moved to Software Purchase/Lease and Tech Services
823000	Copier Usage		30,000.00			30,000.00		
824000	Testing Materials		2,000.00			2,000.00		
826000	Graduation Materials		500.00			500.00		
829000	Athletic Supplies		3,000.00			3,000.00		
840000	Maint Materials/Supplies		27,000.00			27,000.00		
870000	Library Materials		3,200.00			3,200.00		
885000	Miscellaneous Expense		500.00			500.00		
889000	Consumable Supplies		500.00			500.00		
	Materials and Supplies		**458,245.00**			**448,245.00**		
914000	Vehicles - Utility Fleet		-			35,000.00		$35k Plow truck
930000	Building Improvements					8,722.72		Server project
	Capital Outlay		**0.00**			**43,722.72**		
801000	Contingency Appropriation for Building Needs							
	Total Expenditures		**11,350,035.82**	-		**11,432,692.86**	-	
					With Capital		**Without Capital**	
NET PROFIT/(LOSS)		**2.0%**	**230,855.20**		**2.0%**	**232,859.24**	**2.4%**	

Charter School Year End Services Summary FY 2025/2026

Funding Summary by Year

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Total Program Per-Pupil Funding (Includes rescissions) - Per CDE District Funding Calculations 2025-26	$ 11,385.14	$ 11,029.61	$ 10,328.40	$ 9,349.75	$ 8,789.02	$ 7,943.14	$ 8,303.49
5% Per-Pupil Revenues	**569.26**	551.48	516.42	467.49	439.45	397.16	415.17
Neighborhood Schools Funded FTE	63,125.70	66,268.70	68,200.90	71,346.20	73,713.40	73,133.10	74,326.88
Charter School Funded FTE	7,843.00	7,843.00	7,796.00	7,884.50	7,781.80	7,910.50	7,882.82
Total District Funded FTE	**70,968.70**	74,111.70	75,996.90	79,230.70	81,495.20	81,043.60	82,209.70

Analysis of Services

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Special Education							
Detail of programs:							
Miller	$ 6,548,478.43	$ 6,392,708.14	$ 5,903,709.74	$ 5,405,822.84	$ 5,201,534.13	$ 4,942,357.77	4,885,994.86
Gifted & Talented	2,401,447.59	2,522,322.34	2,244,444.35	2,123,196.76	1,994,253.26	1,818,806.21	1,887,352.51
Special Education Preschool	4,405,511.60	4,202,398.02	2,661,372.90	3,565,526.55	3,348,902.40	3,470,901.15	3,651,566.38
Severe and profound	13,443,645.15	14,560,133.11	17,104,367.50	13,821,712.21	13,587,729.62	12,666,224.01	12,718,359.89
Drop out prevention (Student Engagement)	1,878,553.22	1,930,675.64	1,710,619.57	1,704,901.78	1,816,054.20	1,671,579.60	1,704,696.86
Child Find/Preschool Svs	2,280,832.50	2,436,448.73	2,418,700.77	2,147,908.73	1,488,538.10	1,868,999.32	1,817,713.94
Student Services - emergency crisis response	190,324.20	172,500.11	168,984.78	297,038.43	270,331.05	326,878.89	321,749.27
SWAP - School to work alliance	514,343.73	504,307.14	497,729.23	466,930.96	373,643.22	315,520.06	345,947.67
Itinerant Services	7,989,370.84	8,082,928.07	7,156,294.54	7,302,726.36	7,471,720.37	7,326,318.59	7,408,574.78
Sobesky Academy	3,675,741.63	4,467,286.84	3,774,819.61	3,567,047.14	3,529,909.53	2,981,849.09	3,209,151.29
Expulsions & Discipline	-	-	-	149,723.99	145,525.66	127,573.44	126,146.77
Mt. View Detention	657,534.89	670,352.74	541,248.84	468,341.63	527,948.47	497,632.08	673,930.68
Placed out of District billings @ 50%	8,146,228.98	6,360,870.27	4,485,873.60	3,227,965.25	2,748,081.08	2,879,861.95	2,764,097.29
Jeffco Transition	2,696,709.02	2,494,902.04	1,964,674.15	1,751,734.61	1,623,486.88	1,287,295.37	1,249,538.99
Intervention Services	5,383,579.59	5,060,562.90	4,462,821.53	7,102,700.62	6,969,389.33	5,607,530.97	6,298,810.34
District Total Annual Cost of program:	**$ 60,212,301.37**	$ 59,858,396.09	$ 55,320,796.50	$ 53,103,277.86	$ 51,097,047.30	$ 47,789,328.50	49,063,631.52
District Total Annual Cost of program by FTE	848.43	807.68	727.93	670.24	626.99	589.67	596.81

English as a Second Language

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
District Total Annual Cost of program	$ 12,726,858.51	$ 12,771,343.22	$ 10,735,986.75	$ 12,945,262.79	$ 11,765,449.18	$ 12,370,816.00	$ 12,019,838.94
District Total Annual Cost of program by FTE	179.33	172.33	141.27	163.39	144.37	152.64	146.21

Administrative Fee

Colorado Department of Education Program 2300

As Defined in the Financial Policies Manual:
Support Services - General Administration. Activities concerned with establishing and administering policy for operating the school district.

Jeffco services included in this program: Area Administrators, Board of Education, Superintendents Office, County Treasurers fees, Administrative Staff Development, Budget Advisory, Council on Cultural and Government Relations.

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Fiscal Year Totals	**8,388,311.03**	7,785,983.06	5,066,356.50	4,674,341.00	6,150,018.00	6,294,435.09	6,020,250.83

Colorado Department of Education Program 2500

As Defined in the Financial Policies Manual:
Support Services - Business. Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the school district.
Included are the fiscal and internal services necessary for operating the school district.
Allowable expenses are for administrative salaries and benefits for the following services: Budget Services, Support Services, Property Management, Financial Services, Payroll, Accounts Payable, Accounting, Purchasing and Central Mailroom

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Fiscal Year Totals	**1,241,766.37**	1,099,463.43	1,027,024.41	1,844,522.44	1,764,295.78	1,630,740.00	1,606,767.26

Colorado Department of Education Program 2800

Charter Yearend Services

As Defined in the Financial Policies Manual:
Support Services - Central. Activities which support each of the other instructional and supporting services programs.
Allowable expenses are for administrative salaries and benefits for the following services: Employee Relations, Grants Management, Telecommunications, Information Technology, Network & Data Admin, Personnel Management, Personnel Classified Recruitment, Personnel Compensation & Records, Employee Assistance, Personnel Insurance Benefits, Personnel Substitute, Personnel Teacher Recruitment, Administrative Recruitment, Communications Office

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Fiscal Year Totals	**3,138,727.52**	3,003,958.30	2,722,322.38	4,737,263.60	6,113,455.32	6,699,799.21	5,088,019.88

Services purchased within section 7.2.2 of Charter School Contracts with District (excluding costs included above with CDE)

Services purchased within 7.2.2: Bank charges (including TAN's expenses), Support Services, Financial Services, Payroll, Accounts Payable, Accounting, Purchasing, Central Mailroom, Personnel Management, Personnel Benefits, Technology- PeopleSoft, Infinite Campus, Network Support, Telecommunications, Help Desk, Assessment, and Staff Development.

	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Fiscal Year Totals	**42,653,279.07**	41,231,137.27	37,215,048.10	33,607,172.42	33,226,246.68	34,176,912.25	33,740,109.83

Total of Admin Fee and Contracted Services	**$ 55,422,083.99**	$ 53,120,542.06	$ 46,030,751.39	$ 44,863,299.14	$ 47,254,015.78	$ 48,801,863.55	$ 46,455,147.80
Actual Cost per Student	780.94	716.76	605.69	566.24	579.84	602.17	565.08
Amount Billed per Charter School student	569.26	551.48	516.42	439.45	397.16	415.17	396.61
Amount (under) over cost	**$ (211.68)**	$ (165.28)	$ (89.27)	$ (126.79)	$ (182.68)	$ (187.00)	(168.47)

LINCOLN ACADEMY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

LINCOLN ACADEMY
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THE ADAMS GROUP, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Lincoln Academy
Arvada, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Lincoln Academy (the Academy), a component unit of Jefferson County Academy District No. R-1, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of Lincoln Academy, as of June 30, 2026, 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.

Emphasis of a Matter

As described in Note 10 to the financial statements, the Academy restated beginning balances due to an overstatement of a deferred loss on refunding in the prior year. The result was a restatement of prior period net position for governmental activities. Our opinions are not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lincoln Academy, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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 Lincoln Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 generally accepted 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 generally accepted 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 Lincoln Academy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln Academy's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, GASB required pension and OPEB schedules, and notes to the required supplementary 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Adams Group, LLC

Greenwood Village, Colorado
October 30, 2026

The purpose of the management's discussion and analysis (MD&A) is to help Lincoln Academy's (the Academy) readers understand what the financial statements and notes in this financial report say about the Academy's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the Academy's finances.

If you have questions about this report or require further information, contact Lori Woods and the Academy, lori.woods@jeffco.k12.co.us or 720-456-7214.

OVERVIEW OF THE FINANCIAL STATEMENTS

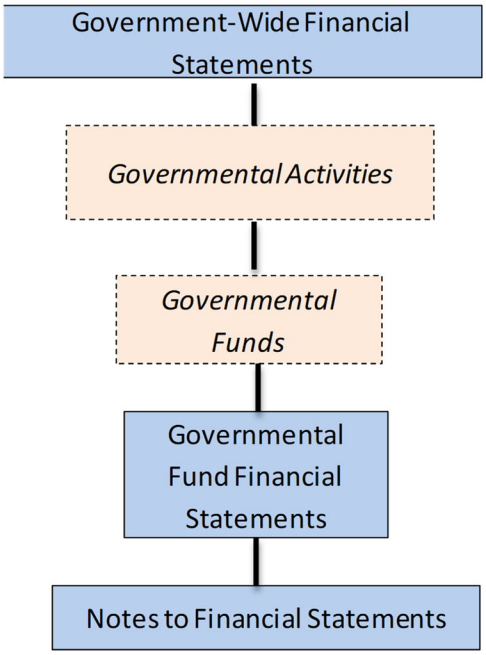
The Academy's financial report contains basic financial statements. Those financial statements present the Academy's finances at both an overall and a detailed level. The first two—the government-wide financial statements—cover the Academy's governmental activities. (See the diagram in Figure A-1.)

- Governmental activities comprise the Academy's primary functions, which include instruction and supporting services. Governmental activities are financed primarily through per pupil revenue, mill levy override, operating and capital grants and contributions and other revenues received, as applicable to the Academy.

The remaining basic financial statements present the Academy's finances in greater detail. As their name implies, the fund financial statements disaggregate financial information by separate funds to report on the specific purposes for which resources are used or for which they are restricted. The Academy reports other grouping of funds:

- *Governmental fund financial statements* for the Academy report all of the governmental activities except those that involve providing services to Academy departments. The Academy reports a single governmental fund which is the general fund.

Figure A-1. Contents of the Academy's Basic Financial Statements



The next section of this financial report contains *notes to financial statements*, which delve deeper into the Academy's finances as reported in the financial statements. The information in the notes is as important to understanding the Academy's finances as the information in the financial statements. The Academy uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies).

TYPES OF INFORMATION IN THE FINANCIAL STATEMENTS

All of the Academy's financial statements, except for the governmental fund financial statements, use the *economic resources measurement focus and accrual basis of accounting*. (See Figure A-2.) In other words, they comprehensively report all types of financial statement elements:

- *Assets*—resources the Academy controls, from short-term assets like cash to long-term assets like capital assets.

- *Liabilities*—amounts the Academy owes, from short-term liabilities such as salaries payable to long-term liabilities such as outstanding debt and net amounts owed to employees for pensions.

- *Deferred outflows of resources and deferred inflows of resources*—flows that occurred during the year, or in prior years, which will not be reported as expenses and revenues until the future year to which they are related.

- *Revenues and expenses*—inflows and outflows of economic resources, respectively, related to the current year.

Governmental fund financial statements use the *current financial resources measurement focus and modified accrual basis of accounting* to report on the sources, uses, and balances of current financial resources. The governmental funds do not report nonfinancial assets, such as capital assets, or certain other long-term items, such as general obligation bonds or leases, but they do report the flows of current financial resources related to those long-term items; for example, the proceeds from issuing debt or selling equipment, as well as principal and interest payments on debt and spending on the construction of a building.

Figure A-2 Types of Information Reported in the Academy's Financial Statements

	Financial Statements	
	Government-Wide	**Governmental Funds**
Types of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short term and long term	Only current financial resources, such as cash, taxes receivable, and accounts payable
Types of revenues and additions	All types of revenues and additions that flow into the government during the year that relate to that year, regardless of when cash is received	Only revenues that are measurable and available to finance expenditures of that year
Types of expenses, deductions, and expenditures	All types of expenses, deductions, and expenditures that flow out of the government during the year that relate to that year, regardless of when cash is paid	Only expenditures for which the related governmental fund liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow into and out of the government during the year that relate to a future year	Current financial resources that flow into and out of the governmental funds during the year that relate to a future year

More detail about the measurement focuses and bases of accounting can be found in the first note to the financial statements, the summary of significant accounting policies.

ANALYSIS OF THE ACADEMY'S FINANCES

Table A-1
Net Position

	2026	2025	Total Percentage Change
Assets			
Current and other assets	$ 8,134,017	$ 6,877,906	18%
Capital assets	12,397,916	13,203,232	-6%
Total Assets	20,531,933	20,081,138	2%
Deferred outflows of resources	2,045,518	3,198,530	-36%
Liabilities			
Current and other liabilities	820,758	834,253	-2%
Noncurrent liabilities	19,922,113	20,576,687	-3%
Total Liabilities	20,742,871	21,410,940	-3%
Deferred inflows of resources	1,943,874	979,756	98%
Net Position			
Net investment in capital assets	5,004,729	4,810,925	4%
Restricted:			
Emergencies	347,223	332,472	4%
Debt service	547,989	654,522	-16%
Unrestricted	(6,009,235)	(4,908,947)	22%
Total Net Position	$ (109,294)	$ 888,972	-112%

Table A-1 shows that as of June 30, 2026, the Academy's total net position—assets and deferred outflows minus liabilities and deferred inflows—was ($109,294), a decrease of $998,266 or 112% which includes a restatement of ($255,248) in the current year. Approximately 25% of the decrease is a restatement to governmental activities which decreased beginning net position by $255,248. See Note 10 for additional information. Remaining decrease is primarily a result of a decrease in deferred outflows of resources and an increase in deferred inflow of resources, which results in a large pension expense related to pension activity. The decrease was also a result of increases in salaries and benefits associated with employees from 2025 to 2026. The following sections of MD&A analyze the finances of the governmental activities.

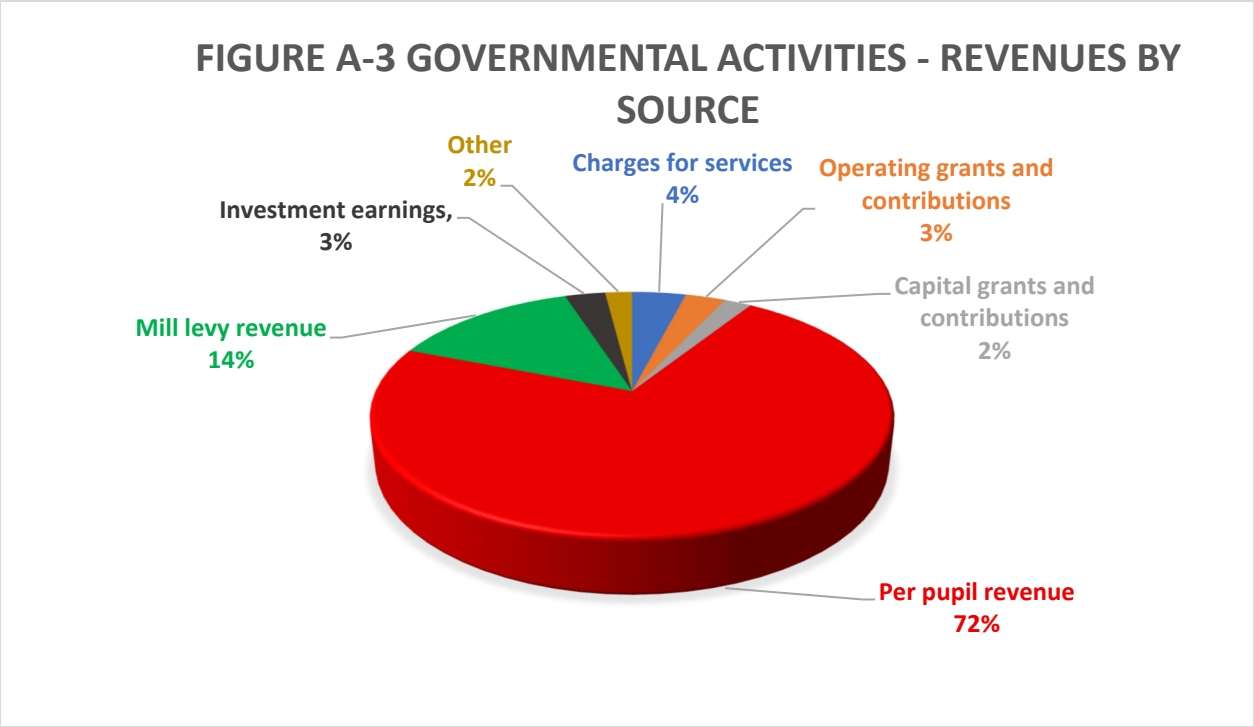
Governmental activities

Table A-2 shows that in 2026, expenses exceeded total revenues as outlined above due to an increase in salaries and benefits, which is mainly recorded within the instruction category and a restatement in the current year. Figures A-3 and A-4 show a breakout of revenue by source and expenditure by function. The total net position of the Academy's governmental activities was ($109,294), a decrease of $998,266 which includes a current year restatement of ($255,248). Various events contributed to this decrease in net position; however, the three primary factors affecting the change in net position are as follows:

1) Increase in salary and benefits, specifically, pension expense due to the Academy's involvement in Colorado PERA.
2) Restatement as outlined in Note 10 to the financial statements related to an overstatement in the prior year associated with the Academy's deferred loss on refunding.
3) Decrease was offset by an increase in investment earnings and operating grants and contributions.

Table A-2
Changes in Net Position

	2026	2025	Total Percentage Change
Program revenue:			
Charges for services	$ 462,511	$ 448,207	3%
Operating grants and contributions	522,200	455,916	15%
Capital grants and contributions	290,014	299,914	-3%
Total program revenue	1,274,725	1,204,037	6%
General revenue:			
Per pupil revenue	8,471,020	8,360,444	1%
Mill levy revenue	1,627,658	1,622,434	0%
Investment earnings	325,474	29,035	1021%
Other	179,335	232,721	-23%
Total general revenue	10,603,487	10,244,634	4%
Total revenue	11,878,212	11,448,671	4%
Expenses:			
Current:			
Instruction	7,549,019	4,683,509	61%
Supporting services	4,759,268	5,205,756	-9%
Interest and fiscal charges	312,943	440,097	-29%
Total expenses	12,621,230	10,329,362	22%
Change in net position	(743,018)	1,119,309	-166%
Net Position, beginning as of year previously reported	888,972	(230,337)	-486%
Restatement, correction of an error	(255,248)	-	
Net Position, beginning of year as restated	633,724	(230,337)	-375%
Net Position, end of year	$ (109,294)	$ 888,972	-112%



Growth in investment earnings and decrease in operating grants

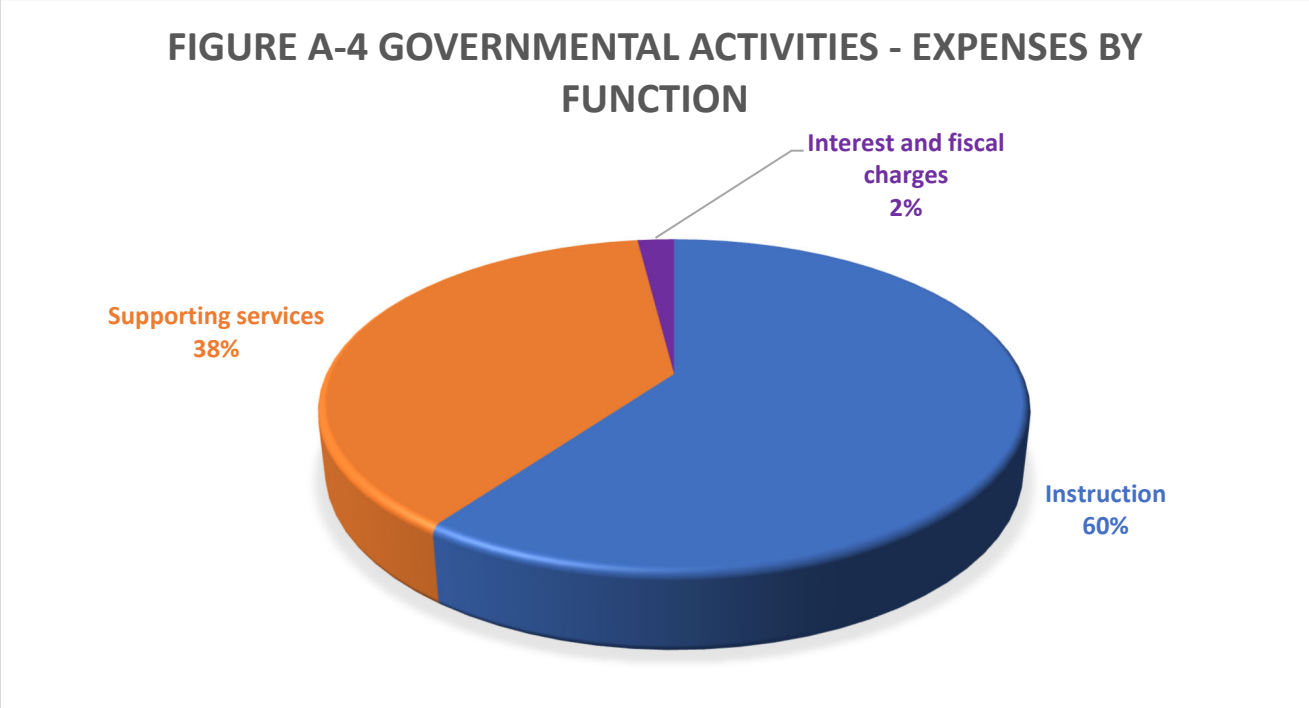
There was a notable increase in 2026 in investment earnings which was a result of an allocation from the main Jefferson County School District's pooled cash and investment account due to the Academy's related allocation of pooled cash. Operating grants, which decreased 15% was a result of a decrease in Universal Preschool Funding when compared to the prior year. All other revenue streams of the Academy remained consistent with the prior year.

State equalization/Per pupil revenue

The largest single source of governmental activities revenue for the Academy is per pupil revenue, which amounted to $8,471,020 in 2026, or 72% of total governmental activities revenue. Per pupil revenue increased 1% in 2026 due to changes in funded pupil count, formula funding, and other factors affecting per pupil revenue.

Per pupil funding is determined under the Colorado school finance formula and is funded through a combination of local and state sources. For entities funded under that formula, increases in local property tax and specific ownership tax collections may reduce the state share, while decreases in local collections may increase the state share, without necessarily changing the total amount of formula funding received.

The Academy's per pupil revenue is passed through the Jefferson County School District R – 1.



Increases in expenses for certain programs and functions

Governmental activities expenses rose 22% overall. Most notably, instruction expenses increased 61% from 2025 to 2026. As a result, instruction expenses represented 60% of total expenses (see Table A-2); by contrast, they were just 45% of expenses in 2025.

The Academy had pension expense of $1,350,847 allocated to the instruction and supporting services functions for the year ended June 30, 2026 due to involvement in Colorado PERA. The figure can significantly fluctuate from year to year based on PERA activity.

The supporting service function represents 38% of total expenses for the Academy, which was a decrease from 50% in 2025. The decrease is a direct result of decreases related to non-capital related repairs and maintenance costs and the allocation or pension expense as outlined above.

Interest and other activity associated with long-term debt for governmental activities, approximates 2% of total expense. The decrease was $127,154 from 2025 and is a result of the Academy making principal payments on outstanding debt which results in decreases associated with the related interest payment. (Debt activity is discussed further below.)

Net position and GASB 68 (pensions) and GASB 75 (OPEB)

The Academy participates in the statewide PERA and OPEB program administered by the State of Colorado. Each year the Academy records its proportional share of the State's unfunded pension and OPEB liability. The Academy also records its proportional share of the related deferred inflows and outflows related to these items. These calculations are complex and can vary greatly from year to year and additional information can be found in Notes 6 an 7 in the notes to the financial statements. Accordingly, Management believes it is important to disclose what net position would be if these items were excluded.

Table A-1.1
Net Position Excluding Pension and OPEB Related Items

	Governmental Activities		Total Percentage
	2026	2025	Change
Total net position*	$ (109,294)	$ 633,724	-117%
Add net pension liability	11,444,713	11,971,963	-4%
Add OPEB liability	126,480	212,417	-40%
Add deferred pension inflows	1,798,455	848,382	112%
Add deferred OPEB inflows	145,419	131,374	11%
Less deferred pension outflows	(1,642,851)	(2,527,515)	-35%
Less deferred OPEB outflows	(32,830)	(33,602)	-2%
Total net position excluding pension and OPEB related items	$ 11,730,092	$ 11,236,743	4%

*2025 balance is restated ending net position

GOVERNMENTAL FUND

The Academy reports a single governmental fund, the General Fund. Most of the discussion regarding governmental activities is equally applicable to the finances of the governmental fund. However, certain factors that are relevant to the Academy's current financial health are more apparent in the fund financial statements than in the government-wide financial statements. The major fund is shown in Table A-3 and is discussed in more detail below.

Table A-3
Revenues, Expenditures, and Change in Fund Balances

	General Fund		Total Percentage
	2026	2025	Change
Revenues			
Local sources	$ 10,573,882	$ 10,431,086	1%
Federal and state sources	768,854	721,240	7%
Investment earnings	325,474	29,035	1021%
Other	166,642	153,914	8%
Total program revenue	11,834,852	11,335,275	4%
Expenditures			
Instruction	6,606,756	4,895,672	35%
Supporting services	3,536,488	4,700,202	-25%
Capital outlay	80,000	210,393	-62%
Debt service	458,507	462,100	-1%
Total expenditures	10,681,751	10,268,367	4%
Net change in fund balances	1,153,101	1,066,908	8%
Fund balances, beginning of year	6,261,696	5,194,788	21%
Fund balances, end of year	$ 7,414,797	$ 6,261,696	18%

Fund balance represents the financial standing of a governmental fund as of the end of the fiscal year from a short-term perspective.

General Fund

The fund balance of the Academy's General Fund increased by 18%. The increase in fund balance was primarily attributable to revenue growth and a significant decrease in capital outlay. This was offset by personnel costs. Capital outlay decreased $130,393 from 2025 due to the Academy completing 72nd Avenue Improvements during 2025 and placing the asset into service.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

The discussion thus far has only touched upon certain significant transactions and events during 2026 with respect to capital assets and long-term debt. Overall, the carrying value of capital assets—original cost minus accumulated depreciation and amortization—decreased 6% over 2025. This was due to current year depreciation as the Academy did not have significant capital outlay during 2026.

In 2025, the Academy placed $2,388,791 of construction in process into service. In 2026, the Academy had no construction in process activity.

The only current year activity consisted of turf field improvements which were all completed in 2026.

For capital financing, the Academy uses bonds and currently has Series 2021 bonds outstanding. The Academy issued $8,835,000 of Charter School Revenue Refunding Bonds, Series 2021A&B bonds. Since the issuance, the Academy continues to make principal and interest payments with the bonds maturing in fiscal year 2056. At June 30, 2026, the Academy had $8,075,000 outstanding and a bond premium of $161,910.

Total bonds payable outstanding (including bond premium) decreased 2% reflecting the impact of scheduled principal payments and amortization of bond premium during the year. Additionally, the Academy has not issued any new general obligation debt since fiscal year 2021, other than the obligations described above.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The Academy is aware of certain developments that may have an impact on the Academy finances in the future and were therefore incorporated into next year's budget:

1) The Academy celebrated its 29th year of operation last year and continues to make strategic investments in the school's facilities and infrastructure. Last year, the Academy completed $80,000 in turf improvements and made investments to improve the security camera system and servers.
2) The PTO funded approximately $60,000 for the installation of an outdoor education space.
3) The Academy continues to invest in technology through a yearly rolling replacement plan to support student and staff needs.
4) The Academy continues to monitor the state school finance formula, which changes annually and could result in an increase in funding for Lincoln this year, although the final impact is not yet known.
5) The Academy is pursuing future grant opportunities and anticipates costs associated with engaging a grant writer and building assessment / engineering professionals to prepare the application. These costs are expected to be incurred in the near term, although no significant capital project has been approved at this point.
6) Enrollment is currently tracking very close to our budgeted level of 750 K-8 students and 60 PreK students. The Academy does not see any significant enrollment-related financial concerns to note.

Pension and OPEB changes

See Notes to the RSI as these changes will impact all entities who are members of Colorado PERA.

Requests for Information

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

Lincoln Academy
7180 Oak Street
Arvada, CO 80004

BASIC FINANCIAL STATEMENTS

LINCOLN ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
Assets	
Cash and investments	$ 7,137,267
Restricted cash and investments	996,750
Capital assets, not being depreciated	2,440,489
Capital assets, net of depreciation	9,957,427
Total Assets	20,531,933
Deferred Outflows of Resources	
Deferred loss on refunding	369,837
Related to pension	1,642,851
Related to OPEB	32,830
Total Deferred Outflows of Resources	2,045,518
Liabilities	
Accounts payable	169,047
Accrued salaries and benefits	535,353
Accrued interest	101,538
Unearned revenue	14,820
Noncurrent liabilities:	
Due within one year	274,407
Due in more than one year	8,076,513
Pension liability	11,444,713
OPEB liability	126,480
Total Liabilities	20,742,871
Deferred Inflows of Resources	
Related to pension	1,798,455
Related to OPEB	145,419
Total Deferred Inflows of Resources	1,943,874
Net Position	
Net investment in capital assets	5,004,729
Restricted:	
Emergencies	347,223
Debt service	547,989
Unrestricted	(6,009,235)
Total Net Position	$ (109,294)

See accompanying Notes to Financial Statements.

LINCOLN ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
Instruction	$ 7,549,019	$ -	$ 522,200	$ -	$ (7,026,819)
Supporting services	4,759,268	462,511	-	290,014	(4,006,743)
Interest and fiscal charges	312,943	-	-	-	(312,943)
Total Governmental Activities	$ 12,621,230	$ 462,511	$ 522,200	$ 290,014	(11,346,505)
GENERAL REVENUES:					
Per pupil revenue					8,471,020
Mill levy override					1,627,658
Investment earnings					325,474
Other					179,335
Total general revenues					10,603,487
Change in net position					(743,018)
Net Position, beginning as of year previously reported					888,972
Restatement, correction of an error					(255,248)
Net Position, beginning of year as restated					633,724
Net Position, end of year					$ (109,294)

See accompanying Notes to Financial Statements.

LINCOLN ACADEMY
BALANCE SHEET – GOVERNMENTAL FUND
JUNE 30, 2026

	General Fund
Assets	
Cash and investments	$ 7,137,267
Restricted cash and investments	996,750
Total Assets	$ 8,134,017
Liabilities and fund balances	
Liabilities:	
Accounts payable	$ 169,047
Accrued salaries and benefits	535,353
Unearned revenue	14,820
Total Liabilities	719,220
Fund balances:	
Restricted:	
Emergencies	347,223
Debt service	649,527
Unassigned	6,418,047
Total Fund Balance	7,414,797
Total Liabilities and Fund Balance	$ 8,134,017

See accompanying Notes to Financial Statements.

LINCOLN ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Total fund balance, governmental fund:	$	7,414,797
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental fund.		12,397,916
Long-term liabilities, including loans payable are not due and payable in the current period, and therefore, are not reported in governmental fund.		
Bonds payable and premium		(8,236,910)
Accrued interest payable		(101,538)
Compensated absences		(114,010)
Net OPEB liability		(126,480)
Net pension liability		(11,444,713)
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Deferred loss on refunding		369,837
Related to pension		1,642,851
Related to OPEB		32,830
Deferred inflows of resources used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		
Related to pension		(1,798,455)
Related to OPEB		(145,419)
Total net position of governmental activities	$	(109,294)

See accompanying Notes to Financial Statements.

LINCOLN ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – GOVERNMENTAL FUND
YEAR ENDED JUNE 30, 2026

	General Fund
Revenues	
Local sources	$ 10,573,882
Federal and state sources	768,854
Investment earnings	325,474
Other	166,642
Total revenues	11,834,852
Expenditures	
Current	
Instruction	6,606,756
Supporting services	3,536,488
Capital outlay	80,000
Debt Service:	
Principal	150,000
Interest and other charges	308,507
Total expenditures	10,681,751
Net change in fund balance	1,153,101
Fund Balance, beginning of year	6,261,696
Fund Balance, end of year	$ 7,414,797

See accompanying Notes to Financial Statements.

LINCOLN ACADEMY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

Net change in fund balance - total governmental fund:	$	1,153,101
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.		
Capital outlay		80,000
Depreciation expense		(881,965)
Loss on disposal		(3,351)
The issuance of long-term debt provides current financial resources to funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal paid		150,000
Interest payable on debt is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements and amount represents change in accrued interest from prior year.		
Change in accrued interest		7,892
Deferred loss on refunding amortization		(12,328)
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The (increases) decreases in these activities consist of:		
OPEB income		71,120
Pension expense		(1,307,487)
Change in net position of governmental activities	$	(743,018)

See accompanying Notes to Financial Statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governmental entities. A summary of the Academy's significant accounting policies consistently applied in the preparation of these financial statements follows.

Financial Reporting Entity

The Academy is a component unit of the District which grants the charter and provides the majority of the funding to the Academy. The financial reporting entity consists of the Academy and organizations for which the Academy is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Academy. In addition, any legally separate organizations for which the Academy is financially accountable are considered part of the reporting entity.

The Academy follows the GASB accounting pronouncements, which provide guidance for determining the governmental activities, organizations, and functions that should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. Based upon the application of these criteria, the following organization is included in the Academy's reporting entity and the activity is blended within the General Fund.

Lincoln Academy Building Corporation

The Academy includes the Lincoln Academy Building Corporation (the Building Corporation) within its reporting entity. The Building Corporation was formed to support and assist the Academy to perform its function and to carry out its purpose, specifically to assist in the financing of the Academy's facilities. The Building Corporation is blended into the Academy's General Fund. Separate financial statements are not available for this entity. The Academy is a component unit of Jefferson County School District No. R-1.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

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

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

Fund Financial Statements

The accounts of the Academy 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, fund balance, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major fund presented in the accompanying basic financial statements are as follows:

Major Governmental Fund

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period, or soon thereafter, to pay liabilities of the current period. For this purpose, the Academy considers revenues to be available if collected within 60 days after the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. Debt service expenditures are recorded only when payment is made.

Charges for services are considered revenue once the service is rendered, and as such are considered susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the Academy.

On-Behalf Payments – Generally Accepted Accounting Principles (GAAP) requires that direct on-behalf payments for fringe benefits and salaries made by one entity to a third-party recipient for the employees of another, legally separate entity be recognized as revenue and expenditures by the employer government. The State of Colorado makes direct on-behalf payments for retirement benefits to Colorado PERA. PERA allocates the contribution to the trust funds of the State, School, Denver Public Schools, and Judicial Division. This payment is required on July 1st of each year until there are no unfunded actuarial accrued liabilities of any division of PERA that receives the direct distribution. The amount of on-behalf payments made for the Academy by the State of Colorado has been recorded in the fund and government wide financial statements.

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

Cash & Investments – Cash consists of demand deposits. Investments are reported at net asset value.

Receivables – Receivables consist primarily of amounts owed from state and local governments and other local entities. They are reported at their gross value, and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Items – Certain payments to vendors reflect costs applicable to future years and are reported as prepaid items. Prepayments are recorded using the consumption method where services are allocated over appropriate service periods.

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

Depreciation of exhaustible capital assets is charged as an expense against operations, and accumulated depreciation is reported on the statement of net position in the government-wide financial statements. Capital assets of the Academy are depreciated using the straight-line method. The Academy depreciates the capital assets over estimated useful lives ranging from 5 to 50 years.

Deferred Outflows of Resources – The Academy's governmental activities report a separate section for deferred outflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The Academy reports deferred outflows of resources related to GASB Statement Nos. 68 and 75. See Notes 6 and 7 for additional information. The Academy also reports a deferred outflow related to a deferred loss on refunding.

Long-Term Debt – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Pension Liability – The Academy's governmental activities report a net pension liability as of June 30, 2026. The Academy is required to report their proportionate share of PERA's unfunded pension liability. See Note 6 for additional information.

Postemployment Benefits Other Than Pensions (OPEB) – The Academy participates in the Health care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees; Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. Investments are reported at fair value. See Note 7 for additional information.

Deferred Inflows of Resources – The Academy's governmental activities report a separate section for deferred inflows of resources. This separate financial statement element reflects a decrease in net position that applies to a future period. The Academy reports deferred inflows of resources related to GASB Statement Nos. 68 and 75. See Notes 6 and 7 for additional information.

Net Position – In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. Classifications used in the government-wide financial statements are as follows:

Net Investment in Capital Assets – Reflects the portion of net position which is associated with capital assets, less outstanding capital asset related debt.

Restricted Net Position – Net position which is restricted externally by creditors, grantors, or laws or regulations or imposed by law through constitutional provision or enabling legislation.

Unrestricted Net Position – Represents net position which does not have any third-party limitation on their use.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonspendable - This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. As of June 30, 2026, the Academy had no items classified as nonspendable.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Academy has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. Restricted balance related to Emergency Reserves as of June 30, 2026 is $347,223. The Academy also has $649,527 restricted associated with the Series 2021 A&B bonds.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the board of directors. These amounts cannot be used for any other purpose unless the board of directors removes or changes the specified use by taking the same type of action (i.e., resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Academy has no items reported as committed as of June 30, 2026.

Assigned – This classification includes amounts that are subject to a purpose constraint that represents an intended use but does not meet the criteria to be classified as restricted or committed. Only the Board may assign fund balances for specific purposes. The purpose of this assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. The Academy had no items reported as assigned fund balance as of June 30, 2026.

Unassigned – This classification includes the residual fund balance for the General Fund.

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

NOTE 2 – CASH AND INVESTMENTS

Cash and investments at June 30, 2026, consisted of the following:

Cash on hand	$	700
Pooled cash with District		7,483,790
Investments		649,527
Total	$	8,134,017
Cash and investments	$	7,137,267
Restricted cash and investments		996,750
Total	$	8,134,017

Cash Deposits

The Academy's deposits are governed by Colorado Statute. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local governments deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds.

The pool for all uninsured public deposits as a group is to be maintained by another institution or held in trust. The fair value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Pooled Cash with the District

Cash deposits are pooled with the District cash and investments which were held by several banking institutions. At June 30, 2026, the Academy's balance in equity for unrestricted pooled cash of the District totaled $7,483,790.

Investments

The Academy has not adopted a formal investment policy; however, the Academy follows the investment policy of the District, which follows state statutes regarding investments.

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

The Academy generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the Academy is not subject to concentration risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States, certain U.S. government agency securities, and the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Certain reverse repurchase agreements
- Certain securities lending agreements
- Certain corporate bonds
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- * Local government investment pools

Credit Risk

State law limits investments for school districts to U.S. Treasury issues, other federally backed notes and credits, and other agency offerings without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency.

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 remaining maturities beyond a maximum of three years. Investments in these funds require that the institutions have assets in excess of $1 billion or the highest credit rating from one or more of a nationally recognized rating agency.

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

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

Local Government Investment Pools

The Academy had invested $649,527 in the Colorado Government Liquid Asset Trust (ColoTrust) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the ColoTrust.

ColoTrust offers shares in three portfolios, ColoTrust PRIME, ColoTrust Plus+, and ColoTrust EDGE. ColoTrust PRIME invests only in U.S. Treasury securities and government agencies and each share is equal in value to $1. ColoTrust PLUS+ can invest in U.S. Treasury securities, government agencies, and in the highest-rated commercial paper and each share is equal to $1. ColoTrust EDGE can invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, and highest rated commercial paper and is managed to approximate a $10 transactional share price.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement.

The custodian acts as 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 Trust. ColoTrust is rated AAAm by Standard & Poor's. ColoTrust records investments at fair value and the Academy records investments in ColoTrust at net asset value. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption period.

Restricted Cash and Investments

Pooled cash in the amount of $347,223 is restricted in the general fund as emergency reserves related to the TABOR amendment.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026, is summarized below:

	Balances June 30, 2025	Additions	Deletions	Balances June 30, 2026
Capital Assets:				
Capital Assets, Not Being Depreciated				
Land	$ 2,440,489	$ -	$ -	$ 2,440,489
Total capital assets, not depreciated	2,440,489	-	-	2,440,489
Capital Assets, Being Depreciated				
Building improvements	15,866,906	80,000	8,373	15,938,533
Machinery and equipment	98,761	-	62,574	36,187
Vehicles	12,500	-	-	12,500
Total capital assets, depreciated	15,978,167	80,000	70,947	15,987,220
Accumulated depreciation				
Building improvements	5,107,749	880,864	5,022	5,983,591
Machinery and equipment	95,175	1,101	62,574	33,702
Vehicles	12,500	-	-	12,500
Total accumulated depreciation	5,215,424	881,965	67,596	6,029,793
Net capital assets, depreciated	10,762,743	(801,965)	3,351	9,957,427
Total capital assets	$ 13,203,232	$ (801,965)	$ 3,351	$ 12,397,916

Depreciation expense of $881,965 has been charged to the Supporting Services function of the Academy.

NOTE 4 – ACCRUED SALARIES AND BENEFITS

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August - July but are earned during a school year of nine months. The salaries and benefits earned, but unpaid, as of June 30, 2026, were $535,353 in the general fund.

NOTE 5 – LONG-TERM DEBT

The following is a summary of the Academy's long-term debt transactions for the year ended June 30, 2026:

NOTE 5 – LONG-TERM DEBT (CONTINUED)

	Balances June 30, 2025	Additions	Deletions	Balances June 30, 2026	Balances June 30, 2026
Series 2021 bonds	$ 8,225,000	$ -	$ 150,000	$ 8,075,000	$ 155,000
Bond premium	167,307	-	5,397	161,910	5,397
Compensated absences	114,010	-	-	114,010	114,010
Total	$ 8,506,317	$ -	$ 155,397	$ 8,350,920	$ 274,407

2021 Bonds Payable

In April 2021, the Colorado Educational and Facilities Authority (CECFA) issued $1,825,000 Charter Academy Revenue Bonds, Series 2021A and $7,010,000 Charter Academy Refunding Revenue Bonds, Series 2021B. Series 2021A were issued for improvements to the Academy's facility. The bonds accrued interest at rates ranging from 1.25% to 4.%. Series 2021B was issued to fully refund the 2013 Charter Academy Revenue Refunding Bonds. Interest payments are due semi-annually on March 1st and September 1st. Principal payments are due annually on March 1st through 2056.

See Note 2 for certain restricted cash reserves to be maintained relating to the Academy's bonds payable.

The principal balance outstanding on the bonds at June 30, 2026, was $8,075,000. Future debt service requirements to maturity for the long-term debt transactions are as follows:

Year ended June 30,	Principal	Interest	Total
2027	$ 155,000	$ 304,614	$ 459,614
2028	160,000	300,584	460,584
2029	165,000	296,417	461,417
2030	170,000	292,113	462,113
2031	175,000	287,708	462,708
2032-2036	955,000	1,347,247	2,302,247
2037-2041	1,150,000	1,154,326	2,304,326
2042-2046	1,390,000	916,553	2,306,553
2047-2051	1,695,000	616,470	2,311,470
2052-2056	2,060,000	252,193	2,312,193
	$ 8,075,000	$ 5,768,225	$ 13,843,225

NOTE 6 – DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

Plan Description: Eligible employees of the Academy are provided with pensions through the School Division Trust Fund (SCHDTF) – a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S), administrative rules are 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, 2025: PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (continued)

This amount is then annualized 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 highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, and all eligible benefit recipients of the DPS benefit structure will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP.

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

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

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (continued)

Contributions provisions as of June 30, 2026: Eligible employees of the Academy and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, et seq and § 24-51-413. Eligible employees are required to contribute 11.0 percent of their PERA-includable salary during the period of July 1, 2025 through June 30, 2026. Employer contribution requirements are summarized in the table below:

	July 1, 2025 Through June 30, 2026
Employer Contribution Rate[1]	11.40 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount Apportioned to the SCHDTF	10.38 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411	4.50 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411	5.50 %
Total Employer Contribution Rate to the SCHDTF	20.38 %

[1]Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42). Includes 1.00% automatic adjustment

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Academy is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF for the Academy were $1,201,045 for the year ended June 30, 2026.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a $225 million direct distribution each year to PERA starting on July 1, 2018. For 2025, a portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and DPS Division Trust Fund.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (continued)

Effective July 1, 2025, and prior to July 1, 2030, HB 25-1105 excludes the DPS Division from receiving a portion of the annual Direct Distribution.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

The net pension liability for the SCHDTF was measured as of December 31, 2025, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024. Standard update procedures were used to roll-forward the TPL to December 31, 2025. The Academy's proportion of the net pension liability was based on the Academy's contributions to the SCHDTF for the calendar year 2025 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2026, the Academy reported a liability of $11,444,713 for its proportionate share of the net pension liability that reflected a reduction for support from the State as a nonemployer contributing entity. The amount recognized by the Academy as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the Academy were as follows:

Academy's Proportionate Share of the Net Pension Liability	$	11,444,713
State's Proportionate Share of the Net Pension Liability as a nonemployer contributing entity associated with the School		1,075,539
Total	$	12,520,252

At December 31, 2025, the Academy's proportion was 0.07338%, which was an increase of 0.00408% from its proportion measured as of December 31, 2024.

For the year ended June 30, 2026, the Academy recognized pension expense of $1,306,603 and revenue of $113,903 for support from the State as a nonemployer contributing entity. At June 30, 2026, the Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 688,796	$ -
Changes of Assumptions or other Inputs	56,183	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,372,938
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	282,821	425,517
Contributions Subsequent to the Measurement Date	615,051	-
Total	$ 1,642,851	$ 1,798,455

$615,051 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2027	$ 664,142
2028	(647,683)
2029	(440,320)
2030	(346,794)
Total	$ (770,655)

Actuarial Assumptions: The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

	Actuarial Assumptions
Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	4.00% - 13.40%
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 January 1, 2007; and DPS Benefit Structure (Compounded Annually)	1.00%
PERA Benefit Structure hired after December 31, 2006[1]	Financed by the AIR

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

All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that in all categories displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 scale.

Pre-Retirement	**Mortality Table**	**Adjustments, as Applicable**
School and DPS Divisions	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
School and DPS Divisions	PubT-2010 Healthy Retiree	**Males:** 106% of the rates for all ages **Females:** 86% of the rates prior to age 85/ 115% of the rates age 85 and older
Post-Retirement (Beneficiary), Non-Disabled	**Mortality Table**	**Adjustments, as Applicable**
All Beneficiaries	Pub-2010 Contingent Survivor	**Males:** 92% of the rates for all ages **Females:** 100%% of the rates for all ages
Disabled	**Mortality Table**	**Adjustments, as Applicable**
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

The actuarial assumptions used in the December 31, 2024, valuations were based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, through December 31, 2023. Revised economic and demographic assumptions were adopted by the PERA Board on January 17, 2025.

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

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

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

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

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25%. For projections, geometric long-term returns are converted to arithmetic returns, which reflect the expected one-year annual performance.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the current member contribution rates in effect for each year, reflecting the prior increases as required by SB 18-200 and 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 the current fixed statutory rates specified in law for each year, reflecting the prior increases as required by SB 18-200 and the 2018 and 2020 AAP assessments. Employer contributions also include current and future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero.

Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million 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. Effective July 1, 2025, and prior to July 1, 2030, HB 25-1105 excludes the DPS Division from receiving a portion of the annual direct distribution. 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.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

- The AIR balance was excluded from the initial FNP because, per statute, AIR amounts cannot be used to pay benefits until they are transferred out of the AIR to the appropriate accounts for retirement and survivor benefit payments. Estimated transfers from the AIR and the related benefit payments were included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	$ 16,191,027	$ 11,444,713	$ 7,470,267

Pension Plan Fiduciary Net Position: Detailed information about the SCHDTF's fiduciary net position is available in PERA's annual comprehensive financial report, which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

Summary of Significant Accounting Policies

OPEB. The Academy participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

Plan description. Eligible employees of the Academy are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies.

Colorado State law provisions may be amended by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

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

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

General Information about the OPEB Plan (continued)

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

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

PERA Benefit Structure
The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 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 HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

General Information about the OPEB Plan (continued)

Contributions. Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF. Effective July 1, 2026, HB 26-1400 also reduces the PERA employer contribution rate allocated to the HCTF, by 0.50%, from 1.02% to 0.52% of member salaries for the State, School, Local Government, and Judicial Divisions.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Academy is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the Academy were $60,111 for the year ended June 30, 2026.

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

At June 30, 2026, the Academy reported a liability of $126,480 for its proportionate share of the net OPEB liability.

The net OPEB liability for the HCTF was measured as of December 31, 2025, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2024. Standard update procedures were used to roll-forward the TOL to December 31, 2025. The Academy's proportion of the net OPEB liability was based on the Academy's contributions to the HCTF for the calendar year 2025 relative to the total contributions of participating employers to the HCTF.

At December 31, 2025, the Academy's proportion was 0.04694%, which was an increase of 0.00294% from its proportion measured as of December 31, 2024.

For the year ended June 30, 2026, the Academy recognized OPEB income of $71,232. At June 30, 2026, the Academy reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ -	$ 51,176
Changes of Assumptions or other Inputs	1,388	61,394
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	20,200
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	1,261	12,649
Contributions Subsequent to the Measurement Date	30,181	-
Total	$ 32,830	$ 145,419

$30,181 reported as deferred outflows of resources related to OPEB resulting from the Academy's contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2027	$ (33,636)
2028	(41,678)
2029	(29,218)
2030	(22,993)
2031	(11,780)
Thereafter	(3,465)
Total	$ (142,770)

Actuarial Assumptions: The December 31, 2024 actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	State Division	School Division	Local Government Division	Judicial Division
Actuarial cost method		Entry Age		
Price inflation		2.30%		
Real wage growth		0.70%		
Wage inflation		3.00%		
Salary increases, including wage inflation:				
Members other than Safety Officers	2.70% - 13.30%	4.00% - 13.40%	3.40% - 13.00%	2.30% - 4.70%
Safety Officers	3.20% - 16.30%	N/A	3.20% - 16.30%	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflaction		7.25%		
Discount Rate		7.25%		
Health care cost trend rates				
Service-based premium subsidy		0.00%		
PERACare Medicare plans		8.00% in 2025, gradually decreasing to 4.50% in 2035		
Medicare Part A premiums		3.50% in 2025, gradually increasing to 4.50% in 2033		
DPS benefit structure:				
Service-based premium subsidy		0.00%		
PERACare Medicare Plans		N/A		
Medicare Part A premiums		N/A		

Each year the per capita health care costs are developed by plan option. As of the December 31, 2024, actuarial valuation, costs are based on 2025 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. MAPD premium costs are not age graded, an allowed exception under Section 3.7.7 (c) of Actuarial Standard of Practice No. 6.

Plan	With Medicare Part A	Without Medicare Part A
MAPD PPO #1	$ 4,188	$ 8,928
MAPD PPO #2	2,028	5,508
MAPD HMO (Kaiser)	2,040	7,596

The 2025 Medicare Part A premium is $518 (actual dollars) per month.

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

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements.

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2025	8.00%	3.50%
2026	7.65%	3.75%
2027	7.30%	3.75%
2028	6.95%	4.00%
2029	6.60%	4.00%
2030	6.25%	4.25%
2031	5.90%	4.25%
2032	5.55%	4.25%
2033	5.20%	4.50%
2034	4.85%	4.50%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2024, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2024, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 scale. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Pre-Retirement	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than) Safety Officers)	PubG-2010 Employee	N/A
Safety Officers	PubS-2010 Employee	N/A
School and DPS Divisions	PubT-2010 Employee	N/A
Judicial Division	PubG-2010(A) Above-Median Employee	N/A

Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
State and Local Government Divisions (members other than) Safety Officers)	PubG-2010 Healthy Retiree	**Males:** 90% of the rates for all ages **Females:** 85% of the rates prior to age 85/105% of the rates age 85 and older
Safety Officers	PubS-2010 Healthy Retiree	N/A
School and DPS Divisions	PubT-2010 Healthy Retiree	**Males**: 106% of the rates for all ages **Females**: 86% of the rates prior to age 85/115% of the rates age 85 and older
Judicial Division	PubG-2010(A) Above-Median Healthy Retiree	N/A

Post-Retirement (Beneficiary), Non-Disable	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	**Males**: 92% of the rates for all ages **Females**: 100% of the rates for all ages

Disabled	Mortality Table	Adjustments, as Applicable
Members other than Safety Officers	PubNS-2010 Disabled Retiree	95% of the rates for all ages
Safety Officers	PubS-2010 Disabled Retiree	N/A

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

- Per capita health care costs in effect as of the December 31, 2024, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2025 plan year.

- The health care cost trend rates applicable to health plan premiums were revised to reflect the current expectation of future increases in those premiums.

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

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The actuarial assumptions used in the December 31, 2024, valuations were based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, through December 31, 2023.

Revised economic and demographic assumptions were adopted by the Board on January 17, 2025.

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

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

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

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

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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%. For projections, geometric long-term returns are converted to arithmetic returns, which reflect the expected one-year annual performance.

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	6.65%	7.65%	8.65%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate[1]	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	$ 121,222	$ 126,480	$ 132,431

[1]For the January 1, 2026 plan year.

Discount Rate: The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2024, and the financial status of the HCTF as of the current measurement date (December 31, 2025). 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, 2025, measurement date.

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. The current employer contribution rate for the HCTF is 1.02% of salary. HB26-1400, effective July 1, 2026, reduces the PERA employer contribution rate allocated to the HCTF, by 0.50%, from 1.02% to 0.52% of member salaries for the State, School, Local Government, and Judicial Divisions.

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 174,137	$ 126,480	$ 85,376

OPEB Plan Fiduciary Net Position: Detailed information about the HCTF plan's fiduciary net position is available in the separately issued comprehensive annual financial report issued by PERA. That report can be obtained at www.copera.org/forms-resources/financial-reports-and-studies.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Tabor

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations, which apply to the state of Colorado and all local governments. TABOR required local governments to establish Emergency Reserves. These reserves must be at least 3 percent of Fiscal Year Spending (excluding bonded debt service).

Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year spending limits will require judicial interpretation.

The Academy believes it has complied with the Amendment. As required, the Academy has established a reserve for emergencies. At June 30, 2026, the reserve of $347,223 was recorded as a restricted net position/fund balance for TABOR.

Claims and Judgments

The Academy participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Academy may be required to reimburse the grantor government. As of June 30, 2026, significant amounts of grant expenditures have not been audited, but the Academy believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Academy.

NOTE 9 – RISK MANAGEMENT

The Academy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District carries commercial insurance for these risks of loss and bills the Academy for its portion of coverage. Settlement claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 10 – CORRECTION OF AN ERROR

During the year, the Academy identified an error in the calculation of the deferred loss on refunding reported in governmental activities. The error resulted in an overstatement of deferred outflows of resources and related amortization in prior periods. In accordance with GASB Statement No. 100, the Academy has corrected the error by restating beginning net position of governmental activities. Beginning net position was decrease by $255,248, from $888,972 as previously reported to $633,724 as restated.

	Beginning net position, previously reported	Restatement	Beginning net position, as restated
Governmental activities	$ 888,972	$ (255,248)	$ 633,724

REQUIRED SUPPLEMENTARY INFORMATION

LINCOLN ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Variance Original to Final Budget Over (Under)	Actual	Variance Positive (Negative)
Revenues					
Local sources					
Per pupil operating revenue	$ 8,320,906	$ 8,471,020	$ 150,114	$ 8,471,020	$ -
Mill levy override	1,614,410	1,624,843	10,433	1,627,658	2,815
Charges for services	408,827	485,256	76,429	462,511	(22,745)
Donations	42,846	35,000	(7,846)	12,693	(22,307)
Earnings on investments	11,330	318,785	307,455	325,474	6,689
Other revenue	1,137	155,470	154,333	166,642	11,172
Federal and state sources					
Grants and capital contributions	671,179	656,645	(14,534)	768,854	112,209
Total revenues	11,070,635	11,747,019	676,384	11,834,852	87,833
Expenditures					
Current					
Salaries	6,392,727	6,478,076	85,349	6,301,180	176,896
Employee benefits	1,846,833	1,887,226	40,393	1,813,568	73,658
Purchased services	1,791,367	1,749,098	(42,269)	1,690,926	58,172
Supplies and materials	349,528	342,228	(7,300)	337,570	4,658
Capital outlay	-	195,000	195,000	80,000	115,000
Debt service					
Principal	150,000	150,000	-	150,000	-
Interest	308,507	308,507	-	308,507	-
Total expenditures	10,838,962	11,110,135	271,173	10,681,751	428,384
Net change in fund balance	$ 231,673	$ 636,884	$ 405,211	1,153,101	$ 516,217
Fund Balance, beginning of year				6,261,696	
Fund Balance, end of year				$ 7,414,797	

LINCOLN ACADEMY
SCHEDULE OF THE ACADEMY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS

Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Plan Measurement Date*	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Academy's Proportion of the Net Pension Liability	0.07338%	0.06930%	0.06400%	0.06180%	0.06960%	0.07580%	0.06310%	0.06360%	0.06870%	0.06100%
Academy's Proportionate Share of the Net Pension Liability	$ 11,444,713	$ 11,957,645	$ 11,317,390	$ 11,253,449	$ 8,099,607	$ 11,459,431	$ 9,427,003	$ 11,261,686	$ 22,215,138	$ 18,162,059
State's Proportionate Share of the Net Pension Liability associated with the Academy **	1,075,539	986,655	308,665	892,927	834,018	-	1,196,621	1,540,083	-	-
Total	$ 12,520,252	$ 12,944,300	$ 11,626,055	$ 12,146,376	$ 8,933,625	$ 11,459,431	$ 10,623,624	$ 12,801,769	$ 22,215,138	$ 18,162,059
Academy's Covered Payroll	$ 5,872,597	$ 5,350,353	$ 5,092,013	$ 4,900,273	$ 4,299,876	$ 4,050,700	$ 3,702,501	$ 3,487,340	$ 3,204,976	$ 3,004,450
Academy's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	194.88%	223.49%	222.26%	229.65%	188.37%	282.90%	254.61%	322.93%	693.15%	604.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.71%	67.17%	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan.
** A direct distribution provision to allocate funds from the State of Colorado budget to Colorado PERA on an annual basis began in July 2018 based on Senate Bill 18-200.

LINCOLN ACADEMY
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS

Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	$ 1,201,045	$ 1,148,525	$ 1,078,517	$ 998,676	$ 884,962	$ 819,713	$ 773,900	$ 687,125	$ 619,192	$ 573,077
Contributions in Relation to the Contractually Required Contribution	1,201,045	1,148,525	1,078,517	998,676	884,962	819,713	773,900	687,125	619,192	573,077
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Academy's Covered Payroll	$ 5,893,245	$ 5,635,548	$ 5,292,038	$ 4,900,273	$ 4,451,519	$ 4,123,306	$ 3,993,291	$ 3,591,870	$ 3,279,616	$ 3,117,939
Contributions as a Percentage of Covered Payroll	20.38%	20.38%	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.38%

LINCOLN ACADEMY
SCHEDULE OF THE ACADEMY'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
LAST TEN FISCAL YEARS

Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Plan Measurement Date*	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Academy's Proportion (Percentage) of the Collective Net OPEB Liability	0.04694%	0.04400%	0.04640%	0.03710%	0.04120%	0.04380%	0.04130%	0.04130%	0.03900%	0.03810%
Academy's Proportionate Share of the Collective Net OPEB Liability	$ 126,480	$ 212,417	$ 331,169	$ 302,914	$ 355,270	$ 416,199	$ 464,211	$ 561,904	$ 506,844	$ 493,979
Academy's Covered Payroll	$ 5,872,597	$ 5,350,353	$ 5,092,013	$ 4,900,273	$ 4,299,876	$ 4,050,700	$ 3,702,501	$ 3,487,340	$ 3,204,976	$ 3,004,450
Academy's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll Covered Payroll	2.15%	3.97%	6.50%	6.18%	8.26%	10.27%	12.54%	16.11%	15.81%	16.44%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	76.07%	59.83%	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Information earlier than 2017 was not available.

LINCOLN ACADEMY
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS

Fiscal Year	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	$ 60,111	$ 57,483	$ 53,979	$ 49,983	$ 45,405	$ 42,058	$ 40,732	$ 36,637	$ 33,452	$ 31,803
Contributions in Relation to the Contractually Required Contribution	60,111	57,483	53,979	49,983	45,405	42,058	32,506	30,125	30,525	28,367
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Academy's Covered Payroll	$ 5,893,245	$ 5,635,548	$ 5,292,038	$ 4,900,273	$ 4,451,519	$ 4,123,306	$ 3,993,291	$ 3,591,870	$ 3,279,616	$ 3,117,939
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

LINCOLN ACADEMY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2026

NOTE 1 – BUDGETARY COMPARISON INFORMATION

The accompanying budgetary comparison schedules are presented as required supplementary information for the General Fund for which the Academy adopts an annual legally adopted budget. The budget is adopted on a basis consistent with generally accepted accounting principles and is adopted by the Board of Directors prior to June 30th. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at fiscal yearend.

The schedule presents the original budget, final budget, variance between the original and final budget, actual amount, and the variance between the final budget and actual amounts.

The budgetary comparison schedule is presented using the modified accrual basis of accounting. The budget schedule mirrors the format budgeted by the Academy and the statement of revenues, expenditures and changes in fund balance is broken out by function based on an allocation determined by management.

General Fund

For the year ended June 30, 2026, significant variances between original and final budgets were noted for:

1) Per pupil revenues were revised and increased in the amount of $150,114 by the Academy based on expected collections passed through the main District coming in higher than expected due to State PPR funding calculation and student counts. Similarly, other revenue was increased by $154,333 due to expected receipt of Charter School Facility Assistance Program (CSFAP) payments.

2) Investment earnings budget figure was significantly increased to $318,785 due to allocation performed by main District which increased the Academy's investment earnings.

3) Salaries and benefit expenditures were revised by total of $125,742 due to expected increase in personal costs through Academy review in April 2026.

4) Property or capital outlay was increased by $195,000 for purposes of potential capital projects at yearend.

For the year ended June 30, 2026, significant variances between final budget and actual amounts included:

NOTE 1 – BUDGETARY COMPARISON INFORMATION (CONTINUED)

General Fund (continued)

1) Other revenues were significantly higher which was a result of unexpected funds passed through the District during 2026 in the approximate amount of $106,000.

2) Salaries and benefits were less than budget due to the Academy's conservative estimate related to actual costs and expected final balances through review of financials prior to budget amendment.

3) Capital outlay variance is result of single capital project which was less than expected.

4) All other variances are a result of the Academy being fiscally responsible and budgeting funds to ensure no budget violations for the general fund.

NOTE 2 – DEFINED BENEFIT PENSION PLAN AND OPEB

Defined Benefit Pension Plan

Significant Changes in Plan Provisions Affecting Trends in Actuarial Information - 2025
Changes in Plan Provisions Since 2024

- SB 25-310, enacted June 2, 2025, and effective immediately, allows PERA to accept a series of warrants from the State Treasurer totaling $500,000 on or after July 1, 2025, and before October 1, 2025. These dollars are held by PERA in a custodial capacity on behalf of the State of Colorado to be proportioned over time to replace reductions to future direct distributions intended to fund the Peace Officer Training and Support Fund and, at that time, will be allocated to the appropriate Division Trust Fund(s) within PERA. SB 25-310 also allows for an alternative actuarial method to allocate the direct distribution if the allocation, based on the reported payroll of each participating division, results in an automatic adjustment provision (AAP) assessment ratio below the 98% benchmark and the alternative allocation method results in an AAP ratio that meets or exceeds the 98% benchmark.

NOTE 2 – DEFINED BENEFIT PENSION PLAN AND OPEB (CONTINUED)

Defined Benefit Pension Plan (continued)

Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information - 2025 Changes in Assumptions or Other Inputs Since 2024

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

Subsequent Events

- HB 26-1400, enacted June 1, 2026, and effective July 1, 2026, modifies the allocation of the direct distribution. Beginning with the direct distribution on July 1, 2026, and annually thereafter, PERA is required to allocate the direct distribution to the Division Trust Funds on an actuarial basis. HB 26-1400 also reduces the PERA employer contribution rate allocated to the HCTF, by 0.50%, from 1.02% to 0.52% of member salaries for the State, School, Local Government, and Judicial Divisions.

Other Postemployment Benefit Plan

Significant Changes in Plan Provisions Affecting Trends in Actuarial Information - 2025 Changes in Plan Provisions Since 2024

- There were no changes made to plan provisions.

Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information - 2025 Changes in Assumptions or Other Inputs Since 2024

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