



Stargate School

Governance Board Meeting

Published on November 20, 2024 at 8:46 AM MST
Amended on November 21, 2024 at 6:19 PM MST

Date and Time

Thursday November 21, 2024 at 6:00 PM MST

Location

Virtual

Agenda

	Purpose	Presenter
I. Opening Items		
A. Call the Meeting to Order		Lindsey Paquette
B. Roll Call		Lisa Hosfelt
C. Reading of Stargate Mission		
Stargate School will provide a differentiated program designed specifically to meet the needs of identified intellectually gifted learners in order to challenge each student's academic abilities, support their unique emotional needs, promote individual character development and encourage a life-long love of learning.		
D. Recognitions and Appreciations	Discuss	All Board Members
E. Board News and Events	Discuss	All Board Members

Purpose	Presenter
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II. Approve Agenda and Consent Agenda Items

A. Approve Consent Agenda	Vote	Lindsey Paquette
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2) Minutes for Governance Board Meeting held October 23, 2024

B. Minutes for Governance Board Meeting held October 23, 2024	Approve Minutes
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C. Approve agenda for 11/21/24

III. School Operations

A. Finance: Audit Report, November Financials, and Bond Update/Construction Budget	FYI	Lynne Whitney
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[2024 Stargate Charter School Financial Statement](#) - Audit Report

[Board KPI Report October 31 2024](#)

[Financial Statements October 2024](#)

[Consolidated Detail October 2024](#)

B. Executive Director of Academics Report	FYI	Robin Greene
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C. SRO & Student Report: Redbag	FYI	Officer Mike Couture & Students
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IV. Public Comment

Public Comments Reminder: The board meeting is structured to allow the Governance Board to conduct its business in a timely manner. Comments may not be immediately addressed but may be considered as future agenda items. Anyone wishing to speak must sign-in before the public comment portion of the meeting. Comments are limited to 3 minutes each, and total time allotted for all public comments will not exceed 45 minutes. Those wishing to speak that do not get the opportunity to do so can submit their comments to governance@stargateschool.org or may attend the next board meeting to do so. Please note that time may not be donated to others and comments are expected to maintain professional courtesy, civility, and respect.

	Purpose	Presenter
A. Public Comment	FYI	
B. Public Comment Response	FYI	
V. Committee Reports		
A. Written Committee Reports and Committee Goals Finance Committee Goals	FYI	
B. SAC 9/30/24 KPI Update, Charter, and Draft Survey Questions Proposed SAC Charter Proposed Staff Survey Proposed Parent Survey 9/30/24 KPI Update	FYI	Therese Morin
VI. Action Items		
A. Audit Report	Vote	
B. Bond	Vote	
C. SAC Survey Questions	Vote	
D. Committee Charters SAC	Vote	
E. FAC Request - RedBag	Vote	Samantha Howorko
F. Unemployment Matters	Discuss	Samantha Howorko
VII. Discussion Items		
A. Exit to Executive Session at 7:15 to discuss Unemployment Matters		
B. Governance Board Onboarding Review	Discuss	Lindsey Paquette
C. Committee Signed Handbooks	FYI	
D. Strategic Plan Tracking	FYI	Lindsey Paquette

Purpose Presenter

VIII. Future Planning

- | | | |
|------------------------------------------------------|---------|------------------|
| A. Next Board Meeting Agenda and Board Packet | Discuss | Lindsey Paquette |
| B. Next Admin Sync Meeting | Discuss | Lindsey Paquette |
| C. Upcoming Events | Discuss | |

IX. Closing Items

- | | | |
|---------------------------|------|------------------|
| A. Adjourn Meeting | Vote | Lindsey Paquette |
|---------------------------|------|------------------|

Coversheet

Minutes for Governance Board Meeting held October 23, 2024

Section:	II. Approve Agenda and Consent Agenda Items
Item:	B. Minutes for Governance Board Meeting held October 23, 2024
Purpose:	Approve Minutes
Submitted by:	
Related Material:	Minutes for Governance Board Meeting on October 23, 2024

APPROVED



Stargate School

Minutes

Governance Board Meeting

Date and Time

Wednesday October 23, 2024 at 7:00 PM

Location

Secondary Library

Directors Present

B. Paul, K. Lindgren, L. Challa, L. Griffin, L. Hosfelt, L. Paquette, M. Faulkner, S. Howorko

Directors Absent

None

Guests Present

1 community member (remote), 2 staff, 2 community members, M. Anderson, R. Greene

I. Opening Items**A. Call the Meeting to Order**

L. Paquette called a meeting of the board of directors of Stargate School to order on Wednesday Oct 23, 2024 at 7:11 PM.

B. Roll Call**C. Reading of Stargate Mission****D.**

Recognitions and Appreciations

Bibi - Stacy Tempas and members of the 30th anniversary committee.

Karla - Robin and team for ability to attend the CAGT conference. Cleaning crew for a great job cleaning the facilities.

Meryl - 6th grade teachers who have helped students transition to middle school.

Lindsey - Lisa Griffin and Lumakar for preparing the Stakeholder Presentation.

Lisa G - Staff and community members who contributed to the Stakeholder Presentation.

Chaperones of overnight field trips. Mr. Holter for helping seniors complete college applications.

Samantha - Members and others involved in the Bond Committee. Dave Logan for his work on the busing pilot. Richard Raehel for his help with policy development and CORA requests.

Lisa - Middle school volleyball coaches and Dave Logan for a successful volleyball season. Lisa and Lumakar for their work on the Stakeholder Presentation. Election and Recruiting Committees for all their work during the SAC election cycle.

Lumakar - Fundraising team who facilitated the recent Fun Run. Lisa Griffin for her work on the Stakeholder Presentation.

E. Board News and Events

Lisa H- elementary music concert, middle school volleyball games

Lisa G - high school volleyball games and high school cross country events

Lindsey - CAGT conference

Meryl - CAGT conference, middle school volleyball games

Bibi - 30th anniversary committee meeting, PRA board meeting and work session

II. Approve Consent Agenda Items

A. Approve Consent Agenda

L. Paquette made a motion to approve Consent Agenda for October 23, 2024.

K. Lindgren seconded the motion.

The board **VOTED** unanimously to approve the motion.

B. Minutes for Governance Board Meeting held October 10, 2024

L. Paquette made a motion to approve the minutes from Governance Board Business Meeting (Virtual) on 10-10-24.

K. Lindgren seconded the motion.

The board **VOTED** unanimously to approve the motion.

III. School Operations

A. Executive Director of Academics Report

[Report](#)

B. Staff Report: Athletics

Dave Logan presented an update on athletics and the activities busing pilot:

- 175 middle school and high school students participated in fall sports
- 21 student athletes are participating at different district high schools in tennis, golf, football, and flag football
- The Finance Committee was involved in busing discussions. Plans are preliminary, as the school needs further study and documentation. Meetings were held with local and national charter busing services. Charter buses work in 5-8 hour windows; we need at least 8 hours to provide transportation to and from games. District prices are also expensive, and we only have limited access - mostly only on Saturdays.
- The pilot program will operate for high school basketball season and spring sports with the potential to expand if things go well. The threshold for providing a bus is currently for games that are at least 30 miles from the school. The shortest trip in the upcoming basketball schedule would cost \$1,200-\$1,500, totaling about \$10,000 for basketball season and \$20,000 for the school year with current plans. The pilot program will be reevaluated throughout season as several logistical issues will need to be considered.

C. Staff Report: IT and Data Access

Stargate email accounts are given to all employees, including coaches. The school can have as many emails as determined to be necessary. Our account has a finite amount of space in Google.

With CORA requests, if committee and community members are given emails, then we have to produce those records.

Inactive accounts are disabled, not deleted. If deleted, all data is also deleted.

A recent audit of the Board drive was completed to ensure only Board members have access.

Discussed potential liability for giving committee members Stargate email accounts.

Discussed possibility of liaison and committee chair using a shared account.

Discussed concern about committee members using Stargate email to communicate outside of their scopes.

In absence of school policies, we defer to Adams 12 policy.

Suggested creating committee emails with a shared password versus creating individual accounts for committee chairs.

IV. Public Comment

A. Public Comment

no public comment

B.

Public Comment Response

V. Committee Reports

A. Written Committee Reports

[Election Committee Report](#)

- Discussed potential additional efforts to increase participation in election:
 - incentivize kids to encourage parent participation
 - increase awareness of election at events
 - continue efforts made this election cycle

[SAC agenda](#)

VI. Action Items

A. 2024-2025 Committee Handbook

Updated communication section to define access to committee email address accessible by Board Liaison(s) and Committee Chair(s).

Discussed succession plan and added language regarding Recruiting Committee support in circumstances when a successor is not identified.

L. Paquette made a motion to approve the 2024-2025 Committee Handbook as discussed.

L. Challa seconded the motion.

The board **VOTED** unanimously to approve the motion.

B. Committee Charters and Goals

Slight adjustments made to Finance Committee charter. Election, FAC, and Recruiting did not have any changes to their charters.

S. Howorko made a motion to approve the Finance Committee Charter as discussed.

B. Paul seconded the motion.

The board **VOTED** unanimously to approve the motion.

VII. Discussion Items

A. Data Access Policy

Policy created to advise how Board documents are managed; outlined procedures for audit of Governance Board files.

Discussed development of operational data access policy parallel to Board policy. Board members will continue to work with Richard Raehel to refine language.

Determined that a group email will be created for committees (such as fundraising@stargateschool.org). The Board liaisons and Committee Chairs will have access to the password for the email account.

B. Board Member Assignments

Updated assignments to involve new Board member.

C. Strategic Plan Tracking

Updates will be made next month.

VIII. Future Planning

A. Next Board Meeting Agenda and Board Packet

Reviewed November agenda.

B. Next Admin Sync Meeting

C. Upcoming Events

IX. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 10:02 PM.

Respectfully Submitted,
L. Hosfelt

Documents used during the meeting

- EDA Report October 2024.pdf
- 2024.09.09 SAC Agenda.pdf

Coversheet

Finance: Audit Report, November Financials, and Bond Update/Construction Budget

Section: III. School Operations
Item: A. Finance: Audit Report, November Financials, and Bond
Update/Construction Budget
Purpose: FYI
Submitted by:
Related Material: 2024 Stargate Charter School Financial Statements.pdf
Board KPI Report November 21 2024.docx.pdf
Financial Statements October 2024.xlsx - Special Revenue Students.pdf
Consolidated Detail.xls - Income-Budgets Summary.pdf

Stargate Charter School
(A Component Unit of Adams County School District No. 12)

Financial Statements
with Independent Auditor's Report

June 30, 2024



Stargate Charter School
(A Component Unit of Adams County School District No. 12)
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 June 30, 2024

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Independent Auditor's Report

Board of Directors
Stargate Charter School
Thornton, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Stargate Charter School (the School), component unit of Adams County School District No. 12, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School 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.

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Board of Directors
Stargate Charter School
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Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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



Board of Directors
Stargate Charter School
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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents, such as management's discussion and analysis and budgetary comparison information as noted in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Hick & Company, PC

Englewood, Colorado
October 29, 2024



Stargate Charter School

Management's Discussion and Analysis

June 30, 2024

The management of Stargate Charter School (the school) offers this Management Discussion and Analysis (MD&A) of the school's financial performance to provide an overall review of financial activities for the fiscal year ended June 30, 2024. The intent of this narrative overview and analysis is to review the school's financial performance as a whole. Readers should review the MD&A in conjunction with the accompanying Financial Statements, including the Notes to Financial Statements, to gain an expanded understanding of the school's financial performance.

Financial Highlights

The period from July 1, 2023 through June 30, 2024 is the thirtieth year of operation for Stargate Charter School. As of June 30, 2024 the net position of the school is \$(5,910,469).

School operations are primarily supported by funding provided for in the Colorado State School Finance Act. Per pupil revenue for the year July 1, 2023 through June 30, 2024 was \$16,555,587. Stargate experienced an increase in overall per pupil revenues of \$1,056.53 per student compared with the 2022-2023 fiscal year.

Overview of Financial Statements

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

Government –Wide Financial Statements

Government-wide financial statements are prepared to provide interested parties with a broad overview of the school's financial reporting in similar format to a private-sector business. The statement of net position presents information related to assets and liabilities and remaining net position. With historical data, increases and decreases in net position may serve as a useful indicator of whether the financial position of the school is improving or deteriorating.

The statement of activities, or income statement, presents information showing how the school's net position changed during the year. Changes to net value are reported at the primary occurrence, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement that will only result in cash flows in future periods (for example, salaries and benefits earned but unpaid as of the fiscal year end).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities, or objectives as designated by Colorado state statute. Stargate Charter School monitors these funds to ensure and demonstrate compliance with finance-related legal requirements.

Stargate Charter School

Management's Discussion and Analysis

June 30, 2024

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, except that the focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

Stargate School adopts an annual budget for the general fund. A budgetary comparison has been provided to demonstrate compliance with the budget as part of the required supplementary information included in the audited financial statements.

The Stargate Foundation is considered a component unit of Stargate Charter School (the school) and is reported as a proprietary fund. Information is presented in the statement of net position, statement of revenues, expenses and changes in net position and the statement of cash flows.

Notes to Financial Statements

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

Government-wide Financial Analysis

For the year ending June 30, 2024, the governmental activities negative net assets of Stargate Charter School totaled \$(5,910,469) The school recognized \$681,188 to comply with Article X, Section 20 of the Colorado Constitution, known as the TABOR Amendment. An additional \$200,000 in restricted reserves for Special Education liabilities are held in a segregated account at ColoTrust.

As of June 30, 2024, the school had \$2,980,281 restricted for debt service. The Foundation is included in the governmental activities of the school whose net position was \$(5,910,469).

Stargate Charter School

Management's Discussion and Analysis

June 30, 2024

Table 1: Net Position		
	2024 Governmental Activities	2023 Governmental Activities
ASSETS		
Capital Assets	41,450,332	38,332,908
Other Assets	13,626,145	15,792,168
Total Assets	55,076,477	54,125,076
Deferred Outflows	6,152,091	4,984,059
LIABILITIES		
Long Term Liabilities	63,972,253	59,581,969
Other Liabilities	2,681,558	2,698,914
Total Liabilities	66,653,811	62,280,883
Deferred Inflows	485,226	3,337,548
NET POSITION		
Net Investments in Capital Assets	2,312,681	1,918,304
Restricted for Debt Service	2,980,281	2,973,020
Restricted for Special Ed	200,000	200,000
Restricted for Emergencies	681,188	624,976
Unrestricted	(12,084,619)	(12,225,596)
Total Net Position	(5,910,469)	(6,509,296)

Stargate Charter School
Management's Discussion and Analysis
June 30, 2024

Table II: Change in Net Position		
	2024 Governmental Activities	2023 Governmental Activities
GENERAL REVENUES		
Per Pupil Revenue	16,555,587	14,702,322
District Mill Levy	2,549,429	2,430,975
Capital Construction	613,919	534,737
Miscellaneous	1,078,656	1,099,438
Investment Income	603,816	341,857
PROGRAM REVENUES		
Charges for Services: Instruction	475,992	574,177
Charges for Services: Support	0	0
Grants-Restricted	879,989	1,979,899
TOTAL REVENUE	22,757,388	21,663,405
EXPENSES		
Instruction	11,426,175	9,787,665
Supporting Services	10,732,386	11,431,711
Interest on Long Term Debt	0	41,125
Total Expenses	22,158,561	21,260,501
Transfers		
CHANGE IN NET POSITION	598,827	402,904
NET POSITION,BEGIN	(6,509,296)	(6,912,200)
NET POSITION,END	(5,910,469)	(6,509,296)

Stargate Charter School

Management's Discussion and Analysis

June 30, 2024

Fund Financial Analysis

General Fund

Revenues-Total Income from operations for the period of July 1, 2023 through June 30, 2024 was \$25,594,535. The majority of income was received in the form of Per Pupil Revenue allocated to Stargate Charter School from the State of Colorado through the charter authorizer Adams 12 Five Star School District. This funding source increased by 10% (\$1,056.53) per student between the 2022/2023 and 2023/2024 school years. Stargate receives Mill Levy Override funds from Adams 12 in the amount of \$1,577.76 per pupil as a component of local revenue. The District allocates state and federal IDEA and ECEA funds to the school for special education per the charter contract. Investment income of \$449,809 was realized for the year. Tuition for all day kindergarten and before and after childcare were received in support of the general operation of the school. Tuition collected in the 2023-2024 school year was \$475,992.

Expenditures-Total expenditures for the period of July 1, 2023 through June 30, 2024 were \$21,290,947. Salaries were \$10,982,918; benefits were \$3,246,930; purchased services were \$2,492,894; supplies were \$1,162,127; expenses for the purchase of property totaled \$63,550; other expenses were \$40,508; rent to the Foundation was \$2,460,046; principal and interest on leases was \$77,888. Expenditures increased \$3,038,371 from the previous year. This increase can be attributed to a generous increase in base salary to all staff, a significant staff bonus and a capital outlay expenditure of \$764,086 to finish the new parking loop.

Net Income-For the period of July 1, 2023 through June 30, 2024 Stargate Charter School recorded a net gain of \$1,453,197 in the General Fund. This gain will increase the general fund contingency which will be maintained in a manner consistent with the Board Reserve Strategy. The balance can be available for future year's expenditure.

Federal Coronavirus Relief Funds

On March 27, 2020 the federal government enacted the Coronavirus Aid, Relief and Economic Security (CARES) Act. This \$2 trillion package included funding for education in 4 streams: The Coronavirus Relief Fund; the Elementary and Secondary School Emergency Relief (ESSER) Fund; the Governors Emergency Education Relief (GEER) Fund; and nutrition funding.

The Coronavirus Relief Fund was established to assist states with expenses directly related to their response to COVID-19 and the public health emergency. On May 18, 2020, Governor Jared Polis signed an Executive Order (20-070) directing the transfer of \$510 million from Colorado's share of the Coronavirus Relief (CRF) Fund to the Colorado Department of Education. CDE was responsible for distributing these funds to school districts, the Charter School Institute, the Colorado school for the Deaf and Blind and Facility schools on a per pupil basis. Stargate's proportionate share of these grant funds were distributed to Stargate from Adams 12. All ESSER funds were fully expended by June 30, 2023.

Stargate Charter School

Management's Discussion and Analysis

June 30, 2024

Analysis of Budget –General Fund

The original budget for Stargate School was adopted in June 2023. The Board of Directors adopted a revised budget in January of 2024 to: recognize the revenue adjustments from per pupil funded count; adjust revenue and expense expectations for Eagle's Landing; increase budget for investment income; add revenue and expenses to accommodate the state Healthy Meals for All program; adjust budget for salaries, benefits; and appropriate additional funds to finish the Parking Loop capital project.

There was very little variation in revenue between the final revised budget amounts approved by the Stargate Charter School Board of Directors and the actual result for the period of July 1, 2023 through June 30, 2024. Stargate's share of the state Mill Levy Equalization payment was \$69,187 causing the mill levy funding to exceed budget by that amount.

Capital Assets and Debt Administration-General Fund

Capital Assets-As of June 30, 2024, Stargate Charter School has \$41,450,332 in capital assets, net of depreciation. The major depreciable assets are the school building and improvements, the completed turf fields and the completed the Performing Arts/Adroit addition. The school buildings were placed in service between August and October of 2016. The Performing Arts/Adroit addition was placed into service in August 2018.

Long-term Debt-As of June 30, 2024 Stargate Foundation's long-term debt is \$38,329,531. The school has no long term debt of its own.

Capital Assets and Debt Administration-Foundation

Capital Assets-Stargate Foundation's capital assets as of June 30, 2024 amount to \$41,450,332, net of accumulated depreciation. These assets represent the buildings and improvements to the facility. In addition, the Foundation has non depreciable assets of \$3,234,069 in land acquisition costs and site improvements.

In April 2015 the Colorado Educational and Cultural Facilities Authority issued Revenue Bond Series 2015 A, B, and C on behalf of Stargate Foundation. The purpose of the Series 2015 B and C (taxable) bonds was to refund the outstanding Series 2006 in the amount of \$8,405,000. Additionally, the Series 2015A bonds were issued for the construction of a new secondary school facility (6-12), a new elementary facility (K-5) and construction of a stand- alone field house. Stargate Foundation purchased 43 acres at 14530 Washington St, Thornton, CO for the development of the project. Construction was completed August 2016.

Stargate Charter School

Management's Discussion and Analysis

June 30, 2024

In July 2018 the Colorado Educational and Cultural Facilities Authority issued Refunding Bond Series 2018 A, B, and C on behalf of Stargate Foundation. The purpose of these bonds was to refund the Series 2015 A, B and C bonds into a 30 year municipal bond fund issue at favorable long term interest rates.

The 2018 Series bond received a Ba3 investment grade rating from Moody's Investor Service. The bonds were successfully accepted into the Colorado Charter School Moral Obligation Program giving the bonds an enhanced Aa3 rating in the market. Moody's has affirmed Stargate's bond rating in each of the last five years.

Long-term Debt -As of June 30, 2024 Stargate Foundation had outstanding debt of \$38,329,531. Additional information on capital assets and long-term debt is provided in Notes 3 and 4 to the financial statements.

Net Pension Liability

In compliance with GASB 68 and 75, as of June 30, 2024 Stargate School shows a net pension and postemployment benefits (OPEB) liability of \$25,642,722 on its statement of net position. This amount represents Stargate's proportionate share of the outstanding unfunded pension liability and OPEB liability of the Colorado Public Employees Retirement Association. The negative net position of the school at year end can be attributed to this liability.

Additional information on this calculation and defined benefit pension and OPEB plan reporting is provided in Notes 5 and 6 to the financial statements.

Economic Factors and Next Year's Budget

The primary factor driving the budget for the school is the future of the Colorado state budget and related impacts on Public School Finance. Stargate Charter School's funded enrollment for 2023-2024 was 1570 students in grades K-12 with a significant waiting list at the lower grades and middle school. Budgetary forecasting for the next five years takes a strategic approach to maintaining educational standards while applying a conservative fiscal approach to budgeting. Stargate Charter School regularly monitors legislative trends, discussions, and legislation that may impact funding and adjust the budget model accordingly. Stargate Charter School is confident in its ability to forecast and adjust to potential impacts to the school's primary funding source.

In the 2023-2024 school year Stargate School is considered fully enrolled with final enrollment targets between 1570 and 1575 students. Ninth grade was added in the 2015-2016 school year with one additional grade added each of the subsequent school years. Enrollment for the 2024-2025 school year is projected at 1575 in grades K-12. Enrollment at full expansion is projected at 610 students K-5, 415 students 6-8 and 560 students 9-12 by school year 2024-2025.

Stargate Charter School
Management's Discussion and Analysis
June 30, 2024

Requests for Information

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

Stargate Charter School

14530 Washington St

Thornton, CO 80023

Basic Financial Statements

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Statement of Net Position
June 30, 2024

	<u>Governmental Activities</u>
Assets	
Cash and Investments	\$ 10,127,844
Restricted Cash and Investments	3,119,356
Accounts Receivable	4,138
Grants Receivable	280,647
Prepaid Expenses	94,160
Capital Assets, <i>Not Being Depreciated</i>	3,243,069
Capital Assets, <i>Net of Accumulated Depreciation</i>	<u>38,207,263</u>
 Total Assets	 <u>55,076,477</u>
Deferred Outflows of Resources	
Pensions, <i>Net of Accumulated Amortization</i>	5,994,400
OPEB, <i>Net of Accumulated Amortization</i>	<u>157,691</u>
 Total Deferred Outflows of Resources	 <u>6,152,091</u>
Liabilities	
Accounts Payable	143,008
Accrued Salaries and Benefits	1,544,832
Accrued Interest Payable	139,075
Noncurrent Liabilities	
Due Within One Year	854,643
Due in More Than One Year	38,329,531
Net Pension Liability	25,038,152
Net OPEB Liability	<u>604,570</u>
 Total Liabilities	 <u>66,653,811</u>
Deferred Inflows of Resources	
Pensions, <i>Net of Accumulated Amortization</i>	297,306
OPEB, <i>Net of Accumulated Amortization</i>	<u>187,920</u>
 Total Deferred Inflows of Resources	 <u>485,226</u>
Net Position	
Net Investment in Capital Assets	2,312,681
Restricted for:	
Debt Service	2,980,281
Special Education	200,000
Emergencies	681,188
Unrestricted	<u>(12,084,619)</u>
 Total Net Position	 <u>\$ (5,910,469)</u>

See Notes to the Financial Statements.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary Government				
<i>Governmental Activities</i>				
Instruction	\$ 11,426,175	\$ 475,992	\$ 948,856	\$ (10,001,327)
Supporting Services	<u>10,732,386</u>	<u>-</u>	<u>-</u>	<u>(10,732,386)</u>
Total Governmental Activities	<u>\$ 22,158,561</u>	<u>\$ 475,992</u>	<u>\$ 948,856</u>	<u>(20,733,713)</u>
General Revenues				
Per Pupil Revenue				16,555,587
District Mill Levy				2,480,242
Capital Construction				613,919
Investment Income				603,816
Other				<u>1,078,976</u>
Total General Revenues and Transfers				<u>21,332,540</u>
Change in Net Position				598,827
Net Position, Beginning of Year				<u>(6,509,296)</u>
Net Position, End of Year				<u>\$ (5,910,469)</u>

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Balance Sheet
Governmental Fund
June 30, 2024

	General	Foundation	Total
Assets			
Cash and Investments	\$ 10,127,844	\$ -	\$ 10,127,844
Restricted Cash and Investments	-	3,119,356	3,119,356
Accounts Receivable	4,138	-	4,138
Grants Receivable	280,647	-	280,647
Interfund Receivable	69,265	-	69,265
Prepaid Expenses	94,160	-	94,160
Total Assets	\$ 10,576,054	\$ 3,119,356	\$ 13,695,410
Liabilities and Fund Balance			
<i>Liabilities</i>			
Accounts Payable	\$ 143,008	\$ -	\$ 143,008
Interfund Payable	4,195	65,070	69,265
Accrued Salaries and Benefits	1,544,832	-	1,544,832
Total Liabilities	1,692,035	65,070	1,757,105
<i>Fund Balance</i>			
Nonspendable	94,160	-	94,160
Restricted for:			
Special Education	200,000	-	200,000
Emergencies	681,188	-	681,188
Debt Service	-	3,054,286	3,054,286
Unrestricted, Unassigned	7,908,671	-	7,908,671
Total Fund Balance	8,884,019	3,054,286	11,938,305
Total Liabilities and Fund Balance	\$ 10,576,054	\$ 3,119,356	\$ 13,695,410

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

Total Fund Balance of the Governmental Funds	\$ 11,938,305
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	41,450,332
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Compensated Absences	(46,523)
Accrued Interest Payable	(139,075)
Bonds Payable, Net	(39,119,531)
Right-to-use Leases	(18,120)
Net pension liability	(25,038,152)
Pension-related deferred outflows of resources	5,994,400
Pension-related deferred inflows of resources	(297,306)
Net OPEB liability	(604,570)
OPEB-related deferred outflows of resources	157,691
OPEB-related deferred inflows of resources	(187,920)
Total Net Position of Governmental Activities	\$ (5,910,469)

See Notes to the Financial Statements.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2024

Revenues	<u>General</u>	<u>Foundation</u>	<u>Total</u>
<i>Local Sources</i>			
Per Pupil Revenue	\$ 16,555,587	\$ -	\$ 16,555,587
District Mill Levy	2,480,242	-	2,480,242
Tuition and Fees	475,992	-	475,992
Rental Income	-	2,460,046	2,460,046
Investment Income	449,809	154,007	603,816
Miscellaneous	1,078,976	-	1,078,976
<i>State Sources</i>			
Capital Construction	613,919	-	613,919
Food Service Fees	286,532	-	286,532
Grants	410,373	-	410,373
<i>Federal Sources</i>			
Food Service Fees	83,074	-	83,074
Grants	160,031	-	160,031
Total Revenues	<u>22,594,535</u>	<u>2,614,053</u>	<u>25,208,588</u>
Expenditures			
Instruction	10,576,396	-	10,576,396
Supporting Services	10,636,663	-	10,636,663
Debt Service			
Principal	64,469	755,000	819,469
Interest and Fees	13,419	1,681,695	1,695,114
Total Expenditures	<u>21,290,947</u>	<u>2,436,695</u>	<u>23,727,642</u>
Revenues Over (Under) Expenditures	1,303,588	177,358	1,480,946
Other Financing Sources (Uses)			
Transfers from (to) other funds	149,609	(149,609)	-
Net Change in Fund Balance	1,453,197	27,749	1,480,946
Fund Balance, Beginning of Year	<u>7,430,822</u>	<u>3,026,537</u>	<u>10,457,359</u>
Fund Balance, End of Year	<u>\$ 8,884,019</u>	<u>\$ 3,054,286</u>	<u>\$ 11,938,305</u>

See Notes to the Financial Statements.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of the Governmental Fund to the Statement of Activities
For the Year Ended June 30, 2024**

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

Net Change in Fund Balance of the Governmental Funds	\$ 1,480,946
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlay	739,392
Depreciation expense	(1,232,691)
Loss (Gain) on disposal of assets	(3,232)
Repayment of debt principal are expenditures in governmental funds, but the repayments reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	
Bond Payments	755,000
Right-to-use Lease Payments	64,469
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes changes in the following.	
Compensated absences	(30,227)
Accrued Interest Payable	3,146
Amortization of Bond Premium	71,439
Net pension liability	(4,919,226)
Pension-related deferred outflows of resources	1,193,210
Pension-related deferred inflows of resources	2,627,387
Net OPEB liability	(350,543)
OPEB-related deferred outflows of resources	(25,178)
OPEB-related deferred inflows of resources	224,935
Change in Net Position of Governmental Activities	\$ <u>598,827</u>

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies

Nature of Operations

Stargate Charter School (the School) was organized pursuant to the Colorado Charter Schools Act to form and operate a charter school within Adams County School District No. 12 (the District). The School began operations in the fiscal year beginning July 1, 1994. The School is a non-profit organization as defined by Section 501(c)(3) of the Internal Revenue Code.

The accounting policies of the School conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the School's more significant policies.

Reporting Entity

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

Based upon the application of this criteria, the School includes the Stargate Foundation (the Foundation), a Colorado non-profit organization, within its reporting entity. The Foundation has a separate governing board but was organized for the sole purpose of financing and constructing the School's facilities. The Foundation is blended into the School's financial statements as a Special Revenue Fund and does not issue separate financial statements.

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

Government-wide and Fund Financial Statements

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

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
 Notes to Financial Statements
 June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

Separate financial statements are provided for the governmental funds, the proprietary fund, and the fiduciary fund, even though the latter is excluded from the School's government-wide financial statements. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Stargate Charter School
 (A Component Unit of Adams County School District No. 12)
 Notes to Financial Statements
 June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

The School reports the following major governmental funds:

General Fund - This fund is the general operating fund of the School. It is used to account for all financial activities except those accounted for in another fund.

Foundation - This fund is used to account for the financial activities of the Foundation, which are primarily related to capital assets and the related debt service.

Assets, Liabilities and Net Position/Fund Balance

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

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

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

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

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

Land Improvements	7 years
Buildings	10 - 50 years
Building Improvements	10 - 20 years
Equipment	3 - 10 years

Stargate Charter School
 (A Component Unit of Adams County School District No. 12)
 Notes to Financial Statements
 June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

Compensated Absences - School employees are entitled to certain compensated absences based on their length of employment and classification. Except for vacation leave, compensated absences do not vest or accumulate and are recorded as expenditures when used. Upon separation or retirement, employees are paid for up to 40 days of accrued vacation leave at their current rate of pay. A long-term liability has been reported in the government-wide financial statements for the accrued vacation leave.

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

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

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

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
 Notes to Financial Statements
 June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

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

Risk Management

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

Subsequent Events

The School has evaluated subsequent events through October 29, 2024, the date the financial statements were available to be issued.

Note 2: Deposits and Investments

At June 30, 2024, the School and the Foundation had the following cash and investments:

Deposits	\$ 1,124,506
Investments	<u>12,122,694</u>
Total	<u><u>\$ 13,247,200</u></u>

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

Cash and Investments	\$ 10,127,844
Restricted Cash and Investments	<u>3,119,356</u>
Total	<u><u>\$ 13,247,200</u></u>

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
 Notes to Financial Statements
 June 30, 2024

Note 2: Deposits and Investments (Continued)

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2024, the School had bank deposits of \$879,972 collateralized with securities held by the financial institution's agent but not in the School's name.

Investments

The School is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

Fair Value Measurements - At June 30, 2024, the School's investment in the local government investment pool and the Foundation's investment in a money market fund were measured at the net asset value per share.

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

Credit Risk - State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations. At June 30, 2024, the Foundation's investment of \$3,119,356 in the Fidelity Government Portfolio Class III Money Market Fund was rated AAAM by Standard and Poor's.

Concentration of Credit Risk - State statutes do not limit the amount the School may invest in a single issuer of investment securities, except for corporate securities.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

Note 2: Deposits and Investments (Continued)

Investments *(Continued)*

Local Government Investment Pool - At June 30, 2024, the School had \$9,003,338 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes. The Colorado Division of Securities administers and enforces the requirements of creating and operating Colotrust. Colotrust operates in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at \$1. Colotrust is rated AAAM by Standard and Poor's. Investments of Colotrust are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Restricted Cash and Investments

At June 30, 2024, the Foundation had cash and investments of \$3,119,356 restricted for future debt service.

Note 3: Capital Assets

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

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24
Governmental Activities				
Capital Assets, <i>Not Being Depreciated</i>				
Land	\$ 3,243,069	\$ -	\$ -	\$ 3,243,069
Construction in Progress	370,886	580,544	(951,430)	-
Total Capital Assets, <i>Not Being Depreciated</i>	<u>3,613,955</u>	<u>580,544</u>	<u>(951,430)</u>	<u>3,243,069</u>
Capital Assets, <i>Being Depreciated</i>				
Land Improvements	\$ 1,185,027	\$ -	\$ 951,430	\$ 2,136,457
Buildings and Improvements	43,642,779	16,551	-	43,659,330
Right-to-use Equipment	181,383	-	-	181,383
Equipment	679,210	142,297	(8,086)	813,421
Total Capital Assets, <i>Being Depreciated (Continued)</i>	<u>\$ 45,688,399</u>	<u>\$ 158,848</u>	<u>\$ 943,344</u>	<u>\$ 46,790,591</u>

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

Note 3: Capital Assets (Continued)

	Balance 6/30/23	Additions	Deletions	Balance 6/30/24
Governmental Activities (Continued)				
Less Accumulated Depreciation				
Land Improvements	\$ (1,015,738)	\$ (193,076)	\$ -	\$ (1,208,814)
Buildings and Improvements	(5,861,850)	(902,323)	-	(6,764,173)
Right-to-use Equipment	(111,620)	(55,810)	-	(167,430)
Equipment	(366,283)	(81,482)	4,854	(442,911)
Total Accumulated Depreciation	<u>(7,355,491)</u>	<u>(1,232,691)</u>	<u>4,854</u>	<u>(8,583,328)</u>
Total Capital Assets, <i>Being Depreciated, Net</i>	<u>38,332,908</u>	<u>(1,073,843)</u>	<u>948,198</u>	<u>38,207,263</u>
Governmental Activities Capital Assets, <i>Net</i>	<u>\$ 41,946,863</u>	<u>\$ (493,299)</u>	<u>\$ (3,232)</u>	<u>\$ 41,450,332</u>

Depreciation expense of the governmental activities was charged to the supporting services program.

Note 4: Long-term Debt

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

	Balance 6/30/23	Additions	Payments	Balance 6/30/24	Due Within One Year
Governmental Activities					
2018 CECFA Bond A	\$ 38,160,000	\$ -	\$ (755,000)	\$ 37,405,000	\$ 790,000
2018 CECFA Bond Premium	1,785,970	-	(71,439)	1,714,531	-
Right-to-use Leases	82,589	-	(64,469)	18,120	18,120
Compensated Absences	16,296	-	30,227	46,523	46,523
Total	<u>\$ 40,044,855</u>	<u>\$ -</u>	<u>\$ (860,681)</u>	<u>\$ 39,184,174</u>	<u>\$ 854,643</u>

Compensated Absences

Compensated absences of the governmental activities are expected to be liquidated with revenues of the General Fund.

Building Loan

In April 2015, the Colorado Educational and Cultural Facilities Authority (CECFA) issued \$42,010,000 Charter School Improvement Revenue Bonds, Series 2015A. Bond proceeds were loaned to the Foundation to acquire land and construct a new school campus consisting of elementary and secondary school buildings. The School is obligated under a lease agreement to make monthly lease payments to the Foundation for using the facilities. The Foundation was required to make equal loan payments to the trustee, for payment of the bonds. Interest accrued on the bonds at 5.4% per annum and was payable semi-annually on June 1 and December 1. Principal payments were due annually on December 1.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

Note 4: Long-term Debt (Continued)

Building Loan (Continued)

On June 27, 2018, CECFA issued \$40,780,000 Charter School Refunding Revenue Bonds, Series 2018A and Taxable Series 2018B. Proceeds were used to refund the outstanding Series 2015A Bonds. The School is obligated under a lease agreement to make monthly lease payments to the Corporation for using the facilities. The Corporation is required to make equal loan payments to the Trustee, for payment of the bonds. Interest accrues on the bonds at rates ranging from 4.0% to 5.0% on the Series A Bonds and from 2.33% to 4.08% on the Taxable Series B bonds and is payable semi-annually on December 1 and June 1. Principal payments are due annually on December 1, from 2018 through 2048.

Proceeds of the Series 2018A and 2018B bonds in the amount of \$41,665,522 were deposited in an irrevocable trust with an escrow agent to call and pay the Series 2015A Bonds. The refunding resulted in an accounting loss of \$118,908 but provided an economic gain (difference between the present value of the old and new debt service payments) of approximately \$9,683,600.

Future debt service requirements are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 790,000	\$ 1,649,150	\$ 2,439,150
2026	835,000	1,608,525	2,443,525
2027	875,000	1,565,775	2,440,775
2028	920,000	1,520,900	2,440,900
2029	970,000	1,473,650	2,443,650
2030 - 2034	5,640,000	6,570,000	12,210,000
2035 - 2039	7,240,000	5,656,000	12,896,000
2040 - 2044	-	4,027,000	4,027,000
2045 - 2049	20,135,000	3,624,300	23,759,300
Total	<u>\$ 37,405,000</u>	<u>\$ 27,695,300</u>	<u>\$ 65,100,300</u>

Capital Lease

During the year ended June 30, 2022, the School recognized an office equipment lease that requires the assets and related debt to be recognized in the accompanying financial statements under current accounting standards. The lease requires monthly payments of \$6,199 and carries an effective interest rate of 1.52%. The lease matures in September 2024.

Future debt services requirements are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 18,120	\$ 551	\$ 18,671
Total	<u>\$ 18,120</u>	<u>\$ 551</u>	<u>\$ 18,671</u>

Stargate Charter School
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Note 5: Defined Benefit Pension Plan

General Information

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

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

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

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

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

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

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

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

Stargate Charter School
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Note 5: Defined Benefit Pension Plan (Continued)

General Information (Continued)

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

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

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

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the School is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the School were \$2,080,982, for the year ended June 30, 2024.

Stargate Charter School
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Note 5: Defined Benefit Pension Plan (Continued)

General Information (Continued)

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

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

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

At June 30, 2024, the School reported a liability of \$25,038,152, for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the School as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the School were as follows:

Proportionate share of the net pension liability	\$ 25,587,164
The State's proportionate share of net pension liability as a nonemployer contributing entity associated with the School	<u>(549,012)</u>
School Proportionate share of net pension liability	<u>\$ 25,038,152</u>

At December 31, 2023, the School's proportion was 0.1415911019%, which was an increase of 0.0311050109% from its proportion measured at December 31, 2022.

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Note 5: Defined Benefit Pension Plan (Continued)

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

For the year ended June 30, 2024, the School recognized pension expense of \$3,640,956 and benefit of \$51,391 for support from the State as a nonemployer contributing entity. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,187,285	\$ -
Net difference between projected and actual earnings on plan investments	1,794,846	-
Changes in proportion	1,913,870	297,306
Contributions subsequent to the measurement date	<u>1,098,399</u>	<u>-</u>
Total	<u>\$ 5,994,400</u>	<u>\$ 297,306</u>

\$1,098,399 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	
2025	\$ 1,665,879
2026	1,756,911
2027	1,676,360
2028	<u>(500,455)</u>
Total	<u>\$ 4,598,695</u>

Stargate Charter School
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Note 5: Defined Benefit Pension Plan (Continued)

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

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

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

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

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

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

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

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

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

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

Stargate Charter School
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 Notes to Financial Statements
 June 30, 2024

Note 5: Defined Benefit Pension Plan (Continued)

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

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

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

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

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

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

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

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Note 5: Defined Benefit Pension Plan (Continued)

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in Senate Bill (SB) 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200, required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 67 projection test.

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June 30, 2024

Note 5: Defined Benefit Pension Plan (Continued)

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

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

Sensitivity of the School’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	\$ 33,480,175	\$ 25,038,152	\$ 17,998,527

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

Note 6: Postemployment Healthcare Benefits (OPEB)

General Information

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

Stargate Charter School
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Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

General Information (Continued)

Benefits provided - The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public 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.

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

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

PERA Benefit Structure

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

Stargate Charter School
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Note 6: Postemployment Healthcare Benefits (OPEB) (Continued)

General Information (Continued)

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

DPS Benefit Structure

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the members and the School is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the School were \$104,150, for the year ended June 30, 2024.

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

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

At June 30, 2024, the School reported a liability of \$222,058 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll forward the TOL to December 31, 2023. The School's proportion of the net OPEB liability was based on the School's contributions to the HCTF for the calendar year ended December 31, 2023, relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the School's proportion was 0.0847062250%, which was an increase of 0.0535936915% from its proportion measured at December 31, 2022.

For the year ended June 30, 2024, the School recognized OPEB expense of \$30,715. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 123,817
Changes of assumptions and other inputs	7,113	64,103
Net difference between projected and actual earnings on plan investments	18,701	-
Changes in proportion	76,903	-
Contributions subsequent to the measurement date	54,974	-
	<u>157,691</u>	<u>187,920</u>
Total	\$ <u>157,691</u>	\$ <u>187,920</u>

\$54,974 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ended June 30,</u>	
2023	\$ (32,323)
2024	(17,139)
2025	(1,470)
2026	(31,143)
2027	(2,522)
Thereafter	(606)
Total	\$ <u>(85,203)</u>

Stargate Charter School
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 Notes to Financial Statements
 June 30, 2024

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

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

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

Actuarial cost method	Entry age
Price inflation	2.3%
Real wage growth	0.7%
Wage inflation	3.0%
Salary increases, including wage inflation	3.4% - 11.0%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates:	
<i>PERA Benefit Structure</i>	
Service-based premium subsidy	0.0%
PERACare Medicare plans	
6.5% in 2022, gradually decreasing to 4.5% in 2030	
Medicare Part A premiums:	
3.75% in 2022, gradually increasing to 4.5% in 2029	
<i>DPS Benefit Structure</i>	
Service-based premium subsidy	0.0%
PERACare Medicare plans	N/A
Medicare Part A premiums:	N/A

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

The 2023 Medicare Part A premium is \$506 per month.

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

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

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

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

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

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

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

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

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

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

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

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

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

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

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

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

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

Stargate Charter School
 (A Component Unit of Adams County School District No. 12)
 Notes to Financial Statements
 June 30, 2024

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized as presented previously (See Note 5).

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

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023 measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

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

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 714,073	\$ 604,570	\$ 510,890

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

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Proportionate share of the net OPEB liability	\$ 587,218	\$ 604,570	\$ 623,445

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

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Financial Statements
June 30, 2024

Note 7: Commitments and Contingencies

Claims and Judgments

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

Contingencies

The School has pending complaints and threatened litigation. The outcome of these actions cannot be determined at this time. However, management believes the outcome will not have a significant effect on the School's financial position.

Special Education

As part of its charter contract with the District, the School has agreed to maintain a special education reserve to pay for extraordinary costs required to provide a free appropriate public education to special education students. Any withdrawals from the reserve must be approved by the District, and the reserve must be restored within two years. At June 30, 2024, this reserve was reported as restricted fund balance in the General Fund, in the amount of \$200,000.

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The Amendment is subject to interpretation, but the School believes it is in substantial compliance with the requirements of the Amendment. As required by the Amendment, the School has established a reserve for emergencies, representing 3% of qualifying expenditures. At June 30, 2024, the emergency reserve was reported as restricted fund balance in the General Fund, in the amount of \$681,188.

Required Supplementary Information

Stargate Charter School
(A Component Unit of Adams County School District No.12)
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability and Contributions
 Public Employees' Retirement Association of Colorado School Division Trust Fund
 June 30, 2024

Measurement Date	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19
Proportionate Share of the Net Pension Liability					
School's Proportion of the Net Pension Liability	0.1415911019%	0.1104860910%	0.1269792575%	0.1312653534%	0.1218567660%
Net Pension Liability					
School's Proportionate Share	\$ 25,038,152	\$ 20,118,926	\$ 14,777,041	\$ 19,844,674	\$ 18,205,136
State's Proportionate Share	<u>549,012</u>	<u>5,862,857</u>	<u>1,693,999</u>	<u>-</u>	<u>2,309,090</u>
Total Proportionate Share	<u>\$ 25,587,164</u>	<u>\$ 25,981,783</u>	<u>\$ 16,471,040</u>	<u>\$ 19,844,674</u>	<u>\$ 20,514,226</u>
School's Covered Employee-Payroll	\$ 9,360,441	\$ 8,520,845	\$ 7,935,794	\$ 7,535,273	\$ 7,157,638
School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee-Payroll	267%	236%	186%	263%	254%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65%	62%	75%	67%	65%
Reporting Date	6/30/24	6/30/23	6/30/22	6/30/21	6/30/20
School Contributions					
Statutorily Required Contribution	\$ 2,080,981	\$ 1,626,713	\$ 1,638,335	\$ 1,503,424	\$ 1,493,456
Contributions in Relation to the Statutorily Required Contribution	<u>(2,080,981)</u>	<u>(1,626,713)</u>	<u>(1,638,335)</u>	<u>(1,503,424)</u>	<u>(1,493,456)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's Covered Employee-Payroll	\$ 10,210,887	\$ 7,981,900	\$ 8,239,006	\$ 7,562,485	\$ 7,706,624
Contributions as a Percentage of Covered Employee-Payroll	20.38%	20.38%	19.89%	19.88%	19.38%

This schedule is presented to show information for 10 years.

(Continued)

Stargate Charter School
(A Component Unit of Adams County School District No.12)
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability and Contributions
 Public Employees' Retirement Association of Colorado School Division Trust Fund
 June 30, 2024
(Continued)

Measurement Date	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Proportionate Share of the Net Pension Liability					
School's Proportion of the Net Pension Liability	0.1084981011%	0.1181325853%	0.0837696300%	0.0764677634%	0.0648855962%
Net Pension Liability					
School's Proportionate Share	\$ 19,211,817	\$ 38,199,880	\$ 24,941,458	\$ 11,695,205	\$ 8,794,178
State's Proportionate Share	<u>2,626,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Proportionate Share	<u>\$ 21,838,775</u>	<u>\$ 38,199,880</u>	<u>\$ 24,941,458</u>	<u>\$ 11,695,205</u>	<u>\$ 8,794,178</u>
School's Covered Employee-Payroll	\$ 5,964,713	\$ 5,449,318	\$ 3,759,731	\$ 3,332,448	\$ 2,718,235
School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee-Payroll	322%	701%	663%	351%	324%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57%	44%	43%	59%	63%
Reporting Date					
	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15
School Contributions					
Statutorily Required Contribution	\$ 1,254,751	\$ 1,027,967	\$ 868,343	\$ 642,997	\$ 519,454
Contributions in Relation to the Statutorily Required Contribution	<u>(1,254,751)</u>	<u>(1,027,967)</u>	<u>(868,343)</u>	<u>(642,997)</u>	<u>(519,454)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School's Covered Employee-Payroll	\$ 6,454,499	\$ 5,441,956	\$ 4,711,485	\$ 3,623,439	\$ 3,074,451
Contributions as a Percentage of Covered Employee-Payroll	19.44%	18.89%	18.43%	17.75%	16.90%

This schedule is presented to show information for 10 years.

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net Pension Liability and Contributions June 30, 2024

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

2023 Changes in Plan Provisions Since 2022

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

2022 Changes in Plan Provisions Since 2021

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

2021 Changes in Plan Provisions Since 2020

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

2020 Changes in Plan Provisions Since 2019

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

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net Pension Liability and Contributions June 30, 2024

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

2019 Changes in Plan Provisions Since 2018

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

2018 Changes in Plan Provisions Since 2017

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

2017 Changes in Plan Provisions Since 2016

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

2016 Changes in Plan Provisions Since 2015

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

2015 Changes in Plan Provisions Since 2014

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

2014 Changes in Plan Provisions Since 2013

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

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net Pension Liability and Contributions June 30, 2024

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

2023 Changes in Assumptions or Other Inputs Since 2022

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

2022 Changes in Assumptions of Other Inputs Since 2021

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

2021 Changes in Assumptions of Other Inputs Since 2020

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

2020 Changes in Assumptions of Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:
 - Males: 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - Females: 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (members other than Safety Officers) was changed to the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables are generational mortality tables developed on a benefit-weighted basis.

2019 Changes in Assumptions of Other Inputs Since 2018

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

2018 Changes in Assumptions of Other Inputs Since 2017

- The single equivalent interest rate (SEIR) for the School Division was increased from 4.78% to 7.25% to reflect the changes to the projection's valuation basis which no longer resulted in a projected year of depletion of the FNP, thereby eliminating the need to apply the municipal bond index rate.

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net Pension Liability and Contributions June 30, 2024

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

2017 Changes in Assumptions of Other Inputs Since 2016

- The SEIR for the School Division was lowered from 5.26% to 4.78% to reflect the changes to the projection's valuation basis, a projected year of depletion of the FNP, and the resulting application of the municipal bond index rate.

2016 Changes in Assumptions of Other Inputs Since 2015

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

2015 Changes in Assumptions of Other Inputs Since 2014

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18-month AI timing.
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net Pension Liability and Contributions June 30, 2024

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

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

- The following methodology changes were made:
 - Recognition of merit salary increases in the first projection year.
 - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
 - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
 - Adjustments to the timing of the normal cost and UAAL payment calculations to reflect contributions throughout the year.

2014 Changes in Assumptions of Other Inputs Since 2013

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

Stargate Charter School
(A Component Unit of Adams County School District No.12)
 Required Supplementary Information
 Schedule of Proportionate Share of the Net OPEB Liability and Contributions
 Public Employees' Retirement Association of Colorado Health Care Trust Fund
 June 30, 2024

Measurement Date	12/31/23	12/31/22	12/31/21
Proportionate Share of the Net OPEB Liability			
School's Proportion of the Net OPEB Liability	0.0847062250%	0.0311125335%	0.0829077436%
School's Proportionate Share of the Net OPEB Liability	\$ 604,570	\$ 254,027	\$ 714,918
School's Covered Payroll	\$ 9,360,441	\$ 8,520,845	\$ 7,935,794
School's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	6%	3%	9%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46%	39%	39%
Reporting Date	6/30/24	6/30/23	6/30/22
School Contributions			
Statutorily Required Contribution	\$ 81,415	\$ 81,415	\$ 84,038
Contributions in Relation to the Statutorily Required Contribution	(81,415)	(81,415)	(84,038)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
School's Covered Payroll	\$ 10,210,887	\$ 7,981,900	\$ 8,239,006
Contributions as a Percentage of Covered Payroll	0.80%	1.02%	1.02%

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

(Continued)

Stargate Charter School
(A Component Unit of Adams County School District No.12)
 Required Supplementary Information
 Schedule of Proportionate Share of the Net OPEB Liability and Contributions
 Public Employees' Retirement Association of Colorado Health Care Trust Fund
 June 30, 2024
 (Continued)

Measurement Date	12/31/20	12/31/19	12/31/18	12/31/17
Proportionate Share of the Net OPEB Liability				
School's Proportion of the Net OPEB Liability	0.0757721213%	0.0796037544%	0.0705242330%	0.0671225103%
School's Proportionate Share of the Net OPEB Liability	\$ 720,006	\$ 894,745	\$ 959,512	\$ 872,324
School's Covered Payroll	\$ 7,535,273	\$ 7,157,638	\$ 5,964,713	\$ 5,449,318
School's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	10%	13%	16%	16%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	33%	24%	17%	18%
Reporting Date	6/30/21	6/30/20	6/30/19	6/30/18
School Contributions				
Statutorily Required Contribution	\$ 77,137	\$ 78,608	\$ 65,836	\$ 55,508
Contributions in Relation to the Statutorily Required Contribution	(77,137)	(78,608)	(65,836)	(55,508)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
School's Covered Payroll	\$ 7,562,485	\$ 7,706,624	\$ 6,454,499	\$ 5,441,956
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

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

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net OPEB Liability and Contributions June 30, 2024

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

2023 Changes in Plan Provisions Since 2022

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

2022 Changes in Plan Provisions Since 2021

- The total OPEB liability for the HCTF, as of the December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, allowable under C.R.S. 24-51-313, of Tri-County Health, effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

2021 Changes in Plan Provisions Since 2020

- There were no changes made to plan provisions.

2020 Changes in Plan Provisions Since 2019

- There were no changes made to plan provisions.

2019 Changes in Plan Provisions Since 2018

- There were no changes made to plan provisions.

2018 Changes in Plan Provisions Since 2017

- There were no changes made to plan provisions.

2017 Changes in Plan Provisions Since 2016

- There were no changes made to plan provisions.

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

2023 Changes in Assumptions or Other Inputs Since 2022

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

2022 Changes in Assumptions or Other Inputs Since 2021

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

Stargate Charter School

(A Component Unit of Adams County School District No. 12)

Notes to Schedule of Proportionate Share of the Net OPEB Liability and Contributions June 30, 2024

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

2021 Changes in Assumptions or Other Inputs Since 2020

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

2020 Changes in Assumptions or Other Inputs Since 2019

- The price inflation assumption was lowered from 2.40% to 2.30%.
- The wage inflation assumption was lowered from 3.50% to 3.00%.
- The real rate of investment return assumption was increased to 4.95% per year, net of investment expenses from 4.85% per year, net of investment expenses.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the School and DPS Divisions was changed to the PubT-2010 Healthy Retiree Table, adjusted as follows:
 - Males: 112% of the rates prior to age 80 and 94% of the rates for ages 80 and older, with generational projection using scale MP-2019.
 - Females: 83% of the rates prior to age 80 and 106% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The post-retirement non-disabled beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:
 - Males: 97% of the rates for all ages, with generational projection using scale MP-2019.
 - Females: 105% of the rates for all ages, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds (members other than Safety Officers) was changed to the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables are generational mortality tables developed on a head-count weighted basis.

2019 Changes in Assumptions or Other Inputs Since 2018

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

2018 Changes in Assumptions or Other Inputs Since 2017

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

2017 Changes in Assumptions or Other Inputs Since 2016

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

Stargate Charter School
(A Component Unit of Adams County School District No.12)
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
<i>Local Sources</i>				
Per Pupil Revenue	\$ 16,732,218	\$ 16,511,781	\$ 16,555,587	\$ 43,806
District Mill Levy	2,546,643	2,513,904	2,480,242	(33,662)
Tuition and Fees	785,300	500,000	475,992	(24,008)
Food Service Fees	-	520,000	-	(520,000)
Investment Income	28,000	440,000	449,809	9,809
Miscellaneous	1,134,285	1,161,135	1,078,976	(82,159)
<i>State Sources</i>				
Capital Construction	620,400	621,287	613,919	(7,368)
Food Service Fees	-	-	286,532	286,532
Grants	481,775	806,394	410,373	(396,021)
<i>Federal Sources</i>				
Food Service Fees	-	-	83,074	83,074
Grants	178,180	178,180	160,031	(18,149)
Total Revenues	<u>22,506,801</u>	<u>23,252,681</u>	<u>22,594,535</u>	<u>(658,146)</u>
Expenditures				
Salaries	10,905,840	11,175,552	10,982,918	192,634
Employee Benefits	3,939,757	4,140,270	3,246,930	893,340
Purchased Services	2,373,180	2,927,647	2,492,894	434,753
Supplies	1,225,349	1,358,794	1,162,127	196,667
Property	370,000	65,000	63,550	1,450
Other	201,900	211,900	40,508	171,392
Building Lease	2,436,525	2,460,046	2,460,046	-
Capital Outlay	-	620,000	764,086	(144,086)
Contingency	-	-	-	-
Debt Service				
Principal	65,000	65,000	64,469	531
Interest	15,000	15,000	13,419	1,581
Total Expenditures	<u>21,532,551</u>	<u>23,039,209</u>	<u>21,290,947</u>	<u>1,748,262</u>
Revenues Over (Under) Expenditures	974,250	213,472	1,303,588	1,090,116
Other Financing Sources (Uses)				
Transfers from (to) other funds	<u>(345,000)</u>	<u>(170,000)</u>	<u>149,609</u>	<u>319,609</u>
Net Change in Fund Balance	629,250	43,472	1,453,197	1,409,725
Fund Balance, Beginning of Year	<u>6,770,773</u>	<u>6,770,773</u>	<u>7,430,822</u>	<u>660,049</u>
Fund Balance, End of Year	<u>\$ 7,400,023</u>	<u>\$ 6,814,245</u>	<u>\$ 8,884,019</u>	<u>\$ 2,069,774</u>

See Accompanying Independent Auditor's Report.

Stargate Charter School
(A Component Unit of Adams County School District No. 12)
Notes to Budgetary Comparison Schedule - General Fund
June 30, 2024

Note 1: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

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

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

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

All appropriations lapse at fiscal year-end.

STARGATE SCHOOL

14530 WASHINGTON STREET | THORNTON, CO 80023

OFFICE: 303.450.3936 | FAX: 303.450.3941 | INFO@STARGATESCHOOL.ORG

KPI Update-November 21, 2024

10/31/2024	KPI	Actual	Budget
Cash Reserve			
Days Cash on Hand		149	
Budget Performance			
Revenue	>100%	31.83%	33.00%
Expenses	<100%	29.85%	33.00%
Revenue Distribution			
Salaries	>45%	44.19%	50%
Benefits	>15%	14.07%	15%
Other Expenses	<17%	20.69%	17%
Surplus/Loss		10.09%	4%
DSCR	1.1	1.87	1.35

INSPIRING SUCCESS IN THE MINDS AND HEARTS OF GIFTED CHILDREN SINCE 1994



Stargate School
Special Revenue Fund
Fiscal Year 2024-2025
31-Oct-24

	2023-2024			Fiscal Year 2024-2025					
	Adopted Budget	Actual Year-to-date	% of Budget	Revised Budget	Current Month	Actual Year-to-date	% of Budget	Estimated Year End	% of Budget
Beginning Fund Balance	42,645	42,645		42,748		29,946			
REVENUES:	220,000			210,000					
Elem Music		975							
Band/Orchestra									
Sports Camps		23,043				130			
Elem STUCO		11,616							
MS STUCO		8,129				(36)			
HS STUGO		24,002			9,630	13,815			
NJHS		1,160			10	150			
NHS		4,196							
Library		8,713							
Pupil Organizations Seniors									
Elementary Clubs		180			180	265			
Elementary Competition		6,060							
Secondary Clubs		44,354			1,270	2,270			
Secondary Competition		26,392							
Spiritwear/Sportswear									
Yearbook		19,562			30	317			
Participation Fees		27,434			328	1,643			
CRC		8,115			560	16,182			
Discretionary									
Prom/After Prom		28,700							
Cheer									
Mountain Biking		2,000				1,500			
Drama/Theatre		17,012			1,190	1,190			
Transfer		10,000							
TOTAL REVENUES	220,000	271,643		210,000	13,198	37,426		-	
EXPENDITURES:									
Salaries	32,000	25,000		20,000					
Benefits	6,500	5,350		4,280					
Purchased Professional Services	2,000	288		5,000	117	475			
Purchased Property Services	10,000	-		10,000					
Other-Purchased Services	70,000	108,351		70,000	6,938	34,434			
Supplies	106,000	145,353		100,720	19,764	48,017			
Property-Equipment									
Other Expenses	12,000								
TOTAL EXPENDITURES	238,500	284,342		210,000	26,819	82,926			
Transfer to General Fund									
REVENUES OVER (UNDER) EXPENDITURES	(18,500)	(12,699)		-	(13,621)	(45,500)		-	
Ending Fund Balance	24,145	29,946		42,748	(13,621)	(15,554)			

Unaudited for management use only

Powered by BoardOnTrack

Stargate School - Governance Board Meeting - Agenda - Thursday November 21, 2024 at 6:00 PM
8 Stargate School Income Statement For the Period July 1, 2024 through October 31, 2024

	July 2024		August 2024		September 2024		October 2024	
Revenues								
Enrollment for PPR	\$	1,416,405.00	\$	1,416,405.00	\$	1,416,405.00	\$	1,416,405.00
Eagle's Landing Tuition	\$	29,825.00	\$	45,207.00	\$	35,995.00	\$	44,008.00
Federal Grant Revenue							\$	124,754.00
Lunch Revenue								
Mill Levy Funding	\$	219,621.00	\$	219,621.00	\$	219,621.00	\$	219,621.00
Grant Funding								
Local Sources			\$	154,488.00	\$	266,434.00	\$	47,816.00
Capital Construction Funding	\$	50,976.00	\$	50,976.00	\$	50,976.00	\$	51,052.00
Interest/Investment Income	\$	40,385.00	\$	40,447.00	\$	38,320.00	\$	37,884.56
GT Funding								
PERA On Behalf								
Fund Transfers (In)	\$	(14,500.00)					\$	(50,000.00)
TOTAL REVENUES	\$	1,742,712.00	\$	1,927,144.00	\$	2,027,751.00	\$	1,891,540.56
Expenses								
Salaries	\$	732,989.00	\$	847,337.00	\$	901,269.00	\$	900,256.00
Benefits	\$	232,989.00	\$	265,316.00	\$	287,699.00	\$	290,528.00
Purchased/Professional Services	\$	27,199.00	\$	42,805.00	\$	29,988.00	\$	46,957.00
Purchased Property Services	\$	38,489.00	\$	44,854.00	\$	37,097.00	\$	31,671.00
Other Purchased Services	\$	59,022.00	\$	77,840.00	\$	89,090.00	\$	137,170.00
Centralized Administrative Services	\$	66,613.00	\$	66,613.00	\$	47,177.00	\$	47,324.00
Supplies	\$	168,023.00	\$	217,915.00	\$	96,262.00	\$	48,217.00
Dues and Fees	\$	27,600.00	\$	25.00			\$	25.00
Capital	\$	6,206.00	\$	1,227.00			\$	1,438.00
Lease Principle			\$	13,334.00	\$	6,612.00	\$	6,612.00
Other Expenses								
Insurance	\$	12,883.00	\$	41,594.00	\$	16,990.00	\$	15,542.00
Rent	\$	208,275.00	\$	208,025.00	\$	208,025.00	\$	208,025.00
Fund Transfers (Out)								

TOTAL EXPENSES	\$	1,580,288.00	\$	1,826,885.00	\$	1,720,209.00	\$	1,733,765.00
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NET PROFIT/(LOSS)	\$	162,424.00	\$	100,259.00	\$	307,542.00	\$	157,775.56
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	6/30/2024			10/31/2024
General Fund	\$ 9,702,343.00	\$ 30,859.00		\$ 9,733,202.00
SRF Fund Raising	\$ 248,080.00	\$ 58,843.00		\$ 306,923.00
SRF Athletics	\$ 394.00	\$ 6,791.00		\$ 7,185.00
SRF Pupil	\$ 57,571.00	\$ (49,350.00)		\$ 8,221.00
		\$ -		
Escrow Account		\$ -		
		\$ -		
Restricted for Tabor		\$ 681,188.00		\$ 681,188.00
Stargate Foundation	\$ 3,119,356.00	\$ 589,107.00		\$ 3,708,463.00
SPED Reserve Account (GF component)	\$ 211,292.00	\$ 3,782.00		\$ 215,074.00
Capital Projects Reserve	\$ 934,764.00	\$ 16,728.00		\$ 951,492.00
ColoTrust (GF component)	\$ 7,629,097.00	\$ 136,527.00		\$ 7,765,624.00

November 2024	December 2024	January 2025	February 2025	March 2025	April 2025
---------------	---------------	--------------	---------------	------------	------------

\$	-	\$	-	\$	-	\$	-	\$	-
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\$ - \$ - \$ - \$ - \$ - \$ -

\$ - \$ - \$ - \$ - \$ - \$ -

9/30/2024

\$	558,941.00
\$	664,338.00
\$	2,485,184.00
\$	3,708,463.00

Stargate School - Governance Board Meeting - Agenda - Thursday November 21, 2024 at 6:00 PM
8 Stargate School Income Statement For the Period July 1, 2024 through October 31, 2024

May 2024	June 2025	Year to Date	Budget	Actual/Budget
	\$	5,665,620.00	\$ 17,732,925.00	31.95%
	\$	155,035.00	\$ 679,314.00	22.82%
	\$	124,754.00	\$ 180,000.00	69.31%
	\$	-	\$ 572,000.00	0.00%
	\$	878,484.00	\$ 2,607,649.00	33.69%
	\$	-	\$ 279,000.00	0.00%
	\$	468,738.00	\$ 494,550.00	94.78%
	\$	203,980.00	\$ 623,700.00	32.70%
	\$	157,036.56	\$ 35,000.00	448.68%
	\$	-	\$ 16,000.00	0.00%
	\$	-	\$ 500,000.00	0.00%
	\$	(64,500.00)	\$ 120,000.00	
\$ -	\$ -	\$ 7,589,147.56	\$ 23,840,138.00	31.83%
	\$	-		
	\$	-		
	\$	3,381,851.00	\$ 11,488,177.00	29.44%
	\$	1,076,532.00	\$ 4,541,889.00	23.70%
	\$	146,949.00	\$ 431,471.00	34.06%
	\$	152,111.00	\$ 491,628.00	30.94%
	\$	363,122.00	\$ 1,008,688.00	36.00%
	\$	227,727.00	\$ 563,237.00	40.43%
	\$	530,417.00	\$ 1,088,623.00	48.72%
	\$	27,650.00	\$ 65,627.00	42.13%
	\$	8,871.00	\$ 20,000.00	44.36%
	\$	26,558.00	\$ 90,000.00	29.51%
	\$	-	\$ -	
	\$	87,009.00	\$ 180,888.00	48.10%
	\$	832,350.00	\$ 2,462,775.00	33.80%
	\$	-	\$ 550,000.00	
	\$	-		

\$	-	\$	-	\$	6,861,147.00	\$	22,983,003.00	29.85%
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\$	-	\$	-	\$	728,000.56	\$	857,135.00	84.93%
				\$	1,365,498.56			

DSCR	1.87
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DCOH	149
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Rev Distribution	
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Salaries	44.19%
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Benefits	14.07%	58.25%
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Rent	10.97%
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Parking Lot	0.00%
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Other Expenses	20.69%
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Surplus	10.09%
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Coversheet

Executive Director of Academics Report

Section:	III. School Operations
Item:	B. Executive Director of Academics Report
Purpose:	FYI
Submitted by:	
Related Material:	EDA Report November 2024.pdf



Executive Director- Academics Governance Board of Directors Report

Date: 11/21/2024

Prepared by: Dr. Robin Greene, Executive Director- Academics

30th Anniversary

- Save the Date: 1/11/2025 2-5 PM
- Continued planning

Academics:

- Data driven conversations in Elementary and Middle School focused on growth of students
- Review of Course Planning Guide and realignment if English classes in high school
- Pilot of Subject.com and Colorado Digital Learning Solutions in tandem with Edgenuity for second semester

Admissions:

- Use of CESCO Interpretation services for testing in Mandarin and Spanish
- Over 600 applications (up from last year)
- Tested over 200
- Capacity to test 160 more

Bond:

- Architect meetings with staff
- Utilizing the Bond Committee to act on behalf of the Board, giving monthly or quarterly reports and has the ability to authorize any payments should that be needed or a change to the plan creates the need to authorize more funds
- Establishing structure with Anser for communication and project management
- Memo to the community seeking feedback
- Student feedback from Juniors and Seniors as well as Cable's task force

Business Operations:

- Lunch
 - Portion sizes and brainstorming solutions
- IT

Facility Operations:

- Renting of spaces

Family Engagement:

- Community U
 - November 18- Communication and Regulation
- Coffee Chat
 - December 6, 2024
- Multicultural Fest rescheduled: Tentative date February 7th

Finance:

- Report by Lynne
- Sponsorship pilot for Robotics
- Beginning conversations now with school leaders and have asked them to work with their leadership teams to gather budget questions

H.R.

- Community Development and Admissions Coordinator

Strategic Work:

All aspects of the strategic plan are in process, and below are some highlights

- *Responsible Leadership:*
 - *Org review*
 - *In progress*
 - *Financial Stability:*
 - *Build plan to support enrollment targets (including marketing strategy)*
 - *Continued prospective parent nights*
 - *Fliers sent and reviewing how many families we are reaching based on applications*
 - *Engaged Community:*
 - *Volunteering- waiting on new raptor system*
 - *Email to families regarding their volunteer experience*
 - *Setting volunteer participation goals*
 - *Exceptional Staff:*
 - *Continue to develop and implement effective teaming structures*
 - *Working with school leaders.*
 - *Leveraging each PD day to implement vertical teaming*
 - *Differentiated Learning Environment:*
 - *Mission and Vision incorporated into the walk-through forms*
 - *Depth and Complexity in walk throughs*
 - *In class observations and coaching with Cynthia Rundquist*
-

FYI:

Reimagine Report Progress

- *Priority Recommendation: Facilitate Team Culture Building for Trust*
 - *Team building ongoing*

- *Activating New Mindsets: Collaboration*
 - *Recommendation: Involve staff committees in the decision making process*
 - *Teacher Leadership Teams*
 - *Department Leadership Teams*
 - *Curriculum committees*
 - *Recommendation: Recognize staff in authentic ways*
 - *Staff shout outs through weekly communication*
 - *Staff recognizing staff*
 - *Activating New Mindsets: Transparency*
 - *Staff Connection*
 - *Principal book study on difficult conversations*
-

Miscellaneous/FYI:

Coversheet

Written Committee Reports and Committee Goals

Section:	V. Committee Reports
Item:	A. Written Committee Reports and Committee Goals
Purpose:	FYI
Submitted by:	
Related Material:	Stargate Finance Committee Meeting Notes - 10.21.2024.docx.pdf Finance Goals 2024-2025.docx.pdf

STARGATE FINANCE COMMITTEE MEETING

OCTOBER 21, 2024

MEETING START TIME: 1:00 PM MST.

ATTENDEES:

- LYNNE WHITNEY
- SHEILA MISCHKE
- ROBERT GRYSZKIEWICZ
- SAMANTHA HOWORKO
- WILL KARLIN
- MICHAEL BONFIGLIO
- DEREK RICKE

SEPTEMBER FINANCIALS:

- DISCUSSED SEPTEMBER FINANCIALS AND KPIS

2024-2025 GOALS

- REMOVING #2 AND #4 FROM LAST YEAR
- MAINTENANCE PLAN - DOUG WORK ON FOR US
- RICHARD COME TO DISCUSS FUTURE TECH PLANNING
- BOND PLANNING AND MANAGEMENT ADDITION

FINANCE CHARTER:

- MINOR UPDATES MADE.

BOND:

- TO DISCUSS IN NOVEMBER.

OPEN DISCUSSION:

NEXT MEETING:

- DISCUSS BOND PLAN IF IT PASSES

MEETING END TIME: 2PM MST.

MEETING NOTES SUBMITTED BY: SAMANTHA HOWORKO



Finance Committee 2024-2025 Goals

- Review building/maintenance plan for the School and work to ensure the reserve will meet these needs
- Bond planning and financial management of potential bond funds
- Revise committee charter as applicable with any organizational changes
- Technology/Classroom Planning - what do we need to budget for future technology/classroom enhancements, determine what sort of technology support will be needed for this

Coversheet

SAC 9/30/24 KPI Update, Charter, and Draft Survey Questions

Section:	V. Committee Reports
Item:	B. SAC 9/30/24 KPI Update, Charter, and Draft Survey Questions
Purpose:	FYI
Submitted by:	
Related Material:	KPI Report 9.30.24.pdf



Key Performance Indicators

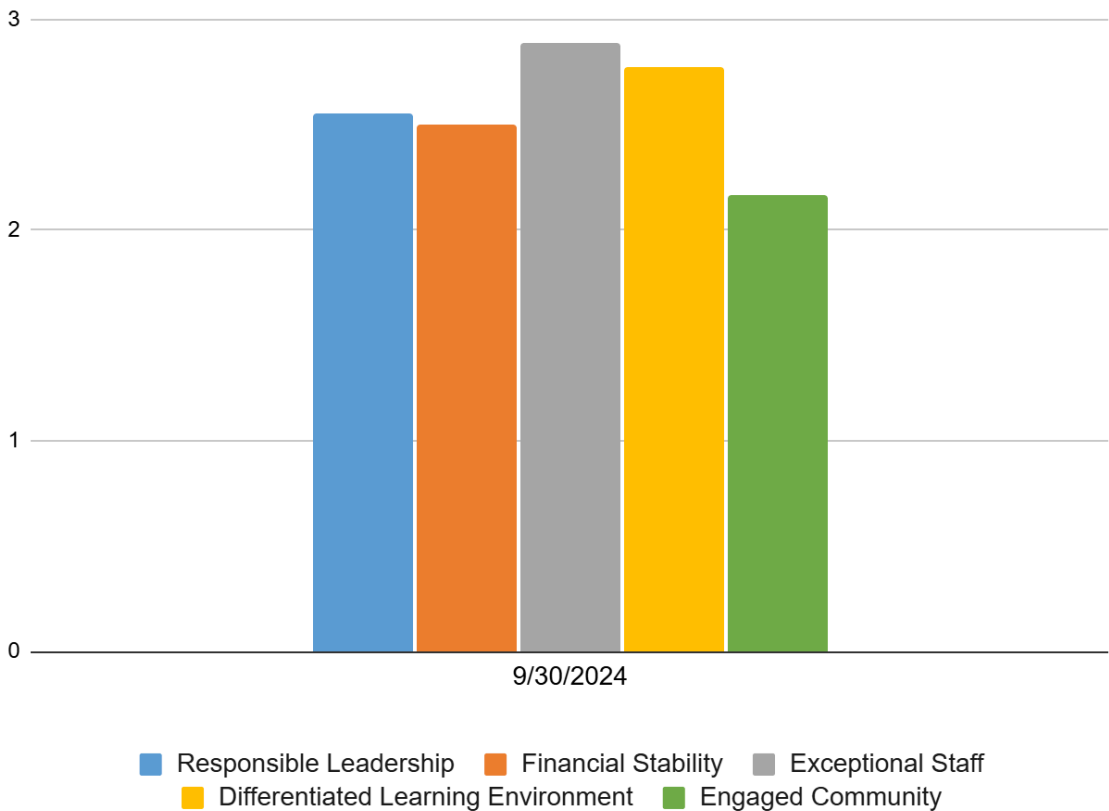
As of September 30, 2024

Key performance indicators (KPIs) are measurable values that demonstrate how the school is performing. These values are represented in five categories that align with the Governance Board’s Strategic Plan. Defined goals and measures that are outlined in the school’s Unified Improvement Plan are also included so that progress toward those goals can be more effectively evaluated and tracked.

Stargate School’s KPIs are formulated and monitored by the School Accountability Committee. As data from various sources is collected and analyzed and historical trends are established, changes may be made to the scoring process. New indicators will also be included as new data becomes available. KPIs will be updated on a quarterly basis and will be made available to the Stargate community after data is finalized and approved.

The KPIs highlight areas of strength, as well as reveal areas that require continued attention and goal-oriented strategies. The KPIs will be utilized by the Board in the preparation of each year’s Strategic Plan, as well as in their day-to-day decision making as they strive to fulfill the school’s mission.

Quarterly KPI Summary



Date	Responsible Leadership	Financial Stability	Exceptional Staff	Differentiated Learning Environment	Engaged Community
9/30/2024	2.55	2.50	2.88	2.77	2.17
2023-2024	2.43	2.65	2.61	2.72	2.03
2022-2023	2.54	2.75	1.94	2.55	2.24
2021-2022	2.59	2.90	2.10	2.65	2.34
2020-2021	2.53	2.88	2.05	2.66	2.25
2019-2020	2.43	2.49	2.30	2.64	2.13
2018-2019	2.38	2.05	2.32	2.61	2.10

Qualifiers

>=2.50
1.50 - 2.49
<1.50

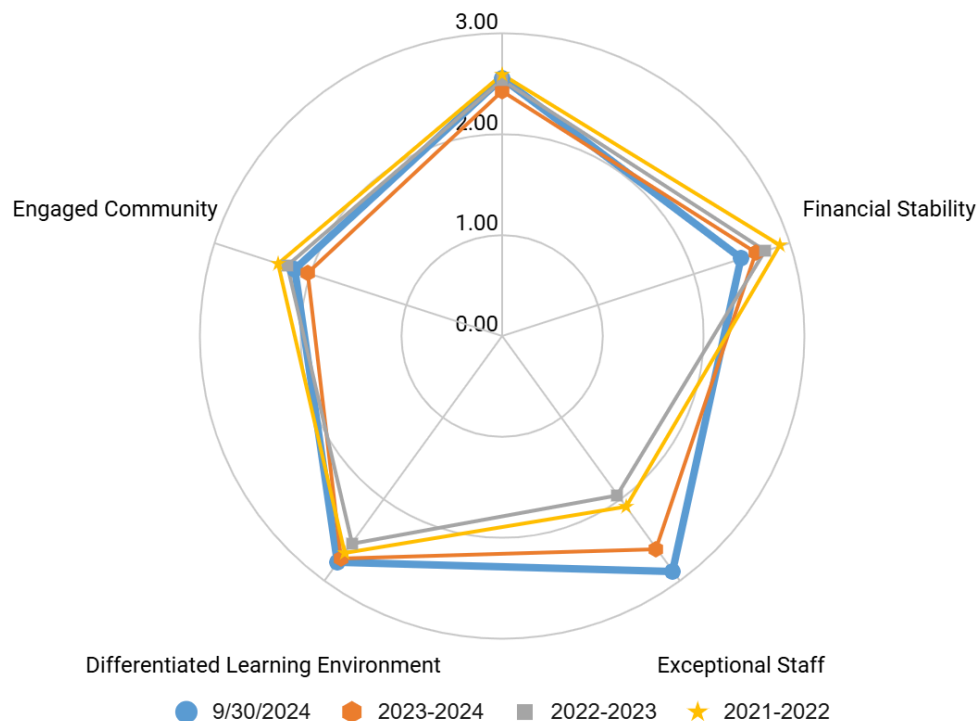
Change in methodology as of 2024:

Starting with the 2024 Parent and Staff Surveys, the response option of "Neither Agree nor Disagree" was added, changing the scale from a 4-point to a 5-point. This resulted in an adjustment to the manner in which survey score ratings were calculated.

Each measure is given a rating on a 0-3 scale based on available data. Ratings are categorized into three groups. Scores from 2.50 to 3 are coded as green, signifying that expectations are being met or exceeded. Scores from 1.50 to 2.49 are coded yellow, signifying that attention is needed and efforts toward improvement should be made. Scores below 1.50 are coded red, signifying that urgent attention is needed and immediate plans for improvement should be made.

Historical KPIs

Responsible Leadership



Responsible Leadership								Overall Rating:	2.55
Goals: •Maintain a safe campus •Implement Stargate's mission and vision •Ensure compliance in all policies									
Key Performance Indicator	Measure	Data Owner	Threshold	as of date	update frequency	Previous score	Current score	Rating	Weight
Governance Board self-evaluation	cumulative score	Governance Board	Score converted to scale of 3	3/31/2024	annually	3.5	3.5	2.6	25%
Community favorability	staff and parent responses to: "The Governance Board makes decisions based on what's best for Stargate students and staff"	School Accountability Committee/ staff & parent survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	83%	86% of A or D 58% of 5 pt	2.6	25%
Responsiveness to recommendations	staff responses to: "The Board and Administration have taken tangible steps to address the findings in last year's Culture and Climate Survey, conducted by ReImagine."	School Accountability Committee/ staff survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annual		76% of A or D 53% of 5 pt	2.3	25%
Safety	parent response to: "my child feels safe at school"	School Accountability Committee/ parent survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	88%	91% of A or D 81% of 5 pt	2.7	25%

Financial Stability								Overall Rating:	2.50
Goals:									
<ul style="list-style-type: none"> •Maintain the long-term viability of the school •Remain financially transparent 									
Key Performance Indicator	Measure	Data Owner	Thresholds	as of date	update frequency	Previous score	Current Score	Rating	Weight
Days Cash on Hand	# of days consistent with defined targets: days cash on hand >=125 (unrestricted cash excl fundraising)	Finance	3: 125 <= DCOH <=145 2: 100 <= DCOH <125 OR DCOH >145 1: DCOH <100	9/30/2024	quarterly	152	146	2	20%
Budget Performance - Revenues	overall % actual vs budget for revenues: Q1 >=25%, Q2 >=50%, Q3 >=75%, Q4 >=100%	Finance	3: revenues >= budget 2: 1%-5% deviation from targets 1: >5% deviation from target	9/30/2024	quarterly	99.07%	23.90%	2	10%
Budget Performance - Expenses	overall % actual vs budget for expenses: Q1 <=25%, Q2 <=50%, Q3 <=75%, Q4 <=100%	Finance	3: expenses <= budget 2: 1%-5% deviation from targets 1: >5% deviation from target	9/30/2024	quarterly	91.94%	22.31%	3	10%
Revenue Distribution - Salaries	annual %s consistent w/ defined targets: salaries >=45% revenue	Finance	3: targets met 2: 1%-5% deviation from target 1: >5% deviation from target	9/30/2024	quarterly	48.72%	43.44%	2	7%
Revenue Distribution - Benefits	annual %s consistent w/ defined targets: benefits >=15% revenue	Finance	3: targets met 2: 1%-5% deviation from target 1: >5% deviation from target	9/30/2024	quarterly	14.47%	13.76%	2	7%
Revenue Distribution - Other Expenses	annual %s consistent w/ defined targets: other expenses <=17% revenue	Finance	3: targets met 2: 1%-5% deviation from target 1: >5% deviation from target	9/30/2024	quarterly	14.59%	21.68%	2	7%
Debt Service Coverage Ratio (DCSR)	debt service coverage ratio >=1.1	Finance	3: targets met 2: .01-.05 deviation from target 1: >.05 deviation from target	9/30/2024	quarterly	1.67	1.67	3	20%

Teacher Compensation	average salary comparison to corresponding Adams 12 salary level	Finance	3: above district average	6/30/2024	annually	<i>average base salary above Adams 12</i>	average base salary above Adams 12	3	20%
			2: at district average						
			1: below district average						

Exceptional Staff							Overall Rating:	2.88	
Goals: •Maintain a positive work environment •Recruit, mentor and retain highly-skilled staff •Ensure compliant and high-quality individualized learning plans									
Key Performance Indicator	Measure	Data Owner	Threshold	as of date	update frequency	Previous score	Current Score	Rating	Weight
Teacher Evaluations	% of teachers receiving highly effective or effective rating in annual review	Principals	3: >=95%	6/30/2024	annually	100%		3	17%
			2: 90%-94%						
			1: <90%						
Teacher Gifted Training	% having completed GT training or course	HR Manager	3: >=90%	12/31/2023	annually	75%	100%	3	17%
			2: 75-89%						
			1: <75%						
CDE Highly Qualified Certification	% of teachers with CDE endorsements in primary content area	Principals	3: >=95%	12/31/2023	annually	97%	95%	3	17%
			2: 90%-94%						
			1: <90%						
Staff satisfaction	staff response to: "Considering everything, I am satisfied working at Stargate"	School Accountability Committee/ staff survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	78%	85% of A or D 69% of 5 pt	2.6	17%
Staff retention*	% of staff retained from previous year	Finance	3: >= District avg (83.7%)	9/30/2024	annually	75% 20-21 67% 21-22 81% 22-23	85%	3	17%
			2: >= State avg (79.0%)						
			1: below State avg						
Department retention*	average of staff retention scores for each department	Finance	3: >= District category avgs	9/30/2024	annually	Elem: 96% Sec: 84% Lrn Svs: 70% Support: 46%	Elem: 89% Sec: 81% Lrn Svs: 91% Support: 89%	2.8	17%
			2: >= State category avgs						
			1: below State category avgs but above 50%						

Differentiated Learning Environment								Overall Rating:	2.77
Goals: •Ensure that curriculum and programs provide differentiated learning opportunities for gifted learners •Ensure the admissions policy aligns with Stargate's mission and provides equitable access									
Key Performance Indicator	Measure	Data Owner	Threshold	as of date	update frequency	Previous score	Current Score	Rating	Weight
Engagement and challenge	parent response to: "My child feels appropriately engaged and challenged"	School Accountability Committee/ parent survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	86%	90% of A or D 80% of 5 pt	2.7	13%
Educational support	parent response to: "I feel that Stargate provides the appropriate support to meet the unique learning needs of my child"	School Accountability Committee/ parent survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	80%	83% of A or D 69% of 5 pt	2.49	13%
Student Achievement - Elementary (CMAS)	CDE indicator % of points earned for Academic Achievement	CDE School Performance Framework	3: >=90	12/31/2023	annually	100	100	3	13%
			2: 80-89						
			1: <80						
Student Growth - Elementary (CMAS)	CDE indicator % of points earned for Academic Growth	CDE School Performance Framework	3: >=80	12/31/2023	annually	76.3	85	3	13%
			2: 70-79						
			1: <70						
Student Achievement - Middle (CMAS)	CDE indicator % of points earned for Academic Achievement	CDE School Performance Framework	3: >=90	12/31/2023	annually	96.3	100	3	13%
			2: 80-89						
			1: <80						
Student Growth - Middle school (CMAS)	CDE indicator % of points earned for Academic Growth	CDE School Performance Framework	3: >=80	12/31/2023	annually	62.5	75	2	13%
			2: 70-79						
			1: <70						
PSAT performance (9th grade)	average student scores on PSAT	CDE SAT & PSAT Data	3: at or above top quartile in state of CO (>=1026)	9/30/2024	annually	1115	1136	3	6.3%

			2: between mean and top quartile						
			1: below mean						
PSAT performance (10th grade)	average student scores on PSAT	CDE SAT & PSAT Data	3: at or above top quartile in state of CO (≥ 1026)	9/30/2024	annually	1157	1155	3	6.3%
			2: between mean and top quartile						
			1: below mean						
SAT performance (11th grade)	average student scores on SAT	CDE SAT & PSAT Data	3: at or above top quartile in state of CO (≥ 1026)	9/30/2024	annually	1246	1274	3	6.3%
			2: between mean and top quartile						
			1: below mean						
Advanced Placement performance	average student scores on AP exams	Secondary Principal	3: ≥ 3.5	9/30/2024	annually	3.60	3.60	3	6.3%
			2: 3-3.5						
			1: < 3.0 (CO state mean = 2.98)						

Engaged Community								Overall Rating:	2.17
Goals:									
<ul style="list-style-type: none"> •Build a respectful Stargate community of parents, students and staff who will be actively engaged in promoting the success of the school •Positively position Stargate in the greater community 									
Key Performance Indicator	Measure	Data Owner	Threshold	as of date	update frequency	Previous score	Current Score	Rating	Weight
Election participation	% of eligible voting members who cast their vote in fall and spring elections	Election Committee	3: >=25%	6/30/2024	semi-annually	25% Spring '23 No Fall Election	27.5% Sprg '24	3	20%
			2: 15%-25%						
			1: <15%						
Parent survey participation	ratio of responses to total student population	School Accountability Committee	3: >=50%	3/31/2024	annually	19%	21%	1	20%
			2: 35%-49%						
			1: <35%						
Staff survey participation	% of staff completing survey	School Accountability Committee	3: >=75%	3/31/2024	annually	56%	64%	2	20%
			2: 50%-74%						
			1: <50%						
Adequate volunteer support for staff	Staff response to: "I have an appropriate number of volunteers to assist"	School Accountability Committee/ staff survey	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	85%	84% of A or D 52% of 5 pt	2.5	20%
Effective communication	parent response to: "I am pleased with the level of communication I have with this child's teachers;" staff response to: "I receive appropriate and timely communication from the administration"	School Accountability Committee/ parent & staff surveys	% of "strongly agree" and "agree" responses converted to scale of 3	3/31/2024	annually	77%	77% of A or D 61% of 5 pt	2.3	20%