MONUMENT ACADEMY

FINANCIAL STATEMENTS
With Independent Auditors' Report

For the Year Ended June 30, 2026

MONUMENT ACADEMY
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Hoelting & Company, Inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Monument Academy

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Monument Academy, a component unit of Lewis-Palmer School District No. 38, as of and for the year ended June 30, 2026 and the related notes to the financial statements, which collectively comprise Monument Academy's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Monument Academy, as of June 30, 2026 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Monument Academy's basic financial statements. The accompanying combining and individual financial statements and schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Colorado Springs, Colorado
October 28, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

If you have questions about this report or require further information, contact Laura Polen, Chief Financial Officer, Monument Academy Charter School, 1150 Village Ridge Pt., Monument, CO 80132, at lpolen@monumentacademy or 719-431-8001 x1012.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

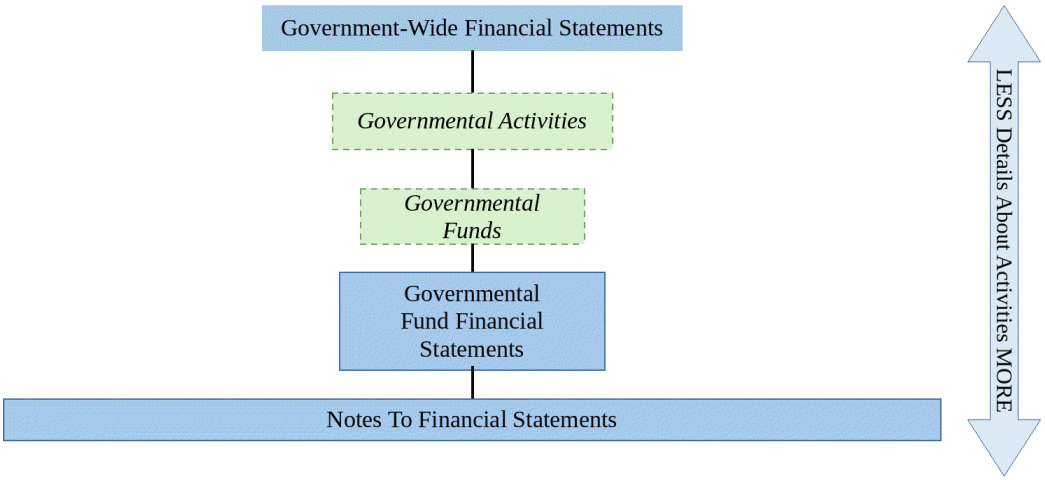
- **Governmental activities** comprise the School's primary functions: instruction and supporting services, including school and general administration, operations and maintenance, athletics, business services, and the facilities and related debt that house the School. Governmental activities are financed primarily through per pupil revenue provided by the State of Colorado and passed through Lewis-Palmer School District No. 38 (the District), the District mill levy, grants and contributions, and charges for services.

The School is a state nonprofit corporation that operates a charter school authorized by the District, and the School is a component unit of the District. The Monument Academy Building Corporation (Building Corp) and the Monument Academy Foundation (Foundation) are legally separate entities that hold and finance the School's facilities. They are blended component units and are reported as funds of the School.

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

- **Governmental fund financial statements** report all of the governmental activities. In addition to the School's main operating fund, the General Fund, those statements report the Performing Arts Center (PAC) Fund for construction of the performing arts center, the Building Corp Fund for facility financing and debt service, the Pupil Activity Fund for student activities and athletics, and two nonmajor special revenue funds: the Preschool Fund and the Foundation Fund. The General Fund, PAC Fund, Building Corp Fund, and Pupil Activity Fund are major funds.

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



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

TYPES OF INFORMATION IN THE FINANCIAL STATEMENTS

The government-wide financial statements use the *economic resources measurement focus and accrual basis of accounting*. (See Figure A-2.) In other words, they comprehensively report all types of financial statement elements:

- *Assets*: resources the School controls, from short-term assets like cash to long-term assets like buildings and land.
- *Liabilities*: amounts the School owes, from short-term liabilities such as salaries payable to long-term liabilities such as outstanding debt and net amounts owed to employees for pensions.
- *Deferred outflows of resources and deferred inflows of resources*: flows that occurred during the year, or in prior years, that will not be reported as expenses and revenues until the future year to which they are related.
- *Revenues and expenses*: inflows and outflows of economic resources, respectively, related to the current year.

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

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

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

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

ANALYSIS OF THE SCHOOL'S FINANCES

Table A-1
Net Position

	Governmental Activities		Total Percentage Change
	FY 2026	**FY 2025**	**FY26 to FY25**
Current and other assets	$ 13,828,838	$ 9,416,643	46.9%
Capital assets, net	31,739,902	30,790,597	3.1%
Total assets	**45,568,740**	**40,207,240**	**13.3%**
Deferred outflows of resources	2,651,487	4,405,969	-39.8%
Long-term liabilities (including net pension and OPEB liabilities)	56,355,193	54,738,908	3.0%
Other liabilities	907,030	826,871	9.7%
Total liabilities	**57,262,223**	**55,565,779**	**3.1%**
Deferred inflows of resources	2,903,135	657,384	341.6%
Net position			
Net investment in capital assets	(7,395,241)	(6,670,856)	10.9%
Restricted	3,367,401	3,122,207	7.9%
Unrestricted	(7,917,291)	(8,061,305)	-1.8%
Total net position	**$ (11,945,131)**	**$ (11,609,954)**	**2.9%**

Percentage change is (FY 2026 minus FY 2025) divided by FY 2025, as in the Excel tables. For a negative balance, a positive percentage means the deficit grew. FY 2025 amounts are from the FY 2025 audited statements. Restricted net position at June 30, 2026 is TABOR $510,000, debt service $2,667,171, preschool $53,405, and student activities $136,825.

Table A-1 shows that as of June 30, 2026, the School's total net position (assets and deferred outflows minus liabilities and deferred inflows) was a deficit of ($11,945,131), a decrease of $335,177 compared with FY 2025, which increased the deficit by 2.9 percent. The change was driven by net investment in capital assets, which became $724,385 or 10.9 percent more negative as building debt rose by about $5.0 million, partly offset by improvements in restricted net position ($245,194 or 7.9 percent) and unrestricted net position ($144,014 or 1.8 percent). Most of the change in net position resulted from the governmental activities, which are the School's only activities.

Current and other assets rose 46.9 percent to $13.8 million, mainly because restricted cash and investments grew from $2.7 million to $6.7 million with unspent Series 2026 bond proceeds and the first PAC donation payment, while unrestricted cash and investments rose from $6,663,140 to $6,969,340. Deferred outflows of resources fell 39.8 percent, mostly pension related, and deferred inflows of resources rose from $657,384 to $2,903,135, driven by pension related deferrals.

The deficit does not mean the School lacks the resources to operate. It reflects two long-term items that sit on the Statement of Net Position without a matching asset. First, the School's facilities are financed with $43.2 million of building loans (net of discount), which exceeds the $31.7 million carrying value of the capital assets, so net investment in capital assets is negative. Part of the new 2026 bond proceeds is still unspent and has not yet become a capital asset. Second, the School reports its proportionate share of the State pension plan's net pension liability of $12.0 million and net OPEB liability of $0.1 million. The 2026 bond proceeds were used to construct a Track & Field facility with discus, shot put, and jumping areas. The school will also be constructing a $17 million dollar Performing Arts Center with over 750 seats. Both of these projects will add to the capital assets when complete.

Governmental activities

Table A-2 shows that expenses exceeded revenues in the current year, resulting in a decrease in net position of $335,177, compared with an increase of $3,202,506 in FY 2025. Figures A-3 and A-4 show a breakdown of revenue by source and expense by function. Various events contributed to this decrease; however, the six primary factors affecting the change in net position are as follows:

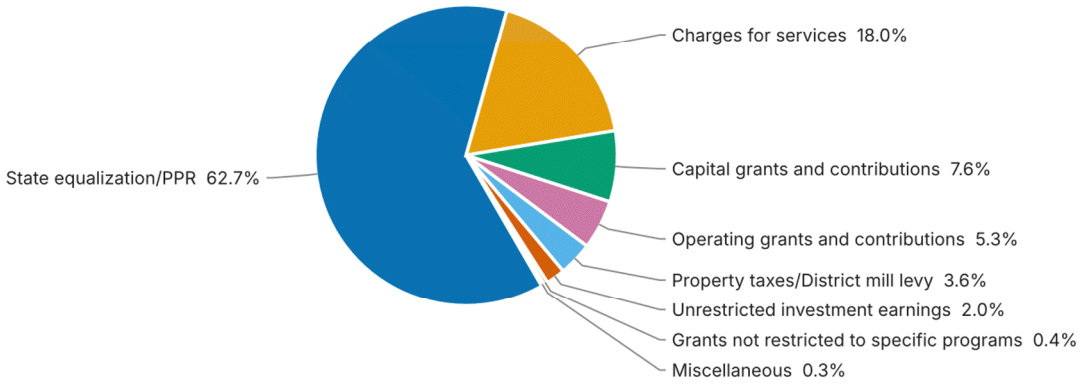
1) Loss of one-time ERTC revenue: FY 2025 included $2,241,340 of Employee Retention Tax Credits reported as a special item, and FY 2026 had none. Without that item, net position would have increased $961,166 in FY 2025. There was a one-time, non-PERA bonus issued to staff that was intentional spending of the ERTC funds.
2) Costs of the May 2026 refunding: $1,397,726 of bond issuance costs were expensed in interest and fiscal charges, and accrued interest on long-term debt increased by $524,455. Without the one-time issuance costs, the change in net position would have been an increase of about $1.06 million.
3) Enrollment below budget: the School budgeted 1,075 funded FTE and finished the year at 1,046.12 FTE. Management responded with expenditure reductions and a salary freeze.
4) Capital contributions: capital grants and contributions rose $992,756 to $1,420,482, which includes the first $1.0 million received under the $17.0 million Performing Arts Center donation agreement.
5) Lower unrestricted grants and contributions: grants and contributions not restricted to specific programs fell from $1,647,992 to $77,585. The larger amount for FY25 was a donation for the purchase of the West Campus parking lot and the 2 portables at East Campus.
6) Pension and OPEB: changes in pension related items reduced net position by $761,959 (compared with $656,685 in FY 2025), while changes in OPEB related items increased it by $76,400.

Table A-2
Changes in Net Position

	Governmental Activities		Total Percentage Change
	FY 2026	**FY 2025**	**FY26 to FY25**
Revenues			
Program revenues:			
Charges for services	$ 3,372,985	$ 3,720,884	-9.3%
Operating grants and contributions	987,007	505,811	95.1%
Capital grants and contributions	1,420,482	427,726	232.1%
General revenues:			
Property taxes/District mill levy	680,175	702,196	-3.1%
State equalization/PPR	11,723,832	11,900,201	-1.5%
Grants and contributions not restricted to specific programs	77,585	1,647,992	-95.3%
Unrestricted investment earnings	381,453	324,302	17.6%
Miscellaneous	57,456	73,291	-21.6%
Total revenues before special item	**18,700,975**	**19,302,403**	**-3.1%**
Special item: ERTC tax credits	0	2,241,340	-100.0%
Total revenues and special item	**18,700,975**	**21,543,743**	**-13.2%**
Expenses			
Instruction	$ 6,048,994	$ 8,129,606	-25.6%
Supporting services	9,834,318	8,239,081	19.4%
Interest and fiscal charges	3,152,840	1,972,550	59.8%
Total expenses	**19,036,152**	**18,341,237**	**3.8%**
Change in net position	**(335,177)**	**3,202,506**	**-110.5%**
Net position - beginning, as previously reported	$ (11,609,954)	$ (14,212,840)	-18.3%
Prior period adjustment	0	(599,620)	
Net position - beginning, as restated	(11,609,954)	(14,812,460)	-21.6%
Net position - ending	**$ (11,945,131)**	**$ (11,609,954)**	**2.9%**

FY 2025 amounts are from the FY 2025 audited statements. FY 2025 beginning net position was restated: a $68,750 reduction for a correction of capital assets and related debt and a $530,870 reduction for implementing GASB Statement No. 101 on compensated absences (FY 2025 audit, Note 13). FY 2026 had no restatement.

Figure A-3 Governmental Activities - Revenues by Source



Grants and contributions

Capital grants and contributions, which accounted for 7.6 percent of governmental activities revenues, increased to $1,420,482 in FY 2026 from $427,726 in FY 2025, an increase of $992,756 or 232.1 percent. Most of that increase relates to the Performing Arts Center: the PAC Fund recorded $1,008,134 of local revenue, which includes the first $1.0 million received under the $17.0 million anonymous donation agreement.

Operating grants and contributions, which accounted for 5.3 percent of governmental activities revenues, increased 95.1 percent to $987,007 in FY 2026 from $505,811. Monument Academy also received a greater share of SPED grants from its authorizer. Grants and contributions not restricted to specific programs decreased from $1,647,992 to $77,585. MA received donations in FY25 for a parking lot at West Campus ($1.2M) and two portable units at East Campus ($175K).

State equalization/Per pupil revenue

The largest single source of governmental activities revenue for the School is state equalization/per pupil revenue, which amounted to $11.7 million in FY 2026, or 62.7 percent of total governmental activities revenues. Per pupil revenue decreased 1.5 percent, or $176,369, from $11,900,201 in FY 2025. The School budgeted 1,075 funded FTE for FY 2026, and the actual count was 1,046.12 FTE, a shortfall of 28.88 FTE or 2.7 percent. As a result, the General Fund state revenue budget was reduced from $12,782,098 to $12,493,079 during the year, and actual state revenue was $12,461,544. While the school dropped in enrollment FY26, the Count results for FY27 were 1,144FTE. This shows that the FTE for FY26 was abnormal.

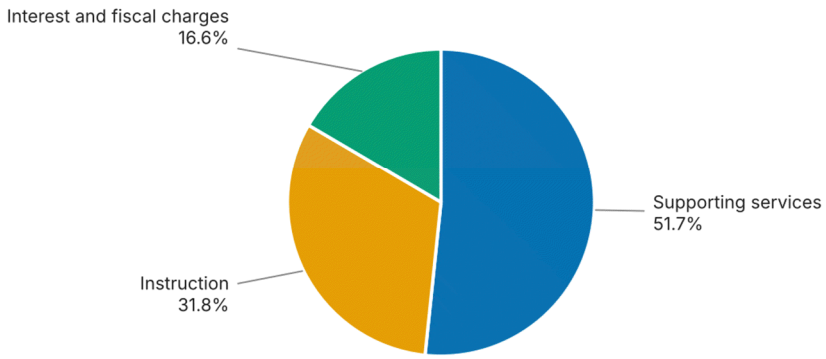
Per pupil revenue is determined under the Colorado school finance formula and is funded through a combination of local and state sources, and it is passed through the School's authorizer, the District. A portion of per pupil revenue is withheld by the State under the charter school intercept program and sent to the bond trustee to pay debt service on the School's facility bonds.

Investment earnings and other revenues

Earnings on the School's investments, which represented 2.0 percent of governmental activities revenues, increased 17.6 percent to $381,453 from $324,302. The School's deposits and investments totaled $13.7 million at June 30, 2026, of which $11.4 million was held in ColoTrust and $2.3 million in money market funds, and $6.7 million of the total is restricted, primarily for debt service and construction. The District mill levy contributed $680,175 or 3.6 percent of revenues, a decrease of 3.1 percent. Charges for services contributed $3,372,985 or 18.0 percent, a decrease of 9.3 percent from $3,720,884. The service charges are for security, registrar, SPED, GT, EL and other support services from the district. With MA administration becoming more efficient, and MA having their own SRO's the need for service/support is decreasing.

At June 30, 2026 the General Fund held a $510,000 TABOR emergency reserve and $5,738,879 of unassigned fund balance, which is 41.3 percent of General Fund expenditures for the year.

Figure A-4 Governmental Activities - Expenses by Function



Increases in expenses for certain programs and functions

Governmental activities expenses rose 3.8 percent overall, to $19,036,152 from $18,341,237. Within that total, instruction expenses decreased 25.6 percent to $6,048,994, which is 31.8 percent of total expenses (see Table A-2); by contrast, instruction was 44.3 percent of expenses in FY 2025. Supporting services expenses increased 19.4 percent to $9,834,318, or 51.7 percent of total expenses, compared with 44.9 percent in FY 2025. Together, instruction and supporting services decreased 3.0 percent, or $485,375, so the increase in total expenses came from interest and fiscal charges. This is partially caused by the lower FTE which requires less instructional costs and retains our support service staff. The bonds were also refinanced, which cost of issuance escalated expenditures.

Interest and fiscal charges increased 59.8 percent to $3,152,840, and represented 16.6 percent of total expenses compared with 10.8 percent in FY 2025. The increase includes $1,397,726 of one-time bond issuance costs for the Series 2026 refunding and improvement bonds and a $524,455 increase in accrued interest, along with $1,103,574 of interest paid. The issuance costs are not expected to recur. (Debt activity is discussed further below.)

The School's General Fund spent $795,116 less than its final budget. Instruction expenditures were $141,846 under budget, primarily because a few staff members left and long-term substitutes cost less than the positions they covered, and several supply accounts were underused. Supporting services were $669,269 under budget, due mainly to the timing of the State intercept described below. General Fund supporting services expenditures were also 16.0 percent lower than in FY 2025, which included the purchase of the parking lot at West Campus and the modular units at East Campus. Management also froze salaries during FY 2026 to conserve resources. A one-time, non-PERA 5% bonus was given to returning staff in FY26 out of the ERTC funds. Returning staff received a 3% raise in FY27. October Count for FY27 came in at 1,144 (compared to FY26 1,046.12) proving the lower enrollment was an outlier.

Depreciation and amortization expense was $1,030,079, compared with $1,034,998 in FY 2025, and was charged to instruction. Spending on supporting services within the funds includes costs that were capitalized as construction in progress for the Performing Arts Center.

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

The School participates in the statewide Colorado Public Employees' Retirement Association (PERA) School Division Trust Fund pension plan and the PERA Health Care Trust Fund OPEB plan. Each year, the School records its proportionate share of the plans' unfunded pension and OPEB liabilities, along with the related deferred outflows and inflows. These calculations are complex and can vary greatly from year to year. The School's net pension liability decreased $2,900,248, or 19.5 percent, to $11,987,794, and its net OPEB liability decreased $131,674, or 49.8 percent, to $132,482. The School's share of the pension plan decreased to 0.0769 percent from 0.0863 percent, and the plan's fiduciary net position as a percentage of its total pension liability rose to 71.7 percent from 67.2 percent. The discount rate for both plans stayed at 7.25 percent. Additional information can be found in notes 6 and 7 to the financial statements.

Because these amounts are outside the School's direct control, management believes it is important to disclose the net position that would result if they were excluded, as shown in Table A-1.1.

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

	Governmental Activities		Total Percentage Change
	FY 2026	**FY 2025**	**FY26 to FY25**
Total net position	$ (11,945,131)	$ (11,609,954)	2.9%
Add net pension liability	11,987,794	14,888,042	-19.5%
Add OPEB liability	132,482	264,156	-49.8%
Add deferred pension inflows	2,725,794	514,679	429.6%
Add deferred OPEB inflows	177,341	142,705	24.3%
Less deferred pension outflows	(1,718,176)	(3,169,268)	-45.8%
Less deferred OPEB outflows	(66,992)	(87,630)	-23.6%
Total net position excluding pension and OPEB related items	**$ 1,293,112**	**$ 942,730**	**37.2%**

Source: FY 2026 draft statements and FY 2025 audited statements.

Other changes in net position

Total governmental activities expenses exceeded total revenues in FY 2026 by $335,177, compared with revenues exceeding expenses by $3,202,506 in FY 2025, a change of $3,537,683. The FY 2025 result included the $2,241,340 ERTC special item; excluding it, FY 2025 would have shown an increase of $961,166, which makes FY 2026 $1,296,343 less favorable on a comparable basis.

The governmental funds reported a $4,255,458 increase in fund balances, which differs from the government-wide change because the funds report bond proceeds as other financing sources and report principal, issuance costs, and capital outlay as expenditures. The main differences are: capital outlay of $1,984,184 exceeded depreciation of $1,030,079 (an increase of $954,105 on the government-wide statements); debt-related transactions, principally the issuance of $44,070,000 of new bonds net of the $38,125,762 paid to the escrow agent and the discount, reduced net position by $4,298,073 compared with the fund statements; and expenses that do not require current financial resources, such as accrued interest, compensated absences, and pension and OPEB changes, reduced net position by $1,241,867. The School also reported a $4,800 net loss on disposal of capital assets.

In FY 2025 the School recognized $2,241,340 of Employee Retention Tax Credits. That amount is shown separately from other revenues in Table A-2 and the Statement of Activities because it is an unusual and infrequent item.

The Board prioritized program stability during lower enrollment. The refunding was a conscious decision approved by the Board, planned knowing it would create one-time costs.

GOVERNMENTAL FUNDS

The School reports four major funds individually in the governmental fund financial statements: the General Fund, the PAC Fund, the Building Corp Fund, and the Pupil Activity Fund. The Preschool Fund and the Foundation Fund are nonmajor funds. (In FY 2025 the Foundation Fund was reported as a major fund as it held the 2019 Bond Series until the refinance in May 2026, and the PAC Fund did not yet exist.) Most of the discussion regarding governmental activities is equally applicable to the finances of the governmental funds. However, certain factors that are relevant to the School's current financial health are more apparent in the fund financial statements than in the government-wide financial statements. The funds are shown in Table A-3 and are discussed in more detail below.

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

	General Fund		Building Corporation Fund	
	FY 2026	**FY 2025**	**FY 2026**	**FY 2025**
Revenues				
Local sources	$ 1,390,941	$ 2,998,059	$ 1,161,075	$ 989,098
State sources	12,461,544	12,688,048	0	0
Federal sources	262,053	126,718	0	0
Total revenues	**14,114,538**	**15,812,825**	**1,161,075**	**989,098**
Expenditures				
Instruction	$ 6,022,733	$ 5,825,655	$ 0	$ 0
Supporting services	7,859,999	9,352,093	1,453,688	0
Debt service (principal, interest, and issuance costs)	10,999	167,359	2,312,639	922,338
Facilities acquisition and construction	5,000	1,500	0	0
Total expenditures	**13,898,731**	**15,346,607**	**3,766,327**	**922,338**
Excess (deficiency) of revenues over expenditures	**215,807**	**466,218**	**(2,605,252)**	**66,760**
Other financing sources (uses)				
Long-term debt proceeds	$ 0	$ 0	$ 44,070,000	$ 0
Discount on debt issued	0	0	(857,412)	0
Transfers	55,506	233,845	(26,245,402)	(157,981)
Transfer to escrow agents	0	0	(9,784,729)	0
Total other financing sources (uses)	**55,506**	**233,845**	**7,182,457**	**(157,981)**
Special item: ERTC tax credits	0	2,241,341	0	0
Net change in fund balances	**271,313**	**2,941,404**	**4,577,205**	**(91,221)**
Fund balance - beginning	$ 5,977,566	$ 3,036,162	$ 1,602,983	$ 1,694,204
Prior period adjustment	0	0	0	0
Fund balance - beginning, as restated	5,977,566	3,036,162	1,602,983	1,694,204
Fund balance - ending	**$ 6,248,879**	**$ 5,977,566**	**$ 6,180,188**	**$ 1,602,983**

FY 2025 amounts are from the FY 2025 audited fund statements. The School reports four major funds. This table shows the General Fund and the Building Corporation Fund; Table A-3.1 shows the PAC Fund, the Pupil Activity Fund, the nonmajor funds, and the total. Rows for the discount on debt, the escrow transfer, facilities construction, and the ERTC special item were added to your layout because they are material to MA's FY25 and FY26 activity.

Table A-3.1
Revenues, Expenditures, and Changes in Fund Balances, Other Funds, FY 2026

	PAC Fund	Pupil Activity Fund	Nonmajor Funds	Total Governmental Funds
Revenues				
Local sources	$ 1,008,134	$ 176,086	$ 1,986,085	$ 5,722,321
State sources	0	0	209,642	12,671,186
Federal sources	0	0	0	262,053
Total revenues	**1,008,134**	**176,086**	**2,195,727**	**18,655,560**
Expenditures				
Instruction	$ 0	$ 170,966	$ 284,104	$ 6,477,803
Supporting services	522,793	0	150,507	9,986,987
Debt service	0	0	693,500	3,017,138
Facilities acquisition and construction	0	0	0	5,000
Total expenditures	**522,793**	**170,966**	**1,128,111**	**19,486,928**
Excess (deficiency) of revenues over expenditures	**485,341**	**5,120**	**1,067,616**	**(831,368)**
Other financing sources (uses)				
Long-term debt proceeds	$ 0	$ 0	$ 0	$ 44,070,000
Discount on debt issued	0	0	0	(857,412)
Transfers	0	0	26,189,896	0
Transfer to escrow agents	0	0	(28,341,033)	(38,125,762)
Total other financing sources (uses)	**0**	**0**	**(2,151,137)**	**5,086,826**
Net change in fund balances	**485,341**	**5,120**	**(1,083,521)**	**4,255,458**
Fund balance - beginning	$ 0	$ 131,705	$ 1,138,737	$ 8,850,991
Fund balance - ending	**$ 485,341**	**$ 136,825**	**$ 55,216**	**$ 13,106,449**

Total governmental funds include the General Fund and Building Corporation Fund shown in Table A-3. Debt service is principal, interest, and issuance costs. The total column also includes $55,506 of transfers into the General Fund that offset transfers out of the Building Corporation Fund for interest income.

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

General Fund

The fund balance of the School's General Fund increased by $271,313, or 4.5 percent, to $6,248,879, compared with an increase of $2,941,404 in FY 2025. The FY 2025 increase included $2,241,341 of ERTC revenue; without it, FY 2025 would have increased $700,063. Of the FY 2026 fund balance, $510,000 is restricted for the TABOR emergency reserve and $5,738,879 is unassigned, which is 41.3 percent of General Fund expenditures.

General Fund revenues decreased $1,698,287, or 10.7 percent, to $14,114,538. Local sources fell 53.6 percent to $1,390,941, state sources fell 1.8 percent to $12,461,544, and federal sources rose 106.8 percent to $262,053. The $1.2M and $175k donation for the West Campus parking lot and East Campus portables, respectively, made up the majority of the donation difference. The gala in FY25 generated more revenue than FY26, as well. Expenditures decreased $1,447,876, or 9.4 percent, to $13,898,731: instruction rose 3.4 percent, while supporting services fell 16.0 percent because FY 2025 included the West Campus parking lot and East Campus modular unit purchases and because of the State intercept timing described below.

Compared with the final budget, the General Fund ended $502,217 better than planned. The School originally budgeted a balanced General Fund budget, and the final budget anticipated a $230,904 decrease in fund balance. Revenues were $298,088 below the final budget, mostly local sources, where the annual gala raised less than historical projections and

an expected local donation did not come through, and expenditures were $795,116 below the final budget for the reasons described above.

Budget changes during the year: the original General Fund budget for revenues was $14,825,120, and the final budget was $14,412,626, a decrease of $412,494 or 2.8 percent, mainly because of lower funded enrollment and lower local revenue. Final expenditures were $14,693,847, a decrease of $131,273 or 0.9 percent from the original budget. Further detail on budget variances for each fund is in the notes to the required supplementary information.

The School reports a General Fund liquidity position of 185.5 DCOH for the schools combined, which is well about the 50 day requirement. The combined debt service coverage ratio for both schools was 1.22 which is also above the 1.2 requirement.

PAC Fund

The PAC Fund accounts for construction of the Performing Arts Center. In FY 2026 the School entered into an agreement with an anonymous donor to provide a total of $17.0 million for the project, of which $1.0 million was received during the year. The fund recorded revenue of $1,008,134 and expenditures of $522,793, ending the year with a restricted fund balance of $485,341 for capital projects. The donor's remaining payments depend on construction milestones and other conditions precedent. No budget was adopted for this fund for FY 2026. The project broke ground early October 2027 and received another $1M in late August. An additional $4M installment is expected by early November now that the construction permit is in place. The donor liaison is aware of construction costs and timeline and donor installments will be made in advance to cover the incurring costs.

Building Corp Fund

The fund balance of the Building Corp Fund increased from $1,602,983 to $6,180,188, an increase of $4,577,205. In May 2026 the Building Corp issued $44,070,000 of Series 2026 bonds. After $857,412 of discount, $9,784,729 deposited with the escrow agent, and $26,245,402 transferred out, primarily to fund the payoff of the Foundation's 2019 bonds, the fund held $6,180,188 at year end, of which $2,851,811 is restricted for debt service and $3,324,068 is restricted for capital projects. The fund also paid $1,397,726 of issuance costs and $1,453,688 of construction and other costs. Revenue of $1,161,075 was $216,075 above budget. Expenditures and other financing activity exceeded the budget because the final amounts of the refinancing were not known when the budget was adopted. The capital project money will be used for the Track & Field facility that started construction in late spring. The project was completed in late October and will financially close after all final invoices and contingencies are paid.

Pupil Activity Fund and nonmajor funds

The Pupil Activity Fund ended the year with a fund balance of $136,825, an increase of $5,120. Revenue was $48,914 below its final budget because four new sports programs added at the high school did not bring in new funding (they are in planning stages and will launch FY27 but had startup costs). The nonmajor Preschool Fund increased its fund balance by $51,527 to $53,405 largely due to implementing the UPK program. The nonmajor Foundation Fund (a major fund in FY 2025, with a fund balance of $1,136,859) decreased by $1,135,048 to $1,811 because its resources were used to retire the 2019 bonds through the refunding. The goal is to use the Foundation Fund as a true fundraising fund as the capital campaign continues for future projects.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

The discussion thus far has only touched upon certain significant transactions and events during FY 2026 with respect to capital assets and long-term debt. Overall, the carrying value of capital assets, original cost minus accumulated depreciation and amortization, increased 3.1 percent, or $949,305, to $31,739,902. Capital outlay of $1,984,184 included $1,947,056 added to construction in progress and $37,128 of building improvements. That was partially offset by $1,030,079 of depreciation and amortization and a $4,800 net disposal of equipment. The School began the year with no construction in progress, started $1,947,056 of projects during the year, placed nothing into service from construction in progress, and ended the year with $1,947,056. The Track and Field will be complete by late October and the Performing Arts Center is scheduled to be completed around mid-November 2027.

Table A-4. Changes in Long-Term Liabilities, Governmental Activities

	Beginning	Additions	Reductions	Ending
Building loans payable (bonds)	37,990,000	44,070,000	(37,990,000)	44,070,000
Premiums and discounts, net	209,686	(857,412)	(195,396)	(843,122)
Developer agreement	400,000	0	(400,000)	0
Leases	10,838	0	(10,838)	0
Compensated absences	986,305	21,734	0	1,008,039
Net pension liability	14,888,042	761,959	(3,662,207)	11,987,794
Net OPEB liability	264,156	24,793	(156,467)	132,482
Total long-term liabilities	**54,749,027**	**44,021,074**	**(42,414,908)**	**56,355,193**

The reduction in premiums and discounts combines the $209,686 premium written off and $14,290 of discount amortized. Source: Note 5.

Series 2026 refunding and improvement bonds

In May 2026, the Colorado Educational and Cultural Facilities Authority issued $44,070,000 of Charter School Refunding and Improvement Revenue Bonds, Series 2026 (Monument Academy Project), with interest rates from 4.375 percent to 6.750 percent and final maturity in fiscal year 2036. The Building Corp holds the debt and the School makes lease payments to it. Proceeds were used to advance refund all of the remaining Series 2014 bonds ($9,745,000) and Series 2019 bonds ($27,740,000), a total of $37,485,000, cost of issuance expenses, and to provide about $4.6 million of par for capital improvements. After a $857,412 discount and $1,397,726 of issuance costs, $38,125,762 was deposited in irrevocable escrow to pay the refunded bonds. The reacquisition price exceeded the carrying amount of the old debt by $881,002, which is reported as a deferred outflow and amortized over the life of the new debt. At June 30, 2026, $9,400,000 of defeased bonds remained outstanding. The refunding reduced total debt service payments by $600k for FY27 due to deferred principal.

Total bonds payable outstanding increased 16.0 percent, or $6,080,000, to $44,070,000. Net of the discount, building loans payable rose 13.2 percent to $43,226,878. Total long-term liabilities, including pension and OPEB, rose 2.9 percent to $56,355,193 because the increase in bonds was partly offset by the decrease in the net pension liability.

Debt service requirements are shaped by the new structure. No principal is due in FY 2027 and interest is $2,085,353. Principal payments of $80,000 and $480,000 begin in FY 2028 and FY 2029, and $42,125,000 of principal, or 95.6 percent of the total, is due in fiscal years 2032 through 2036. Total remaining interest is $18,653,960. The 2026 Bonds DCOH at Q1 FY27 is 182.4 which is well above the 45 day requirement. The debt service coverage ratio is 1.37 which is also above the 1.0 requirement (which the 1.0 requirement is based on the assumption of 150+ DCOH).

The State intercept withholds the debt service portion of the School's per pupil revenue. Because the 2014 series was not refunded until after May 7, 2026, the School received a credit of $156,172 for the May and June 2026 intercept withholdings, and a $152,666 intercept payment was applied to the 2026 bonds after closing. The State held the School's last two intercept payments into FY 2027 and reduced the July and August intercept amounts to offset the credit. As a result, part of the General Fund's favorable supporting services variance in FY 2026 is timing.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The School is aware of the following developments that might have an impact on the School's finances in the future.

1) Changes in enrollment
2) Staff compensation and staffing
3) Performing Arts Center construction and donor funding
4) Series 2026 debt service structure
5) Amendments to the School budget and the FY 2027 budget
6) Recent economic reports
7) Adoption of the State budget and changes to the School Finance Act

8) Pension plan changes

Changes in enrollment

The School budgeted 1,075 funded FTE for FY 2026 and finished at 1,046.12. The FY25 FTE was 1,100.6 while the FY27 FTE was originally budgeted at 1,100 and revised to 1,136 in the Supplemental Budget approved in September. The FTE on October Count was 1145. This suggested that the enrollment for FY26 was an outlier. Due to the decrease in enrollment, staff salaries were frozen and other minor budget items were held (postponed a facility maintenance project till FY27). The school has taken steps to improve marketing and outreach in hopes to grow enrollment.

Staff compensation and staffing

The School froze salaries during FY 2026 to conserve resources. A portion of the ERTC funds were used to give a one-time, non-PERA 5% bonus to returning staff. A 3% returning staff raise as approved in the FY27 Supplemental Budget and implemented in September payroll.

Performing Arts Center

Under the agreement with an anonymous donor, the School will receive a total of $17.0 million for construction of a Performing Arts Center. The School received $1.0 million in FY 2026, and the rest will be distributed as construction milestones are achieved, subject to conditions precedent related to the progress and completion of the project. The School has not adopted a budget for the PAC Fund for FY 2026. The GMP for the project came in around $16.6M, which is under the donor pledge. The project started early October and is aimed to complete mid-November 2027.

Series 2026 debt service structure

As described above, FY 2027 requires only interest of $2,085,353, principal payments begin in FY 2028, and most principal falls due between FY 2032 and FY 2036. The State will release the intercept amounts it held into FY 2027 on the schedule described above. The FY27 budget was created with this in mind and only non-recurring expenses were added that will use some of the principal savings.

Amendments to the School's budget

The School adopted a budget for FY 2026 with a mid-year amendment that reduced General Fund budgeted revenues by $412,494 and expenditures by $131,273 to reflect lower funded enrollment, and the Board also amended the Pupil Activity Fund for four new high school sports programs. The School approves a preliminary budget typically in May based on enrollment projections for the following year, adjusts the original budget after the official student count on October 1, and approves a mid-year and/or supplemental budget during the year to true up the beginning fund balance and the actual count. The Board of Directors and administration take a conservative approach to budgeting in order to maximize the potential for net income and compliance with required bond ratios, which allows financial flexibility if unanticipated events occur. The FY27 preliminary budget was adopted in early June and the Supplement Budget was adopted mid-September. The preliminary budget assumed 1,100 FTE while the supplement budget assumed 1,135 FTE. The official Count FTE was 1,145 with $11,358.27 as the PPR. The school has maintained its TABOR reserve.

Recent economic reports

Enrollment projections and related assumptions in the adopted budget for fiscal year 2025-26 anticipated flat enrollment. Indicators such as student enrollment and new housing activity in the School boundaries were generally flat compared with the same period in the prior year.

Enrollment in the state of Colorado, as a whole, is decreasing and Lewis-Palmer, the authorizer, saw a dip in enrollment for FY27 while Monument Academy saw an increase in FY27.

Adoption of the State budget and changes to the School Finance Act

In May 2025, the State adopted its operating budget for the fiscal year ending June 30, 2026. The School's finances are affected by many parts of the State budget, though two provisions in particular may have a negative impact on the School's finances. First, the adopted State budget includes changes to state's school finance appropriations and related factors that determine Total Program Funding/per pupil revenue for local education providers beginning in fiscal year FY 2026.

Monument Academy received the same PPR as its authorizer, Lewis Palmer D38, in previous years. The new funding formula for FY27 now gives D38 $11,517.91 PPR while Monument Academy is receiving $11,358.27 PPR.

Pension plan changes

The School participates in the PERA School Division Trust Fund, a cost-sharing multiple-employer defined benefit pension plan. The long-term expected rate of return and discount rate remain 7.25 percent, and the actuarial methods and assumptions did not change from the prior year. Senate Bill 25-310, enacted in June 2025, allows PERA to accept warrants from the State Treasurer and provides an alternative actuarial method for allocating the direct distribution if the automatic adjustment provision falls below its benchmark. House Bill 26-1400, enacted June 1, 2026 and effective July 1, 2026, requires PERA to allocate the direct distribution to the division trust funds on an actuarial basis and reduces the employer contribution rate allocated to the Health Care Trust Fund by 0.50 percent, from 1.02 percent to 0.52 percent of salaries. The School's employer contribution rate to the School Division Trust Fund was 20.38 percent in FY 2026. The exact amount of the School's future required contributions under these revised assumptions is not yet determinable and will depend on the results of forthcoming actuarial valuations and future plan experience.

BASIC FINANCIAL STATEMENTS

MONUMENT ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Cash and investments	$ 6,969,340
Restricted cash and investments	6,685,258
Other receivables	174,240
Capital assets not being depreciated	4,212,243
Capital assets, net of accumulated depreciation/amortization	27,527,659
Total Assets	45,568,740
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	866,319
Deferred pension outflows	1,718,176
Deferred OPEB outflows	66,992
Total Deferred Outflows of Resources	2,651,487
LIABILITIES	
Accounts payable and other accrued liabilities	195,401
Accrued salaries and benefits	437,367
Compensated absences	4,194
Unearned revenue	85,427
Accrued interest payable	184,641
Long-term liabilities	
Due in more than one year	44,234,917
Net pension liability	11,987,794
Net OPEB liability	132,482
Total Liabilities	57,262,223
DEFERRED INFLOWS OF RESOURCES	
Deferred pension inflows	2,725,794
Deferred OPEB inflows	177,341
Total Deferred Inflows of Resources	2,903,135
NET POSITION	
Net investment in capital assets	(7,395,241)
Restricted for:	
TABOR	510,000
Debt service	2,667,171
Preschool	53,405
Student activities	136,825
Unrestricted	(7,917,291)
Total Net Position (deficit)	$ (11,945,131)

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

MONUMENT ACADEMY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities:					
Instruction	$ 6,048,994	$ 766,302	$ 987,007	$ -	$ (4,295,685)
Supporting services	9,834,318	2,606,683	-	1,420,482	(5,807,153)
Interest and fiscal charges	3,152,840	-	-	-	(3,152,840)
Total governmental activities	$ 19,036,152	$ 3,372,985	$ 987,007	$ 1,420,482	(13,255,678)
General revenues:					
Per pupil revenue					11,723,832
District mill levy					680,175
Grants and contributions not restricted to specific programs					77,585
Unrestricted investment earnings					381,453
Miscellaneous					57,456
Total general revenues					12,920,501
Change in net position					(335,177)
Net position - beginning (deficit)					(11,609,954)
Net position - ending (deficit)					$ (11,945,131)

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

MONUMENT ACADEMY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2026

	General Fund	PAC Fund	Building Corp Fund	Pupil Activity Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 6,713,490	$ -	$ 4,309	$ 136,825	$ 114,716	$ 6,969,340
Restricted cash and investments	-	566,900	6,118,358	-	-	6,685,258
Other receivables	18,069	-	156,171	-	-	174,240
Total assets	$ 6,731,559	$ 566,900	$ 6,278,838	$ 136,825	$ 114,716	$ 13,828,838
LIABILITIES						
Accounts payable and other current liabilities	$ 15,192	$ 81,559	$ 98,650	$ -	-	$ 195,401
Accrued salaries and benefits	419,147	-	-	-	18,220	437,367
Compensated absences	4,194	-	-	-	-	4,194
Unearned revenue	44,147	-	-		41,280	85,427
Total liabilities	482,680	81,559	98,650	-	59,500	722,389
FUND BALANCES						
Restricted for:						
Emergency reserve (TABOR)	510,000	-	-	-	-	510,000
Debt service		-	2,851,811	-	-	2,851,811
Capital projects	-	485,341	3,324,068	-	-	3,809,409
Preschool	-	-	-	-	53,405	53,405
Student activities	-	-	-	136,825	-	136,825
Assigned for:						
Building corp activities	-	-	4,309	-	1,811	6,120
Unassigned	5,738,879	-	-	-	-	5,738,879
Total fund balances	6,248,879	485,341	6,180,188	136,825	55,216	13,106,449
Total liabilities, deferred inflows of resources, and fund balances	$ 6,731,559	$ 566,900	$ 6,278,838	$ 136,825	$ 114,716	$ 13,828,838

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

MONUMENT ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental funds		$ 13,106,449
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, not being depreciated	$ 4,212,243	
Capital assets, net of accumulated depreciation/amortization	27,527,659	31,739,902
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:		
Deferred charges on refunding	$ 866,319	
Net pension liabilities	(11,987,794)	
Pension outflows	1,718,176	
Pension inflows	(2,725,794)	
Net OPEB liabilities	(132,482)	
OPEB outflows	66,992	
OPEB inflows	(177,341)	
Accrued interest	(184,641)	
Compensated absences	(1,008,039)	
Building loans	(43,226,878)	(56,791,482)
Net position of governmental activities in the statement of net position		$ (11,945,131)

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

MONUMENT ACADEMY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	PAC Fund	Building Corp Fund	Pupil Activity Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Local sources	$ 1,390,941	$ 1,008,134	$ 1,161,075	$ 176,086	$ 1,986,085	$ 5,722,321
State sources	12,461,544	-	-	-	209,642	12,671,186
Federal sources	262,053	-	-	-	-	262,053
Total revenues	14,114,538	1,008,134	1,161,075	176,086	2,195,727	18,655,560
EXPENDITURES						
Instruction	6,022,733	-	-	170,966	284,104	6,477,803
Supporting services	7,859,999	522,793	1,453,688	-	150,507	9,986,987
Debt service:						
Interest	161	-	409,913	-	693,500	1,103,574
Principal	10,838	-	505,000	-	-	515,838
Issuance costs	-	-	1,397,726	-	-	1,397,726
Facilities acquisition and construction	5,000	-	-	-	-	5,000
Total expenditures	13,898,731	522,793	3,766,327	170,966	1,128,111	19,486,928
Excess (deficiency) of revenues over expenditures	215,807	485,341	(2,605,252)	5,120	1,067,616	(831,368)
OTHER FINANCING SOURCES (USES)						
Transfers in (out)	55,506	-	(26,245,402)	-	26,189,896	-
Proceeds from long-term debt	-	-	44,070,000	-	-	44,070,000
Premium (discount) on debt issued	-	-	(857,412)	-	-	(857,412)
Transfer to escrow agents	-	-	(9,784,729)	-	(28,341,033)	(38,125,762)
Total other financing sources (uses)	55,506	-	7,182,457	-	(2,151,137)	5,086,826
Net change in fund balances	271,313	485,341	4,577,205	5,120	(1,083,521)	4,255,458
Fund balances - beginning	5,977,566	-	1,602,983	131,705	1,138,737	8,850,991
Fund balances - ending	$ 6,248,879	$ 485,341	$ 6,180,188	$ 136,825	$ 55,216	$ 13,106,449

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

MONUMENT ACADEMY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds:		$ 4,255,458
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 outlays	$ 1,984,184	
Depreciation/amortization expense	(1,030,079)	954,105
The net effect of the sale and disposal of capital assets is to reduce net position.		(4,800)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position.		
Loan payments	$ 505,000	
Developer payments	400,000	
Amortization of premiums/discounts	7,552	
Bonds issued	(44,070,000)	
Bond discount	857,412	
Payments to escrow agents	38,125,762	
Amortization of loss on refunding	(134,637)	
Lease payments	10,838	(4,298,073)
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 the governmental funds.		
Accrued interest on long-term debt	$ (524,455)	
Compensated absences	(31,853)	
Changes in pension related items	(761,959)	
Changes in OPEB related items	76,400	(1,241,867)
Change in net position of governmental activities		$ (335,177)

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Monument Academy (the School) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the School are discussed below.

A. REPORTING ENTITY

The School is a state nonprofit corporation that began operations in 1996, pursuant to the Colorado Charter Schools Act, to form and operate a charter school within Lewis-Palmer School District No. 38 (the District). The School started admitting students in September 1996.

The accompanying financial statements present the School and its component units, entities for which the School is considered to be financially accountable. Blended component units are, in substance, part of the School's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the School.

Blended component units. Monument Academy Building Corporation (the Building Corp) and the Monument Academy Foundation (the Foundation) were organized for the purpose of acquiring, leasing, constructing, improving, equipping and financing various facilities, land, equipment and other improvements in connection with property intended to be leased to the School. The Building Corp and the Foundation are reported as special revenue funds and do not issue separate financial statements.

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the School and its component units. Any fiduciary activities are reported only in the fund financial statements. *Governmental activities* are supported by per pupil revenue and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments 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 other service users 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as *general revenues* rather than as program revenues.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for interfund services provided and used, the elimination of which would distort the direct costs and program revenues reported for the various functions.

The emphasis of fund financial statements is on major funds. Major individual funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The School reports the following major governmental funds:

The *General Fund* is the School's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *PAC Fund* is used to account for the financial activities related to the construction and the accumulation of resources for the related Performing Arts Center.

The *Building Corp Fund* is used to account for the financial activities of the Monument Academy Building Corporation, including facilities acquisition and construction and the accumulation of resources for the related debt service.

The *Pupil Activity Fund* accounts for financial transactions related to school sponsored pupil intrascholastic and interscholastic athletic and other related activities.

Additionally, the School reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes.

The *Preschool Fund* accounts for preschool tuition revenue and preschool instruction expenditures.

The *Foundation Fund* is used to account for the financial activities of the Monument Academy Foundation, including facilities acquisition and construction and the accumulation of resources for the related debt service.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the School considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. 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. General capital asset acquisitions, including entering into contracts giving the School the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Interest and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the School.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/ FUND BALANCE

Cash and cash equivalents

Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are reported at net asset value.

Receivables

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

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets

Capital assets include tangible and intangible assets that are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for lease assets, are defined by the School as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. For lease assets, only those intangible lease assets that cost more than $15,000 are reported as capital assets.

As the School constructs or acquires capital assets each period they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1 D. *Leases* below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible assets of the School are depreciated/amortized using the straight-line method over the following estimated useful lives:

Buildings and improvements	10-40 years
Equipment	10 years

Accrued Salaries and Benefits

Salaries and benefits of teachers and other contracted personnel are paid over a twelve-month period, but are earned during a school year of approximately nine months. The salaries and benefits earned, but unpaid, are reported as a liability in the respective funds and have been fully funded as of the fiscal year end.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue

Unearned revenue includes resources received by the School before the related revenue can be recognized because the earnings process is not complete.

Deferred outflows/inflows of resources

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

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

Leases

Lessee: The School is a lessee for noncancellable leases of equipment and a parking lot. The School recognizes a lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The School recognizes lease liabilities with an initial, individual value of $15,000 or more.

At the commencement of a lease, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The School uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the School is reasonably certain to exercise.

The School monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Loans payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

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

OPEB

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

Net position

For government-wide reporting, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the School will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance classification

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

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Directors delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The School would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. REVENUES AND EXPENDITURES/EXPENSES

Compensated Absences

Monument Academy recognizes a liability for compensated absences in accordance with the provisions of GASB Statement No. 101, *Compensated Absences*. Under this standard, a liability is reported for leave that is attributable to services already rendered, is to be used for time off, and is more likely than not to be used for time off or otherwise paid.

Vacation leave that meets these criteria is accrued when earned in the government-wide financial statements. Sick leave is accrued only to the extent that it is reasonably expected to be paid upon separation or used in future periods. The amount reported as a liability is based on the pay rates in effect at the end of the reporting period and includes applicable salary-related payments.

In the governmental fund financial statements, compensated absences are recognized as expenditures only when due.

F. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. UPCOMING ACCOUNTING AND REPORTING CHANGES

GASB Statement No. 105, *Subsequent Events*, was issued in December 2025 and is effective for fiscal years beginning after June 15, 2026. This statement defines subsequent events, modifies the subsequent events time frame, and requires the date through which subsequent events have been evaluated to be disclosed.

Management has not yet determined the effect this statement will have on the School's financial statements.

NOTE 2 – DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of June 30, 2026 is as follows:

Deposits	$ (24,386)
Investments	13,678,985
Total	$ 13,654,598

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

Cash and investments	$ 6,969,340
Restricted cash and investments	6,685,258
Total	$ 13,654,598

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Cash deposits with financial institutions

Custodial Credit Risk—deposits: Custodial credit risk is the risk that, in the event of a bank failure, the School's deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the School's deposits at June 30, 2026 was ($24,386) and the bank balances were $3,290. Of the bank balances, $3,290 were covered by federal deposit insurance, and the remaining balance was uninsured but collateralized in accordance with the provisions of the PDPA.

Investments

The School is authorized by Colorado statutes to invest in the following:

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

At June 30, 2026 the School's investment balances were as follows:

Investment Type	Year-end Balance	Measurement	Maturity	Standard & Poor's Rating
ColoTrust	$ 11,404,982	Net asset value	Less than 90 days	AAAm
Money Market	2,274,003	Amortized cost	Less than 90 days	AAA
	$ 13,678,985			

Local Government Investment Pools. The Colorado Local Government Liquid Asset Trust (ColoTrust) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating Local Government Investment Pools in the state of Colorado. Investments 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 custodians' internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to interest rate risk, the School has a board approved investment policy that limits investment maturities to five years or less. Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and School policy limit investments to those described above.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be caused by the School's investment in a single issuer. The School places no limit on the amount it may invest in any one issuer. More than 20% of the School's investments are in ColoTrust. These investments are 83.38% of the School's total investments.

Fair value of investments. The School measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

School investments measured at net asset value or amortized cost fall under the existing exemptions to fair value measurement.

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers

The composition of interfund transfers for the year ended June 30, 2026, is as follows:

	Transfers From Other Funds	Transfers To Other Funds
General Fund	$ 55,506	$ -
Building Corp Fund	-	26,245,402
Nonmajor funds	26,189,896	-
Total	$ 26,245,402	$ 26,245,402

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) move capital assets from one fund to another fund when the fund using the capital assets changes.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated:				
Land	$ 2,265,187	$ -	$ -	$ 2,265,187
Construction in progress	-	1,947,056	-	1,947,056
Total capital assets not being depreciated:	2,265,187	1,947,056	-	4,212,243
Capital assets being depreciated:				
Buildings and improvements	36,239,373	37,128	-	36,276,501
Equipment	956,960	-	(12,000)	944,960
Total capital assets being depreciated	37,196,333	37,128	(12,000)	37,221,461
Less accumulated depreciation for:				
Buildings and improvements	(8,289,938)	(932,004)	-	(9,221,942)
Equipment	(390,975)	(88,085)	7,200	(471,860)
Total accumulated depreciation	(8,680,913)	(1,020,089)	7,200	(9,693,802)
Total capital assets being depreciated, net	28,515,420	(982,961)	(4,800)	27,527,659
Lease assets being amortized:				
Land improvements	54,111	-	(54,111)	-
Total lease assets being amortized	54,111	-	(54,111)	-
Less accumulated amortization for:				
Land improvements	(44,121)	(9,990)	54,111	-
Total accumulated amortization	(44,121)	(9,990)	54,111	-
Total lease assets being amortized, net	9,990	(9,990)	-	-
Capital assets, net of accumulated depreciation/amortization	28,525,410	(992,951)	(4,800)	27,527,659
Total governmental activities capital assets	$ 30,790,597	$ 954,105	$ (4,800)	$ 31,739,902

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Depreciation/amortization expense was charged to the functions/programs of the governmental activities of the School as follows:

Governmental Activities	
Instruction	$ 1,030,079

NOTE 5 – LONG-TERM LIABILITIES

2014 Building Loan

In December 2014, the Colorado Educational and Cultural Facilities Authority (CECFA) issued $14,265,000 Charter School Refunding Revenue Bonds, Series 2014. Proceeds of the Series 2014 Bonds were loaned to the Building Corporation to refund Series 2007 and Series 2008 Bonds. The School is obligated under a lease agreement to make monthly lease payments to the Building Corporation for using the facilities. The Building Corporation is required to make equal payments to the trustee, for payment of the bonds. Interest accrues a rate of 3.625 % to 5.00% and is due semi-annually. Principal payments are due annually on October 1 through 2039. These bonds were refunded in May 2026 with issuance of the 2026 bonds.

2019 Building Loan

In July 2019, The Public Finance Authority issued $28,950,000 Education Revenue Bonds (Monument Academy Foundation Project) Education Revenue Bonds, Series 2019. Proceeds of the Series 2019 Bonds were loaned to the Foundation to provide funding to construct a new high school. The School is obligated under a lease agreement to make monthly lease payments to the Foundation for using the facilities. The Foundation is required to make equal payments to the trustee, for payment of the bonds. Interest accrues a rate of 5% to 6.75% and is due semi-annually. Principal payments are due annually on June 1 through 2026. These bonds were refunded in May 2026 with issuance of the 2026 bonds.

2026 Building Loan

In May 2026, the Colorado Educational and Cultural Facilities Authority issued $44,070,000 Charter School Refunding and Improvement Revenue Bonds, Series 2026 (Monument Academy Project). Proceeds of these bonds were used to refund the outstanding Series 2019 and Series 2014 bonds and to provide financing for capital improvements. The School is obligated under a lease agreement to make monthly lease payments to the Building Corporation for using the facilities. The Building Corporation is required to make equal payments to the trustee, for payment of the bonds. Interest accrues at rates of 4.375% to 6.750% and is due semi-annually. Principal payments are due annually on June 1 through 2036.

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

Advance Refunding

In the current fiscal year, the School issued $44,070,000 in Charter School Refunding and Improvement Revenue Bonds with interest rates ranging from 4.375% to 6.75%. The proceeds were used to advance refund $9,745,000 of outstanding 2014 revenue bonds which had interest rates ranging from 3.625 % to 5.00% and $27,740,000 of outstanding 2019 revenue bonds which had interest rates ranging from 5% to 6.75%. The net proceeds of $38,125,762 (including a $857,412 discount and after payment of $1,397,726 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, a portion of the 2014 revenue bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by $881,002. This amount is reported as a deferred outflow of resources and amortized over the remaining life of the refunding debt, which had a shorter remaining life than the refunded debt.

Defeased Debt

The School has also defeased revenue bonds in the current year and prior years by placing the proceeds of new bonds and the School own resources into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, those trust account assets and the liability for those defeased bonds are not included in the School's financial statements. At June 30, 2026, $9,400,000 of defeased bonds remain outstanding, which includes bonds refunded during the current fiscal year.

Annual debt service requirements to maturity for loan payable is as follows:

	Governmental Activities	
Fiscal Year Ending June 30	Principal	Interest
2027	$ -	$ 2,085,353
2028	80,000	1,955,019
2029	480,000	1,949,619
2030	670,000	1,917,219
2031	715,000	1,874,250
2032 – 2036	42,125,000	8,872,500
Total	$ 44,070,000	$ 18,653,960

NOTE 5 – LONG-TERM LIABILITIES (CONTINUED)

Development Agreement

On June 20, 2019, the Foundation entered a development agreement for the purpose of providing land and buildings for educational and charitable purposes. In consideration of the onsite water, sanitary sewer, and storm water facilities that will be constructed, the Foundation has agreed to pay the developer $550,000 upon closing of financing for such expansion. If such expansion and financing has not be made before January 1, 2025, that payment becomes payable in full, with interest on the unpaid amount after December 31, 2024 accrued at 10% per annum. The Development Agreement was paid in full as of June 30, 2026.

Changes in the School's long-term liabilities for the year ended June 30, 2026, are as follows:

	Beginning Balance	Debt Issued And Additions	Reductions	Ending Balance	Due Within One year
Governmental Activities					
Building loans payable	$ 37,990,000	$ 44,070,000	$(37,990,000)	$ 44,070,000	$ -
Premiums	209,686	-	(209,686)	-	-
Discounts	-	(857,412)	14,290	(843,122)	-
Total building loans payable	38,199,686	43,212,588	(38,185,396)	43,226,878	-
Developer agreement	400,000	-	(400,000)	-	-
Leases	10,838	-	(10,838)	-	-
Compensated absences	986,305	21,734	-	1,008,039	-
Net pension liability	14,888,042	761,959	(3,662,207)	11,987,794	-
Net OPEB liability	264,156	24,793	(156,467)	132,482	-
Total Governmental Activities	$ 54,749,027	$ 44,021,074	$(42,414,908)	$ 56,355,193	$ -

The change in the compensated absences liability is presented as a net change.

Loans are liquidated in the Building Corp. and Foundation funds. All other long-term liabilities are liquidated in the General fund.

NOTE 6 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits provided as of December 31, 2025. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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

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

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

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

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

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

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

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

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Contributions provisions as of June 30, 2026: Eligible employees of, Monument Academy and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq*. and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2025 through June 30, 2026. Employer contribution requirements are summarized in the table below:

	July 1, 2025 Through June 30, 2026
Employer contribution rate	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02)%
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	**20.38%**

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the Monument Academy is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from Monument Academy were $1,242,328 for the year ended June 30, 2026.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute a $225 million direct distribution each year to PERA starting on July 1, 2018. For 2025, a portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and DPS Division Trust Fund. Effective July 1, 2025, and prior to July 1, 2030, HB 25-1105 excludes the DPS Division from receiving a portion of the annual Direct Distribution.

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

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

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

At June 30, 2026, the Monument Academy reported a liability of $11,987,794 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 Monument Academy as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with Monument Academy were as follows:

Monument Academy proportionate share of the net pension liability	$ 11,987,794
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the Monument Academy	1,126,577
Total	$ 13,114,371

At December 31, 2025, the Monument Academy proportion was 0.07686491%, which was a decrease of 0.0094180783% from its proportion measured as of December 31, 2024.

For the year ended June 30, 2026, the Monument Academy recognized pension expense of $2,004,287 and revenue of $164,753 for support from the State as a nonemployer contributing entity. At June 30, 2026, the Monument Academy 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
Difference between expected and actual experience	$ 721,481	$ -
Changes of assumptions or other inputs	58,849	-
Net difference between projected and actual earnings on pension plan investments	-	1,438,088
Changes in proportion and differences between contributions recognized and proportionate share of contributions	320,466	1,287,706
Contributions subsequent to the measurement date	617,380	N/A
Total	$ 1,718,176	$ 2,725,794

$617,380 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2027	$ 462,205
2028	(1,063,621)
2029	(660,331)
2030	(363,251)
2031	-
Thereafter	-

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	4.00% – 13.40%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06[1]	Financed by the AIR

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

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

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

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

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

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

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

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

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

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

- Employee contributions were assumed to be made at the current member contribution rates in effect for each year, reflecting the prior increases as required by SB 18-200 and the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

NOTE 6 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

- Employer contributions were assumed to be made at the current fixed statutory rates specified in law for each year, reflecting the prior increases as required by SB 18-200 and the 2018 and 2020 AAP assessments. Employer contributions also include current and future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. Effective July 1, 2025, and prior to July 1, 2030, HB 25-1105 excludes the DPS Division from receiving a portion of the annual direct distribution. The annual direct distribution ceases when all Division Trust Funds are fully funded.

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

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

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 16,959,333	$ 11,987,794	$ 7,824,750

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

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

General Information about the OPEB Plan

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

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

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

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

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

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

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Monument Academy is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from Monument Academy were $62,177 for the year ended June 30, 2026.

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

At June 30, 2026, the Monument Academy reported a liability of $132,482 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2025, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2024. Standard update procedures were used to roll-forward the TOL to December 31, 2025. The Monument Academy proportion of the net OPEB liability was based on Monument Academy contributions to the HCTF for the calendar year 2025 relative to the total contributions of participating employers to the HCTF.

At December 31, 2025, the Monument Academy proportion was 0.0491670243%, which was a decrease of 0.0060764527% from its proportion measured as of December 31, 2024.

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

For the year ended June 30, 2026, the Monument Academy recognized OPEB expense of $(14,223). At June 30, 2026, the Monument Academy 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
Difference between expected and actual experience	$ -	$ 53,605
Changes of assumptions or other inputs	1,454	64,307
Net difference between projected and actual earnings on OPEB plan investments	-	21,159
Changes in proportion and differences between contributions recognized and proportionate share of contributions	34,637	38,270
Contributions subsequent to the measurement date	30,901	N/A
Total	$ 66,992	$ 177,341

$30,901 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2027	$ (20,850)
2028	(37,642)
2029	(29,129)
2030	(25,612)
2031	(17,101)
Thereafter	(10,916)

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

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	4.00% - 13.40%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	8.00% in 2025, gradually decreasing to 4.50% in 2035
Medicare Part A premiums	3.50% in 2025, gradually increasing to 4.50% in 2033
DPS benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

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

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

The 2025 Medicare Part A premium is $518 per month.

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

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

NOTE 7 – DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (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. PERACare Medicare plan rates are applied where members have no premium-free Part A.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate[1]	6.65%	7.65%	8.65%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate[1]	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$126,974	$132,482	$138,715

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

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

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2025, measurement date.

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

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

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

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

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

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

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$182,400	$132,482	$89,427

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

NOTE 8 - RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The School carries commercial insurance for these risks of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the last three fiscal years.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Grants

The School has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant. However, in the opinion of the School, any such adjustments will not have a material adverse effect on the financial position of the School.

PAC Donation

During fiscal year 2026, the School entered into an agreement with an anonymous donor to provide a total of $17.0 million for the construction of a Performing Arts Center. Under the agreement, $1.0 million was received during fiscal year 2026, with the remaining funds to be distributed as construction milestones are achieved. The donor's obligation to make future payments is subject to certain conditions precedent related to the progress and completion of the project.

NOTE 10 - TAX, SPENDING, AND DEBT LIMITATIONS

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The School is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. At June 30, 2026 there is a $510,000 reservation of fund balance in the General Fund for the amendment.

The Amendment is complex and subject to judicial interpretation. The School believes it is in compliance with the requirements of the amendment. However, the School has made certain interpretations of the amendment's language in order to determine its compliance.

REQUIRED SUPPLEMENTARY INFORMATION

MONUMENT ACADEMY
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SCHOOL DIVISION TRUST FUND
JUNE 30, 2026

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Employer's proportion of the net pension liability (asset)	0.0768649100%	0.0862829883%	0.0897166532%	0.0684912985%	0.0768491906%	0.0777312356%	0.0669176123%	0.0708326746%	0.0857934456%	0.0797921055%
Employer's proportionate share of the net pension liability (asset)	$ 11,987,794	$ 14,888,042	$ 15,864,974	$ 12,471,899	$ 8,943,222	$ 11,751,395	$ 9,997,346	$ 12,542,380	$ 27,742,551	$ 23,757,195
State's proportionate share of the net pension liability (asset) associated with the Employer	1,126,577	1,337,183	347,872	3,634,437	1,025,226	-	1,268,036	1,714,996	-	-
Total	$ 13,114,371	$ 16,225,225	$ 16,212,846	$ 16,106,336	$ 9,968,448	$ 11,751,395	$ 11,265,382	$ 14,257,376	$ 27,742,551	$ 23,757,195
Employer's covered payroll	$ 6,230,850	$ 6,667,486	$ 5,931,081	$ 5,283,313	$ 4,771,931	$ 4,155,833	$ 3,925,770	$ 3,894,051	$ 3,957,479	$ 3,585,550
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	192.39%	223.29%	267.49%	236.06%	187.41%	282.77%	254.66%	322.09%	701.02%	662.58%
Plan fiduciary net position as a percentage of the total pension liability	71.7%	67.2%	64.7%	61.8%	74.9%	67.0%	64.5%	57.0%	44.0%	43.1%

* The amounts presented for each year were determined as of December 31.

See the accompanying independent auditors' report.

MONUMENT ACADEMY
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS
SCHOOL DIVISION TRUST FUND
JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 1,242,328	$ 1,360,504	$ 1,253,534	$ 1,131,842	$ 994,716	$ 879,221	$ 771,883	$ 743,599	$ 741,522	$ 718,085
Contributions in relation to the contractually required contribution	(1,242,328)	(1,360,504)	(1,253,534)	(1,131,842)	(994,716)	(879,221)	(771,883)	(743,599)	(741,522)	(718,085)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 6,095,819	$ 6,675,682	$ 6,150,804	$ 5,553,690	$ 5,003,602	$ 4,422,643	$ 3,982,884	$ 3,887,085	$ 3,927,176	$ 3,905,371
Contributions as a percentage of covered payroll	20.38%	20.38%	20.38%	20.38%	19.88%	19.88%	19.38%	19.13%	18.88%	18.39%

* The amounts presented for each fiscal year were determined as of June 30.

See the accompanying independent auditors' report.

MONUMENT ACADEMY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SCHOOL DIVISION TRUST FUND
JUNE 30, 2026

NOTE 1 – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2025 Changes in Plan Provisions Since 2024

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

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

NOTE 2 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2025 Changes in Assumptions or Other Inputs Since 2024

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

MONUMENT ACADEMY
SCHEDULE OF THE EMPLOYER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
HEALTH CARE TRUST FUND
JUNE 30, 2026

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Employer's proportion of the net OPEB liability (asset)	0.0491670243%	0.0552434770%	0.0536724544%	0.0520461823%	0.0501766836%	0.0449402654%	0.0437365812%	0.0460416068%	0.0487474694%
Employer's proportionate share of the net OPEB liability (asset)	$ 132,482	$ 264,156	$ 383,074	$ 424,946	$ 432,676	$ 427,034	$ 491,598	$ 626,415	$ 633,522
Employer's covered payroll	$ 6,230,850	$ 6,667,486	$ 5,931,081	$ 5,283,313	$ 4,771,931	$ 4,155,833	$ 3,925,770	$ 3,894,051	$ 3,957,479
Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	2.13%	3.96%	6.46%	8.04%	9.07%	10.28%	12.52%	16.09%	16.01%
Plan fiduciary net position as a percentage of the total OPEB liability	76.1%	59.8%	46.2%	38.6%	39.4%	32.8%	24.5%	17.0%	17.5%

* The amounts presented for each year were determined as of December 31.

* Complete 10-year information to be presented in future years as it becomes available.

See the accompanying independent auditors' report.

MONUMENT ACADEMY
SCHEDULE OF THE EMPLOYER'S PAYROLL CONTRIBUTIONS
HEALTH CARE TRUST FUND
JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 62,177	$ 68,094	$ 62,737	$ 56,632	$ 51,037	$ 45,111	$ 40,625	$ 39,941	$ 40,057	$ 39,835
Contributions in relation to the contractually required contribution	(62,177)	(68,094)	(62,737)	(56,632)	(51,037)	(45,111)	(40,625)	(39,941)	(40,057)	(39,835)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 6,095,819	$ 6,675,682	$ 6,150,804	$ 5,553,690	$ 5,003,602	$ 4,422,643	$ 3,982,884	$ 3,887,085	$ 3,927,176	$ 3,905,371
Contributions as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.03%	1.02%	1.02%

* The amounts presented for each fiscal year were determined as of June 30.

See the accompanying independent auditors' report.

MONUMENT ACADEMY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
HEALTH CARE TRUST FUND
JUNE 30, 2026

NOTE 1 – SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2025 Changes in Plan Provisions Since 2024

There were no changes made to plan provisions.

NOTE 2 – SIGNIFICANT CHANGES IN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION

2025 Changes in Assumptions or Other Inputs Since 2024

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

MONUMENT ACADEMY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts				
	Original	Final	Variance with Original Budget	Actual Amounts	Variance with Final Budget
REVENUES					
Local sources	$ 1,727,110	$ 1,606,897	$ (120,213)	$ 1,390,941	(215,956)
State sources	12,782,098	12,493,079	(289,019)	12,461,544	(31,535)
Federal sources	315,912	312,650	(3,262)	262,053	(50,597)
Total revenues	14,825,120	14,412,626	(412,494)	14,114,538	(298,088)
EXPENDITURES					
Instruction	6,261,669	6,164,579	97,090	6,022,733	141,846
Supporting services	8,563,451	8,529,268	34,183	7,859,999	669,269
Debt service:			-		-
Interest	-	-	-	161	(161)
Principal	-	-	-	10,838	(10,838)
Facilities acquisition and construction	-	-	-	5,000	(5,000)
Total expenditures	14,825,120	14,693,847	131,273	13,898,731	795,116
Excess (deficiency) of revenues over expenditures	-	(281,221)	(281,221)	215,807	497,028
OTHER FINANCING SOURCES (USES)					
Transfers in (out)	-	50,317	50,317	55,506	5,189
Total other financing sources (uses)	-	50,317	50,317	55,506	5,189
Net change in fund balances	-	(230,904)	(230,904)	271,313	502,217
Fund balances - beginning	4,315,000	6,487,566	2,172,566	5,977,566	(510,000)
Fund balance - ending	$ 4,315,000	$ 6,256,662	$ 1,941,662	$ 6,248,879	$ (7,783)

See the accompanying independent auditors' report.

MONUMENT ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUPIL ACTIVITY FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
REVENUES					
Local sources	$ 200,000	$ 225,000	$ 25,000	$ 176,086	$ (48,914)
Total revenues	200,000	225,000	25,000	176,086	(48,914)
EXPENDITURES					
Instruction	200,000	225,000	(25,000)	170,966	54,034
Total expenditures	200,000	225,000	(25,000)	170,966	54,034
Net change in fund balances	-	-	-	5,120	5,120
Fund balances - beginning	110,000	125,800	15,800	131,705	5,905
Fund balances - ending	$ 110,000	$ 125,800	$ 15,800	$ 136,825	$ 11,025

See the accompanying independent auditors' report.

MONUMENT ACADEMY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PAC FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Variance with Original Budget	Actual Amounts	Variance with Final Budget
	Original	Final			
REVENUES					
Local sources	$ -	$ -	$ -	$ 1,008,134	$ 1,008,134
Total revenues	-	-	-	1,008,134	1,008,134
EXPENDITURES					
Supporting services	-	-	-	522,793	(522,793)
Total expenditures	-	-	-	522,793	(522,793)
Net change in fund balances	-	-	-	485,341	485,341
Fund balances - beginning	-	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ 485,341	$ 485,341

See the accompanying independent auditors' report.

MONUMENT ACADEMY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BUILDING CORP FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts				
	Original	Final	Variance with Original Budget	Actual Amounts	Variance with Final Budget
REVENUES					
Local sources	$ 945,000	$ 945,000	$ -	$ 1,161,075	$ 216,075
Total revenues	945,000	945,000	-	1,161,075	216,075
EXPENDITURES					
Supporting services	10,000	3,000	7,000	1,453,688	(1,450,688)
Debt service:					
Interest	409,913	409,913	-	409,913	-
Principal	505,000	505,000	-	505,000	-
Issuance costs	-	-	-	1,397,726	(1,397,726)
Total expenditures	924,913	917,913	7,000	3,766,327	(2,848,414)
Excess (deficiency) of revenues over expenditures	20,087	27,087	7,000	(2,605,252)	(2,632,339)
OTHER FINANCING SOURCES (USES)					
Transfers in (out)	-	-	-	(26,245,402)	(26,245,402)
Proceeds from long-term debt	10,000,000	-	(10,000,000)	44,070,000	44,070,000
Premium (discount) on debt issued	-	-	-	(857,412)	(857,412)
Transfer to escrow agents	(10,000,000)	-	10,000,000	(9,784,729)	(9,784,729)
Total other financing sources (uses)	-	-	-	7,182,457	7,182,457
Net change in fund balances	20,087	27,087	7,000	4,577,205	4,550,118
Fund balances - beginning	1,568,137	1,694,204	126,067	1,602,983	(91,221)
Fund balance - ending	$ 1,588,224	$ 1,721,291	$ 133,067	$ 6,180,188	$ 4,458,897

See the accompanying independent auditors' report.

MONUMENT ACADEMY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON
JUNE 30, 2026

Budgetary Information

Budgets are required by State law for all funds, except fiduciary funds. The Head of School submits a proposed budget to the Board of Directors for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the School and the manner in which the budget proposes to fulfill such objectives. Public hearings are conducted by the Board of Directors to obtain public comments.

On or before June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board may not review or change the budget except where money for a specific purpose from other than ad valorem taxes becomes available which could not have been reasonably foreseen at the time of the adoption of the budget. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between line items within any fund rests with the Head of School. Revisions that alter the total expenditures in any fund must be approved by the Board of Directors. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances as established by the Board of Directors.

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). GAAP-basis accounting requires that expenditures of salaries and related benefits be recorded in the fiscal year earned. Thus, the School budgets for all accrued salaries and related benefits earned but unpaid at June 30. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Head of School and/or Board of Directors throughout the year. All appropriations lapse at the end of each fiscal year.

A budget was not adopted for the PAC Fund.

Excess of expenditures over appropriations

For the year ended June 30, 2026, expenditures exceeded appropriations by $522,793 in the PAC Fund and $2,848,414 in the Building Corp Fund. The excess of expenditures over appropriations were funded by higher than expected revenues and the use of beginning fund balance.

General Fund Budgetary Highlights

Original budget compared to final budget. The most significant differences between the original and final budget were as follows:

Revenue source	Original Budget	Final Budget	Difference
Local sources	1,727,110	1,606,897	(120,213)
State sources	12,782,098	12,493,079	(289,019)

The FY 2026 was originally budgeted at 1,075 FTE and the actual count was for 1,046.12 FTE. As a result, State Funding decreased. However, actual General Fund revenues closely approximated budgeted revenue amounts. Expenditures were adjusted to support the lower enrollment and student needs. in addition, salaries were frozen in order to conserve resources.

Final budget compared to actual results. The most significant differences between the final budget and actual results were as follows:

Revenue source	Final Budget	Actual revenues	Difference
Local Sources	1,606,897	1,390,941	(215,956)

Expenditures	Final Budget	Actual expenditures	Difference
Instruction	6,164,579	6,022,733	141,846
Supporting Services	8,529,268	7,859,999	669,269

Actual local funding revenue was less than the final budget by $215,956 due to the annual gala fundraising coming in lower than historically projected. Also, the school had counted on another local donation that did not come through.

Instructional expenditures were less than the final budget by $141,846 primarily due to changes in staffing. A few staff members left, and the long-term subs were less expensive. There were several supply accounts that were underutilized, as well. The supporting services actual amounts were less than the final budget due to the State holding a full year of intercept from the School's PPR, due in part to the closing the bonds on May 7th, 2026. The State held the School's last 2 intercept payments into FY2027 and lessened the School's intercept for July/August.

Pupil Activity Fund Budgetary Highlights

Original budget compared to final budget. The most significant differences between the original and final budget were as follows:

Revenue source	Original Budget	Final Budget	Difference
Local Sources	200,000	225,000	25,000

Expenditures	Original Budget	Final Budget	Difference
Instruction	200,000	225,000	(25,000)

The Board of Directors approved for four (4) new sports programs to be added to the High School Program in the FY 2026. There were some preliminary costs that were anticipated, so the budget was adjusted for those expenditures.

Final budget compared to actual results. The most significant differences between the final budget and actual results were as follows:

Revenue source	Final Budget	Actual revenues	Difference
Local Sources	225,000	176,086	(48,914)

Expenditures	Final Budget	Actual expenditures	Difference
Instruction	225,000	170,966	54,034

Actual local funding revenue was less than the final budget by $48,914 as the new sports programs did not create new funding. The Student Activity fund is traditionally money in/money out for clubs/programs. As can be seen, the overall net income is minimal at $5,120. The revenues and expenses were both lower than expected due to uncertainty about what those costs would be.

Building Corp Fund Budgetary Highlights

Original budget compared to final budget. The most significant differences between the original and final budget were as follows:

Expenditures	Original Budget	Final Budget	Difference
Proceeds from long-term debt	10,000,000	-	(10,000,000)
Transfer to escrow agents	(10,000,000)	-	10,000,000

When the Mid-Year Budget was finalized, the School were anticipating refinancing the 2019 bonds by themselves. As the School moved into the refinancing process, it was realized that it would be best to refinance both the 2014 bonds (Building Corp) and 2019 Bonds (Foundation Corp). The School were adjusting the budget to our best prediction of costs without knowing the full spectrum of events that would develop in the refinancing process.

MONUMENT ACADEMY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON
JUNE 30, 2026

Final budget compared to actual results. The most significant differences between the final budget and actual results were as follows:

Revenue source	Final Budget	Actual revenues	Difference
Local Sources	945,000	1,161,075	216,075

Expenditures	Final Budget	Actual expenditures	Difference
Supporting services	3,000	1,453,688	(1,450,688)
Debt service:			
Issuance costs	-	1,397,726	(1,397,726)
Transfers in (out)	-	(26,245,402)	(26,245,402)
Proceeds from long-term debt	-	44,070,000	44,070,000
Premium (discount) on debt issued	-	(857,412)	(857,412)
Transfer to escrow agents	-	(9,784,729)	(9,784,729)

The actual numbers for the Building Corp were unknown to the School at the time the Budget was adopted. Throughout the refinancing process, the School realized that it would be beneficial to combine the 2014 and 2019 Bond Series into one, combined 2026 Bond Series. Therefore, the transfer in/out was to pay off the 2019 bonds in the Foundation Fund from the Building Corp. The Building Corp now holds the new 2026 Series Bonds; thus the actuals reflect the refinance changes and final numbers.

The Intercept was held at the State for the full year for the 2014 and 2019 Bonds (on a 9 month pay schedule), but the 2014 Series did not have bonds sold until after May 7th so there was had a $156,172 credit. The 2019 Series had a $152,666 Intercept payment made to the trustee (of 2019 bonds and 2026 bonds) in May after the bonds closed. UMB Bank held the funds and applied them to the Debt Service sub account for the 2026 Series Bonds. The State lessened the intercept withholding amounts for July/Aug to balance the $156,172 credit for the 2014 Series May/June intercept withholdings.

SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes. The School has the following Special Revenue Funds:

Preschool Fund

Used to account for preschool tuition revenue and preschool instruction expenditures.

Foundation Fund

Used to account for the financial activities of the Monument Academy Foundation, including facilities acquisition and construction and the accumulation of resources for the related debt service.

MONUMENT ACADEMY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2026

	Special Revenue Funds		
	Preschool Fund	Foundation Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	$ 112,905	$ 1,811	$ 114,716
Total assets	$ 112,905	$ 1,811	$ 114,716
LIABILITIES			
Accrued salaries and benefits	$ 18,220	$ -	$ 18,220
Unearned revenue	41,280	-	41,280
Total liabilities	59,500	-	59,500
FUND BALANCES			
Restricted for:			
Debt service	-	-	-
Preschool	53,405	-	53,405
Assigned for:			
Building corp activities	-	1,811	1,811
Total fund balances	53,405	1,811	55,216
Total liabilities, deferred inflows of resources, and fund balances	$ 112,905	$ 1,811	$ 114,716

See the accompanying independent auditors' report.

MONUMENT ACADEMY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	Special Revenue Funds		
	Preschool Fund	Foundation Fund	Total Nonmajor Governmental Funds
REVENUES			
Local sources	$ 258,246	$ 1,727,839	$ 1,986,085
State sources	209,642	-	209,642
Total revenues	467,888	1,727,839	2,195,727
EXPENDITURES			
Instruction	284,104	-	284,104
Supporting services	147,257	3,250	150,507
Debt Service			
Interest	-	693,500	693,500
Total expenditures	431,361	696,750	1,128,111
Excess (deficiency) of revenues over expenditures	36,527	1,031,089	1,067,616
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	15,000	26,174,896	26,189,896
Transfer to escrow agents	-	(28,341,033)	(28,341,033)
Total other financing sources and (uses)	15,000	(2,166,137)	(2,151,137)
Net change in fund balances	51,527	(1,135,048)	(1,083,521)
Fund balances - beginning	1,878	1,136,859	1,138,737
Fund balances - ending	$ 53,405	$ 1,811	$ 55,216

See the accompanying independent auditors' report.

MONUMENT ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
PRESCHOOL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources	$ 453,822	$ 258,246	$ (195,576)
State sources	-	209,642	209,642
Total revenues	453,822	467,888	14,066
EXPENDITURES			
Instruction	290,590	284,104	6,486
Supporting Services	150,619	147,257	3,362
Total expenditures	441,209	431,361	9,848
Excess (deficiency) of revenues over expenditures	12,613	36,527	23,914
OTHER FINANCING SOURCES (USES)			
Transfers in	-	15,000	15,000
Total other financing sources (uses)	-	15,000	15,000
Net change in fund balances	12,613	51,527	38,914
Fund balances - beginning	1,878	1,878	-
Fund balances - ending	$ 14,491	$ 53,405	$ 38,914

See the accompanying independent auditors' report.

MONUMENT ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOUNDATION FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Local sources	$ 1,920,000	$ 1,727,839	$ (192,161)
Total revenues	1,920,000	1,727,839	(192,161)
EXPENDITURES			
Supporting services	3,250	3,250	-
Debt Service			
Interest	693,500	693,500	-
Total expenditures	696,750	696,750	-
Excess (deficiency) of revenues over expenditures	1,223,250	1,031,089	(192,161)
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	33,174,683	26,174,896	(6,999,787)
Transfer to escrow agents	(33,935,245)	(28,341,033)	5,594,212
Total other financing sources and (uses)	(760,562)	(2,166,137)	(1,405,575)
Net change in fund balances	462,688	(1,135,048)	(1,597,736)
Fund balances - beginning	1,136,000	1,136,859	859
Fund balances - ending	$ 1,598,688	$ 1,811	$ (1,596,877)

See the accompanying independent auditors' report.