

**PEYTON SCHOOL DISTRICT 23JT**

**PEYTON, COLORADO**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2011**

PEYTON SCHOOL DISTRICT 23JT

PEYTON, COLORADO

ROSTER OF SCHOOL OFFICIALS

JUNE 30, 2011

BOARD OF EDUCATION

Brent Mitchell - President

J.R. Bond – Vice President

Pete Bates - Secretary

Nick Gomes - Treasurer

Bill Nevills - Director

ADMINISTRATIVE STAFF

Tim Kistler, Superintendent

Tracy John, Business Manager

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Roster of School Officials

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## **FINANCIAL SECTION**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(Required Supplementary Information)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2011**

The discussion and analysis of Peyton School District 23JT's (the "District") financial performance provides an overall review of the district's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the financial statements, financial statement footnotes, budgetary comparison schedules and additional supplementary information to broaden their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

**Financial Highlights**

The district's budget continues to remain fairly constant. Any increases in revenue are generally used to offset the cost of salary and benefits for additional staff and/or programs. The District continues to maintain a healthy fund balance in the General Fund. The District budgets sufficient contingencies greater than required by law to cover any unanticipated operational needs. Overall District net assets increased \$635,689 to \$6,729,113. General Fund equity increased \$310,073 to \$1,959,611.

**Using the Basic Financial Statements**

The basic financial statements consist of the Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can first understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Assets and the Statement of Activities. Both provide long and short-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District's operations in more detail. The governmental fund statements tell how general District services were financed in the short term as well as what remains for future spending. Proprietary fund statements offer short and long-term financial information about the activities that the District operates as a business. For our District this activity is the Food Service Fund. Fiduciary fund statements provide information about financial relationships where the District acts solely as a trustee or agent for the benefit of others to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Financial Analysis of the District as a Whole**

The District's total net assets were \$6,729,113 as of June 30, 2011.

The District's Governmental net assets increased by \$625,647 from 2010 to 2011. This is primarily due to the receipt of grants that were utilized in the acquisition of capital assets and the repayment of bonded debt. The Business-Type net assets showed an increase of \$10,042 from 2010 to 2011 which is down from the \$11,206 increase reported in the prior year. Overall the District's financial condition improved during the year.



## Government-Wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private businesses. The statements of net assets include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. The change in net assets is important because it tells the reader that for the School District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions and required educational programs.

In the Statement of Net Assets and the Statement of Activities, the District is divided into two distinct kinds of activities:

**Governmental Activities** – The majority of the District's programs and services are reported here including instruction, support services, operations and maintenance of plant, pupil transportation and extracurricular activities.

**Business-Type Activities** – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's food service operation is reported as a business activity.

Most of the district's net assets are invested in capital assets (buildings, land, and equipment). The remaining net assets are a combination of restricted and unrestricted amounts. The restricted balances are primarily amounts legally restricted for TABOR emergencies, debt repayment and capital construction.

A condensed summary of the Districts Net Assets is as follows:

**TABLE 1 - CONDENSED STATEMENT OF NET ASSETS**

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current Assets	\$ 3,596,241	\$ 3,174,186	\$ 27,945	\$ 8,780	\$ 3,624,186	\$ 2,212,872
Restricted Assets - Net	27,243	29,790	-	-	27,243	29,790
Capital Assets - Net	7,132,018	7,093,773	-	-	7,132,018	7,093,773
Other Assets - Net	170,088	129,550	2,192	8,351	172,280	137,901
<b>Total Assets</b>	<b>10,925,590</b>	<b>10,427,299</b>	<b>30,137</b>	<b>17,131</b>	<b>10,955,727</b>	<b>10,444,430</b>
Current Liabilities	551,566	484,361	8,889	5,925	560,455	490,286
Long-Term Liabilities	3,666,159	3,860,720	-	-	3,666,159	3,860,720
<b>Total Liabilities</b>	<b>4,217,725</b>	<b>4,345,081</b>	<b>8,889</b>	<b>5,925</b>	<b>4,226,614</b>	<b>4,351,006</b>
Net Assets Invested in Capital Assets,						
Net of Related Debt	3,614,479	3,373,654	-	-	3,614,479	3,373,654
Restricted Net Assets	70,000	163,000	-	-	70,000	163,000
Unrestricted Net Assets	3,023,386	2,545,564	21,248	11,206	3,044,634	2,556,770
<b>Total Net Assets (Deficit)</b>	<b>\$ 6,707,865</b>	<b>\$ 6,082,218</b>	<b>\$ 21,248</b>	<b>\$ 11,206</b>	<b>\$ 6,729,113</b>	<b>\$ 6,093,424</b>

A condensed Statement of Activities and Changes in Net Assets is as follows:

**TABLE 2 - CONDENSED STATEMENT OF ACTIVITIES**

	Governmental Activities		Business-type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
<b>Program Revenues:</b>						
Charges for Services	\$ 8,851	\$ 28,244	\$ 67,888	\$ 75,313	\$ 76,739	\$ 103,557
Operating Grants	391,995	326,371	83,626	68,846	475,621	395,217
Capital Grants	-	8,300	-	-	-	8,300
Total Program Revenues	<u>400,846</u>	<u>362,915</u>	<u>151,514</u>	<u>144,159</u>	<u>552,360</u>	<u>507,074</u>
<b>General Revenues:</b>						
Taxes	1,545,150	1,528,424	-	-	1,545,150	1,528,424
State Equalization	3,718,495	4,294,960	-	-	3,718,495	4,294,960
Investment Income	17,698	23,762	-	-	17,698	23,762
Miscellaneous	<u>242,629</u>	<u>18,846</u>	-	-	<u>242,629</u>	<u>18,846</u>
Total General Revenues	<u>5,523,972</u>	<u>5,865,992</u>	-	-	<u>5,523,972</u>	<u>5,865,992</u>
<b>Total Revenues</b>	<u>5,924,818</u>	<u>6,228,907</u>	<u>151,514</u>	<u>144,159</u>	<u>6,076,332</u>	<u>6,373,066</u>
<b>Expenses</b>						
Instruction	2,879,702	2,808,188	-	-	2,879,702	2,808,188
Supporting Services	2,293,931	2,318,778	-	-	2,293,931	2,318,778
Debt Service Interest	125,538	170,934	-	-	125,538	170,934
Food Service	-	-	<u>141,472</u>	<u>134,958</u>	<u>141,472</u>	<u>134,958</u>
Total Expenses	<u>5,299,171</u>	<u>5,297,900</u>	<u>141,472</u>	<u>134,958</u>	<u>5,440,643</u>	<u>5,432,858</u>
Operating Transfers	-	(193,000)	-	-	-	(193,000)
Change in Net Assets	625,647	738,007	10,042	9,201	635,689	747,208
Net Assets - Beginning	<u>6,082,218</u>	<u>5,344,211</u>	<u>11,206</u>	<u>2,005</u>	<u>6,093,424</u>	<u>5,346,216</u>
Net Assets - Ending	<u>\$ 6,707,865</u>	<u>\$ 6,082,218</u>	<u>\$ 21,248</u>	<u>\$ 11,206</u>	<u>\$ 6,729,113</u>	<u>\$ 6,093,424</u>

The District's Governmental net assets increased by \$625,647 from 2010 to 2011. The largest changes were described above. The Business-Type net assets showed an increase of \$10,042 from 2010 to 2011.

### Reporting the District's Most Significant Funds

The analysis of the District's major funds begins on page iv. Fund financial reports provide detailed information about the District's major funds. The District's major funds are the General, Capital Reserve, Bond Redemption, Building and Food Service Funds.

**Governmental Funds.** Most of District's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements of the Governmental Funds. The District's governmental funds consist of the General, Capital Reserve, Bond Redemption, and Building Funds. The General Fund accounts for the majority of the District's instruction and support operations. The Capital Reserve Fund accounts for the District's statutorily required allocation of per pupil funding for capital needs. The Bond Redemption Fund accounts for the repayment of the District's bonded debt, and the Building Fund will accumulate costs related to the District's debt financed construction.

**Proprietary Funds.** The proprietary fund (the food service operation) has historically operated as an enterprise fund using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the business-type activity section of the government-wide statements.

**Fiduciary Funds.** Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The District's fiduciary fund is the Pupil Activity Agency Fund. The Pupil Activity Agency Fund accounts for student funded activities.

### **Fund Financial Statements**

As of June 30, 2011, the District's governmental funds reported a combined fund balance of \$3,203,947, which is an increase of \$395,893 from the June 30, 2010 balance. The following is additional information by fund which contributed to the change.

General Fund equity increased \$310,073 from 2010 to 2011. Overall revenues decreased by \$130,155 from the prior year while expenditures increased by \$70,865.

Capital Reserve Fund equity decreased by \$382,887 due to an allocation of reserves to a capital reserve project fund which funded modular structure purchases to accommodate student populations.

Bond Redemption Fund equity increased by \$71,471 with assessed taxes exceeding required debt service payments.

As the District's Business-Type activity is the Food Service Fund, an explanation of this activity can be found on page ii.

## Capital Assets

As of June 30, 2011 the District had \$7,132,018 invested in a broad range of capital assets, including buildings and improvements, transportation and other equipment. This amount represents a net increase (including additions, deletions, and depreciation) of \$38,245 from last year. A summary of the District's Capital Assets is as follows:

**TABLE 3 - GOVERNMENTAL ACTIVITIES CAPITAL ASSETS**

	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/11</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Capital Assets:				
Buildings	\$ 11,136,378	\$ 83,967	\$ -	\$ 11,220,345
Transportation Equipment	967,010	188,442	13,600	1,141,852
Total Capital Assets	<u>12,103,388</u>	<u>272,409</u>	<u>13,600</u>	<u>12,362,197</u>
Less: Accumulated Depreciation				
Buildings	(4,547,693)	(176,133)	-	(4,723,826)
Transportation Equipment	<u>(461,922)</u>	<u>(58,031)</u>	<u>(13,600)</u>	<u>(506,353)</u>
Total Accumulated Depreciation	<u>(5,009,615)</u>	<u>(234,164)</u>	<u>(13,600)</u>	<u>(5,230,179)</u>
<b>Net Capital Assets</b>	<b><u>\$ 7,093,773</u></b>	<b><u>\$ 38,245</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 7,132,018</u></b>

**TABLE 4 - BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS**

	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/11</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Capital Assets:				
Equipment	\$ 20,211	\$ -	\$ -	\$ 20,211
Less: Accumulated Depreciation	<u>(20,211)</u>	<u>-</u>	<u>-</u>	<u>(20,211)</u>
<b>Net Capital Assets</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

The District does not maintain separate infrastructure assets as all infrastructure has been included with the related capital asset.

## Debt Administration

As of June 30, 2011 the District had total outstanding long-term obligations as follows:

**TABLE 5 - LONG-TERM OBLIGATIONS**

	<u>Balance July 1 2010</u>	<u>Advances</u>	<u>Payments</u>	<u>Balance June 30 2011</u>	<u>Current Portion</u>
General Obligation Bonds:					
Series 1994	\$ 520,000	\$ -	\$ 120,000	\$ 400,000	\$ 125,000
Series 2003	3,165,000	-	170,000	2,995,000	180,000
Unamortized Bond Premiums	57,566	-	4,605	52,961	-
Less: Bond Issuance Costs	<u>(48,127)</u>	<u>-</u>	<u>(3,567)</u>	<u>(44,560)</u>	<u>-</u>
 Total General Obligation Bonds	 3,694,439	 -	 291,038	 3,403,401	 305,000
 Capital Lease	 35,119	 188,442	 101,022	 122,539	 59,774
 Compensated Absences	 <u>83,035</u>	 <u>12,624</u>	 <u>-</u>	 <u>95,659</u>	 <u>-</u>
 <b>Total Long-Term Obligations</b>	 <b><u>\$ 3,812,593</u></b>	 <b><u>\$ 201,066</u></b>	 <b><u>\$ 392,060</u></b>	 <b><u>\$ 3,621,599</u></b>	 <b><u>\$ 364,774</u></b>

Additional information related to the District's debt can be found in Note 8 to the financial statements.

## General Fund Budget

The Board of Education adopts the District's budget in June of each year. Changes are then made in October when student enrollment is finalized. The adoption of supplemental budgets is allowed throughout the year when unanticipated additional revenues are received. The majority of changes to the General Fund budget are in the area of salary and benefits due to staff changes. Program funding is based upon student enrollment on October 1st of each year. This per pupil funding is a combination of Property Tax, State Equalization and Specific Ownership Tax.

General Fund revenues were \$73,143 more than the amount budgeted, with the main differences related to ARRA funding. The largest expenditures differences were in the Operations and Maintenance and Transportation services programs which were approximately \$186,985 under budget.

## The Future of the District

The factors that will affect next year's budget are the rate of inflation, economy, the state budget rescission, budget cut-backs, and possible decrease in population.

The economy has taken a huge hit and Peyton School District is in the midst of uncertain population and student count. The state is lowering the PPOR and this will dramatically affect our budget. Families are moving out of our district to be closer to Colorado Springs.

While Amendment 23 allows for a 1% increase to the rate of inflation, projections have the Rate of Inflation at a negative number. Therefore, the likelihood of any increase from the state will not come to pass.

The student count projection for the 2011-2012 school year was estimated to be near 600, and the final tally was 623. There was a fear that the District's four year average would decrease significantly and layoffs would be needed. The District has been fortunate that the General Fund balance has increased the past two years and if necessary, the Board has decided to spend down the balance a little to absorb some of the lower revenue. Potential cuts are already being discussed for future years if the trend of lower student count continues.

The Governor has given his preliminary budget for the 2012-2013 school year and there will be 89 million removed from the education budget. Therefore, we will continue to look at how we can make the School District function without additional funding.

### **Requests for Information**

This financial report is designed to provide a general overview of the Peyton School District 23JT's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Superintendent, 13990 Bradshaw Road, Peyton, Colorado 80831-9003.

Board of Education  
Peyton School District 23JT  
Peyton, Colorado

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Peyton School District 23JT, as of June 30, 2011, and for the year then ended, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Peyton School District 23JT's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Peyton School District 23JT, as of June 30, 2011, and the respective change in financial position and, where applicable, cash flows, thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis shown as required supplementary information in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Peyton School District 23JT's basic financial statements. The accompanying budget and actual schedules shown as required supplementary information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. The budget to actual information shown as required supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Peyton School District 23JT's basic financial statements. The statements included in the other supplementary information section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Johnson, Holscher & Company, P.C.*

November 10, 2011

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## **BASIC FINANCIAL STATEMENTS**

The Basic Financial Statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all government-wide and fund level activity as of June 30, 2011.

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Net Assets**  
**June 30, 2011**

	<b>Governmental</b>	<b>Business-Type</b>	<b>Totals</b>
	<b>Activities</b>	<b>Activities</b>	<b>2011</b>
<b>ASSETS</b>			
Cash and Investments	\$ 3,596,241	\$ 27,945	\$ 3,624,186
Cash with Fiscal Agent	27,243	-	27,243
Taxes Receivable	72,505	-	72,505
Grants Receivable	43,436	-	43,436
Other Accounts Receivable	9,587	-	9,587
Inventory	-	2,192	2,192
Bond Issuance Costs	44,560	-	44,560
Capital Assets, being depreciated	7,132,018	-	7,132,018
<b>TOTAL ASSETS</b>	<b>10,925,590</b>	<b>30,137</b>	<b>10,955,727</b>
<b>Liabilities</b>			
Accounts Payable	59,965	-	59,965
Accrued Interest	6,501	-	6,501
Accrued Salaries & Benefits	485,100	5,812	490,912
Deferred Revenue	-	3,077	3,077
Non-Current Liabilities			
Due Within One Year	364,774	-	364,774
Due In More Than One Year	3,301,385	-	3,301,385
<b>Total Liabilities</b>	<b>4,217,725</b>	<b>8,889</b>	<b>4,226,614</b>
<b>Net Assets</b>			
Invested in Capital Assets, net of Debt	3,614,479	-	3,614,479
Restricted Net Assets	70,000	-	70,000
Unrestricted Net Assets	3,023,386	21,248	3,044,634
<b>Total Net Assets</b>	<b>\$ 6,707,865</b>	<b>\$ 21,248</b>	<b>\$ 6,729,113</b>

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Activities**  
**For the Year Ended June 30, 2011**

<b>Functions/Programs</b>	<b>Program Revenues</b>				<b>Net (Expense) Revenue and Change in Net Assets</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Primary Government</b>							
<b>Governmental Activities</b>							
Instruction	\$ 2,879,701	\$ 1,362	\$ 262,280	\$ -	\$ (2,616,059)	\$ -	\$ (2,616,059)
Supporting Services	2,293,931	7,489	129,715	-	(2,156,727)	-	(2,156,727)
Interest on Long Term Debt	125,538	-	-	-	(125,538)	-	(125,538)
<b>Total Governmental Activities</b>	<b>5,299,170</b>	<b>8,851</b>	<b>391,995</b>	<b>-</b>	<b>(4,898,324)</b>	<b>-</b>	<b>(4,898,324)</b>
<b>Business Type Activities</b>							
Food Service	141,472	67,888	83,626	-	-	10,042	10,042
<b>Total Primary Government</b>	<b>\$ 5,440,642</b>	<b>\$ 76,739</b>	<b>\$ 475,621</b>	<b>\$ -</b>	<b>(4,898,324)</b>	<b>10,042</b>	<b>(4,888,282)</b>
<b>General Revenues</b>							
Property Taxes					1,425,308	-	1,425,308
Specific Ownership Taxes					119,842	-	119,842
State Equalization					3,718,495	-	3,718,495
Investment Earnings					17,698	-	17,698
Gain (Loss) on Capital Asset Disposals					700	-	700
Insurance Proceeds					49,670	-	49,670
Other Revenues					192,258	-	192,258
<b>Total General Revenues and Transfers</b>					<b>5,523,971</b>	<b>-</b>	<b>5,523,971</b>
<b>Change in Net Assets</b>					<b>625,647</b>	<b>10,042</b>	<b>635,689</b>
Beginning Net Assets					6,082,218	11,206	6,093,424
Ending Net Assets					<b>\$ 6,707,865</b>	<b>\$ 21,248</b>	<b>\$ 6,729,113</b>

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2011**  
**(With Comparative Totals for June 30, 2010)**

	Special Revenue		Debt Service	Capital Projects	Totals	
			Bond			
	General Fund	Capital Reserve Fund	Redemption Fund	Capital Reserve Project Fund	2011	2010
<b>ASSETS</b>						
Cash and Investments	\$ 2,393,260	\$ -	\$ 814,045	\$ 388,936	\$ 3,596,241	\$ 3,174,186
Cash with Fiscal Agent	21,261	-	5,982	-	27,243	29,790
Taxes Receivable	45,432	-	27,073	-	72,505	69,078
Interfund Accounts Receivable	-	-	-	8,300	8,300	8,300
Grants Receivable	43,436	-	-	-	43,436	12,345
Other Accounts Receivable	9,587	-	-	-	9,587	-
<b>TOTAL ASSETS</b>	<b>\$ 2,512,976</b>	<b>\$ -</b>	<b>\$ 847,100</b>	<b>\$ 397,236</b>	<b>\$ 3,757,312</b>	<b>\$ 3,293,699</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities</b>						
Interfund Accounts Payable	\$ 8,300	\$ -	\$ -	\$ -	\$ 8,300	\$ 8,300
Accounts Payable	59,965	-	-	-	59,965	49,036
Accrued Salaries & Benefits	485,100	-	-	-	485,100	428,309
<b>Total Liabilities</b>	<b>553,365</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>553,365</b>	<b>485,645</b>
<b>Fund Balance</b>						
Restricted Fund Balance						
Restricted for Debt Service	-	-	847,100	-	847,100	775,629
Restricted for TABOR Emergencies	157,000	-	-	-	157,000	163,000
Restricted for Colorado Preschool Program	44,849	-	-	-	44,849	43,500
Restricted for Capital Outlay	-	-	-	-	-	185,860
Committed Fund Balance						
Committed for Vehicle Replacement	-	-	-	70,000	70,000	-
Assigned Fund Balance						
Assigned for Capital Outlay	-	-	-	327,236	327,236	197,027
Unassigned Fund Balance	1,757,762	-	-	-	1,757,762	1,443,038
<b>Total Fund Balance</b>	<b>1,959,611</b>	<b>-</b>	<b>847,100</b>	<b>397,236</b>	<b>3,203,947</b>	<b>2,808,054</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 2,512,976</b>	<b>\$ -</b>	<b>\$ 847,100</b>	<b>\$ 397,236</b>	<b>\$ 3,757,312</b>	<b>\$ 3,293,699</b>

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Reconciliation of Governmental Fund Balances**  
**to Governmental Activities Net Assets**  
**June 30, 2011**

Fund Balance - Governmental Funds	\$	3,203,947
<p>Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds</p>		
Capital assets, being depreciated		12,362,197
Accumulated depreciation		(5,230,179)
<p>Certain long-term assets are not available to pay for current year expenditures and are therefore deferred in the funds</p>		
<p>Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds</p>		
Cost of issuance - net of amortization		44,560
Bond premiums - net of amortization		(52,961)
<p>Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.</p>		
Bonds payable		(3,395,000)
Capital leases payable		(122,539)
Accrued interest payable		(6,501)
Accrued compensated absences		(95,659)
		(3,619,699)
Total Net Assets - Governmental Activities	\$	6,707,865

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	Special Revenue		Debt Service	Capital Projects	Totals	
	General Fund	Capital Reserve Fund	Bond		2011	2010
			Redemption Fund	Capital Reserve Project Fund		
<b>REVENUES</b>						
Local Sources	\$ 1,148,203	\$ -	\$ 523,681	\$ 2,209	\$ 1,674,093	\$ 1,628,762
Intermediate Sources	-	-	-	-	-	38
State Sources	3,855,224	-	-	-	3,855,224	4,246,877
Federal Sources	395,500	-	-	-	395,500	179,296
<b>TOTAL REVENUES</b>	<u>5,398,927</u>	<u>-</u>	<u>523,681</u>	<u>2,209</u>	<u>5,924,817</u>	<u>6,054,973</u>
<b>EXPENDITURES</b>						
Instruction	2,743,515	-	-	-	2,743,515	2,679,370
Pupil Support	227,010	-	-	-	227,010	185,453
Staff Support	57,751	-	-	-	57,751	51,283
General Administration	224,415	-	-	-	224,415	230,187
School Administration	313,482	-	-	-	313,482	300,971
Business Services	287,439	-	-	-	287,439	293,676
Operations and Maintenance	575,546	8,674	-	-	584,220	599,756
Transportation	406,290	188,442	-	-	594,732	419,028
Risk Management	55,406	-	-	-	55,406	121,213
Facilities	-	111,283	-	-	111,283	240,337
Debt Service	-	65,903	452,210	-	518,113	525,228
<b>TOTAL EXPENDITURES</b>	<u>4,890,854</u>	<u>374,302</u>	<u>452,210</u>	<u>-</u>	<u>5,717,366</u>	<u>5,646,502</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<u>508,073</u>	<u>(374,302)</u>	<u>71,471</u>	<u>2,209</u>	<u>207,451</u>	<u>408,471</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Debt Proceeds	-	188,442	-	-	188,442	-
Transfer In (Out) - net	(198,000)	(197,027)	-	395,027	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(198,000)</u>	<u>(8,585)</u>	<u>-</u>	<u>395,027</u>	<u>188,442</u>	<u>-</u>
<b>CHANGE IN FUND BALANCE</b>	310,073	(382,887)	71,471	397,236	395,893	408,471
<b>BEGINNING FUND BALANCE</b>	<u>1,649,538</u>	<u>382,887</u>	<u>775,629</u>	<u>-</u>	<u>2,808,054</u>	<u>2,399,583</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,959,611</u>	<u>\$ -</u>	<u>\$ 847,100</u>	<u>\$ 397,236</u>	<u>\$ 3,203,947</u>	<u>\$ 2,808,054</u>

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Reconciliation of Governmental Changes in Fund Balance**  
**to Governmental Activities Change in Net Assets**  
**For the Year Ended June 30, 2011**

Change in Fund Balance - Governmental Funds	\$	395,893
<p>Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level</p>		
Capitalized Asset Purchases		272,409
Depreciation Expense		(234,164)
<p>Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level</p>		
Principal payments on bonds payable		290,000
Principal payments on capital leases		101,022
Change in accrued interest payable		515
Amortization of costs, premiums and discounts		1,038
Change in accrued compensated absences		<u>(12,624)</u>
Changes in Net Assets - Governmental Activities	\$	<u><u>625,647</u></u>

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Net Assets**  
**Proprietary Funds**  
**Food Service Fund**  
**June 30, 2011**  
**(With Comparative Totals for June 30, 2010)**

	<b>Totals</b>	
	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Cash and Investments	\$ 27,945	\$ 8,780
Grants Receivable	-	6,381
Inventory	2,192	1,970
Machinery & Equipment	20,211	20,211
Accumulated Depreciation	(20,211)	(20,211)
<b>TOTAL ASSETS</b>	30,137	17,131
<b>LIABILITIES</b>		
Accrued Salaries & Benefits	5,812	5,925
Deferred Revenue	3,077	-
<b>NET ASSETS</b>		
Unrestricted Net Assets	\$ 21,248	\$ 11,206

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



**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Proprietary Funds**  
**Food Service Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	<b>Totals</b>	
	<b>2011</b>	<b>2010</b>
<b>OPERATING REVENUES</b>		
Food Service Revenue	\$ 67,888	\$ 75,276
Other Local	-	37
<b>TOTAL OPERATING REVENUES</b>	<b>67,888</b>	<b>75,313</b>
<b>OPERATING EXPENSES</b>		
<b>Food Service</b>		
Salaries	53,681	51,661
Benefits	8,976	10,048
PS - Other	512	2,754
Supplies	2,274	154
Food	51,844	65,099
Commodities	22,470	5,242
Other Expenses	1,715	-
<b>TOTAL OPERATING EXPENSES</b>	<b>141,472</b>	<b>134,958</b>
<b>OPERATING INCOME</b>	<b>(73,584)</b>	<b>(59,645)</b>
<b>OTHER REVENUES (EXPENSES)</b>		
State Match - Child Nutrition	2,042	1,866
State K-2 Reduced Lunch	303	412
Special Milk Program	103	381
National School Lunch Program	58,530	62,100
Commodities	22,648	4,087
<b>NET OTHER REVENUES (EXPENSES)</b>	<b>83,626</b>	<b>68,846</b>
<b>CHANGE IN NET ASSETS</b>	<b>10,042</b>	<b>9,201</b>
<b>BEGINNING NET ASSETS</b>	<b>11,206</b>	<b>2,005</b>
<b>ENDING NET ASSETS</b>	<b>\$ 21,248</b>	<b>\$ 11,206</b>

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Food Service Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	<b>Totals</b>	
	<b>2011</b>	<b>2010</b>
Cash Flows from Operating Activities:		
Cash Received from Local Sources	\$ 70,965	\$ 75,313
Cash Paid to Suppliers	(65,365)	(77,105)
Cash Paid to Employees	(53,795)	(59,403)
Net Cash Provided (Used) for Operating Activities	(48,195)	(61,195)
Cash Flows from Noncapital Financing Activities:		
Net Cash Provided by Noncapital Financing Activities	67,359	64,759
Cash Flows from Investing Activities:		
Net Increase(Decrease) in Cash	19,164	3,564
Cash, Beginning	8,780	5,216
Cash, Ending	\$ 27,944	\$ 8,780
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:		
Operating Income (Loss)	\$ (73,584)	\$ (59,645)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Donated Commodities	22,648	4,087
Changes in Assets and Liabilities Related to Operations:		
Increase (Decrease) in:		
Inventory	(222)	2,104
Accrued Salaries & Benefits	(114)	(7,742)
Deferred Revenue	3,077	-
Total Adjustments	25,389	(1,551)
Net Cash Provided (Used) for Operating Activities	\$ (48,195)	\$ (61,196)

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**Pupil Activity Fund**  
**June 30, 2011**  
**(With Comparative Totals for June 30, 2010)**

	<b>Totals</b>	
	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Cash and Investments	\$ 43,401	\$ 66,321
<b>NET ASSETS</b>		
Restricted Net Assets	\$ 43,401	\$ 66,321

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

**PEYTON SCHOOL DISTRICT 23JT**  
**Statement of Revenues, Expenses and Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**Pupil Activity Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	2011	2010
	Total	Total
<b>ADDITIONS</b>		
Local Sources	\$ 135,401	\$ 152,653
<b>DEDUCTIONS</b>		
Instruction	158,321	143,108
<b>CHANGE IN NET ASSETS</b>	(22,920)	9,545
<b>BEGINNING NET ASSETS</b>	66,321	56,776
<b>ENDING NET ASSETS</b>	\$ 43,401	\$ 66,321

See accompanying Independent Auditors' Report.

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Peyton School District 23JT (the District) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Following is a summary of the more significant policies:

**Reporting Entity**

For financial reporting purposes, the District includes all activities and funds for which the District exercises financial accountability. The school board members are elected by the public, have decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. Certain units of local government, over which the District exercises no financial accountability, such as the county, city, other independently elected special districts within the District, are excluded from the financial statements. These units are considered separate reporting entities and issue financial statements separate from that of the District. The District is not a component unit of any other entity.

In evaluating how to define the government, for financial reporting purposes, the District's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity". Based upon the application of these criteria, no governmental organizations are includable within the District's reporting entity.

**Basis of Presentation**

**Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) present financial information of the District as a whole. The reporting information includes all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include fees and charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Revenues that are not classified as program revenues are presented as general revenues. General revenues consist of taxes and others sources not described above.

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds would be aggregated and reported as non-major funds. The fiduciary funds are presented separately. The District presently does not treat any of its funds as non-major.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The District reports the following major governmental funds:

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

Special Revenue (Capital Reserve) Fund – This fund is used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted to expenditures for specified purposes. As the District is no longer required by statute to allocate funding for capital needs, this activity is now accounted for in a Capital Projects Fund.

Debt Service (Bond Redemption) Fund – This fund is used to account for the repayment of the District's general obligation indebtedness.

Capital Projects Fund (Capital Reserve Fund) – These funds are used to account for the completion of major capital projects. The capital reserve activity is funded through elective transfers from the General Fund.

The District reports the following major enterprise fund:

Food Service Fund – The Food Service Fund accounts for the District's food service program.

The District reports the following fiduciary funds:

Agency Funds (Pupil Activity Fund) – This fund is used to account for the money held in trust by the District for student organizations and for scholarships. These funds are custodial and do not measure the results of operations. There is no formal trust agreement related to this fund.

**Measurement Focus and Basis of Accounting**

Government-Wide, Proprietary and Fiduciary Fund Financial Statements

The government-wide, proprietary and fiduciary fund 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 at the same time liabilities are incurred, regardless of when the related cash flows take place.

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Measurement Focus and Basis of Accounting** (Continued)

Government-Wide, Proprietary and Fiduciary Fund Financial Statements

Non-exchange transactions in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available as allowed by the per pupil operating revenue formula approved by the State legislature or within sixty days after year end. These revenues could include federal, state, and county grants, and some charges for services. Grants are only recognized to the extent allowable expenditures have been incurred. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, they are both restricted and unrestricted net assets available to finance the programs. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and interpretations issued after November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

**Assets, Liabilities and Fund Equity**

Cash and Investments – The District pools cash resources of its various funds in order to facilitate the management of cash. Cash is pooled in interest bearing accounts which are legally authorized. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. The amount contributed to the cash pool is recorded in each fund. Interest earnings from the pool are allocated monthly to each fund based on average daily balances of equity in the pool. For reporting purposes, the investment pool is stated at fair value.

For the purposes of the statement of cash flows, the District considers cash and cash equivalents to be all cash on hand, cash on demand deposit and highly liquid investments with a maturity of three months or less when purchased.

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

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Assets, Liabilities and Fund Equity** (Continued)

Inventories – Inventories consist of expendable supplies and commodities held for consumption. Supplies inventories are stated at cost on a first-in, first-out basis. Commodities inventories are stated at the USDA's assigned values which approximate fair market value at the date of receipt on a first-in, first-out basis.

Expenditures for food items are also recorded when used. The federal government donates surplus commodities to supplement the National School Lunch Programs. Commodity contributions received by the District are recorded as revenues when consumed.

Due To and From Other Funds – Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which transactions are executed. In the fund financial statements, these receivables and payables are classified as "Due From Other Funds", or "Due to Other Funds. In the government-wide financial statements, all internal balances have been substantially eliminated.

Capital Assets – Capital assets, which include sites, site improvements, buildings and improvements, transportation, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add value to the asset or materially extend the asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Capital assets used in governmental activities operations are shown on the government-wide financial statements. These assets are not shown in the governmental funds and are therefore listed as a reconciling item between the two presentations. Property and equipment acquired or constructed for governmental fund operations are recorded as expenditures in the fund making the expenditure and capitalized at cost in the government-wide presentation. No depreciation has been provided on capital assets in the governmental funds.

Property and equipment acquired for the proprietary fund is capitalized in the fund.

Property and equipment is stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

Property and equipment acquired for the proprietary fund is capitalized in the fund. Depreciation of exhaustible fixed assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary funds balance sheets.



PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Depreciation has been provided over the estimated useful lives of the asset in the government-wide presentation as well as in the proprietary fund. Depreciation is calculated using the straight-line method over the following useful lives:

Buildings and Site Improvements	25-50 years
Vehicles	10-20 years
Other Equipment	5-10 years

Deferred Revenues – Deferred revenues include property taxes that have been collected but are not available for expenditure.

Long-Term Debt – Governmental activities long-term obligations of the District are reported in the government-wide financial statements. These obligations are not reported in the governmental funds and are therefore listed as a reconciling item between the two presentations.

Accumulated unpaid sick and vacation pay and amounts due to other governments are serviced from other revenues in the General Fund. The unpaid sick and vacation pay are reflected in the government-wide statement and shown as long-term obligations as no significant portion will be paid with current resources.

Compensated Absences – The District's policy allows all certified employees to accumulate up to 50 days of sick leave that can be paid upon separation. These compensated absences are recognized as current salary costs when accrued in the Proprietary Fund Type and when paid in the Governmental Fund Type. This obligation is shown in the non-current liability section of the government-wide Statement of Net Assets.

**Net Assets/Fund Balances** In the government-wide financial statements and for the proprietary fund statements, net assets are either shown as invested in capital assets net of related debt, with these assets essentially being nonexpendable; restricted when constraints placed on the net assets are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance should be reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Education, should be reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

For the classification of fund and net asset balances, the District considers an expenditure to be made from the most restrictive classification first, when more than one classification is available.

**Revenues and Expenditures/Expenses**

Revenues and Expenditures/Expenses – Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees, and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred.

Revenues and expenses of proprietary funds are recognized in essentially the same manner as in commercial accounting. Proprietary funds distinguish operating revenues and expenses from non-operating activities. Operating revenues and expenses generally result from providing goods and services and producing and delivering goods in connection with the principal ongoing operation. The District does not consider grant receipts as operating revenue.

Property Tax Revenues – Property taxes are levied on December 15 based on the assessed value of property as certified by the County Assessor on December 10. Assessed values are an approximation of market value. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November. Due to the funding nature of Colorado school districts, all uncollected property taxes milled for 2010 are deemed receivable at June 30, 2011. District property taxes are accounted for in the General and Debt Service Funds.

**Comparative Data** - Comparative total data for the prior year has been presented in the accompanying Basic financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to understand.

**NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with generally accepted accounting principles (except for the Enterprise Fund which budgets on the cash basis). Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year end. The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY** (Continued)

**Budgets and Budgetary Accounting** (Continued)

- Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between functions within any fund and the reallocation of budget line items within any department in the General Fund rests with the Superintendent. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed operating and capital budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.

Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the Board of Education.

If, during the fiscal year, the District receives unanticipated revenues or revenues not assured at the time of adoption of the budget from any source other than its property tax mill levy, the Board of Education may authorize the expenditure of these unanticipated or un-assured funds by enacting a supplementary budget and appropriation. State statute prohibits any officer, employee or other spending agency from expending or contracting to expend any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts appropriated. Appropriation resolutions are done at the fund level.

**NOTE 3: CASH AND INVESTMENTS**

**Deposits**

**Custodial Credit Risk - Deposits**

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The District's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. 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 (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed 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.

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 3: CASH AND INVESTMENTS** (Continued)

The institution's internal records identify collateral depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At June 30, 2011, all of the District's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	<u>Bank Balance</u>	<u>Carrying Balance</u>
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Collateralized	2,395,495	2,436,604
Petty Cash	-	100
<b>Total</b>	<b><u>\$ 2,645,495</u></b>	<b><u>\$ 2,686,704</u></b>

**Investments**

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

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

The District's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

During the year ended June 30, 2011, the District invested funds in Colotrust. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAM by the Standard and Poor's Corporation.

**PEYTON SCHOOL DISTRICT 23JT**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 3: CASH AND INVESTMENTS (Continued)**

**Investments** (Continued)

**Custodial Credit Risk – Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2011, the District did not have any investments requiring safekeeping.

The District had the following investments as of June 30, 2011:

	<b>Fair Value</b>	<b>Weighted Av Maturity In Years</b>
Local Government Trusts	\$ 980,883	-

The District's cash and investment balances are as follows:

Cash in Bank	\$ 2,686,604
Petty Cash	100
Investments	980,883
<b>Total Cash and Investments</b>	<b>\$ 3,667,587</b>
Unrestricted - Government-wide	\$ 3,624,186
Unrestricted - Agency	43,401
<b>Total</b>	<b>\$ 3,667,587</b>

**NOTE 4: INVENTORIES**

Food Service Fund inventory as of June 30, 2011 of \$2,191 consisted of purchased and donated commodities of \$1,248 and \$943 respectively. Purchase inventories are stated at cost. Donated inventories, received at no cost under a program supported by the United States Government, are recorded at their estimated fair market value at the date of receipt.

**PEYTON SCHOOL DISTRICT 23JT**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2011**

**NOTE 5: CAPITAL ASSETS**

Activity for governmental activities capital assets which are capitalized by the District is summarized below:

	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/11</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Capital Assets:				
Buildings	\$ 11,136,378	\$ 83,967	\$ -	\$ 11,220,345
Transportation Equipment	<u>967,010</u>	<u>188,442</u>	<u>13,600</u>	<u>1,141,852</u>
<b>Total Capital Assets</b>	<u>12,103,388</u>	<u>272,409</u>	<u>13,600</u>	<u>12,362,197</u>
Less: Accumulated Depreciation				
Buildings	(4,547,693)	(176,133)	-	(4,723,826)
Transportation Equipment	<u>(461,922)</u>	<u>(58,031)</u>	<u>(13,600)</u>	<u>(506,353)</u>
<b>Total Accumulated Depreciation</b>	<u>(5,009,615)</u>	<u>(234,164)</u>	<u>(13,600)</u>	<u>(5,230,179)</u>
<b>Net Capital Assets</b>	<u><b>\$ 7,093,773</b></u>	<u><b>\$ 38,245</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 7,132,018</b></u>
<b>Depreciation Allocation</b>				
Instruction		\$ 126,748		
Supporting Services		<u>107,416</u>		
<b>Total Depreciation</b>		<u><b>\$ 234,164</b></u>		

A summary of changes in business-type activities equipment is presented below:

	<u>Balance 6/30/10</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/11</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Capital Assets:				
Equipment	\$ 20,211	\$ -	\$ -	\$ 20,211
Less: Accumulated Depreciation	<u>(20,211)</u>	-	-	<u>(20,211)</u>
<b>Net Capital Assets</b>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>

**NOTE 6: INTERNAL ACTIVITY**

The District had the following internal balances as of June 30, 2011:

General Fund Due to Other Funds	\$ (8,300)
Capital Reserve Project Fund Due from Other Funds	<u>8,300</u>
<b>Net Internal Balances</b>	<u><b>\$ -</b></u>

In addition, the District recorded a \$198,000 transfer from General Fund to provide resources for capital projects. The District also transferred the remaining balance of the Capital Reserve Special Revenue Fund to the Capital Reserve Capital Projects Fund pursuant to GASB Statement Number 54: *Fund Balance Reporting and Governmental Fund Type Definitions*.

**PEYTON SCHOOL DISTRICT 23JT**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 7: ACCRUED SALARIES AND BENEFITS**

Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve month period from September to August, but are earned during a school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2011, are \$490,911, accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the General Fund of \$485,100 and Food Service Fund of \$5,811.

**NOTE 8: LONG-TERM DEBT**

The following is a summary of general long-term obligation transactions of the District for the year ended June 30, 2011:

	<b>Balance July 1 2010</b>	<b>Advances</b>	<b>Payments</b>	<b>Balance June 30 2011</b>	<b>Current Portion</b>
General Obligation Bonds:					
Series 1994	\$ 520,000	\$ -	\$ 120,000	\$ 400,000	\$ 125,000
Series 2003	3,165,000	-	170,000	2,995,000	180,000
Unamortized Bond Premiums	57,566	-	4,605	52,961	-
Less: Bond Issuance Costs	<u>(48,127)</u>	<u>-</u>	<u>(3,567)</u>	<u>(44,560)</u>	<u>-</u>
Total General Obligation Bonds	3,694,439	-	291,038	3,403,401	305,000
Capital Lease	35,119	188,442	101,022	122,539	59,774
Compensated Absences	<u>83,035</u>	<u>12,624</u>	<u>-</u>	<u>95,659</u>	<u>-</u>
<b>Total Long-Term Obligations</b>	<b><u>\$ 3,812,593</u></b>	<b><u>\$ 201,066</u></b>	<b><u>\$ 392,060</u></b>	<b><u>\$ 3,621,599</u></b>	<b><u>\$ 364,774</u></b>

**General Obligation Bonds**

1994 General Obligation Bonds. In February, 1994, the District issued \$1,800,000 of General Obligation Bonds for the purpose of constructing, furnishing and equipping an elementary school in the District. The bonds bear interest at rates varying from 2.50% to 4.95%. The bonds require annual principal payments on December 15 and semi-annual interest payments on June 15 and December 15. These bonds were refunded in September 2011.

2003 General Obligation Bonds. In December, 2003, the District issued \$4,100,000 of General Obligation Bonds for the purpose of constructing, furnishing and equipping a new high school for the District. The bonds bear interest at rates varying from 2.5% to 5.0%. The bonds require annual principal payments on December 15 and semi-annual interest payments on June 15 and December 15. These bonds were partially refunded in September 2011.

**PEYTON SCHOOL DISTRICT 23JT**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 8: LONG-TERM DEBT**

Summary of Debt Service Requirements

The annual requirement to amortize the general obligation bonds outstanding as of June 30, 2011, follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	305,000	149,315	454,315
2013	320,000	135,286	455,286
2014	330,000	120,382	450,382
2015	200,000	99,115	299,115
2016-2020	1,125,000	414,858	1,539,858
2021-2024	1,115,000	114,875	1,229,875
<b>Total</b>	<b>\$ 3,395,000</b>	<b>\$ 1,033,831</b>	<b>\$ 4,428,831</b>

**Capital Leases**

During 2011, the District entered into a capital lease arrangement for the purchase of two school buses. The lease was for \$188,442 and requires three annual payments through 2013, of \$65,903 including 5% interest. The District has capitalized assets of \$188,442 related to this lease. Payments are expected to be made by the Capital Reserve Projects Fund. The future minimum annual lease payments are as follows:

<u>Year</u>	<u>Payments</u>
2012	\$ 65,903
2013	65,903
Total payments under lease	131,807
Less: interest portion at 5%	<u>(9,268)</u>
Net obligation under lease	<b><u>\$ 122,539</u></b>



PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 9: JOINTLY GOVERNED ORGANIZATIONS**

The District is a participant in a jointly governed organization to operate the Pikes Peak Board of Cooperative Educational Services (BOCES). The BOCES was formed for the purpose of administrative functions among member districts for special education and federal grants. The BOCES is governed by a board of directors consisting of a member of the board of education and the superintendent from each of the participating members. The District does not have an ongoing financial interest in or ongoing financial responsibility for the BOCES. The District made contributions to the BOCES of \$195,043 for the year ended June 30, 2011. Financial statements for the BOCES can be obtained from the BOCES administrative offices at: 4825 Lorna Place, Colorado Springs, CO 80915.

**NOTE 10: DEFINED BENEFIT PENSION PLAN**

**Plan Description.** The District contributes to the Combined State and School Division Trust Fund (CSSDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The CSSDTF provides retirement and disability, annual increases, and death benefits for members or their beneficiaries. All employees of the District are members of the CSSDTF, Title 24, Article 51 of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the CSSDTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

**Basis of Accounting for the CSSDTF.** The financial statements of the CSSDTF are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which the employer pays compensation to the member. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The CSSDTF plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

**Funding Policy.** Plan members and the District are required to contribute to the CSSDTF at a rate set by statute. The contribution requirements of plan members and the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate for members is 8.0% and for the District is 13.85% of covered salary through December 31, 2010, 14.75% beginning January 1, 2011 through December 31, 2011. A portion of the District's contribution (1.02% of covered salary July 1, 2010 through June 30, 2011) is allocated for the Health Care Trust Fund (See Note 11). The District's contributions to the CSSDTF for the years ending June 30, 2011, 2010, and 2009, were \$420,791, \$388,735, and \$351,694, equal to their required contributions for each year.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

**NOTE 11: POSTEMPLOYMENT HEALTHCARE BENEFITS**

**Plan Description.** The District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer post-employment healthcare plan administered by the PERA. The HCTF provides a health care premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained by writing to PERA of Colorado, 1300 Logan Street, Denver, Colorado 80203 or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

**Basis of Accounting for the HCTF.** The financial statements of the HCTF are prepared using the accrual basis of accounting. Member and employer contributions are recognized as revenues in the period in which the employer pays compensation to the member. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The HCTF plan investments are presented at fair value except for short-term investments, which are recorded at cost, which approximates fair value.

**Funding Policy.** The District is required to contribute at a rate of 1.02% of covered salary from July 1, 2010 through June 30, 2011 for all PERA members as set by statute. No member contributions are required. The contribution requirements for the District are established under Title 24, Article 51, Part 4 of the CRS, as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208 of the Colorado Revised Statutes, as amended. The District's contribution to HCTF for the years ending June 30, 2011, 2010, and 2009 were \$29,980, \$29,558, and \$30,893, respectively, equal to their required contribution for each year.

**NOTE 12: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District participates in the Colorado School District Self Insurance Pool. The Pool insures property and liability exposures through contributions made by member districts. The District does not maintain an equity interest in the self insurance pool. The District funds its pool contributions, outside insurance purchases, deductibles, and uninsured losses through the general fund. The District carries commercial coverage for unemployment compensation and has a \$1,000 deductible for property insurance.

Settled claims resulting from these risks have not exceeded District coverage in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

PEYTON SCHOOL DISTRICT 23JT

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011

**NOTE 13: SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES**

Claims and Judgments – The District participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of June 30, 2011, significant amounts of grant expenditures have not been audited but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

Tabor Amendment – In November 1992, Colorado voters passed the Tabor Amendment (Amendment 1) to the State Constitution which limits state and local government tax powers and imposes spending limitations. The District is subject to the Tabor Amendment. Fiscal year 1993 provides the basis for limits in future years to which may be applied allowable increases for inflation and assessed valuation. Revenue received in excess of the limitations may be required to be refunded unless the District's electorates vote to retain the revenue. The Tabor Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment.

The Tabor Amendment requires the District to establish a reserve for emergencies. At June 30, 2011, the District's reserve of \$157,000 was recorded as a reservation of fund balance in the General Fund.

In 2005, the District's voters approved an election question which authorizes the District to retain and spend excess revenues from any source collected during 2005-2006 and for six fiscal years thereafter, ending with the 2011-2012 fiscal year, from any source and use the excess revenue for capital expenditures. The District has no current plans to ask its voters to extend this authorization.

**NOTE 14: BUDGET VIOLATION**

This District's expenditures exceeded appropriations in the Pupil Activity Fund by \$8,322, which may be a violation of Colorado statutes.

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**REQUIRED SUPPLEMENTARY INFORMATION**  
(Budgetary Comparison Schedules)

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	<b>2011</b>				
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>2010 Actual</b>
<b>REVENUES</b>					
<b>Local Sources</b>					
Property Taxes	\$ 831,707	\$ 831,707	\$ 900,646	\$ 68,939	\$ 876,289
Specific Ownership Taxes	92,616	92,616	119,833	27,217	139,293
Delinquent Taxes	1,500	1,500	1,888	388	2,318
Other Taxes	50	50	332	282	232
Tuition From Individuals	1,000	1,000	1,235	235	1,150
Tuition Within the BOCES	-	-	-	-	16,987
Transportation Fees	-	-	466	466	607
Investment Earnings	16,349	16,349	14,261	(2,088)	17,994
Pupil Activity Revenues	6,000	6,000	-	(6,000)	-
Fees	-	-	22	22	-
Community Service Revenue	1,000	1,000	-	(1,000)	-
Rent Revenue	4,800	4,800	7,000	2,200	6,700
Donations	500	500	2,871	2,371	10,420
Sale of Fixed Assets	2,000	2,000	700	(1,300)	2,749
Instructional Materials Fees	400	400	127	(273)	-
Local BOCES Passthrough	-	-	-	-	2,800
Insurance Proceeds	-	-	49,670	49,670	24,795
Other Local	23,000	23,000	49,152	26,152	10,368
Total Local Sources	<u>980,922</u>	<u>980,922</u>	<u>1,148,203</u>	<u>167,281</u>	<u>1,112,702</u>
<b>Intermediate Sources</b>					
Mineral Leases	-	-	-	-	38
<b>State Sources</b>					
State Equalization	3,994,177	3,930,083	3,718,495	(211,588)	4,101,960
Transportation	85,000	85,000	92,706	7,706	93,356
State Grants from CDE					
State ECEA	93,600	93,600	-	(93,600)	-
State ELPA	-	-	306	306	124
State Vocational Education	-	-	312	312	6,146
State Grants Provided through BOCES	88,500	88,500	43,405	(45,095)	36,991
Total State Sources	<u>4,261,277</u>	<u>4,197,183</u>	<u>3,855,224</u>	<u>(341,959)</u>	<u>4,238,577</u>
<b>Federal Sources</b>					
Federal Grants from CDE					
NCLB Title I, Part A - Improving Basic Programs	84,801	89,145	89,144	(1)	86,590
NCLB Title VIII - Impact Aid	-	-	23,537	23,537	8,466
NCLB Title IV, Part A - Safe and Drug Free Schools	1,732	-	-	-	1,559
NCLB Title II, Part D - Enhancing Education through Technology	789	293	-	(293)	789
NCLB Title II, Part A - Teacher & Principal Training	24,881	25,241	25,241	-	28,086
ARRA - Title I, Part A	33,000	33,000	34,983	1,983	16,725
ARRA Ed Jobs	-	-	54,948	54,948	-
ARRA - Education Stabilization Fund	-	-	143,105	143,105	-
Medicaid Reimbursement	-	-	8,897	8,897	1,289
Federal Grants from Other State Agencies					
Carl Perkins Vocational Education	-	-	15,645	15,645	3,136
Direct Federal Revenue					
Other Direct Federal Grants	-	-	-	-	32,656
Total Federal Sources	<u>145,203</u>	<u>147,679</u>	<u>395,500</u>	<u>247,821</u>	<u>179,296</u>
<b>TOTAL REVENUES</b>	<u>5,387,402</u>	<u>5,325,784</u>	<u>5,398,927</u>	<u>73,143</u>	<u>5,530,613</u>

(Continued)

See the accompanying Independent Auditors' Report

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	2011			Variance with Final Budget	2010 Actual
	Original Budget	Final Budget	Actual		
(Continued)					
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries	2,098,878	2,178,732	2,085,005	93,727	1,958,975
Benefits	523,826	524,778	456,021	68,757	426,035
PS - Professional	4,500	4,500	-	4,500	1,154
PS - Property	17,700	17,700	17,179	521	12,939
PS - Other	81,936	81,936	51,894	30,042	76,520
Supplies	154,175	154,175	104,508	49,667	159,178
Property	44,243	44,243	28,643	15,600	40,379
Other Expenses	5,110	5,109	264	4,845	4,190
Total Instruction	<u>2,930,368</u>	<u>3,011,173</u>	<u>2,743,514</u>	<u>267,659</u>	<u>2,679,370</u>
<b>Supporting Services</b>					
<b>Pupil Support</b>					
Salaries	167,518	167,518	191,602	(24,084)	153,377
Benefits	35,497	35,497	31,087	4,410	26,941
PS - Other	5,750	5,750	621	5,129	1,882
Supplies	12,000	12,000	3,464	8,536	3,128
Other Expenses	850	850	236	614	125
Total Pupil Support	<u>221,615</u>	<u>221,615</u>	<u>227,010</u>	<u>(5,395)</u>	<u>185,453</u>
<b>Staff Support</b>					
Salaries	35,910	35,910	34,610	1,300	34,644
Benefits	8,581	8,581	7,749	832	7,161
PS - Professional	9,300	9,300	7,845	1,455	200
PS - Other	2,220	2,220	496	1,724	1,636
Supplies	12,000	12,000	5,767	6,233	6,236
Property	2,550	2,550	1,284	1,266	1,406
Other Expenses	50	50	-	50	-
Total Staff Support	<u>70,611</u>	<u>70,611</u>	<u>57,751</u>	<u>12,860</u>	<u>51,283</u>
<b>General Administration</b>					
Salaries	109,095	109,095	107,376	1,719	107,017
Benefits	37,145	37,145	38,410	(1,265)	36,720
PS - Professional	37,700	37,700	19,593	18,107	22,310
PS - Other	35,000	35,000	40,524	(5,524)	43,297
Supplies	6,000	6,000	6,950	(950)	4,898
Property	11,850	11,850	420	11,430	3,298
Other Expenses	23,810	23,810	11,142	12,668	12,647
Total General Administration	<u>260,600</u>	<u>260,600</u>	<u>224,415</u>	<u>36,185</u>	<u>230,187</u>
<b>School Administration</b>					
Salaries	205,127	205,127	215,352	(10,225)	207,896
Benefits	49,127	49,127	42,085	7,042	38,744
PS - Professional	250	250	1,673	(1,423)	-
PS - Property	9,400	9,400	8,271	1,129	11,654
PS - Other	26,050	26,050	16,602	9,448	23,589
Supplies	7,300	7,300	13,278	(5,978)	10,498
Property	4,000	4,000	10,863	(6,863)	7,990
Other Expenses	1,600	1,600	5,358	(3,758)	600
Total School Administration	<u>302,854</u>	<u>302,854</u>	<u>313,482</u>	<u>(10,628)</u>	<u>300,971</u>

(Continued)

See the accompanying Independent Auditors' Report

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	2011				2010 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
(Continued)					
<b>EXPENDITURES (Continued)</b>					
<b>Supporting Services (Continued)</b>					
<b>Business Services</b>					
Salaries	72,000	72,000	65,829	6,171	65,084
Benefits	18,310	18,310	13,540	4,770	12,779
PS - Professional	4,650	4,650	3,067	1,583	2,358
PS - Other	303,200	303,200	200,154	103,046	212,201
Supplies	4,000	4,000	4,849	(849)	1,234
Total Business Services	<u>402,160</u>	<u>402,160</u>	<u>287,439</u>	<u>114,721</u>	<u>293,656</u>
<b>Operations and Maintenance</b>					
Salaries	243,450	243,450	180,754	62,696	192,368
Benefits	61,584	61,584	47,458	14,126	49,331
PS - Professional	2,000	2,000	450	1,550	-
PS - Property	12,700	12,700	8,345	4,355	5,440
PS - Other	74,000	74,000	90,387	(16,387)	79,218
Supplies	256,800	256,800	249,236	7,564	259,136
Property	4,500	4,500	803	3,697	4,563
Other Expenses	500	500	(1,887)	2,387	1,026
Total Operations and Maintenance	<u>655,534</u>	<u>655,534</u>	<u>575,546</u>	<u>79,988</u>	<u>591,082</u>
<b>Transportation</b>					
Salaries	326,384	326,384	251,665	74,719	252,037
Benefits	62,354	62,354	50,056	12,298	53,819
PS - Professional	50	50	-	50	(100)
PS - Property	9,000	9,000	8,115	885	6,156
PS - Other	6,250	6,250	830	5,420	2,466
Supplies	91,750	91,750	91,192	558	88,993
Property	15,500	15,500	4,018	11,482	14,780
Other Expenses	2,000	2,000	415	1,585	877
Total Transportation	<u>513,288</u>	<u>513,288</u>	<u>406,291</u>	<u>106,997</u>	<u>419,028</u>
<b>Other Central Support</b>					
PS - Professional	3,500	3,500	-	3,500	-
<b>Risk Management</b>					
PS - Other	137,000	137,000	55,406	81,594	121,213
<b>Contingency</b>	<u>1,024,108</u>	<u>1,166,605</u>	<u>-</u>	<u>1,166,605</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>6,521,638</u>	<u>6,744,940</u>	<u>4,890,854</u>	<u>1,854,086</u>	<u>4,872,243</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	(1,134,236)	(1,419,156)	508,073	1,927,229	658,370
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers	(230,382)	(230,382)	(198,000)	32,382	(193,000)
<b>CHANGE IN FUND BALANCE</b>	<u>(1,364,618)</u>	<u>(1,649,538)</u>	<u>310,073</u>	<u>1,959,611</u>	<u>465,370</u>
<b>BEGINNING FUND BALANCE</b>	<u>1,649,538</u>	<u>1,649,538</u>	<u>1,649,538</u>	<u>-</u>	<u>1,184,168</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 284,920</u>	<u>\$ -</u>	<u>\$ 1,959,611</u>	<u>\$ 1,959,611</u>	<u>\$ 1,649,538</u>

See accompanying Independent Auditors' Report.



**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Capital Reserve Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	2011				2010 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>					
<b>Local Sources</b>					
Investment Earnings	\$ -	\$ -	\$ -	\$ -	\$ 4,123
<b>State Sources</b>					
School Construction and Renovation Project	-	-	-	-	8,300
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,423</u>
<b>EXPENDITURES</b>					
<b>Supporting Services</b>					
<b>Business Services</b>					
PS - Professional	-	-	-	-	20
<b>Operations and Maintenance</b>					
Supplies	4,000	4,000	-	4,000	-
Property	45,000	144,300	8,674	135,626	8,674
Total Operations and Maintenance	<u>49,000</u>	<u>148,300</u>	<u>8,674</u>	<u>139,626</u>	<u>8,674</u>
<b>Transportation</b>					
Property	60,000	60,000	188,442	(128,442)	-
<b>Facilities/Capital Outlay</b>					
Land and Improvements	3,700	3,700	33,083	(29,383)	-
Buildings	41,000	41,000	12,613	28,387	186,166
Equipment	35,000	35,000	65,587	(30,587)	54,171
Non-Capitalized Equipment	50,000	50,000	-	50,000	-
Total Facilities/Capital Outlay	<u>129,700</u>	<u>129,700</u>	<u>111,283</u>	<u>18,417</u>	<u>240,337</u>
<b>Debt Service</b>					
Principal	-	-	65,903	(65,903)	68,186
Interest	-	-	-	-	3,457
Total Debt Service	<u>-</u>	<u>-</u>	<u>65,903</u>	<u>(65,903)</u>	<u>71,643</u>
<b>Contingency</b>	347,201	242,887	-	242,887	-
<b>TOTAL EXPENDITURES</b>	<u>585,901</u>	<u>580,887</u>	<u>374,302</u>	<u>206,585</u>	<u>320,674</u>
<b>REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES</b>	<u>(585,901)</u>	<u>(580,887)</u>	<u>(374,302)</u>	<u>206,585</u>	<u>(308,251)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers	193,000	198,000	(197,027)	(395,027)	193,000
Capital Lease Proceeds	-	-	188,442	188,442	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>193,000</u>	<u>198,000</u>	<u>(8,585)</u>	<u>(206,585)</u>	<u>193,000</u>
<b>CHANGE IN FUND BALANCE</b>	<u>(392,901)</u>	<u>(382,887)</u>	<u>(382,887)</u>	<u>-</u>	<u>(115,251)</u>
<b>BEGINNING FUND BALANCE</b>	<u>392,901</u>	<u>382,887</u>	<u>382,887</u>	<u>-</u>	<u>498,138</u>
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 382,887</u>

See accompanying Independent Auditors' Report.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2011

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with generally accepted accounting principles (except for the Enterprise Fund which budgets on a cash basis). Annual appropriated budgets are adopted for all funds except the Non-Expendable Trust Fund. All annual appropriations lapse at fiscal year end. The District adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. By May 31, the Superintendent of Schools submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Budgets are required to be filed with the Commissioner of Education before October 31.
- Expenditures may not legally exceed appropriations at the fund level.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- Budgeted amounts reported in the accompanying financial statements are amended from the originally adopted budget by the Board of Education.
- Encumbrances represent a commitment for the estimated amount of expenditures which could ultimately result from the fulfillment of uncompleted purchase orders and contracts. Encumbrances lapse at the end of each fiscal year (June 30). Lapsed encumbrances are then reviewed by department heads to determine those which will remain canceled and those which will be reinstated and paid from appropriations for the following year. Encumbrances are therefore not considered expenditures until an actual liability is incurred. Encumbrances are not shown as a reservation of fund equity at fiscal year end because they have lapsed and are pending reinstatement.

**OTHER SUPPLEMENTARY INFORMATION**

**INTENTIONALLY LEFT BLANK**

## **DEBT SERVICE FUND**

Debt Service Funds are used to service the general obligation debt of the District.

The District has the following debt service fund:

### **Bond Redemption Fund**

This fund is used to account for the accumulation of resources and for the payment of principal, interest and other costs associated with the District's general obligation debt.

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Bond Redemption Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	<u>2011</u>		<b>Variance with Final Budget</b>	<u>2010</u>	
	<b>Final Budget</b>	<b>Actual</b>		<b>Budget</b>	<b>Actual</b>
<b>REVENUES</b>					
<b>Local Sources</b>					
Property Taxes	\$ 457,000	\$ 521,006	\$ 64,006	\$ 509,541	
Specific Ownership Taxes	-	9	9	-	
Delinquent Taxes	-	1,437	1,437	750	
Investment Earnings	11,000	1,229	(9,771)	1,646	
<b>TOTAL REVENUES</b>	<u>468,000</u>	<u>523,681</u>	<u>55,681</u>	<u>511,937</u>	
<b>EXPENDITURES</b>					
Debt Service					
Principal	357,000	290,000	67,000	280,000	
Interest	167,000	162,210	4,790	173,585	
Total Debt Service	524,000	452,210	71,790	453,585	
Contingency	719,629	-	719,629	-	
<b>TOTAL EXPENDITURES</b>	<u>1,243,629</u>	<u>452,210</u>	<u>791,419</u>	<u>453,585</u>	
<b>CHANGE IN FUND BALANCE</b>	(775,629)	71,471	847,100	58,352	
<b>BEGINNING FUND BALANCE</b>	<u>775,629</u>	<u>775,629</u>	-	<u>717,277</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 847,100</u>	<u>\$ 847,100</u>	<u>\$ 775,629</u>	

See accompanying Independent Auditors' Report.

## **CAPITAL PROJECTS FUND**

Capital Project Funds are used to account for the construction of District facilities.

The District has the following capital project fund:

### **Capital Reserve Projects Fund**

This fund is used to account for the construction of District facilities financed through the District's general obligation debt issuances.

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Capital Reserve Project Fund**  
**For the Year Ended June 30, 2011**

	2011		Variance with Final Budget
	Final Budget	Actual	
<b>REVENUES</b>			
<b>Local Sources</b>			
Investment Earnings	\$ -	\$ 2,209	\$ 2,209
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers	-	395,027	395,027
<b>CHANGE IN FUND BALANCE</b>	-	397,236	397,236
<b>BEGINNING FUND BALANCE</b>	-	-	-
<b>ENDING FUND BALANCE</b>	\$ -	\$ 397,236	\$ 397,236

See accompanying Independent Auditors' Report.



## **ENTERPRISE FUNDS**

Enterprise funds account for operations that are financed and operated in a manner similar to private enterprises, where the cost of providing goods or services to the general public is financed or recovered primarily by user charges.

The District has one enterprise fund as follows:

### **Food Service Fund**

This fund accounts for all financial activities associated with the District school lunch program.

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenses and Changes in Net Assets**  
**Budget and Actual**  
**Food Service Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	<b>2011</b>		<b>Variance with Final Budget</b>	<b>2010 Actual</b>
	<b>Final Budget</b>	<b>Actual</b>		
<b>OPERATING REVENUES</b>				
Food Service Revenue	\$ 78,200	\$ 67,888	\$ (10,312)	\$ 75,276
Other Local	300	-	(300)	37
<b>TOTAL OPERATING REVENUES</b>	<u>78,500</u>	<u>67,888</u>	<u>(10,612)</u>	<u>75,313</u>
<b>OPERATING EXPENSES</b>				
<b>Food Service</b>				
Salaries	56,500	53,680	2,820	51,661
Benefits	12,000	8,976	3,024	10,048
PS - Other	5,337	512	4,825	2,754
Supplies	1,000	2,274	(1,274)	154
Food	74,100	51,844	22,256	65,099
Commodities	10,000	22,470	(12,470)	5,242
Property	1,250	-	1,250	-
Other Expenses	9,476	1,716	7,760	-
<b>TOTAL OPERATING EXPENSES</b>	<u>169,663</u>	<u>141,472</u>	<u>28,191</u>	<u>134,958</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(91,163)</u>	<u>(73,584)</u>	<u>17,579</u>	<u>(59,645)</u>
<b>OTHER REVENUES (EXPENSES)</b>				
State Grants from CDE				
State Match - Child Nutrition	2,000	2,042	42	1,866
State K-2 Reduced Lunch	500	303	(197)	412
Federal Grants from CDE				
Special Milk Program	400	103	(297)	381
National School Lunch Program	44,675	58,530	13,855	62,100
Federal Grants from Other State Agencies				
Commodities	-	22,648	22,648	4,087
<b>NET OTHER REVENUES (EXPENSES)</b>	<u>47,575</u>	<u>83,626</u>	<u>36,051</u>	<u>68,846</u>
<b>CHANGE IN NET ASSETS BEFORE TRANSFERS</b>	<u>(43,588)</u>	<u>10,042</u>	<u>53,630</u>	<u>9,201</u>
<b>Transfers</b>	<u>32,382</u>	<u>-</u>	<u>(32,382)</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	<u>(11,206)</u>	<u>10,042</u>	<u>21,248</u>	<u>9,201</u>
<b>BEGINNING NET ASSETS</b>	<u>11,206</u>	<u>11,206</u>	<u>-</u>	<u>2,005</u>
<b>ENDING NET ASSETS</b>	<u>\$ -</u>	<u>\$ 21,248</u>	<u>\$ 21,248</u>	<u>\$ 11,206</u>

See accompanying Independent Auditors' Report.

## **TRUST AND AGENCY FUNDS**

Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private and student groups.

The District has established an agency fund to account for various student activity groups and contributions from private organizations. The agency funds are custodial in nature and do not involve measurement of results of operations.

**PEYTON SCHOOL DISTRICT 23JT**  
**Schedule of Revenues, Expenses and Changes in Fiduciary Net Assets**  
**Budget and Actual**  
**Fiduciary Funds**  
**Pupil Activity Agency Fund**  
**For the Year Ended June 30, 2011**  
**(With Comparative Totals for the Year Ended June 30, 2010)**

	<u>2011</u>		<b>Variance with Final Budget</b>	<u>2010</u>
	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>ADDITIONS</b>				
Local Sources	\$ 150,000	\$ 135,402	\$ (14,598)	\$ 152,653
<b>DEDUCTIONS</b>				
Instruction	<u>150,000</u>	<u>158,322</u>	<u>(8,322)</u>	<u>143,108</u>
<b>CHANGE IN NET ASSETS</b>	-	(22,920)	(22,920)	9,545
<b>BEGINNING NET ASSETS</b>	<u>-</u>	<u>66,321</u>	<u>66,321</u>	<u>56,776</u>
<b>ENDING NET ASSETS</b>	<u>\$ -</u>	<u>\$ 43,401</u>	<u>\$ 43,401</u>	<u>\$ 66,321</u>

See accompanying Independent Auditors' Report.

## **STATE COMPLIANCE**

Board of Education  
Peyton School District 23JT  
Peyton, Colorado

**INDEPENDENT AUDITORS' REPORT ON ELECTRONIC FINANCIAL DATA  
INTEGRITY CHECK FIGURES AND BOLDED BALANCE SHEET REPORTS**

We have audited the basic financial statements of Peyton School District 23JT, as of and for the year ended June 30, 2011, and have issued our report thereon dated November 10, 2011. These basic financial statements are the responsibility of Peyton School District 23JT's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Peyton School District 23JT, taken as a whole. The accompanying electronic financial data integrity check figures and bolded balance sheet reports are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information in these schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

*Johnson, Holscher & Company, P.C.*

December 7, 2011  
Centennial, CO

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*) +	1000 - 5999 Total Revenues & Other Sources -	0001 - 0999 Total Expenditures & Other Uses =	6700 - 6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>				
10 General Fund	1,649,538	5,200,927	4,890,853	1,959,611
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Subtotal	1,649,538	5,200,927	4,890,853	1,959,611
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	382,887	-8,585	374,302	0
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	0	0	0	0
24 Full Day Kindergarten Mill Levy Override	0	0	0	0
25 Transportation Fund	0	0	0	0
30 Debt Service Fund	0	0	0	0
31 Bond Redemption Fund	775,629	523,681	452,210	847,100
39 Non-Voter Approved Debt Service Fund	0	0	0	0
41 Building Fund	0	0	0	0
42 Special Building Fund	0	0	0	0
43 Capital Reserve Capital Projects Fund	0	397,236	0	397,236
TOTALS	2,808,054	6,113,259	5,717,365	3,203,947
<b>Proprietary</b>				
51 Food Service Fund	11,206	151,514	141,472	21,248
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
TOTALS	11,206	151,514	141,472	21,248
<b>Fiduciary</b>				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	66,321	135,402	158,321	43,401
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
TOTALS	66,321	135,402	158,321	43,401

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

Bolded Balance Sheet Report  
Must mirror the combined balance sheet pages from your audit.

Desc/ Bolted Bal Sheet Codes	Governmental					Proprietary					Fiduciary		Totals	
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 21-29	Debt Service Funds 31-39	Capital Projects Funds 41-49	Enterprise Fund 51 (food)	Enterprise Funds 52-59	Other Risk-Related Activity Funds 63-64	Internal Service Funds 65-69 (60)	Trust & Agency Funds 72-79	Foundations Fund 85		
<b>ASSETS</b>														
Cash and Investments (8100-8104,8111)	737,351	0	0	0	814,044	388,936	27,945	0	0	0	43,401	0	0	2,011,678
Cash with Fiscal Agent (8105)	21,261	0	0	0	5,982	0	0	0	0	0	0	0	0	27,243
Other Investment Accounts (8112-8115)	1,655,909	0	0	0	0	0	0	0	0	0	0	0	0	1,655,909
Taxes Receivable (8121,8122)	45,432	0	0	0	27,073	0	0	0	0	0	0	0	0	72,505
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	8,300	0	0	0	0	0	0	0	8,300
Interfund Loans Payable (8141)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interfund Accounts Rec (8142)	43,436	0	0	0	0	0	0	0	0	0	0	0	0	43,436
Grants Accounts Receivable (8151-8154,8161)	9,587	0	0	0	0	0	0	0	0	0	0	0	0	9,587
Other Receivables (8171,8172,8173)	0	0	0	0	0	0	2,191	0	0	0	0	0	0	2,191
Inventories (8181,8182)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prepaid Expenses (8191-8194,8199)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Current Assets (8211)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sites (8221)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Site Improvements (8222)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accumulated Depreciation on Site Improvements (8231-8234)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>2,512,976</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>847,100</b>	<b>397,236</b>	<b>30,136</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,401</b>	<b>0</b>	<b>0</b>	<b>3,830,849</b>
<b>LIABILITIES &amp; FUND EQUITY</b>														
<b>LIABILITIES</b>														
Interfund Payables (7401,7402)	8,300	0	0	0	0	0	0	0	0	0	0	0	0	8,300
Intergovernmental Payables (7411)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Payables (7421-7423)	59,965	0	0	0	0	0	0	0	0	0	0	0	0	59,965
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Employee Payables (7441,7445,7451,7452,7455)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	485,100	0	0	0	0	0	5,811	0	0	0	0	0	0	490,911
Payroll Ded. and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Revenue (7481)	0	0	0	0	0	0	3,077	0	0	0	0	0	0	3,077
Grants Deferred Revenue (7482)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Current Liabilities (7491,7492,7499)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Long-Term Liabilities (7521,7531,7561,7590)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compensated Absences (7541,)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Note: Fund 90 District Debt Accounts 7511 through 7519 are not shown on this report														
<b>Total Liabilities</b>	<b>553,365</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,888</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>562,253</b>



Bolded Balance Sheet Report  
Must mirror the combined balance sheet pages from your audit.

Desc/ Bolted Bal Sheet Codes	Governmental					Proprietary					Fiduciary		
	General Funds 10,12-18	Charter School Fund 11	Preschool Fund 19	Special Revenue Funds 21-29	Debt Service Funds 31-39	Capital Projects Funds 41-49	Enterprise Fund 51 (food)	Enterprise Funds 52-59	Risk-Related Activity Funds 63-64	Other Internal Service Funds 65-69	Trust & Agency Funds Funds 72-79	Foundations Fund 85	Totals
FUND EQUITY													
Res. for Inv, Prepaid Exp, Enc (6751,6752,6753)	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Reserved Fund Balances (6759)	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserved Fund Balances (6760)	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserved for TABOR 3% Reserved (6761)	157,000	0	0	0	0	0	0	0	0	0	0	0	157,000
Reserved for TABOR Multi-Year (6762)	0	0	0	0	0	0	0	0	0	0	0	0	0
Designated Fund Balance (6763)	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Renewal Reserve (6764)	0	0	0	0	0	0	0	0	0	0	0	0	0
Colorado Preschool Program (Restricted Under GASB 54) (6765)	44,849	0	0	0	0	0	0	0	0	0	0	0	44,849
Risk Related Activity Reserve (Restricted Under GASB 54) (6766)	0	0	0	0	0	0	0	0	0	0	0	0	0
Full Day Kindergarten Reserve (6767)	0	0	0	0	0	0	0	0	0	0	0	0	0
District Emergency Reserve (6768)	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Restricted Reserves (6769)	0	0	0	0	0	0	0	0	0	0	0	0	0
Unreserved Fund Balance (6770)	1,757,763	0	0	0	847,100	397,236	0	0	0	43,401	0	0	3,045,500
Invest. in Cap. Assets(fund51) (6790)	0	0	0	0	0	0	0	0	0	0	0	0	0
Restricted Net Assets(fund 51) (6791)	0	0	0	0	0	0	0	0	0	0	0	0	0
Unrestricted Net Assets (6792)	0	0	0	0	0	0	21,248	0	0	0	0	0	21,248
Prior-Period Adjustment (6880)	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Equity	1,959,611	0	0	0	847,100	397,236	21,248	0	0	43,401	0	0	3,268,597
Total Liabilities & Fund Equity	2,512,976	0	0	0	847,100	397,236	30,136	0	0	43,401	0	0	3,830,849
For Each Fund Type: Do Assets=Liability+Fund Equity	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK	Yes:OK