

**PEYTON SCHOOL DISTRICT 23JT
PEYTON, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORTS**

JUNE 30, 2012

PEYTON SCHOOL DISTRICT 23JT

PEYTON, COLORADO

ROSTER OF SCHOOL OFFICIALS

JUNE 30, 2012

BOARD OF EDUCATION

Bill Nevills - President

Pete Bates – Vice President

JR Bond - Secretary

Tracy Lee - Treasurer

Bill Nevills - Director

ADMINISTRATIVE STAFF

Tim Kistler, Superintendent

Tracy John, Business Manager

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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, 2012

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, 2012. 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 \$24,843 to \$6,753,956. General Fund equity increased \$46,267 to \$2,005,878.

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 \$6,753,956 as of June 30, 2012.

The District's Governmental net assets increased by \$32,268 from 2011 to 2012. 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 a decrease of \$7,425 from 2011 to 2012 which is down from the \$21,248 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:

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current Assets	\$ 3,702,586	\$ 3,596,241	\$ 19,356	\$ 27,945	\$ 3,721,942	\$ 3,624,186
Restricted Assets - Net	18,896	27,243	-	-	18,896	27,243
Capital Assets - Net	7,007,412	7,132,018	-	-	7,007,412	7,132,018
Other Assets - Net	<u>155,776</u>	<u>170,088</u>	<u>5,389</u>	<u>2,192</u>	<u>161,165</u>	<u>172,280</u>
Total Assets	<u>10,884,670</u>	<u>10,925,590</u>	<u>24,745</u>	<u>30,137</u>	<u>10,909,415</u>	<u>10,955,727</u>
Current Liabilities	520,991	551,566	10,922	8,889	531,913	560,455
Long-Term Liabilities	<u>3,623,547</u>	<u>3,666,159</u>	<u>-</u>	<u>-</u>	<u>3,623,547</u>	<u>3,666,159</u>
Total Liabilities	<u>4,144,538</u>	<u>4,217,725</u>	<u>10,922</u>	<u>8,889</u>	<u>4,155,460</u>	<u>4,226,614</u>
Net Assets Invested in Capital Assets,						
Net of Related Debt	3,838,491	3,614,479	-	-	3,838,491	3,614,479
Restricted Net Assets	1,144,015	70,000	-	-	1,144,015	70,000
Unrestricted Net Assets	<u>1,757,626</u>	<u>3,023,386</u>	<u>13,823</u>	<u>21,248</u>	<u>1,771,449</u>	<u>3,044,634</u>
Total Net Assets (Deficit)	<u>\$ 6,740,132</u>	<u>\$ 6,707,865</u>	<u>\$ 13,823</u>	<u>\$ 21,248</u>	<u>\$ 6,753,955</u>	<u>\$ 6,729,113</u>

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

	Governmental Activities		Business-type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Program Revenues:						
Charges for Services	\$ 17,486	\$ 8,851	\$ 58,264	\$ 67,888	\$ 75,750	\$ 76,739
Operating Grants	297,489	391,995	70,658	83,626	368,147	475,621
Capital Grants	<u>1,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,551</u>	<u>-</u>
Total Program Revenues	<u>316,526</u>	<u>400,846</u>	<u>128,922</u>	<u>151,514</u>	<u>445,448</u>	<u>552,360</u>
General Revenues:						
Taxes	1,417,378	1,545,150	-	-	1,417,378	1,545,150
State Equalization	3,677,402	3,718,495	-	-	3,677,402	3,718,495
Investment Income	11,850	17,698	-	-	11,850	17,698
Miscellaneous	<u>68,753</u>	<u>242,629</u>	<u>-</u>	<u>-</u>	<u>68,753</u>	<u>242,629</u>
Total General Revenues	<u>5,175,383</u>	<u>5,523,972</u>	<u>-</u>	<u>-</u>	<u>5,175,383</u>	<u>5,523,972</u>
Total Revenues	<u>5,491,909</u>	<u>5,924,818</u>	<u>128,922</u>	<u>151,514</u>	<u>5,620,831</u>	<u>6,076,332</u>
Expenses						
Instruction	2,846,836	2,879,702	-	-	2,846,836	2,879,702
Supporting Services	2,315,030	2,293,931	-	-	2,315,030	2,293,931
Debt Service Interest	297,776	125,538	-	-	297,776	125,538
Food Service	<u>-</u>	<u>-</u>	<u>136,347</u>	<u>141,472</u>	<u>136,347</u>	<u>141,472</u>
Total Expenses	<u>5,459,642</u>	<u>5,299,171</u>	<u>136,347</u>	<u>141,472</u>	<u>5,595,989</u>	<u>5,440,643</u>
Operating Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	32,267	625,647	(7,425)	10,042	24,842	635,689
Net Assets - Beginning	<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>
Net Assets - Ending	<u>\$ 6,740,132</u>	<u>\$ 6,707,865</u>	<u>\$ 13,823</u>	<u>\$ 21,248</u>	<u>\$ 6,753,955</u>	<u>\$ 6,729,113</u>

The District's Governmental net assets increased by \$32,267 from 2011 to 2012. The largest changes were described above. The Business-Type net assets showed a decrease of \$7,425 from 2011 to 2012.

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, 2012, the District's governmental funds reported a combined fund balance of \$3,273,025, which is an increase of \$69,078 from the June 30, 2011 balance. The following is additional information by fund which contributed to the change.

General Fund equity increased \$46,267 from 2011 to 2012. Overall revenues decreased by \$391,216 from the prior year while expenditures decreased by \$121,411.

Capital Reserve Capital Project Fund equity decreased by \$76,799 due to an allocation of reserves that were used to fund capital building projects.

Bond Redemption Fund equity increased by \$99,610 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, 2012 the District had \$7,007,412 invested in a broad range of capital assets, including buildings and improvements, transportation and other equipment. This amount represents a net decrease (including additions, deletions, and depreciation) of \$124,606 from last year. A summary of the District's Capital Assets is as follows:

	<u>Balance 6/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/12</u>
GOVERNMENTAL ACTIVITIES:				
Capital Assets:				
Buildings	\$ 11,220,345	\$ 13,141	\$ -	\$ 11,233,486
Equipment	-	10,603	-	10,603
Transportation Equipment	<u>1,141,852</u>	<u>95,622</u>	<u>40,000</u>	<u>1,197,474</u>
Total Capital Assets	<u>12,362,197</u>	<u>119,366</u>	<u>40,000</u>	<u>12,441,563</u>
Less: Accumulated Depreciation				
Buildings	(4,723,826)	(175,040)	-	(4,898,866)
Equipment	-	(2,121)	-	(2,121)
Transportation Equipment	<u>(506,353)</u>	<u>(62,811)</u>	<u>(36,000)</u>	<u>(533,164)</u>
Total Accumulated Depreciation	<u>(5,230,179)</u>	<u>(239,972)</u>	<u>(36,000)</u>	<u>(5,434,151)</u>
Net Capital Assets	<u>\$ 7,132,018</u>	<u>\$ (120,606)</u>	<u>\$ 4,000</u>	<u>\$ 7,007,412</u>
	<u>Balance 6/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/12</u>
BUSINESS-TYPE ACTIVITIES:				
Capital Assets:				
Equipment	\$ 20,211	\$ -	\$ -	\$ 20,211
Less: Accumulated Depreciation	<u>(20,211)</u>	<u>-</u>	<u>-</u>	<u>(20,211)</u>
Net Capital Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2012 the District had total outstanding long-term obligations as follows:

	Balance July 1 2011	Advances	Payments	Refunding	Balance June 30 2012
General Obligation Bonds:					
Series 1994	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -
Series 2003	2,995,000	-	180,000	2,440,000	375,000
Series 2011	-	2,815,000	115,000	-	2,700,000
Capital Appreciation Bonds:					
Series 2011	-	25,000	(6,157)	-	31,157
Total Bonds Payable	3,395,000	2,840,000	288,843	2,840,000	3,106,157
Capital Lease	122,539	-	59,774	-	62,764
Compensated Absences	95,659	-	3,033	-	92,626
Total Long-Term Obligations	<u>\$ 3,613,198</u>	<u>\$ 2,840,000</u>	<u>\$ 351,650</u>	<u>\$ 2,840,000</u>	<u>\$ 3,261,547</u>
Bond Issuance Costs	<u>\$ 44,564</u>	<u>\$ 60,510</u>	<u>\$ 17,327</u>	<u>\$ -</u>	<u>\$ 87,748</u>
Unamortized Bond Premiums	<u>\$ 52,961</u>	<u>\$ 340,608</u>	<u>\$ 31,569</u>	<u>\$ -</u>	<u>\$ 362,000</u>

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 \$31,582 less than the amount budgeted, with the main differences related to lower property tax funding. The largest expenditures differences were in the Business Services which were approximately \$180,318 under budget.

The Future of the District

The factors that will affect next year's budget are the slowing economy, state rescissions in funding, lack of guaranteed funding from Amendment 23 and the fluctuation 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 has lowered the PPOR on our students. Families are moving out of our district and 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 under 600, but a significant number of students registered at the last minute and we matched 2011-2012's population. The 2010-2011 student count was 623. There was a fear that the District's four year average would decrease significantly and layoffs

would be needed, but the Board decided that it would be okay to decrease the fund balance for the 2012-2013 school year to keep low classroom student numbers. Therefore, we were able to retain our current FTE.

Our primary grades are showing significant decrease in numbers and we are currently looking into combination classes and single class situations.

Economically, our district is not projecting any growth. The changes in the major housing developments were to have begun by this year. Some of those developments are on hold. One of the larger developments went broke and the other two are waiting for the economy to turn around.

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.

Holscher, Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

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 Peyton School District 23JT, as of June 30, 2012, 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 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 Peyton School District 23JT, as of June 30, 2012, 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 Peyton School District 23JT's basic financial statements. The budgetary comparison information 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. The other supplementary information as presented in the table of contents is presented for purposes of additional analysis and legal compliance and is not a required part of the basic financial statements. Both the budgetary comparison schedules shown as required supplementary information and the other supplementary information have 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.

Holscher, Mayberry & Company, LLC

Englewood, Colorado
November 6, 2012

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, 2012.

PEYTON SCHOOL DISTRICT 23JT
Statement of Net Assets
June 30, 2012

			<u>Totals</u>
	<u>Governmental</u>	<u>Business-Type</u>	<u>2012</u>
	<u>Activities</u>	<u>Activities</u>	
ASSETS			
Cash and Investments	\$ 3,702,586	\$ 19,356	\$ 3,721,942
Cash with Fiscal Agent	18,896	-	18,896
Taxes Receivable	67,395	-	67,395
Other Accounts Receivable	633	-	633
Inventory	-	5,389	5,389
Bond Issuance Costs	87,748	-	87,748
Capital Assets, being depreciated	<u>7,007,412</u>	<u>-</u>	<u>7,007,412</u>
TOTAL ASSETS	<u>10,884,670</u>	<u>24,745</u>	<u>10,909,415</u>
Liabilities			
Accounts Payable	49,826	-	49,826
Accrued Interest	4,506	-	4,506
Accrued Salaries & Benefits	466,659	7,579	474,238
Deferred Revenue	-	3,343	3,343
Non-Current Liabilities			
Due Within One Year	377,764	-	377,764
Due In More Than One Year	<u>3,245,783</u>	<u>-</u>	<u>3,245,783</u>
Total Liabilities	<u>4,144,538</u>	<u>10,922</u>	<u>4,155,460</u>
Net Assets			
Invested in Capital Assets, net of Debt	3,838,491	-	3,838,491
Restricted Net Assets	1,144,015	-	1,144,015
Unrestricted Net Assets	<u>1,757,626</u>	<u>13,823</u>	<u>1,771,449</u>
Total Net Assets	<u>\$ 6,740,132</u>	<u>\$ 13,823</u>	<u>\$ 6,753,955</u>

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

PEYTON SCHOOL DISTRICT 23JT
Statement of Activities
For the Year Ended June 30, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
Instruction	\$ 2,846,836	\$ 803	\$ 175,372	\$ -	\$ (2,670,661)	\$ -	\$ (2,670,661)
Supporting Services	2,315,030	16,683	122,117	1,551	(2,174,679)	-	(2,174,679)
Interest on Long Term Debt	297,776	-	-	-	(297,776)	-	(297,776)
Total Governmental Activities	<u>5,459,642</u>	<u>17,486</u>	<u>297,489</u>	<u>1,551</u>	<u>(5,143,116)</u>	<u>-</u>	<u>(5,143,116)</u>
Business Type Activities							
Food Service	<u>136,347</u>	<u>58,264</u>	<u>70,658</u>	<u>-</u>	<u>-</u>	<u>(7,425)</u>	<u>(7,425)</u>
Total Primary Government	<u>\$ 5,595,989</u>	<u>\$ 75,750</u>	<u>\$ 368,147</u>	<u>\$ 1,551</u>	<u>(5,143,116)</u>	<u>(7,425)</u>	<u>(5,150,541)</u>
General Revenues							
Property Taxes					1,303,173	-	1,303,173
Specific Ownership Taxes					114,205	-	114,205
State Equalization					3,677,402	-	3,677,402
Investment Earnings					11,850	-	11,850
Gain (Loss) on Capital Asset Disposals					(2,471)	-	(2,471)
Insurance Proceeds					37,395	-	37,395
Other Revenues					<u>33,829</u>	<u>-</u>	<u>33,829</u>
Total General Revenues and Transfers					<u>5,175,383</u>	<u>-</u>	<u>5,175,383</u>
Change in Net Assets					32,267	(7,425)	24,842
Beginning Net Assets					<u>6,707,865</u>	<u>21,248</u>	<u>6,729,113</u>
Ending Net Assets					<u>\$ 6,740,132</u>	<u>\$ 13,823</u>	<u>\$ 6,753,955</u>

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

PEYTON SCHOOL DISTRICT 23JT
Balance Sheet
Governmental Funds
June 30, 2012
(With Comparative Totals for June 30, 2011)

	Debt Service		Capital Projects	Totals	
	Bond			2012	2011
	General Fund	Redemption Fund	Capital Reserve Project Fund		
ASSETS					
Cash and Investments	\$ 2,475,356	\$ 915,093	\$ 312,137	\$ 3,702,586	\$ 3,596,241
Cash with Fiscal Agent	12,108	6,788	-	18,896	27,243
Taxes Receivable	42,566	24,829	-	67,395	72,505
Interfund Accounts Receivable	-	-	8,300	8,300	8,300
Grants Receivable	-	-	-	-	43,436
Other Accounts Receivable	633	-	-	633	9,587
TOTAL ASSETS	\$ 2,530,663	\$ 946,710	\$ 320,437	\$ 3,797,810	\$ 3,757,312
LIABILITIES AND FUND BALANCE					
Liabilities					
Interfund Accounts Payable	\$ 8,300	\$ -	\$ -	\$ 8,300	\$ 8,300
Accounts Payable	49,826	-	-	49,826	59,965
Accrued Salaries & Benefits	466,659	-	-	466,659	485,100
Total Liabilities	524,785	-	-	524,785	553,365
Fund Balance					
Restricted Fund Balance					
Restricted for Debt Service	-	942,166	-	942,166	847,100
Restricted for TABOR Emergencies	157,000	-	-	157,000	157,000
Restricted for Colorado Preschool Program	44,849	-	-	44,849	44,849
Committed Fund Balance					
Committed for Vehicle Replacement	-	-	70,000	70,000	70,000
Assigned Fund Balance					
Assigned for Capital Outlay	-	4,544	250,437	254,981	327,236
Unassigned Fund Balance	1,804,029	-	-	1,804,029	1,757,762
Total Fund Balance	2,005,878	946,710	320,437	3,273,025	3,203,947
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,530,663	\$ 946,710	\$ 320,437	\$ 3,797,810	\$ 3,757,312

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, 2012

Fund Balance - Governmental Funds	\$	3,273,025
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, being depreciated		12,441,563
Accumulated depreciation		(5,434,151)
Certain long-term assets are not available to pay for current year expenditures and are therefore deferred in the funds		
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds		
Cost of issuance - net of amortization		87,748
Bond premiums - net of amortization		(362,000)
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Bonds payable		(3,106,157)
Capital leases payable		(62,764)
Accrued interest payable		(4,506)
Accrued compensated absences		(92,626)
		(3,366,053)
Total Net Assets - Governmental Activities	\$	6,740,132

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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	Debt Service		Capital Projects	Totals	
	Bond		Capital Reserve	2012	2011
	General Fund	Redemption Fund			
REVENUES					
Local Sources	\$ 1,033,563	\$ 482,148	\$ 6,051	\$ 1,521,762	\$ 1,674,093
Intermediate Sources	39	-	-	39	-
State Sources	3,822,490	-	-	3,822,490	3,855,224
Federal Sources	151,618	-	-	151,618	395,500
TOTAL REVENUES	<u>5,007,710</u>	<u>482,148</u>	<u>6,051</u>	<u>5,495,909</u>	<u>5,924,817</u>
EXPENDITURES					
Instruction	2,721,914	-	-	2,721,914	2,743,515
Pupil Support	188,745	-	-	188,745	227,010
Staff Support	59,028	-	-	59,028	57,751
General Administration	243,618	60,510	-	304,128	224,415
School Administration	305,736	-	-	305,736	313,482
Business Services	261,637	-	-	261,637	287,439
Operations and Maintenance	511,124	-	3,000	514,124	584,220
Transportation	398,943	-	163,225	562,168	594,732
Risk Management	78,698	-	-	78,698	55,406
Facilities	-	-	108,625	108,625	111,283
Debt Service	-	3,502,636	-	3,502,636	518,113
TOTAL EXPENDITURES	<u>4,769,443</u>	<u>3,563,146</u>	<u>274,850</u>	<u>8,607,439</u>	<u>5,717,366</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>238,267</u>	<u>(3,080,998)</u>	<u>(268,799)</u>	<u>(3,111,530)</u>	<u>207,451</u>
OTHER FINANCING SOURCES (USES)					
Debt Proceeds	-	3,180,608	-	3,180,608	188,442
Transfer In (Out) - net	(192,000)	-	192,000	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(192,000)</u>	<u>3,180,608</u>	<u>192,000</u>	<u>3,180,608</u>	<u>188,442</u>
CHANGE IN FUND BALANCE	46,267	99,610	(76,799)	69,078	395,893
BEGINNING FUND BALANCE	<u>1,959,611</u>	<u>847,100</u>	<u>397,236</u>	<u>3,203,947</u>	<u>2,808,054</u>
ENDING FUND BALANCE	<u>\$ 2,005,878</u>	<u>\$ 946,710</u>	<u>\$ 320,437</u>	<u>\$ 3,273,025</u>	<u>\$ 3,203,947</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, 2012

Change in Fund Balance - Governmental Funds	\$	69,078
<p>Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level</p>		
Capitalized Asset Purchases		119,366
Depreciation Expense		(239,972)
Gain (Loss) on Asset Disposals		(4,000)
<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>		
Proceeds from debt issuances		(3,180,608)
Cost of issuance		60,510
Principal payments on bonds payable		3,128,843
Principal payments on capital leases		59,775
Change in accrued interest payable		1,995
Amortization of costs, premiums and discounts		14,247
Change in accrued compensated absences		<u>3,033</u>
Changes in Net Assets	\$	<u>32,267</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, 2012
(With Comparative Totals for June 30, 2011)

	Totals	
	2012	2011
ASSETS		
Cash and Investments	\$ 19,356	\$ 27,945
Inventory	5,389	2,192
Machinery & Equipment	20,211	20,211
Accumulated Depreciation	(20,211)	(20,211)
TOTAL ASSETS	24,745	30,137
LIABILITIES		
Accrued Salaries & Benefits	7,579	5,812
Deferred Revenue	3,343	3,077
TOTAL LIABILITIES	10,922	8,889
NET ASSETS		
Unrestricted Net Assets	\$ 13,823	\$ 21,248

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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	Totals	
	2012	2011
OPERATING REVENUES		
Food Service Revenue	\$ 58,198	\$ 67,888
Other Local	66	-
TOTAL OPERATING REVENUES	58,264	67,888
OPERATING EXPENSES		
Food Service		
Salaries	56,761	53,681
Benefits	11,937	8,976
PS - Other	463	512
Supplies	3,962	2,274
Food	48,339	50,550
Commodities	10,360	23,764
Property	2,767	-
Other Expenses	1,758	1,715
TOTAL OPERATING EXPENSES	136,347	141,472
OPERATING INCOME	(78,083)	(73,584)
OTHER REVENUES (EXPENSES)		
State Match - Child Nutrition	1,850	2,042
State K-2 Reduced Lunch	334	303
Special Milk Program	263	103
National School Lunch Program	56,586	58,530
Commodities	11,625	22,648
NET OTHER REVENUES (EXPENSES)	70,658	83,626
CHANGE IN NET ASSETS	(7,425)	10,042
BEGINNING NET ASSETS	21,248	11,206
ENDING NET ASSETS	\$ 13,823	\$ 21,248

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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	Totals	
	2012	2011
Cash Flows from Operating Activities:		
Cash Received from Local Sources	\$ 58,530	\$ 70,965
Cash Paid to Suppliers	(71,158)	(65,364)
Cash Paid to Employees	(54,993)	(53,795)
Net Cash Provided (Used) for Operating Activities	(67,621)	(48,194)
Cash Flows from Noncapital Financing Activities:		
Net Cash Provided by Noncapital Financing Activities	59,033	67,359
Cash Flows from Investing Activities:		
Net Increase(Decrease) in Cash	(8,588)	19,165
Cash, Beginning	27,945	8,780
Cash, Ending	\$ 19,357	\$ 27,945
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) for Operating Activities:		
Operating Income (Loss)	\$ (78,083)	\$ (73,584)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Donated Commodities	10,360	23,764
Changes in Assets and Liabilities Related to Operations:		
Increase (Decrease) in:		
Inventory	(1,932)	(1,337)
Accrued Salaries & Benefits	1,768	(114)
Deferred Revenue	266	3,077
Total Adjustments	10,462	25,390
Net Cash Provided (Used) for Operating Activities	\$ (67,621)	\$ (48,194)
Schedule of Non-Cash Activity:		
Donated Commodities	\$ 11,625	

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, 2012
(With Comparative Totals for June 30, 2011)

	Totals	
	2012	2011
ASSETS		
Cash and Investments	\$ 46,453	\$ 43,401
NET ASSETS		
Restricted Net Assets	\$ 46,453	\$ 43,401

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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012	2011
	Total	Total
ADDITIONS		
Local Sources	\$ 126,783	\$ 135,401
DEDUCTIONS		
Instruction	123,731	158,321
CHANGE IN NET ASSETS	3,052	(22,920)
BEGINNING NET ASSETS	43,401	66,321
ENDING NET ASSETS	\$ 46,453	\$ 43,401

See accompanying Independent Auditors' Report.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

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, 2012

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 treats its food service fund 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 was used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that were restricted to expenditures for specified purposes. The original funding for this activity was a required allocation of revenues from the amounts received from the Colorado Department of Education. This fund was closed as of June 30, 2011 and is included for comparative purposes only.

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 non-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, 2012

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, 2012

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 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, 2012

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 “non-spendable” 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. The District currently does not have any non-spendable fund balances.

Fund balances are 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, and at their highest level of action are 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, 2012

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, are 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. The District currently has no fund balances that are assigned.

All remaining governmental balances are reported as unassigned.

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 2011 are deemed receivable at June 30, 2012. 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.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

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:

- 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.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE 3: CASH AND INVESTMENTS (Continued)

Deposits (Continued)

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.

Custodial Credit Risk - Deposits

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, 2012, 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.

	Bank Balance	Carrying Balance
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Collateralized	2,490,732	2,436,129
Petty Cash	-	100
Total	<u>\$ 2,740,732</u>	<u>\$ 2,686,229</u>

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, 2012, 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, 2012

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, 2012, the District did not have any investments requiring safekeeping.

The District had the following investments as of June 30, 2012:

	Fair Value	Weighted Avg. Maturity In Years
	<u> </u>	<u> </u>
Local Government Trusts	\$ 1,082,165	-

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

Cash in Bank	\$ 2,686,129
Petty Cash	100
Investments	<u>1,082,165</u>
Total Cash and Investments	<u>\$ 3,768,394</u>
Unrestricted - Government-wide	\$ 3,721,941
Unrestricted - Agency	<u>46,453</u>
Total	<u>\$ 3,768,394</u>

NOTE 4: INVENTORIES

Food Service Fund inventory as of June 30, 2012 of \$5,389 consisted of purchased and donated commodities of \$2,386 and \$3,003 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, 2012

NOTE 5: CAPITAL ASSETS

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

	<u>Balance</u> <u>6/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/12</u>
GOVERNMENTAL ACTIVITIES:				
Capital Assets:				
Buildings	\$ 11,220,345	\$ 13,141	\$ -	\$ 11,233,486
Equipment	-	10,603	-	10,603
Transportation Equipment	<u>1,141,852</u>	<u>95,622</u>	<u>40,000</u>	<u>1,197,474</u>
Total Capital Assets	<u>12,362,197</u>	<u>119,366</u>	<u>40,000</u>	<u>12,441,563</u>
Less: Accumulated Depreciation				
Buildings	(4,723,826)	(175,040)	-	(4,898,866)
Equipment	-	(2,121)	-	(2,121)
Transportation Equipment	<u>(506,353)</u>	<u>(62,811)</u>	<u>(36,000)</u>	<u>(533,164)</u>
Total Accumulated Depreciation	<u>(5,230,179)</u>	<u>(239,972)</u>	<u>(36,000)</u>	<u>(5,434,151)</u>
Net Capital Assets	<u>\$ 7,132,018</u>	<u>\$ (120,606)</u>	<u>\$ 4,000</u>	<u>\$ 7,007,412</u>
Depreciation Allocation				
Instruction		\$ 126,748		
Supporting Services		107,416		
Total Depreciation		<u>\$ 234,164</u>		

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

	<u>Balance</u> <u>6/30/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/12</u>
BUSINESS-TYPE ACTIVITIES:				
Capital Assets:				
Equipment	\$ 20,211	\$ -	\$ -	\$ 20,211
Less: Accumulated Depreciation	<u>(20,211)</u>	<u>-</u>	<u>-</u>	<u>(20,211)</u>
Net Capital Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 6: INTERNAL ACTIVITY

The District had the following internal balances as of June 30, 2012:

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

In addition, the District recorded \$192,000 in transfers from the General Fund to the Capital Reserve Projects Fund to provide resources for capital projects.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

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, 2012, are \$474,238, accordingly, the accrued compensation is reflected as a liability in the accompanying financial statements of the General Fund of \$466,659 and Food Service Fund of \$7,579.

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, 2012:

	<u>Balance July 1 2011</u>	<u>Advances</u>	<u>Payments</u>	<u>Refunding</u>	<u>Balance June 30 2012</u>	<u>Current Portion</u>	<u>Interest Expense</u>
General Obligation Bonds:							
Series 1994	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -
Series 2003	2,995,000	-	180,000	2,440,000	375,000	185,000	17,788
Series 2011	-	2,815,000	115,000	-	2,700,000	110,000	74,255
Capital Appreciation Bonds:							
Series 2011	-	25,000	(6,157)	-	31,157	(9,479)	-
Total Bonds Payable	3,395,000	2,840,000	288,843	2,840,000	3,106,157	285,521	92,043
Capital Lease	122,539	-	59,774	-	62,764	62,764	6,129
Compensated Absences	95,659	-	3,033	-	92,626	-	-
Total Long-Term Obligations	<u>\$ 3,613,198</u>	<u>\$ 2,840,000</u>	<u>\$ 351,650</u>	<u>\$ 2,840,000</u>	<u>\$ 3,261,547</u>	<u>\$ 348,285</u>	<u>\$ 98,172</u>
Bond Issuance Costs	<u>\$ 44,564</u>	<u>\$ 60,510</u>	<u>\$ 17,327</u>	<u>\$ -</u>	<u>\$ 87,748</u>		
Unamortized Bond Premiums	<u>\$ 52,961</u>	<u>\$ 340,608</u>	<u>\$ 31,569</u>	<u>\$ -</u>	<u>\$ 362,000</u>		

Bonds Payable

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, 2012

NOTE 8: LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

2011 General Obligation / Capital Appreciation Bonds. In September, 2011, the District issued \$2,815,000 of General Obligation Bonds and \$25,000 of Capital Appreciation Bonds for the purpose of discharging the outstanding 1994 Bonds in the amount of \$400,000 and discharging the outstanding 2003 bonds that mature on and after December 2014 in the amount of \$2,440,000. The 2011 Bonds bear interest at rates varying from 1% to 4%. The bonds require annual principal payments on December 15 and semi-annual interest payments on June 15 and December 15.

As part of the refunding, the Series 2003 General Obligations of \$2,440,000 are considered defeased and will be called on December 15, 2013. The District recognized a net present value savings of \$185,705 on the refunding.

Summary of Debt Service Requirements

The annual requirement to amortize the bonds outstanding as of June 30, 2012, follows:

<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/2013	\$ 285,521	\$ 105,394	\$ 390,915
6/30/2014	287,636	96,163	383,799
6/30/2015	213,000	89,900	302,900
6/30/2016	220,000	85,000	305,000
6/30/2017	230,000	78,250	308,250
2018 to 2022	1,280,000	250,200	1,530,200
2023 to 2027	590,000	23,800	613,800
Total	<u>\$ 3,106,158</u>	<u>\$ 728,706</u>	<u>\$ 3,834,864</u>

Capital Leases

In 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>
2013	\$ 65,903
Less: interest portion at 5%	<u>(3,139)</u>
Net obligation under lease	<u>\$ 62,764</u>

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

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 \$167,947 for the year ended June 30, 2012. 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 14.75% of covered salary through December 31, 2011, 15.65% beginning January 1, 2012 through December 31, 2012. A portion of the District's contribution (1.02% of covered salary July 1, 2011 through June 30, 2012) is allocated for the Health Care Trust Fund (See Note 11). The District's contributions to the CSSDTF for the years ending June 30, 2012, 2011, and 2010, were \$434,510, \$420,791, and \$388,735, respectively, equal to their required contributions for each year.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

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, 2011 through June 30, 2012 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, 2012, 2011, and 2010 were \$29,217, \$29,980, and \$29,558, respectively, equal to their required contribution for each year.

NOTE 12: RISK MANAGEMENT

Property and Liability Coverage

The District belongs to the Colorado School District Self Insurance Pool ("CSDSIP") that was formed in 1981 to give individual school districts more buying power and financial stability. By partnering with districts across the state, members gain better access to essential coverage at a competitive price, and more control over the entire risk management function. The coverage provided by CSDSIP is property, crime, general liability, auto liability and physical damage, and errors and omissions. CSDSIP became self-administered in 1997. The board of directors is comprised of nine persons who are district school board members, superintendents, or district business officials. Each member's premium contribution is determined by CSDSIP based on factors including, but not limited to, the aggregate CSDSIP claims, the cost of administrative and other operating expenses, the number of participants, operating and reserve fund adequacy, investment income and reinsurance expense and profit sharing. Reporting to the Division of Insurance, as well as an audit and actuarial study is conducted annually. These reports may be obtained by contacting the CSDSIP administrative offices at 6857 South Spruce Street, Centennial, CO 80112. The District has not materially changed its coverage from previous years. The District has not recorded any liability for unpaid claims at June 30, 2012.

CSDSIP has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

NOTE 12: RISK MANAGEMENT (Continued)

Property and Liability Coverage (Continued)

The ultimate liability to the District resulting from claims not covered by the pool is not recently determinable. Management is of the opinion that the final outcome of such claims, of any, will not have a material adverse effect on the District's financial statements.

Workers Compensation

The District carries commercial insurance for worker's compensation coverage. Risk of loss transfers to the carrier.

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 and are subject to the various rules and regulations of the grantor agencies.. Expenditures financed by grants are subject to audit and adjustment by the appropriate grantor agency. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

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, 2012, the District's reserve of \$157,000 was recorded as restricted 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.

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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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012				
	Original	Final	Actual	Variance	2011
	Budget	Budget		with Final	Actual
REVENUES					
Local Sources					
Property Taxes	\$ 863,999	\$ 863,999	\$ 823,339	\$ (40,660)	\$ 900,646
Specific Ownership Taxes	87,867	87,867	110,617	22,750	119,833
Delinquent Taxes	1,500	1,500	1,968	468	1,888
Other Taxes	50	50	216	166	332
Tuition From Individuals	-	-	725	725	1,235
Tuition Within the BOCES	1,000	1,000	8,942	7,942	-
Transportation Fees	-	-	881	881	466
Investment Earnings	11,349	11,349	9,650	(1,699)	14,261
Pupil Activity Revenues	6,000	6,000	-	(6,000)	-
Fees	-	-	-	-	22
Community Service Revenue	1,000	1,000	-	(1,000)	-
Rent Revenue	-	-	6,860	6,860	7,000
Donations	500	500	2,240	1,740	2,871
Sale of Fixed Assets	2,000	2,000	1,529	(471)	700
Instructional Materials Fees	-	-	78	78	127
Insurance Proceeds	-	-	37,395	37,395	49,670
Other Local	-	-	29,123	29,123	49,152
Total Local Sources	<u>975,265</u>	<u>975,265</u>	<u>1,033,563</u>	<u>58,298</u>	<u>1,148,203</u>
Intermediate Sources					
Mineral Leases	-	-	39	39	-
State Sources					
State Equalization	3,676,343	3,676,343	3,677,402	1,059	3,718,495
Transportation	85,000	85,000	95,295	10,295	92,706
State Grants from CDE					
State ECEA	100,964	100,964	-	(100,964)	-
State ELPA	-	-	607	607	306
State Share - Colorado Preschool Program	3,193	3,193	-	(3,193)	-
Best Capital Construction Program	-	-	1,551	1,551	-
State Grants from Other Agencies					
State Vocational Education	-	-	-	-	312
State Grants Provided through BOCES	92,730	92,730	47,635	(45,095)	43,405
Total State Sources	<u>3,958,230</u>	<u>3,958,230</u>	<u>3,822,490</u>	<u>(135,740)</u>	<u>3,855,224</u>
Federal Sources					
Federal Grants from CDE					
NCLB Title I, Part A - Improving Basic Programs	-	-	85,900	85,900	89,144
NCLB Title VIII - Impact Aid	-	-	29,702	29,702	23,537
NCLB Title II, Part D - Enhancing Education through Technology	-	-	293	293	-
NCLB Title II, Part A - Teacher & Principal Training	105,505	105,798	19,541	(86,257)	25,241
ARRA - Title I, Part A	-	-	-	-	34,983
ARRA Ed Jobs	-	-	-	-	54,948
ARRA - Education Stabilization Fund	-	-	4,693	4,693	143,105
Medicaid Reimbursement	-	-	-	-	8,897
Federal Grants from Other State Agencies					
Carl Perkins Vocational Education	-	-	11,782	11,782	15,645
Direct Federal Revenue					
Federal Provided through BOCES	-	-	(293)	(293)	-
Total Federal Sources	<u>105,505</u>	<u>105,798</u>	<u>151,618</u>	<u>45,820</u>	<u>395,500</u>
TOTAL REVENUES	<u>5,039,000</u>	<u>5,039,293</u>	<u>5,007,710</u>	<u>(31,583)</u>	<u>5,398,927</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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012			Variance with Final Budget	2011 Actual
	Original Budget	Final Budget	Actual		
(Continued)					
EXPENDITURES					
Instruction					
Salaries	1,983,868	2,023,540	2,049,331	(25,791)	2,085,005
Benefits	485,345	501,270	462,296	38,974	456,021
PS - Professional	-	-	95	(95)	-
PS - Property	13,300	13,300	46,101	(32,801)	17,179
PS - Other	58,000	56,500	54,557	1,943	51,894
Supplies	100,815	83,015	96,035	(13,020)	104,508
Property	27,915	33,665	12,256	21,409	28,643
Other Expenses	6,500	4,000	1,243	2,757	264
Total Instruction	<u>2,675,743</u>	<u>2,715,290</u>	<u>2,721,914</u>	<u>(6,624)</u>	<u>2,743,514</u>
Supporting Services					
Pupil Support					
Salaries	152,129	148,363	145,861	2,502	191,602
Benefits	41,469	41,469	37,436	4,033	31,087
PS - Other	1,500	1,500	504	996	621
Supplies	4,950	4,950	4,929	21	3,464
Other Expenses	250	250	15	235	236
Total Pupil Support	<u>200,298</u>	<u>196,532</u>	<u>188,745</u>	<u>7,787</u>	<u>227,010</u>
Staff Support					
Salaries	35,210	35,210	34,611	599	34,610
Benefits	9,286	9,286	8,289	997	7,749
PS - Professional	7,500	7,500	7,800	(300)	7,845
PS - Other	1,000	1,000	495	505	496
Supplies	7,000	7,000	5,852	1,148	5,767
Property	2,000	2,000	1,981	19	1,284
Total Staff Support	<u>61,996</u>	<u>61,996</u>	<u>59,028</u>	<u>2,968</u>	<u>57,751</u>
General Administration					
Salaries	107,375	107,375	110,681	(3,306)	107,376
Benefits	39,751	43,016	43,026	(10)	38,410
PS - Professional	25,190	25,190	15,338	9,852	19,593
PS - Other	27,750	27,750	57,715	(29,965)	40,524
Supplies	5,000	5,000	5,882	(882)	6,950
Property	2,500	2,500	1,444	1,056	420
Other Expenses	18,700	18,700	9,532	9,168	11,142
Total General Administration	<u>226,266</u>	<u>229,531</u>	<u>243,618</u>	<u>(14,087)</u>	<u>224,415</u>
School Administration					
Salaries	206,775	208,246	212,324	(4,078)	215,352
Benefits	42,245	42,245	49,621	(7,376)	42,085
PS - Professional	1,600	1,600	1,580	20	1,673
PS - Property	9,400	9,400	9,429	(29)	8,271
PS - Other	16,600	16,600	14,140	2,460	16,602
Supplies	7,500	7,500	9,637	(2,137)	13,278
Property	9,500	9,500	4,675	4,825	10,863
Other Expenses	1,100	1,100	4,330	(3,230)	5,358
Total School Administration	<u>294,720</u>	<u>296,191</u>	<u>305,736</u>	<u>(9,545)</u>	<u>313,482</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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance with Final Budget	
(Continued)					
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Services					
Salaries	66,000	69,153	74,908	(5,755)	65,829
Benefits	15,802	15,802	12,515	3,287	13,540
PS - Professional	2,250	2,250	2,751	(501)	3,067
PS - Other	327,250	352,250	169,503	182,747	200,154
Supplies	2,500	2,500	1,960	540	4,849
Total Business Services	<u>413,802</u>	<u>441,955</u>	<u>261,637</u>	<u>180,318</u>	<u>287,439</u>
Operations and Maintenance					
Salaries	177,485	200,000	172,324	27,676	180,754
Benefits	67,528	67,528	44,863	22,665	47,458
PS - Professional	1,000	1,000	-	1,000	450
PS - Property	6,500	6,500	6,111	389	8,345
PS - Other	54,750	54,750	52,275	2,475	90,387
Supplies	187,500	187,500	236,093	(48,593)	249,236
Property	2,500	2,500	1,297	1,203	803
Other Expenses	1,000	1,000	(1,839)	2,839	(1,887)
Total Operations and Maintenance	<u>498,263</u>	<u>520,778</u>	<u>511,124</u>	<u>9,654</u>	<u>575,546</u>
Transportation					
Salaries	241,704	241,704	229,937	11,767	251,665
Benefits	59,197	59,197	51,359	7,838	50,056
PS - Professional	-	-	-	-	-
PS - Property	7,000	7,000	9,598	(2,598)	8,115
PS - Other	4,750	4,750	3,773	977	830
Supplies	99,500	99,500	95,530	3,970	91,192
Property	16,000	16,000	8,152	7,848	4,018
Other Expenses	1,500	1,500	594	906	415
Total Transportation	<u>429,651</u>	<u>429,651</u>	<u>398,943</u>	<u>30,708</u>	<u>406,291</u>
Risk Management					
PS - Other	120,000	120,000	78,698	41,302	55,406
Contingency	<u>1,630,147</u>	<u>1,759,069</u>	<u>-</u>	<u>1,759,069</u>	<u>-</u>
TOTAL EXPENDITURES	<u>6,550,886</u>	<u>6,770,993</u>	<u>4,769,443</u>	<u>2,001,550</u>	<u>4,890,854</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(1,511,886)	(1,731,700)	238,267	1,969,967	508,073
OTHER FINANCING SOURCES (USES)					
Transfers	(208,114)	(198,300)	(192,000)	6,300	(198,000)
CHANGE IN FUND BALANCE	(1,720,000)	(1,930,000)	46,267	1,976,267	310,073
BEGINNING FUND BALANCE	1,720,000	1,930,000	1,959,611	29,611	1,649,538
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,005,878</u>	<u>\$ 2,005,878</u>	<u>\$ 1,959,611</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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012				2011 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES					
EXPENDITURES					
Supporting Services					
Operations and Maintenance					
Property	66,000	-	-	-	8,674
Transportation					
Property	-	-	-	-	188,442
Facilities/Capital Outlay					
Land and Improvements	-	-	-	-	33,083
Buildings	-	-	-	-	12,613
Equipment	-	-	-	-	65,587
Total Facilities/Capital Outlay	-	-	-	-	111,283
Debt Service					
Principal	-	-	-	-	65,903
Contingency	66,000	-	-	-	-
TOTAL EXPENDITURES	132,000	-	-	-	374,302
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(132,000)	-	-	-	(374,302)
OTHER FINANCING SOURCES (USES)					
Transfers	-	-	-	-	(197,027)
Capital Lease Proceeds	-	-	-	-	188,442
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	(8,585)
CHANGE IN FUND BALANCE	(132,000)	-	-	-	(382,887)
BEGINNING FUND BALANCE	132,000	-	-	-	382,887
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying Independent Auditors' Report.

PEYTON SCHOOL DISTRICT 23JT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2012

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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES					
Local Sources					
Property Taxes	\$ 457,000	\$ 457,000	\$ 477,055	\$ 20,055	\$ 521,006
Specific Ownership Taxes	-	-	3,588	3,588	9
Delinquent Taxes	-	-	596	596	1,437
Investment Earnings	11,000	11,000	909	(10,091)	1,229
TOTAL REVENUES	<u>468,000</u>	<u>468,000</u>	<u>482,148</u>	<u>14,148</u>	<u>523,681</u>
EXPENDITURES					
General Administration					
PS - Professional	-	-	60,510	(60,510)	-
Debt Service					
Principal	305,000	305,000	295,000	10,000	290,000
Interest	149,315	149,315	87,538	61,777	162,210
Total Debt Service	<u>454,315</u>	<u>454,315</u>	<u>382,538</u>	<u>71,777</u>	<u>452,210</u>
Contingency	673,685	860,785	-	860,785	-
TOTAL EXPENDITURES	<u>1,128,000</u>	<u>1,315,100</u>	<u>443,048</u>	<u>872,052</u>	<u>452,210</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(660,000)	(847,100)	39,100	886,200	71,471
OTHER FINANCING SOURCES (USES) (GAAP BASIS)					
Bond Proceeds	-	-	2,840,000	2,840,000	-
Premium/(Discount)	-	-	340,608	340,608	-
Escrow Payment	-	-	(3,120,098)	(3,120,098)	-
CHANGE IN FUND BALANCE	(660,000)	(847,100)	99,610	946,710	71,471
BEGINNING FUND BALANCE	660,000	847,100	847,100	-	775,629
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 946,710</u>	<u>\$ 946,710</u>	<u>\$ 847,100</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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES					
Local Sources					
Investment Earnings	\$ -	\$ -	\$ 1,291	\$ 1,291	\$ 2,209
Donations	-	-	4,747	4,747	-
Other Local	-	-	13	13	-
TOTAL REVENUES	-	-	6,051	6,051	2,209
EXPENDITURES					
Operations and Maintenance					
Supplies	27,200	27,200	3,000	24,200	-
Transportation					
Property	66,000	66,000	163,225	(97,225)	-
Facilities/Capital Outlay					
Land and Improvements	81,600	81,600	62,603	18,997	-
Buildings	23,200	27,200	16,065	11,135	-
Equipment	-	-	29,957	(29,957)	-
Total Facilities/Capital Outlay	104,800	108,800	108,625	175	-
Contingency	76,970	388,536	-	388,536	-
TOTAL EXPENDITURES	274,970	590,536	274,850	315,686	-
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(274,970)	(590,536)	(268,799)	321,737	2,209
OTHER FINANCING SOURCES (USES)					
Transfers	198,000	193,300	192,000	(1,300)	395,027
CHANGE IN FUND BALANCE	(76,970)	(397,236)	(76,799)	320,437	397,236
BEGINNING FUND BALANCE	76,970	397,236	397,236	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ 320,437	\$ 320,437	\$ 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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012		Variance with Final Budget	2011	
	Final Budget	Actual		Actual	Actual
OPERATING REVENUES					
Food Service Revenue	\$ 78,400	\$ 58,198	\$ (20,202)	\$ 67,888	
Other Local	600	66	(534)	-	
TOTAL OPERATING REVENUES	<u>79,000</u>	<u>58,264</u>	<u>(20,736)</u>	<u>67,888</u>	
OPERATING EXPENSES					
Food Service					
Salaries	56,500	56,761	(261)	53,680	
Benefits	12,302	11,937	365	8,976	
PS - Other	5,337	463	4,874	512	
Supplies	1,000	3,962	(2,962)	2,274	
Food	60,000	48,339	11,661	50,550	
Commodities	11,100	10,360	740	23,764	
Property	1,250	2,767	(1,517)	-	
Other Expenses	-	1,758	(1,758)	1,716	
Total Food Service	<u>147,489</u>	<u>136,347</u>	<u>11,142</u>	<u>141,472</u>	
Contingency	<u>11,530</u>	<u>-</u>	<u>11,530</u>	<u>-</u>	
TOTAL OPERATING EXPENSES	<u>159,019</u>	<u>136,347</u>	<u>22,672</u>	<u>141,472</u>	
OPERATING INCOME (LOSS)	<u>(80,019)</u>	<u>(78,083)</u>	<u>1,936</u>	<u>(73,584)</u>	
OTHER REVENUES (EXPENSES)					
State Grants from CDE					
State Match - Child Nutrition	2,000	1,850	(150)	2,042	
State K-2 Reduced Lunch	-	334	334	303	
Federal Grants from CDE					
Special Milk Program	400	263	(137)	103	
National School Lunch Program	44,675	56,586	11,911	58,530	
Federal Grants from Other State Agencies					
Commodities	-	11,625	11,625	22,648	
NET OTHER REVENUES (EXPENSES)	<u>47,075</u>	<u>70,658</u>	<u>23,583</u>	<u>83,626</u>	
CHANGE IN NET ASSETS BEFORE TRANSFERS	<u>(32,944)</u>	<u>(7,425)</u>	<u>25,519</u>	<u>10,042</u>	
Transfers	5,000	-	(5,000)	-	
CHANGE IN NET ASSETS	<u>(27,944)</u>	<u>(7,425)</u>	<u>20,519</u>	<u>10,042</u>	
BEGINNING NET ASSETS	<u>27,944</u>	<u>21,248</u>	<u>(6,696)</u>	<u>11,206</u>	
ENDING NET ASSETS	<u>\$ -</u>	<u>\$ 13,823</u>	<u>\$ 13,823</u>	<u>\$ 21,248</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, 2012
(With Comparative Totals for the Year Ended June 30, 2011)

	2012		Variance with Final Budget	2011
	Final Budget	Actual		Actual
ADDITIONS				
Local Sources	\$ 150,000	\$ 126,783	\$ (23,217)	\$ 135,401
Transfers	30,000	-	(30,000)	-
TOTAL ADDITIONS	<u>180,000</u>	<u>126,783</u>	<u>(53,217)</u>	<u>135,401</u>
DEDUCTIONS				
Instruction	180,000	123,731	56,269	158,321
Contingency	43,401	-	43,401	-
TOTAL DEDUCTIONS	<u>223,401</u>	<u>123,731</u>	<u>99,670</u>	<u>158,321</u>
CHANGE IN NET ASSETS	(43,401)	3,052	46,453	(22,920)
BEGINNING NET ASSETS	<u>43,401</u>	<u>43,401</u>	-	<u>66,321</u>
ENDING NET ASSETS	<u>\$ -</u>	<u>\$ 46,453</u>	<u>\$ 46,453</u>	<u>\$ 43,401</u>

See accompanying Independent Auditors' Report.

STATE COMPLIANCE

Holscher, Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

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, 2012, and have issued our report thereon dated November 6, 2012. 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.

Holscher, Mayberry & Company, LLC

December 20, 2012
Englewood, CO

12/20/2012
02:04 PM

Colorado Department of Education
Fiscal Year 2011-2012
Colorado School District/BOCES
Auditor's Integrity Report

EL PASO PEYTON 23 JT
District Code: 1060

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
Governmental				
10 General Fund	1,959,611	4,815,710	4,769,443	2,005,878
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Subtotal	1,959,611	4,815,710	4,769,443	2,005,878
11 Charter School Fund	0	0	0	0
20,26-29 Special Revenue Fund	0	0	0	0
21 Capital Reserve Spec Revenue Fund	0	0	0	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
31 Bond Redemption Fund	847,100	3,662,756	3,563,146	946,710
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	397,236	198,051	274,851	320,437
TOTALS	3,203,947	8,676,517	8,607,440	3,273,024
Proprietary				
51 Food Service Fund	21,248	128,922	136,347	13,823
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	21,248	128,922	136,347	13,823
Fiduciary				
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	43,401	126,782	123,731	46,453
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
TOTALS	43,401	126,782	123,731	46,453

*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.

From submitted data file: fd1060.08a

Program: fdrdh.sqr

File: fd1060.dha

FINAL

Must mirror the combined balance sheet pages from your audit.

Deas/ Bolted Bal. Sheet Codes	Governmental				Proprietary				Fiduciary		Totals		
	General Funds 10,112-18	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
ASSETS													
Cash and Investments (8100-8104,8111)	810,214	0	0	0	915,093	312,137	19,356	0	0	0	46,453	0	2,103,253
Cash with Fiscal Agent (8105)	12,108	0	0	0	6,788	0	0	0	0	0	0	0	18,895
Other Investment Accounts (8112-8115)	1,665,142	0	0	0	0	0	0	0	0	0	0	0	1,665,142
Taxes Receivable (8121,8122)	42,566	0	0	0	24,829	0	0	0	0	0	0	0	67,395
Interfund Loans Receivable (8131,8132)	0	0	0	0	0	8,300	0	0	0	0	0	0	8,300
Intergovernmental Accounts Rec (8141)	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants Accounts Receivable (8142)	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Receivables (8151,8154,8161)	633	0	0	0	0	0	0	0	0	0	0	0	633
Inventories (8171,8172,8173)	0	0	0	0	0	0	0	0	0	0	0	0	0
Prepaid Expenses (8181,8182)	0	0	0	0	0	0	5,389	0	0	0	0	0	5,389
Other Current Assets (8191-8194,8199)	0	0	0	0	0	0	0	0	0	0	0	0	0
Sites (8211)	0	0	0	0	0	0	0	0	0	0	0	0	0
Site Improvements (8221)	0	0	0	0	0	0	0	0	0	0	0	0	0
Accumulated Depreciation on Site Improvements (8222)	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings (8231-8234)	0	0	0	0	0	0	0	0	0	0	0	0	0
Machinery and Equipment (8241,8242,8251)	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Assets	2,530,662	0	0	0	946,710	320,437	24,746	0	0	0	46,453	0	3,869,007
LIABILITIES & FUND EQUITY													
LIABILITIES													
Interfund Payables (7401,7402)	8,300	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
Other Payables (7421-7423)	49,826	0	0	0	0	0	0	0	0	0	0	0	49,826
Contracts Payable (7431-7433)	0	0	0	0	0	0	0	0	0	0	0	0	0
Bonds Payables (7441-7445,7451,7452,7455)	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Expenses (7461)	466,659	0	0	0	0	0	7,579	0	0	0	0	0	474,238
Payroll Ded. and Withholdings (7471-7473)	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Revenue (7481)	0	0	0	0	0	0	3,343	0	0	0	0	0	3,343
Grants Deferred Revenue (7482)	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
Long-Term Liabilities (7521,7531,7561,7590)	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
Note: Fund 90 District Debt Accounts 7511 through 7519 are not shown on this report													
Total Liabilities	524,785	0	0	0	0	0	10,922	0	0	0	0	0	535,707

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

Deas/ Balded Bal. Sheet Codes	-----Governmental-----					-----Proprietary-----					-----Fiduciary-----			
	General Funds 10,112-18	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 Funds 65-69(60)	Internal Service Funds 72-79	Trust & Agency Funds	Foundations Fund 85	Totals
FUND EQUITY														
Non-spendable Fund Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6710)														
Restricted Fund Balance	0	0	0	0	946,710	0	0	0	0	0	0	0	946,710	0
(6720)														
Tabor 3% Emergency Reserve	157,000	0	0	0	0	0	0	0	0	0	0	0	157,000	0
(6721)														
TABOR Multi Year Obligations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6722)														
District Emergency Reserve (Letter of Credit or Real Estate)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6723)														
Colorado Preschool Program (CPP) Reserve	44,849	0	0	0	0	0	0	0	0	0	0	0	44,849	0
(6724)														
Full Day Kindergarten Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6725)														
Risk-Related / Restricted Capital Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6726)														
Committed Fund Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6750)														
Assigned Fund Balance	0	0	0	0	0	70,000	0	0	0	0	0	0	70,000	0
(6760)														
Unassigned Fund Balance	0	0	0	0	0	250,437	0	0	0	0	0	0	250,437	0
(6770)														
Invested in Capital Assets, Net of Related Debt	1,804,029	0	0	0	0	0	0	0	0	0	46,453	0	1,850,481	0
(6779)														
Restricted Net Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6791)														
Unrestricted Net Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(6792)														
Prior-Period Adjustment	0	0	0	0	0	0	13,823	0	0	0	0	0	13,823	0
(6880)														
Total Fund Equity	2,005,878	0	0	0	946,710	320,437	13,823	0	0	0	46,453	0	3,333,300	0
Total Liabilities & Fund Equity	2,530,662	0	0	0	946,710	320,437	24,746	0	0	0	46,453	0	3,869,007	0
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	Yes:OK