

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

**BASIC FINANCIAL STATEMENTS**

**June 30, 2024**

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## FINANCIAL SECTION



**PROSPECTIVE  
BUSINESS  
SOLUTIONS, LLC**  
Certified Public Accountants

Auditing, Accounting, and Consulting Services for  
Governments and Nonprofit Organizations

Board of Education  
Peyton School District 23JT  
Peyton, Colorado

## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Peyton School District 23JT (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Peyton School District 23JT as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Responsibilities of Management for the Financial Statements

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we:

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

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedules of the District's proportionate share, and the schedules of the District's contributions on pages 46-53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

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

*PB Solutions LLC*

Littleton, Colorado  
January 28, 2025

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2024**

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, 2024. 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.

**Financial Highlights**

- For the current year ended June 30, 2024, the net position of the District is (\$407,351), an increase of \$1,515,774. Please note that the net position also includes PERA's unfunded liabilities and the post-employment health care trust fund liabilities over which the District has no control.
- As of the close of the 2023-24 fiscal year, the District's governmental funds reported combined ending fund balances of \$3,744,101. This represents an increase of \$1,620,174 from the previous year.

**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 Position 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. 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 position was (\$407,351) as of June 30, 2024.

The District's Governmental net position increased by \$1,515,774 from 2023-2024. Increase is due to insurance proceeds and MILL payment from Widefield, resulting in the general fund increasing fund balance of almost \$2 million. This is primarily due to the change in the Long-Term Pension (PERA) and OPEB related costs. The district's liabilities for governmental activities, including long term debt and net pension liability, exceeds assets, including capital assets (land, buildings, and equipment), in fiscal year 2023-2024 by \$407,351 (deficit net position). The deficit is a result of the Governmental Accounting Standards Board (GASB) Statement 68 which requires all entities contributing to the Public Employees Retirement Association (PERA) to record their share of the net liability on the Statement of Net Position beginning the 2014-2015 fiscal year. More information on GASB Statement 68 can be found in the notes to the financial statements.

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.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2024**

The District's total net position was (\$407,351) as of June 30, 2024. The District has a negative unrestricted net position of \$6,585,935. This is a result of the inclusion of the PERA and OPEB liabilities and related deferred inflows and deferred outflows of resources reported as described in the Notes to the Financial Statements.

**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 position 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 position and how they have changed. The change in net position 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 position and the Statement of Activities, the District reports the following activities:

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

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

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

	Governmental Activities	
	<u>6/30/2024</u>	<u>6/30/2023</u>
Cash and Investments	\$ 4,312,181.00	\$ 2,944,910.00
Restricted Cash and Investments	\$ 35,959.00	\$ 313,757.00
Other Assets	\$ 426,130.00	\$ 431,940.00
Capital Assets, Net	\$ 6,383,158.00	\$ 6,553,604.00
Right to Use Assets, Net	\$ 83,027.00	\$ 123,339.00
Total Assets	<u>\$ 11,240,455.00</u>	<u>\$ 10,367,550.00</u>
Deferred Outflow of Resources	<u>\$ 3,179,654.00</u>	<u>\$ 2,523,536.00</u>
Current Liabilities	\$ 1,030,169.00	\$ 1,542,004.00
Accrued Interest	\$ 1,129.00	\$ 1,747.00
Noncurrent Liabilities	\$ 13,094,638.00	\$ 11,846,012.00
Total Liabilities	<u>\$ 14,125,936.00</u>	<u>\$ 13,389,763.00</u>
Deferred Inflow of Resources	<u>\$ 701,524.00</u>	<u>\$ 1,424,448.00</u>
Net Position		
Net Investment in Capital Assets	\$ 5,897,488.00	\$ 5,732,001.00
Restricted	\$ 281,096.00	\$ 899,608.00
Unrestricted	\$ (6,585,935.00)	\$ (8,554,734.00)
Total Net Position	<u>\$ (407,351.00)</u>	<u>\$ (1,923,125.00)</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2024**

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

	Governmental Activities	
	<u>6/30/2024</u>	<u>6/30/2023</u>
<b>Program Revenue:</b>		
Charges for Services	\$ 78,738.00	\$ 177,941.00
Operating Grants and Contributions	\$ 1,903,644.00	\$ 2,164,060.00
Capital Grants	\$ 104,307.00	\$ 242,645.00
Total Program Revenue	\$ 2,086,689.00	\$ 2,584,646.00
<b>General Revenue:</b>		
Local Property Taxes	\$ 1,798,273.00	\$ 1,808,041.00
Specific Ownership Taxes	\$ 239,395.00	\$ 202,437.00
State Equalization	\$ 4,994,164.00	\$ 4,692,304.00
Investment Earnings	\$ 82,223.00	\$ 96,777.00
Other	\$ 1,134,865.00	\$ 155,584.00
Total General Revenue	\$ 8,248,920.00	\$ 6,955,143.00
Total Revenue	\$ 10,335,609.00	\$ 9,539,789.00
<b>Expenses:</b>		
Instruction	\$ 4,734,317.00	\$ 5,486,484.00
Supporting Services	\$ 4,059,318.00	\$ 4,535,850.00
Interest and Fiscal Charges	\$ 26,200.00	\$ 11,275.00
Total Expenses	\$ 8,819,835.00	\$ 10,033,609.00
Increase (Decrease) in Net Position	\$ 1,515,774.00	\$ (493,820.00)
Begging Net Position	\$ (1,923,125.00)	\$ (1,429,305.00)
Ending Net Position	\$ (407,351.00)	\$ (1,923,125.00)

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2024**

**Reporting the District's Most Significant Funds**

The analysis of the District's major funds begins on page 3. Fund financial reports provide detailed information about the District's major funds. The District's major funds are the General and Capital Projects. The General Fund accounts for the majority of the District's instruction and support operations. The Capital Projects Fund accounts for the District's capital needs. The Bond Redemption Fund accounts for the repayment of the district's bonds.

**Governmental Funds.** All of the 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 position and the Statement of Activities) and governmental funds is reconciled in the financial statements of the Governmental Funds.

**Fund Financial Statements**

As of June 30, 2024, the District's governmental funds reported a combined fund balance of \$3,744,101 which is an increase of \$1,620,174 from the June 30, 2023 balance. The following is additional information by the fund which contributed to the change.

General Fund fund balance increased \$1,997,907 from 2023 to 2024.

The Capital Project Fund Balance decreased by \$391.

Bond Redemption Fund fund balance decreased by \$313,757

**General Fund Budgetary Highlights**

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.

**Capital Assets**

As of June 30, 2024 the District had \$6,466,185 invested in a broad range of capital assets, including buildings and improvements, transportation and other equipment and right to use assets. The District reports total additions to capital assets in the amount of \$165,971 and depreciation and amortization expense of \$376,730.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**Required Supplementary Information (RSI)**  
**June 30, 2024**

**Debt Administration**

As of June 30, 2024 the District reports outstanding debt balances on its 2011 Certificates of Participation in the amount of \$430,000. Additional information can be found on page 17 of this report. The 2011 General Obligation bonds were paid in full and retired during the fiscal year.

**The Future of the District**

Factors that will affect next year's budget will center around what formula and funding measure will be utilized by the State of Colorado. Fortunately, the Peyton School District is seeing an increase in enrollment, but still lacks the resources/funding needed to take care of a growing list of facility and deferred maintenance needs. There is still an unknown around if the budget stabilization factor, or something comparable, will be introduced in the next fiscal year.

Currently Peyton School District is working to develop professional development and programs of support to bolster staff retention. Additionally, more CTE programming and bolstered concurrent enrollment options are being provided for students. From this, the Peyton School District hopes to increase in student enrollment and retention. The actual (non-averaged) student count has increased from the previous school year. The 5-year average student count projection for the 2023-2024 school year was estimated to be slightly lower than the previous year. Based on interested and projected growth, in-district and out of district student enrollment is expected to increase.

Economically, the district is still projecting growth in the next 3-10 years. It has been confirmed that the anticipated housing development of 3,200 homes, Grandview Reserve, is expected start development, with potential roofs appearing by the summer of 2025. The master planned community will go through four phases over the next 10 years. The District is running a demographics study to help navigate the potential fiscal and capacity impact.

**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.

## **BASIC FINANCIAL STATEMENTS**

PEYTON SCHOOL DISTRICT 23JT

STATEMENT OF NET POSITION

June 30, 2024

	GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>	
Cash and Investments	\$ 4,312,181
Cash Held with County Treasurer	35,959
Taxes Receivable	66,959
Accounts Receivable	354,840
Inventories	4,331
Capital Assets, Depreciated, Net of Accumulated Depreciation	6,383,158
Right to Use Assets, Net of Accumulated Amortization	83,027
<b>TOTAL ASSETS</b>	<b>11,240,455</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Related to Pensions	3,123,307
Related to OPEB	56,347
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>3,179,654</b>
<b>LIABILITIES</b>	
Accounts Payable	34,596
Accrued Salaries and Benefits	865,873
Unearned Revenue	129,700
Accrued Interest Payable	1,129
Noncurrent Liabilities	
Due Within One Year	81,850
Due in More Than One Year	485,718
Compensated Absences	152,768
Net Pension Liability	12,082,557
Net OPEB Liability	291,745
<b>TOTAL LIABILITIES</b>	<b>14,125,936</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Related to Pensions	584,858
Related to OPEB	116,666
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>701,524</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	5,897,488
Restricted	281,096
Unrestricted	(6,585,935)
<b>TOTAL NET POSITION</b>	<b>\$ (407,351)</b>

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

PEYTON SCHOOL DISTRICT 23JT

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
PRIMARY GOVERNMENT					
<b>Governmental Activities</b>					
Instruction	\$ 4,734,317	\$ 78,738	\$ 438,311	\$ -	\$ (4,217,268)
Supporting Services	4,059,318	-	1,465,333	104,307	(2,489,678)
Interest and Fiscal Charges	26,200	-	-	-	(26,200)
<b>Total Governmental Activities</b>	<b>8,819,835</b>	<b>78,738</b>	<b>1,903,644</b>	<b>104,307</b>	<b>(6,733,146)</b>
GENERAL REVENUES					
					1,798,273
					239,395
					4,994,164
					424,754
					82,223
					SPECIAL ITEM - Insurance Proceeds
					710,111
					<b>TOTAL GENERAL REVENUES</b>
					<b>8,248,920</b>
					CHANGE IN NET POSITION
					1,515,774
					NET POSITION, Beginning
					(1,923,125)
					NET POSITION, Ending
					\$ (407,351)

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

PEYTON SCHOOL DISTRICT 23JT

BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2024

	GENERAL FUND	BOND REDEMPTION FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>					
Cash and Investments	\$ 4,089,335	\$ -	\$ 67,332	\$ 155,514	\$ 4,312,181
Cash Held at County Treasurer	35,959	-	-	-	35,959
Due From Other Funds	171,639	-	-	-	171,639
Taxes Receivable	66,959	-	-	-	66,959
Other Receivables	232,283	-	104,307	18,250	354,840
Inventory	-	-	-	4,331	4,331
<b>TOTAL ASSETS</b>	<b>\$ 4,596,175</b>	<b>\$ -</b>	<b>\$ 171,639</b>	<b>\$ 178,095</b>	<b>\$ 4,945,909</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 34,596	\$ -	\$ -	-	\$ 34,596
Due To Other Funds	-	-	171,639	-	171,639
Accrued Salaries and Benefits	841,166	-	-	24,707	865,873
Unearned Revenues	129,700	-	-	-	129,700
<b>TOTAL LIABILITIES</b>	<b>1,005,462</b>	<b>-</b>	<b>171,639</b>	<b>24,707</b>	<b>1,201,808</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Property Tax Revenues	-	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	4,331	4,331
Restricted for Emergencies	178,969	-	-	-	178,969
Restricted for Mill Levy Override	102,127	-	-	-	102,127
Committed for Fund Purpose	-	-	-	25,314	25,314
Assigned	-	-	-	123,743	123,743
Unassigned	3,309,617	-	-	-	3,309,617
<b>TOTAL FUND BALANCES</b>	<b>3,590,713</b>	<b>-</b>	<b>-</b>	<b>153,388</b>	<b>3,744,101</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 4,596,175</b>	<b>\$ -</b>	<b>\$ 171,639</b>	<b>\$ 178,095</b>	<b>\$ 4,945,909</b>

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

PEYTON SCHOOL DISTRICT 23JT

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
Year Ended June 30, 2024

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

Total fund balances of governmental funds			\$ 3,744,101
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.			
	Capital Assets, Depreciated	14,950,539	
	Accumulated Depreciation	(8,567,381)	
	Right to Use Assets	309,492	
	Accumulated Amortization	<u>(226,465)</u>	6,466,185
Other long-term assets are not available to pay for current-period expenditures, and therefore, are deferred in the funds.			-
Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds.			
	COPs Payable	(430,000)	
	Leases Payable	(137,568)	
	Accrued Interest Payable	(1,129)	
	Compensated Absences	(152,768)	
	Net Pension Liability	(12,082,557)	
	Net OPEB Liability	<u>(291,745)</u>	(13,095,767)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.			
	Deferred outflows of resources - Related to Pensions	3,123,307	
	Deferred outflows of resources - Related to OPEB	56,347	
	Deferred inflows of resources - Related to Pensions	(584,858)	
	Deferred inflows of resources - Related to OPEB	<u>(116,666)</u>	<u>2,478,130</u>
Net position of governmental activities			<u>\$ (407,351)</u>

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

PEYTON SCHOOL DISTRICT 23JT

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2024

	GENERAL FUND	BOND REDEMPTION FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>					
Local Sources	\$ 2,645,710	\$ 9,277	\$ 9,531	\$ 221,206	\$ 2,885,724
State Sources	6,062,607	-	-	111,983	6,174,590
Federal Sources	352,338	-	104,307	108,416	565,061
<b>TOTAL REVENUES</b>	<b>9,060,655</b>	<b>9,277</b>	<b>113,838</b>	<b>441,605</b>	<b>9,625,375</b>
<b>EXPENDITURES</b>					
Current					
Instruction	4,391,574	-	-	-	4,391,574
Supporting Services	3,171,718	-	-	505,190	3,676,908
Capital Outlay	140,078	-	104,307	-	244,385
Debt Service					
Principal	-	300,000	75,627	-	375,627
Interest	-	6,000	20,818	-	26,818
<b>TOTAL EXPENDITURES</b>	<b>7,703,370</b>	<b>306,000</b>	<b>200,752</b>	<b>505,190</b>	<b>8,715,312</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,357,285</b>	<b>(296,723)</b>	<b>(86,914)</b>	<b>(63,585)</b>	<b>910,063</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer Out	(86,523)	(17,034)	-	-	(103,557)
Transfer In	17,034	-	86,523	-	103,557
Insurance Proceeds	710,111	-	-	-	710,111
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>640,622</b>	<b>(17,034)</b>	<b>86,523</b>	<b>-</b>	<b>710,111</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,997,907</b>	<b>(313,757)</b>	<b>(391)</b>	<b>(63,585)</b>	<b>1,620,174</b>
FUND BALANCES, Beginning	1,592,806	313,757	391	216,973	2,123,927
FUND BALANCES, Ending	\$ 3,590,713	\$ -	\$ -	\$ 153,388	\$ 3,744,101

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

PEYTON SCHOOL DISTRICT 23JT

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2024

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

Net change in fund balances - total governmental funds			\$ 1,620,174
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.			
	Capital Outlay	165,972	
	Depreciation and Amortization	(376,730)	
	Loss on Disposal of Assets	<u>-</u>	(210,758)
Deferred property tax revenue - Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized on the government-wide financial statements.			
			(24,676)
Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds.			
	Bond Principal Payments	300,000	
	COPs Principal Payments	45,000	
	Leases Principal Payments	30,627	
	Changes in Accrued Interest Payable	618	
	Changes in Compensated Absences	<u>(10,976)</u>	365,269
Deferred Charges related to pensions and OPEB are not recognized in the governmental funds. However, for the government-wide funds those amounts are capitalized and amortized.			
	Deferred charges related to Pension Plan	(293,532)	
	Deferred charges related to OPEB	<u>59,297</u>	<u>(234,235)</u>
Change in net position of governmental activities			<u>\$ 1,515,774</u>

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

The accounting policies of the Peyton School District 23JT (the “District”) conform to generally accepted accounting principles as applicable to governmental units. The District is a political subdivision of the State of Colorado and is governed by an elected board of five members. Following is a summary of the more significant policies:

**Reporting Entity**

The financial reporting entity consists of the District and organizations for which the District is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the District. In addition, any legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the District.

Based upon the application of these criteria, no additional organizations are includable within the District’s reporting entity.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the District is financially accountable.

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

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

In the fund financial statements, the District reports the following major governmental fund:

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

The *Bond Redemption Fund* accounts for the District's repayment of its general obligation debt.

The *Capital Projects Fund* accounts for the District's major capital projects and capital outlay.

**Assets, Liabilities, and Fund Balance/Net Position**

Deposits and Investments – For purposes of the statement of cash flows, the District considers cash and cash equivalents to be all demand deposits as well as short-term investments with a maturity date of three months or less. Investments are stated at fair value.

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

Inventories – Inventories in the governmental funds are valued using the purchase method. Under this method, inventories are recorded as expenditures when purchased. A physical inventory is taken annually at June 30<sup>th</sup> in the Food Service Fund. The inventory consists of donated commodities which were valued at the estimated acquisition value. Purchased commodities and supplies are valued at cost using the first-in, first-out (FIFO) method.

Capital Assets – Capital assets, which include property 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 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the District is depreciated using the straight-line method over the following estimated useful lives.

Buildings and Improvements	25-50 years
Vehicles and Equipment	5 to 20 years

Unearned Revenues – The deferred revenues include amounts received but not yet available for expenditure. On June 30, 2024, the District reports \$129,700 in unearned revenues, which is related to unspent grant funds.

Accrued Salaries and Benefits – Salaries and benefits of certain contractually employed personnel are paid over a twelve-month period from September to August but are earned during the school year of approximately nine to ten months. The salaries and benefits earned, but unpaid, as of June 30, 2024, were \$865,873. The accrued compensation is reported as a liability in the General and Food Service Funds.

Vacation, Sick Leave, and Other Compensated Absences – District employees are entitled to certain compensated absences based on their length of employment and are allowed to accumulate unused absences. Employees are not limited to the amount of accumulated leave that can be carried to the next fiscal year. Upon termination of employment, employees are entitled to receive compensation for up to fifty accrued but not used sick days at \$50 per day. These compensated absences are recorded when paid in the governmental fund types. A long-term liability in the amount of \$152,768 has been recorded in the government-wide financial statements for the accrued compensated absences.

Deferred Outflows and Deferred Inflows of Resources – In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

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

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

Property Taxes – Property taxes are levied on December 15 based on the assessed value of property as certified by the County Assessor on October 1. 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 postmark day following these dates. The tax sale date is the first Thursday of November.

Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied.

Net Position– The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position, which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represents assets that do not have any third-party limitation on their use. While District management may have categorized and segmented portions for various purposes, the District Board has the unrestricted right to revisit or alter these managerial decisions.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

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

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

- Nonspendable – This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. The District reports inventory balances as nonspendable.
  
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the District reports restricted fund balances in the General Fund for Mill Levy Override Funds.
  
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District reports the fund balance in the Food Service Fund as committed resources for fund purposes.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

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

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

- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The District has classified the fund balance of the Student Activity Fund as assigned because its use has been designated for a specific purpose by the District.
  
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned fund balance.

**Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District joined Colorado School District Self Insurance Pool (CSDSIP), a public entity risk pool currently operating as a common risk management and insurance program for members. The District pays an annual premium for its property and casualty insurance coverage. The intergovernmental agreement of formation of CSDSIP provides that the Pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retentions, which is determined each policy year.

The District carries commercial insurance for all other risks of loss, including worker's compensation and employee health and accident insurances. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

**Subsequent Events**

The District has evaluated events subsequent to the year ended June 30, 2024 through January 28, 2025, the date these financial statements were issued, and has incorporated any required recognition into these financial statements.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 2: CASH AND INVESTMENTS**

Cash and investments on June 30, 2024, consist of the following:

Petty Cash	\$	100
Deposits		4,134,505
Investments		<u>177,576</u>
Total	\$	<u>4,312,181</u>

**Deposits**

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. On June 30, 2024, State regulatory commissioners have indicated that all financial institutions holding deposits for the District are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The District has no policy regarding custodial credit risk for deposits.

On June 30, 2024, the District had deposits with financial institutions with a carrying amount of \$4,134,505. The bank balances with the financial institutions were \$3,815,215. Of these balances, \$250,000 was covered by federal depository insurance and \$3,565,215 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 2:**     **CASH AND INVESTMENTS** (Continued)

**Investments**

Interest Rate Risk

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

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of 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

Local Government Investment Pools

The District had invested \$177,576 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00 (net asset value). Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables. The District's investments are measured at Net Asset Value.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 3: CAPITAL ASSETS**

	Balance 6/30/2023	Additions	Deletions	Balance 6/30/2024
<b>Governmental Activities</b>				
Capital Asset, Being Depreciated/Amortized				
Buildings and Improvements	13,215,592	165,972	-	13,381,564
Vehicles and Equipment	1,568,975	-	-	1,568,975
Right to Use Asset	309,492	-	-	309,492
Total Capital Assets, Being Depreciated/Amortized	<u>15,094,059</u>	<u>165,972</u>	<u>-</u>	<u>15,260,031</u>
Accumulated Depreciation/ Amortization				
Buildings and Improvements	7,262,524	271,609	-	7,534,133
Vehicles and Equipment	968,439	64,809	-	1,033,248
Right to Use Asset	186,153	40,312	-	226,465
Total Depreciation/Amortization	<u>8,417,116</u>	<u>376,730</u>	<u>-</u>	<u>8,793,846</u>
Net Capital Assets	<u>\$ 6,676,943</u>	<u>\$ (210,758)</u>	<u>\$ -</u>	<u>\$ 6,466,185</u>

Depreciation and amortization expense were charged to functions/programs of the District as follows:

<b>Governmental Activities</b>	
Instruction	\$ 178,268
Supporting Services	<u>198,462</u>
Total	<u>\$ 376,730</u>

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 4: LONG-TERM DEBT**

The following is a summary of the District’s long-term debt transactions for the year ended June 30, 2024:

	Balance 6/30/2023	Additions	Payments	Balance 6/30/2024	Current Portion
Series 2011 GO Bonds	\$ 300,000	\$ -	\$ 300,000	\$ -	\$ -
Series 2017 Certificates of Participation	475,000	-	45,000	430,000	50,000
PERA Pension Liability	10,406,278	1,676,279	-	12,082,557	-
OPEB Liability	354,747	-	63,002	291,745	-
Compensated Absences	141,792	10,976	-	152,768	-
<b>Total Long-Term Obligations</b>	<b>\$ 11,677,817</b>	<b>\$ 1,687,255</b>	<b>\$ 408,002</b>	<b>\$ 12,957,070</b>	<b>\$ 50,000</b>

**General Obligation Bonds, Series 2011**

In September 2011, the District issued \$2,815,000 of General Obligation Bonds and \$25,000 of Capital Appreciation Bonds for the purpose of refunding the outstanding 1994 and 2003 bonds in the amount of \$400,000 and \$2,440,000, respectively. The bonds accrue interest at rates ranging from 1% to 4% per annum. Interest payments were due semi-annually on December 15 and June 15. Principal payments were due annually on December 15. The bonds were repaid through general obligation tax mill collected and remitted through the District’s Bond Redemption Fund. These bonds were paid in full during the fiscal year ended June 30, 2024.

**Certificate of Participation, Series 2017**

In 2016, the District issued Certificates of Participation for the joint purchase and renovation of a building for the Peyton-Widefield Vocational Education Partnership (see Note 9).

The Certificates are secured by real property as provided in the lease agreement and indenture of trust dated May 17, 2017. Under the site lease agreement, District owned property has been leased to the trustee and the District has agreed to pay the trustee base rentals in consideration of the District’s right to possess and use the leased property.

The Certificates were issued in the amount of \$735,000 and accrue interest at a rate of 3.15%. Interest payments are due semi-annually on June 1 and December 1. Principal payments are due on December 1 through December 1, 2031.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 4: LONG-TERM DEBT** (Continued)

The Certificates are subject to prepayment prior to maturity at the option of the District, in whole only and not in part, on December 1, 2026 and on any interest payment date thereafter, at a prepayment price equal to the outstanding principal amount plus any accrued interest to the prepayment date without premium.

In the event of default, the trustee as lessor may terminate the lease and give notice to the District to vacate and surrender possession of the property, recover base rentals and additional rentals that have been appropriated, or pursue any other legal remedy.

Payments are made from the District’s Capital Projects Fund. The annual debt service requirement on the outstanding Certificates of Participation are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 50,000	\$ 12,757	\$ 62,757
2026	50,000	11,183	61,183
2027	50,000	9,608	59,608
2028	50,000	8,033	58,033
2029	55,000	6,379	61,379
2030-2032	175,000	8,426	183,426
Total	<u>\$ 430,000</u>	<u>\$ 56,386</u>	<u>\$ 486,386</u>

**NOTE 5: LEASES**

The following is a summary of the District’s lease transactions for the year ended June 30, 2024:

	Balance 6/30/2023	Additions	Payments	Balance 6/30/2024	Due In One Year
HVAC Lease	\$ 31,207	\$ -	\$ 9,926	\$ 21,281	\$ 10,332
LED Lease	136,988	-	20,701	116,287	21,518
Total	<u>\$ 168,195</u>	<u>\$ -</u>	<u>\$ 30,627</u>	<u>\$ 137,568</u>	<u>\$ 31,850</u>

**HVAC System Lease**

On May 6, 2016, the District entered into a lease-purchase agreement for a complete HVAC system in the amount of \$90,000 to be installed in the District’s Career and Technical Education Facility. The lease carries an interest rate of 4%. Annual lease payments in the amount of \$11,185 are due through June 15, 2026.

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 5: LEASES (Continued)**

LED Lights Lease

On June 14, 2019 the District entered into a lease-purchase agreement for new LED light fixtures, security system, and fencing in the amount of \$212,361. The lease carries an interest rate of 3.75%. Annual lease payments in the amount of \$26,024 are due through June 15, 2029.

The annual debt service requirement on the outstanding leases are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 31,850	\$ 5,359	\$ 37,209
2026	33,302	3,907	37,209
2027	23,218	2,806	26,024
2028	24,113	1,912	26,025
2029	25,085	940	26,025
Total	\$ 137,568	\$ 14,924	\$ 152,492

**NOTE 6: INTERFUND BALANCES AND TRANSFERS**

During the year ended June 30, 2024, the General Fund transferred \$86,523 to the Capital Projects Fund to cover operating costs the cost of capital expenditures. The Bond Redemption Fund transferred \$17,034 to the General Fund to close out that fund.

At June 30, 2024, the Capital Projects Fund owes \$171,639 to the General Fund for expenditures paid by the General Fund on its behalf.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN**

**Summary of Significant Accounting Policies**

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

**General Information about the Pension Plan**

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7:** **DEFINED BENEFIT PENSION PLAN** (Continued)

**General Information about the Pension Plan** (Continued)

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

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

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

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

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

*Contributions provisions as of June 30, 2024:* Eligible employees of the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 11.00% of their PERA-includable salary during the period of July 1, 2023 through June 30, 2024.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

**General Information about the Pension Plan** (Continued)

Employer contribution requirements are summarized in the table below:

	July 1, 2023 Through June 30, 2024
Employer contribution rate	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
<b>Total employer contribution rate to the SCHDTF</b>	<b>20.38%</b>

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$958,194 for the year ended June 30, 2024.

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)**

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

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

At June 30, 2024 the District reported a liability of \$12,082,557 for its proportionate share of the net pension liability that reflected an increase for support from the State as a nonemployer contributing entity. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 12,082,557
The State's proportionate share of the net pension liability as a nonemployer contributing entity associated with the School	\$ 264,935
Total	\$ 12,347,492

At December 31, 2023, the District’s proportion was 0.068%, which was an increase of 0.011% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$1,296,710 and revenue of \$20,185 for support from the State as a nonemployer contributing entity. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 572,942	\$ -
Changes in assumptions and other inputs	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 866,131	\$ -
Changes in proportion between contributions recognized and proportionate share of contributions	\$ 1,194,327	\$ 584,858
Contributions subsequent to the measurement date	\$ 489,907	\$ -
<b>Total</b>	<b>\$ 3,123,307</b>	<b>\$ 584,858</b>

\$489,907 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2025	\$ 312,794
2026	\$ 999,141
2027	\$ 978,108
2028	\$ (241,501)

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)**

**Actuarial assumptions.**

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

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	3.40%-11.00%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 <sup>1</sup>	Financed by the AIR

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

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis. Pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7:**     **DEFINED BENEFIT PENSION PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

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

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's

November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

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

**Discount rate**

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200 and required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 7:**     **DEFINED BENEFIT PENSION PLAN** (Continued)

**Discount rate** (Continued)

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

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 7: DEFINED BENEFIT PENSION PLAN** (Continued)

**Discount rate** (Continued)

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

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	\$16,156,389	\$12,082,557	\$8,685,475

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8**      **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN**

**Summary of Significant Accounting Policies**

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

**General Information about the OPEB Plan**

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8:** **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**General Information about the OPEB Plan** (Continued)

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

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

*PERA Benefit Structure*

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8:** **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**General Information about the OPEB Plan** (Continued)

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District were \$47,957 for the year ended June 30, 2024.

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

At June 30, 2024, the District reported a liability of \$291,745 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TOL to December 31, 2023. District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the District's proportion was 0.0409%, which was a decrease of 0.00258% from its proportion measured as of December 31, 2022.

For the year ended June 30, 2024, the District recognized OPEB expense of (\$11,340). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 59,796
Changes in assumptions and other inputs	\$ 3,431	\$ 30,935
Net difference between projected and actual earnings on OPEB plan investments	\$ 9,023	\$ -
Changes in proportion between contributions recognized and proportionate share of contributions	\$ 19,374	\$ 25,935
Contributions subsequent to the measurement date	\$ 24,519	\$ -
<b>Total</b>	<b>\$ 56,347</b>	<b>\$ 116,666</b>

\$24,519 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year Ended June 30,</b>	
2025	\$ (36,452)
2026	\$ (16,823)
2027	\$ (6,351)
2028	\$ (14,894)
2029	\$ (7,394)
Thereafter	\$ (2,924)

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.**

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

	School Division
Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	
Members other than Safety Officers	3.40%-11.00%
Safety Officers	N/A
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00% 7.00% in 2023, gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

<sup>1</sup> UnitedHealthcare MAPD PPO plans are 0% for 2023.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

**Age-Related Morbidity Assumptions**

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,692	\$1,406	\$579	\$481	\$1,913	\$1,589
70	\$1,901	\$1,573	\$650	\$538	\$2,149	\$1,778
75	\$2,100	\$1,653	\$718	\$566	\$2,374	\$1,869

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,469	\$5,373	\$4,198	\$3,487	\$6,719	\$5,581
70	\$7,266	\$6,011	\$4,715	\$3,900	\$7,546	\$6,243
75	\$8,026	\$6,319	\$5,208	\$4,101	\$8,336	\$6,563

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

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

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

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than Safety Officers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8:** **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

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

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

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

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

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8:** **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

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

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

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Actuarial assumptions.** (Continued)

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate <sup>1</sup>	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$283,371	\$291,745	\$300,853

<sup>1</sup>For the January 1, 2024, plan year.

**Discount rate**

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 8:** **DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Discount rate** (Continued)

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF and Local Government Division Trust Fund were \$1.033 million and \$24.967 million, respectively.

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

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

PEYTON SCHOOL DISTRICT 23JT  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2024

**NOTE 8: DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN** (Continued)

**Discount rate** (Continued)

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$344,587	\$291,745	\$300,853

*OPEB plan fiduciary net position.* Detailed information about the HCTF’s FNP is available in PERA’s ACFR which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

**Claims and Judgments**

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

**Tabor Amendment**

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the “Tabor Amendment”), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government.

The Tabor Amendment is complex and subject to judicial interpretations. The District believes it has complied with the Amendment.

The District has established a reserve, representing 3% of qualifying expenditures, as required by the Amendment. At June 30, 2024, the emergency reserve of \$178,969 was reported as a restriction of net position and fund balance in the Governmental Activities and General Fund, respectively.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 9:**     **COMMITMENTS AND CONTINGENCIES** (Continued)

**Tabor Amendment** (Continued)

In November 2014, the District’s voters approved an election question which authorizes the District to retain and spend excess revenues from any source collected during the 2014-2015 fiscal year and for seven fiscal years thereafter, ending with the 2021-2022 fiscal year. The excess revenues are to be used for capital expenditures.

In November 2017, the District’s voters approved an election question which authorizes the District to retain and spend excess revenues from any source collected during the 2017-2018 fiscal year and for five years thereafter, ending with the 2022-2023 fiscal year. The excess revenues have been used to recruit and retain high quality teachers and support staff and renovate and remodel existing educational facilities to extend its useful life.

**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. 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 or ongoing financial responsibility for the BOCES. Financial statements for the BOCES may be obtained from the BOCES administrative offices at 2883 South Circle Drive, Colorado Springs, CO 80906.

For the year ended June 30, 2024, the District received \$79,999 in grant funds from BOCES and paid \$122,204 to BOCES for services.

**Peyton-Widefield Vocational Education Partnership (PWVEP)**

On July 19, 2016, the District entered into a partnership with El Paso County School District No. 3 (“Widefield School District”) under C.R.S 29-1-2013(4) to provide vocational education services in their respective service areas through a single shared location under joint management.

PWVP Is governed by a management committee composed of four delegates, including superintendents from each member. The initial term of the partnership agreement ended June 30, 2019, and was automatically extended for an additional term of five years.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2024

**NOTE 9:**     **COMMITMENTS AND CONTINGENCIES** (Continued)

**Peyton-Widefield Vocational Education Partnership (PWVEP)** (Continued)

In June 2017, the partnership was amended to provide funding for improvements and remodeling of a building (the "MILL"). Under the terms of the amended agreement, the District agreed to issue a Certificate of Participation to assist with the funding of the necessary improvements.

In addition, the amended partnership agreement clarifies the responsibilities of the member districts related to ongoing service costs and day-to-day costs of maintaining and operating the MILL Building. Widefield School District agrees to pay all costs, and the District will reimburse Widefield School District for its portion of the shared cost.

During the fiscal year ended June 30, 2022, the District decided to no longer participate in the vocational education services program with Widefield School District and terminated the agreement. On June 26, 2023, the District and Widefield School District negotiated the following terms in regard to the payment of partnership assets: Widefield School District will make a cash payment to the District in the total amount of \$1,125,000. The amount is to be paid in three annual installments of \$375,000, beginning on September 30, 2023, through 2025. The first installment was received during the fiscal year ended June 30, 2024.

**NOTE 10:**     **DEFICIT NET POSITION**

The net position of the governmental activities is in a deficit position in the amount of \$407,351 due to the District including its Net Pension Liability and Net OPEB liability per the requirements of GASB Statement Nos. 68 and 75.

**REQUIRED SUPPLEMENTARY INFORMATION**

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
<b>REVENUES</b>					
<b>Local Sources</b>					
Property Taxes	\$ 1,799,022	\$ 1,799,022	\$ 1,813,672	\$ 14,650	\$ 1,803,042
Specific Ownership Taxes	130,169	130,000	239,395	109,395	202,437
Earnings on Investments	44,000	44,000	72,692	28,692	83,212
Tuition from Individuals	-	-	-	-	5,747
Tuition from Other Districts/BOCES	44,000	44,000	78,110	34,110	106,339
Grants and Donations	-	-	17,126	17,126	1,653
All Other Local Revenue Codes	60,087	60,000	424,715	364,715	138,693
<b>Total Local Sources</b>	<b>2,077,278</b>	<b>2,077,022</b>	<b>2,645,710</b>	<b>568,688</b>	<b>2,341,123</b>
<b>State Sources</b>					
State Equalization	5,206,261	4,941,738	4,994,164	52,426	4,692,304
Small Rural Schools	267,723	267,723	614,372	346,649	289,129
Early Literacy Grant	47,907	47,907	-	(47,907)	65,256
Exceptional Children's Educational Act	50,000	50,000	36,107	(13,893)	-
Counselor Corp Grant	85,000	85,000	90,000	5,000	123,848
Transportation	84,000	84,000	95,310	11,310	87,246
Universal Preschool	116,680	116,680	111,755	(4,925)	-
PERA On Behalf Revenue	-	-	20,185	20,185	258,593
All Other State Revenue	272,316	272,403	100,714	(171,689)	96,291
<b>Total State Sources</b>	<b>6,129,887</b>	<b>5,865,451</b>	<b>6,062,607</b>	<b>197,156</b>	<b>5,612,667</b>
<b>Federal Sources</b>					
Title I	68,500	68,500	108,788	40,288	84,915
Title IIA	17,000	17,000	-	(17,000)	-
Title IV	10,000	10,000	10,000	-	10,000
Title VIII Impact Aid	-	-	-	-	-
Carl Perkins Grant	134,000	134,000	108,465	(25,535)	35,802
Education Stabilization Grants	-	178,010	43,424	(134,586)	362,061
All Other Federal Revenue	36,000	36,000	81,661	45,661	89,501
<b>Total Federal Sources</b>	<b>265,500</b>	<b>443,510</b>	<b>352,338</b>	<b>(91,172)</b>	<b>582,279</b>
<b>TOTAL REVENUES</b>	<b>8,472,665</b>	<b>8,385,983</b>	<b>9,060,655</b>	<b>674,672</b>	<b>8,536,069</b>
<b>EXPENDITURES</b>					
<b>Instruction</b>					
Salaries	3,041,842	3,016,851	2,919,189	97,662	2,999,992
Employee Benefits	892,385	874,081	857,762	16,319	1,107,705
Purchased Services	653,928	652,428	318,818	333,610	634,814
Supplies and Materials	140,274	139,774	290,141	(150,367)	322,732
Property	107,176	107,176	49,092	58,084	71,836
Other Objects and Uses	260,166	219,583	5,664	213,919	8,908
<b>Total Instruction</b>	<b>5,095,771</b>	<b>5,009,893</b>	<b>4,440,666</b>	<b>569,227</b>	<b>5,145,987</b>

(Continued)

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended June 30, 2024

	ORIGNAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
EXPENDITURES (Continued)					
Supporting Services					
Student Services					
Salaries	227,475	221,318	200,117	21,201	315,116
Employee Benefits	61,241	59,834	45,659	14,175	66,156
Purchased Services	12,970	12,970	34,929	(21,959)	33,930
Supplies and Materials	4,411	4,411	4,028	383	3,407
Property	-	-	-	-	-
Other Objects and Uses	250	250	-	250	-
Total Students	<u>306,347</u>	<u>298,783</u>	<u>284,733</u>	<u>14,050</u>	<u>418,609</u>
Instructional Staff					
Salaries	129,457	129,457	23,187	106,270	23,252
Employee Benefits	33,485	33,485	1,942	31,543	5,214
Purchased Services	17,197	17,197	3,932	13,265	1,017
Supplies and Materials	58,408	58,408	9,119	49,289	4,098
Property	2,500	2,500	-	2,500	1,178
Total Instructional Staff	<u>241,047</u>	<u>241,047</u>	<u>38,180</u>	<u>202,867</u>	<u>34,759</u>
General Administration					
Salaries	106,898	106,898	94,671	12,227	156,673
Employee Benefits	38,848	38,848	47,200	(8,352)	37,567
Purchased Services	202,820	202,820	139,603	63,217	181,002
Supplies and Materials	11,220	11,220	4,885	6,335	17,583
Property	-	-	65	(65)	1,374
Other Objects and Uses	14,630	14,630	16,116	(1,486)	9,304
Total General Administration	<u>374,416</u>	<u>374,416</u>	<u>302,540</u>	<u>71,876</u>	<u>403,503</u>
School Administration					
Salaries	380,725	385,529	386,579	(1,050)	394,502
Employee Benefits	112,936	114,033	117,495	(3,462)	113,190
Purchased Services	30,002	30,002	40,505	(10,503)	43,607
Supplies and Materials	8,000	8,000	7,979	21	15,737
Property	3,240	3,240	-	3,240	50
Other Objects and Uses	1,120	1,120	225	895	-
Total School Administration	<u>536,023</u>	<u>541,924</u>	<u>552,783</u>	<u>(10,859)</u>	<u>567,086</u>

(Continued)

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Administration					
Salaries	173,040	171,056	150,585	20,471	227,173
Employee Benefits	53,948	53,494	51,714	1,780	54,611
Purchased Services	35,300	35,300	224,192	(188,892)	271,503
Supplies and Materials	8,500	8,500	18,182	(9,682)	4,828
Property	-	-	-	-	1,583
Total Business Services	<u>270,788</u>	<u>268,350</u>	<u>444,673</u>	<u>(176,323)</u>	<u>559,698</u>
Operations and Maintenance					
Salaries	301,894	304,578	351,404	(46,826)	394,484
Employee Benefits	84,776	85,389	113,572	(28,183)	101,339
Purchased Services	77,826	77,826	51,507	26,319	75,015
Supplies and Materials	275,711	275,711	242,849	32,862	292,769
Property	18,800	18,800	71,541	(52,741)	20,356
Other Objects and Uses	200	200	-	200	-
Total Operations and Maintenance	<u>759,207</u>	<u>762,504</u>	<u>830,873</u>	<u>(68,369)</u>	<u>883,963</u>
Student Transportation					
Salaries	336,425	336,425	375,750	(39,325)	398,933
Employee Benefits	90,327	90,327	103,708	(13,381)	90,654
Purchased Services	22,150	22,150	15,992	6,158	11,185
Supplies and Materials	140,000	140,000	100,868	39,132	115,126
Property	16,250	16,250	19,380	(3,130)	2,927
Other Objects and Uses	2,500	2,500	98	2,402	419
Total Student Transportation	<u>607,652</u>	<u>607,652</u>	<u>615,796</u>	<u>(8,144)</u>	<u>619,244</u>
Central Support					
Salaries	-	-	5,115	(5,115)	-
Employee Benefits	-	-	74	(74)	-
Purchased Services	174,558	174,558	163,928	10,630	173,309
Property	106,856	106,856	24,009	82,847	13,428
Total Central Support	<u>281,414</u>	<u>281,414</u>	<u>193,126</u>	<u>88,288</u>	<u>186,737</u>

(Continued)

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
Total Supporting Services	3,376,894	3,376,090	3,262,704	113,386	3,673,599
TOTAL EXPENDITURES	8,472,665	8,385,983	7,703,370	682,613	8,819,586
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,357,285	1,357,285	(283,517)
OTHER FINANCING (USES)					
Transfers In	-	-	17,034	17,034	-
Transfers Out	-	-	(86,523)	(86,523)	(140,000)
Insurance Proceeds	-	-	710,111	710,111	-
TOTAL OTHER FINANCING (USES)	-	-	640,622	640,622	(140,000)
CHANGE IN FUND BALANCE	-	-	1,997,907	1,270,762	(423,517)
FUND BALANCES, Beginning	1,831,894	1,831,894	1,592,806	(239,088)	2,016,323
FUND BALANCES, Ending	<u>\$ 1,831,894</u>	<u>\$ 1,831,894</u>	<u>\$ 3,590,713</u>	<u>\$ 1,031,674</u>	<u>\$ 1,592,806</u>

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PERA SCHOOL DIVISION TRUST FUND PLAN

Years Ended December 31,

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the Net Pension Liability (Asset)	0.0683%	0.0571%	0.0651%	0.0715%	0.0626%	0.0642%	0.0740%	0.0763%	0.0762%	0.0731%
Proportionate Share of the Net Pension Liability (Asset)	\$ 12,082,557	\$ 10,406,278	\$ 7,574,915	\$ 10,804,670	\$ 9,348,022	\$ 11,364,471	\$ 23,928,238	\$ 22,710,935	\$ 11,658,790	\$ 9,902,369
State of Colorado Proportionate Share of the Net Pension Liability (Asset)	264,935	3,032,494	868,367	-	1,185,678	1,553,932	-	-	-	-
Total Proportionate Share of the Net Pension Liability (Asset)	\$ 12,347,492	\$ 13,438,772	\$ 8,443,282	\$ 10,804,670	\$ 10,533,700	\$ 12,918,403	\$ 23,928,238	\$ 22,710,935	\$ 11,658,790	\$ 9,902,369
Covered payroll	\$ 4,517,029	\$ 4,408,995	\$ 4,068,001	\$ 3,823,022	\$ 3,626,369	\$ 3,528,343	\$ 3,413,430	\$ 3,087,341	\$ 3,105,782	\$ 3,060,779
Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	267.5%	236.0%	186.2%	282.6%	257.8%	366.13%	701.00%	735.61%	375.39%	323.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%	59.20%	62.80%

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PERA SCHOOL DIVISION TRUST FUND PLAN

Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 958,194	\$ 915,270	\$ 849,935	\$ 772,210	\$ 754,041	\$ 674,972	\$ 635,922	\$ 559,735	\$ 538,232	\$ 502,886
Contributions in Relation to the Contractually Required Contributions	958,194	915,270	849,935	772,210	754,041	674,972	635,922	559,735	538,232	502,886
State of Colorado Proportionate Share of the Net Pension Liability (Asset) Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Proportionate Share of the Net Pension Liability (Asset) Covered Payroll	\$ 4,701,622	\$ 4,491,012	\$ 4,275,320	\$ 3,884,363	\$ 3,894,697	\$ 3,528,343	\$ 3,413,430	\$ 3,087,341	\$ 3,105,782	\$ 3,060,779
	20.38%	20.38%	19.88%	19.88%	19.36%	19.13%	18.63%	18.13%	17.33%	16.43%

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
PERA HEALTH CARE TRUST FUND PLAN

	Years Ended December 31,							
	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the Net OPEB Liability (Asset)	0.0409%	0.0434%	0.0425%	0.0413%	0.0403%	0.0417%	0.0420%	0.0434%
Proportionate Share of the Net OPEB Liability (Asset)	\$ 291,745	\$ 354,747	\$ 366,477	\$ 392,835	\$ 453,317	\$ 567,586	\$ 546,419	\$ 562,143
Covered payroll	\$ 4,517,029	\$ 4,408,995	\$ 4,068,001	\$ 3,823,022	\$ 3,626,369	\$ 3,528,343	\$ 3,413,430	\$ 3,087,341
Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	6.46%	8.05%	9.01%	10.28%	12.50%	16.09%	16.01%	18.21%
Plan Fiduciary Net position as a Percentage of the Total OPEB Liability	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

NOTE: Information for the prior two years was not available for this report.

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PERA HEALTH CARE TRUST FUND PLAN

Years Ended June 30,

	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contributions	\$ 47,957	\$ 45,808	\$ 43,608	\$ 39,621	\$ 39,726	\$ 35,989	\$ 34,817	\$ 31,491
Contributions in Relation to the Contractually Required Contributions	47,957	45,808	43,608	39,621	39,726	35,989	34,817	31,491
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 4,701,622	\$ 4,491,012	\$ 4,275,320	\$ 3,884,363	\$ 3,894,697	\$ 3,528,343	\$ 3,413,430	\$ 3,087,341
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

NOTE: Information for the prior two years was not available for this report.

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2024

**NOTE 1: BUDGETS AND BUDGETARY ACCOUNTING**

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All 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 the District 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.
- The Board of Education conducts public hearings to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- 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 as originally adopted or amended by the Board of Education.

**State Compliance**

At June 30, 2024, actual expenditures in Bond Redemption Fund and Student Activities Funds exceeded budgeted amounts by \$300,000 and \$45,697, respectively. This may be a violation of state statute.

**NOTE 2: SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA SCHOOL DIVISION TRUST FUND PLAN**

*2023 Changes in Plan Provisions Since 2022:*

- Senate Bill (SB) 23-056, enacted and effective June 2, 2023, intended to recompense PERA for the remaining portion of the \$225 million direct distribution originally scheduled for receipt July 1, 2020, suspended due to the enactment of House Bill (HB) 20-1379, but not fully repaid through the provisions within HB 22-1029. Pursuant to SB 23-056, the State Treasurer issued a warrant consisting of the balance of the PERA Payment Cash Fund, created in §24-51-416, plus \$10 million from the General Fund, totaling \$14.561 million.

PEYTON SCHOOL DISTRICT 23JT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2024

**NOTE 2:** **SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA SCHOOL DIVISION TRUST FUND PLAN**

- As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

**NOTE 3:** **SIGNIFICANT CHANGES IN PLAN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA SCHOOL DIVISION TRUST FUND PLAN**

There were no changes made to the actuarial methods or assumptions in 2023.

**NOTE 4:** **SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA HEALTH CARE TRUST FUND PLAN**

*2023 Changes in Plan Provisions Since 2022:*

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

**NOTE 5:** **SIGNIFICANT CHANGES IN PLAN ASSUMPTIONS OR OTHER INPUTS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA HEALTH CARE TRUST FUND PLAN**

There were no changes made to the actuarial methods or assumptions in 2023.

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

PEYTON SCHOOL DISTRICT 23JT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2024

	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	TOTALS
<b>ASSETS</b>			
Cash and Investments	\$ 31,771	\$ 123,743	\$ 155,514
Accounts Receivable	18,250	-	18,250
Inventory	4,331	-	4,331
<b>TOTAL ASSETS</b>	<b>\$ 54,352</b>	<b>\$ 123,743</b>	<b>\$ 178,095</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	24,707	-	24,707
<b>TOTAL LIABILITIES</b>	<b>24,707</b>	<b>-</b>	<b>24,707</b>
<b>FUND EQUITY</b>			
Fund Balance			
Nonspendable	4,331	-	4,331
Committed for Fund Purpose	25,314	-	25,314
Assigned	-	123,743	123,743
<b>TOTAL FUND EQUITY</b>	<b>29,645</b>	<b>123,743</b>	<b>153,388</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 54,352</b>	<b>\$ 123,743</b>	<b>\$ 178,095</b>

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2024

	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	TOTALS
REVENUES			
Local Sources	\$ 667	\$ 220,539	\$ 221,206
State Sources	111,983	-	111,983
Federal Sources	108,416	-	108,416
	<u>221,066</u>	<u>220,539</u>	<u>441,605</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Supporting Services	223,641	281,549	505,190
	<u>223,641</u>	<u>281,549</u>	<u>505,190</u>
TOTAL EXPENDITURES			
NET CHANGE IN FUND BALANCES	(2,575)	(61,010)	(63,585)
FUND BALANCES, Beginning	<u>32,220</u>	<u>184,753</u>	<u>216,973</u>
FUND BALANCES, Ending	<u>\$ 29,645</u>	<u>\$ 123,743</u>	<u>\$ 153,388</u>

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE  
 FOOD SERVICE FUND  
 Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
<b>REVENUES</b>					
Local Sources					
Charges for Services	\$ 53,150	\$ 53,150	\$ 628	\$ (52,522)	\$ 65,855
Other	1,400	1,400	39	(1,361)	16,891
State and Federal Sources					
School Lunches	58,448	58,448	202,587	144,139	63,609
Supply Chain Assistance	-	-	-	-	21,965
School Summer Food	30,674	30,674	-	(30,674)	-
Commodity Donations	12,500	12,500	16,149	3,649	-
State Match	-	-	1,663	1,663	2,830
<b>TOTAL REVENUES</b>	<b>156,172</b>	<b>156,172</b>	<b>221,066</b>	<b>64,894</b>	<b>171,150</b>
<b>EXPENDITURES</b>					
Supporting Services					
Salaries	106,242	106,242	90,896	15,346	90,413
Benefits	30,435	30,435	25,060	5,375	22,975
Purchased Services	2,000	2,000	5,091	(3,091)	4,113
Food	100,000	100,000	99,332	668	88,868
Other Supplies	-	-	-	-	13,840
Property	3,000	3,000	-	3,000	-
Other Objects and Uses	42,510	42,510	3,262	39,248	314
<b>TOTAL EXPENDITURES</b>	<b>284,187</b>	<b>284,187</b>	<b>223,641</b>	<b>60,546</b>	<b>220,523</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(128,015)</b>	<b>(128,015)</b>	<b>(2,575)</b>	<b>125,440</b>	<b>(49,373)</b>
<b>FUND BALANCES, Beginning</b>	<b>128,015</b>	<b>128,015</b>	<b>32,220</b>	<b>(95,795)</b>	<b>81,593</b>
<b>FUND BALANCES, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,645</b>	<b>\$ 29,645</b>	<b>\$ 32,220</b>

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE  
 STUDENT ACTIVITY FUND  
 Year Ended June 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2022 ACTUAL
REVENUES					
Local Sources					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and Donations	100,000	100,000	220,539	120,539	214,758
TOTAL REVENUES	100,000	100,000	220,539	120,539	214,758
EXPENDITURES					
Supporting Services					
Materials and Supplies	100,000	100,000	281,549	(181,549)	165,857
Contingency	135,852	135,852	-	135,852	-
TOTAL EXPENDITURES	235,852	235,852	281,549	(45,697)	165,857
CHANGE IN FUND BALANCE	(135,852)	(135,852)	(61,010)	74,842	48,901
FUND BALANCE, Beginning	135,852	135,852	184,753	48,901	135,852
FUND BALANCE, Ending	\$ -	\$ -	\$ 123,743	\$ 123,743	\$ 184,753

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE  
 BOND REDEMPTION FUND  
 Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
REVENUES					
Local Sources					
Property Taxes	\$ 6,000	\$ 6,000	\$ 9,277	\$ 3,277	\$ 4,364
Earnings on Investments	-	-	-	-	11,690
TOTAL REVENUES	6,000	6,000	9,277	3,277	16,054
EXPENDITURES					
Debt Service					
Principal	6,000	6,000	300,000	(294,000)	290,000
Interest	-	-	6,000	(6,000)	11,800
TOTAL EXPENDITURES	6,000	6,000	306,000	(300,000)	301,800
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(296,723)	(296,723)	(285,746)
OTHER FINANCING USES					
Transfers Out	-	-	(17,034)	(17,034)	-
CHANGE IN FUND BALANCE	-	-	(313,757)	(296,723)	(285,746)
FUND BALANCE, Beginning	-	-	313,757	313,757	599,503
FUND BALANCE, Ending	\$ -	\$ -	\$ -	\$ 17,034	\$ 313,757

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE  
 CAPITAL PROJECTS FUND  
 Year Ended June 30, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2023 ACTUAL
<b>REVENUES</b>					
Local Sources					
Earnings on Investments	\$ -	\$ -	\$ 9,531	\$ 9,531	\$ 1,875
Federal Sources					
Federal Revenue	-	-	104,307	104,307	242,645
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>113,838</b>	<b>113,838</b>	<b>244,520</b>
<b>EXPENDITURES</b>					
Supporting Services					
Purchased Services	100	100	-	100	27
Property	132,952	543,967	104,307	439,660	292,234
Debt Service					
Principal	-	-	75,627	(75,627)	74,485
Interest	-	-	20,818	(20,818)	23,168
Contingency	332,376	173,658	-	173,658	-
<b>TOTAL EXPENDITURES</b>	<b>465,428</b>	<b>717,725</b>	<b>200,752</b>	<b>516,973</b>	<b>389,914</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(465,428)</b>	<b>(717,725)</b>	<b>(86,914)</b>	<b>630,811</b>	<b>(145,394)</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers In	291,770	544,067	86,523	(457,544)	140,000
<b>CHANGE IN FUND BALANCE</b>	<b>(173,658)</b>	<b>(173,658)</b>	<b>(391)</b>	<b>173,267</b>	<b>(5,394)</b>
FUND BALANCE, Beginning	173,658	173,658	391	(173,267)	5,785
FUND BALANCE, Ending	\$ -	\$ -	\$ -	\$ -	\$ 391

See the accompanying independent auditor's report.

**AUDITORS INTEGRITY REPORT**



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 1060 – Peyton 23 Jt  
 Fiscal Year 2023-24  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) Ending Fund Balance
<b>Governmental</b>						
10 General Fund	1,592,807		9,684,323	7,686,419		3,590,711
18 Risk Mgmt Sub-Fund of General Fund	0		0	0		0
19 Colorado Preschool Program Fund	0		0	0		0
<b>Sub-Total</b>	<b>1,592,807</b>		<b>9,684,323</b>	<b>7,686,419</b>		<b>3,590,711</b>
11 Charter School Fund	0		0	0		0
20.26-29 Special Revenue Fund	0		0	0		0
06 Supplemental Cap Const. Tech. Main. Fund	0		0	0		0
07 Total Program Reserve Fund	0		0	0		0
21 Food Service Spec Revenue Fund	32,220		238,018	240,591		29,647
22 Govt Designated-Purpose Grants Fund	0		0	0		0
23 Pupil Activity Special Revenue Fund	184,753		220,538	281,549		123,742
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	313,757		-7,757	306,000		0
39 Certificate of Participation (COP) 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	390		200,362	200,752		0
46 Supplemental Cap Const. Tech. Main Fund	0		0	0		0
<b>Totals</b>	<b>2,123,927</b>		<b>10,335,464</b>	<b>8,715,311</b>		<b>3,744,100</b>
<b>Proprietary</b>						
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
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>Fiduciary</b>						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	0		0	0		0
74 Pupil Activity Agency Fund	0		0	0		0
79 GASB 34/Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>FINAL</b>						<b>0</b>