

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

BASIC FINANCIAL STATEMENTS

June 30, 2025

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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, 2025, 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, 2025, 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 49-56 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
February 23, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
June 30, 2025

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, 2025. 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, 2025, the net position of the District is (\$726,147), a decrease of \$318,796. 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 2024-25 fiscal year, the District's governmental funds reported combined ending fund balances of \$3,172,585. This represents a decrease of \$571,516 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.

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 (\$726,147) as of June 30, 2025.

The District's Governmental net position decreased by \$318,796 from 2023-2024. The decrease is due to the capital project of replacing the Elementary school roof. Additionally, 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 2024-2025 \$726,147 (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.

The District's total net position was (\$726,147) as of June 30, 2025. The District has a negative unrestricted net position of \$6,681,367. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
June 30, 2025

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.

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

	Governmental Activities	
	<u>6/30/2025</u>	<u>6/30/2024</u>
Cash and Investments	\$ 4,190,912.00	\$ 4,312,181.00
Restricted Cash and Investments	\$ -	\$ -
Other Assets	\$ 321,485.00	\$ 462,089.00
Capital Assets, Net	\$ 6,522,574.00	\$ 6,383,158.00
Right to Use Assets, Net	\$ 42,715.00	\$ 83,027.00
Total Assets	<u>\$ 11,077,686.00</u>	<u>\$ 11,240,455.00</u>
Deferred Outflow of Resources	<u>\$ 2,155,239.00</u>	<u>\$ 3,179,654.00</u>
Current Liabilities	\$ 1,339,812.00	\$ 1,030,169.00
Accrued Interest	\$ 866.00	\$ 1,129.00
Noncurrent Liabilities	\$ 11,830,631.00	\$ 13,094,638.00
Total Liabilities	<u>\$ 13,171,309.00</u>	<u>\$ 14,125,936.00</u>
Deferred Inflow of Resources	<u>\$ 787,763.00</u>	<u>\$ 701,524.00</u>
Net Position		
Net Investment in Capital Assets	\$ 5,678,932.00	\$ 5,897,488.00
Restricted	\$ 276,288.00	\$ 281,096.00
Unrestricted	\$ (6,681,367.00)	\$ (6,585,935.00)
Total Net Position	<u>\$ (726,147.00)</u>	<u>\$ (407,351.00)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
June 30, 2025

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

	Governmental Activities	
	<u>6/30/2025</u>	<u>6/30/2024</u>
Program Revenue:		
Charges for Services	\$ 1,546.00	\$ 78,738.00
Operating Grants and Contributions	\$ 1,558,402.00	\$ 1,903,644.00
Capital Grants	\$ 172,189.00	\$ 104,307.00
Total Program Revenue	\$ 1,732,137.00	\$ 2,086,689.00
General Revenue:		
Local Property Taxes	\$ 1,849,839.00	\$ 1,798,273.00
Specific Ownership Taxes	\$ 239,157.00	\$ 239,395.00
State Equalization	\$ 5,508,962.00	\$ 4,994,164.00
Investment Earnings	\$ 148,279.00	\$ 82,223.00
Other	\$ 395,654.00	\$ 1,134,865.00
Total General Revenue	\$ 8,141,891.00	\$ 8,248,920.00
Total Revenue	\$ 9,874,028.00	\$ 10,335,609.00
Expenses:		
Instruction	\$ 5,938,931.00	\$ 4,734,317.00
Supporting Services	\$ 4,236,123.00	\$ 4,059,318.00
Interest and Fiscal Charges	\$ 17,770.00	\$ 26,200.00
Total Expenses	\$ 10,192,824.00	\$ 8,819,835.00
Increase (Decrease) in Net Position	\$ (318,796.00)	\$ 1,515,774.00
Beginning Net Position	\$ (407,351.00)	\$ (1,923,125.00)
Ending Net Position	\$ (726,147.00)	\$ (407,351.00)

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
June 30, 2025

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.

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, 2025, the District's governmental funds reported a combined fund balance of \$3,172,585 which is a decrease of \$571,516 from the June 30, 2024 balance. The following is additional information by the fund which contributed to the change.

General Fund fund balance decreased \$711,601 from 2024 to 2025. Contributing factors to this were districts match for BEST grant on the Elementary school roof as well as a one time payment to employees to help transition off of annual MLO payments they previously received.

The Capital Project Fund Balance increased by \$101,489.

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, 2025 the District had \$6,565,289 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 \$483,346 and depreciation and amortization expense of \$384,242.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
June 30, 2025

Debt Administration

As of June 30, 2025 the District reports outstanding debt balances on its 2011 Certificates of Participation in the amount of \$380,000. Additional information can be found on page 17 of this report.

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. For 2025-2026, it looks like level funding. The forecast for 2027-2028 trends towards a reduction or withholding of funding. At the same time, cost of living, medical and property insurance costs continue to increase year over year. 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. The District continues to leverage funds through the BEST Grant to work on safety and health facility needs, as well as the SAFER Grant for safety training and needs.

The District has seen one year of declining enrollment, with it likely this trend will follow the state and nation trend of declining enrollment year over year. The 5-year average student count projection for the 2023-2024 school year was estimated to be slightly lower than the previous year.

Economically, potential growth in the district is on hold for the time being. The anticipated housing development of 3,200 homes, Grandview Reserve, is no longer moving forward at this time. The District is running a demographics study to help navigate the potential fiscal and capacity impact of future enrollment trends.

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, 2025

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Investments	\$ 4,190,912
Cash Held with County Treasurer	69,879
Taxes Receivable	70,047
Accounts Receivable	177,228
Inventories	4,331
Capital Assets	
Not Depreciated	399,857
Depreciated, Net of Accumulated Depreciation	6,122,717
Right to Use Assets, Net of Accumulated Amortization	42,715
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TOTAL ASSETS	11,077,686
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Related to Pensions	2,113,090
Related to OPEB	42,149
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TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,155,239
	<hr/>
LIABILITIES	
Accounts Payable	416,174
Accrued Salaries and Benefits	915,693
Unearned Revenue	7,945
Accrued Interest Payable	866
Noncurrent Liabilities	
Due Within One Year	83,306
Due in More Than One Year	402,328
Compensated Absences	203,802
Net Pension Liability	10,946,965
Net OPEB Liability	194,230
	<hr/>
TOTAL LIABILITIES	13,171,309
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Related to Pensions	662,141
Related to OPEB	125,622
	<hr/>
TOTAL DEFERRED INFLOWS OF RESOURCES	787,763
	<hr/>
NET POSITION	
Net Investment in Capital Assets	5,678,932
Restricted	276,288
Unrestricted	(6,681,367)
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TOTAL NET POSITION	\$ (726,147)
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The accompanying notes are an integral part of the financial statements.

PEYTON SCHOOL DISTRICT 23JT

STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

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					
Governmental Activities					
Instruction	\$ 5,938,931	\$ 1,546	\$ 771,823	\$ -	\$ (5,165,562)
Supporting Services	4,236,123	-	786,579	172,189	(3,277,355)
Interest and Fiscal Charges	17,770	-	-	-	(17,770)
Total Governmental Activities	10,192,824	1,546	1,558,402	172,189	(8,460,687)
GENERAL REVENUES					
					1,849,839
					239,157
					5,508,962
					395,654
					148,279
					8,141,891
					CHANGE IN NET POSITION (318,796)
					NET POSITION, Beginning (407,351)
					NET POSITION, Ending \$ (726,147)

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

PEYTON SCHOOL DISTRICT 23JT

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 3,895,857	\$ 101,489	\$ 193,566	\$ 4,190,912
Cash Held at County Treasurer	69,879	-	-	69,879
Taxes Receivable	70,047	-	-	70,047
Other Receivables	150,362	-	26,866	177,228
Inventory	-	-	4,331	4,331
TOTAL ASSETS	\$ 4,186,145	\$ 101,489	\$ 224,763	\$ 4,512,397
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 416,174	\$ -	-	\$ 416,174
Accrued Salaries and Benefits	882,914	-	32,779	915,693
Unearned Revenues	7,945	-	-	7,945
TOTAL LIABILITIES	1,307,033	-	32,779	1,339,812
FUND BALANCES				
Nonspendable	-	-	4,331	4,331
Restricted for Emergencies	276,288	-	-	276,288
Committed for Fund Purpose	-	101,489	26,866	128,355
Assigned	-	-	160,787	160,787
Unassigned	2,602,824	-	-	2,602,824
TOTAL FUND BALANCES	2,879,112	101,489	191,984	3,172,585
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 4,186,145	\$ 101,489	\$ 224,763	\$ 4,512,397

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, 2025

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

Total fund balances of governmental funds \$ 3,172,585

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.

Capital Assets, Not Depreciated	399,857	
Capital Assets, Depreciated	15,003,047	
Accumulated Depreciation	(8,880,330)	
Right to Use Assets	309,492	
Accumulated Amortization	<u>(266,777)</u>	6,565,289

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	(380,000)	
Leases Payable	(105,634)	
Accrued Interest Payable	(866)	
Compensated Absences	(203,802)	
Net Pension Liability	(10,946,965)	
Net OPEB Liability	<u>(194,230)</u>	(11,831,497)

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	2,113,090	
Deferred outflows of resources - Related to OPEB	42,149	
Deferred inflows of resources - Related to Pensions	(662,141)	
Deferred inflows of resources - Related to OPEB	<u>(125,622)</u>	<u>1,367,476</u>

Net position of governmental activities \$ (726,147)

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, 2025

	GENERAL FUND	CAPITAL PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Local Sources	\$ 2,635,230	\$ 8,080	\$ 250,487	\$ 2,893,797
State Sources	6,230,178	-	126,714	6,356,892
Federal Sources	316,269	-	203,383	519,652
TOTAL REVENUES	9,181,677	8,080	580,584	9,770,341
EXPENDITURES				
Current				
Instruction	5,717,863	-	-	5,717,863
Supporting Services	3,769,486	-	571,930	4,341,416
Capital Outlay	31,985	150,626	-	182,611
Debt Service				
Principal	50,000	31,934	-	81,934
Interest	6,773	11,260	-	18,033
TOTAL EXPENDITURES	9,576,107	193,820	571,930	10,341,857
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(394,430)	(185,740)	8,654	(571,516)
OTHER FINANCING SOURCES (USES)				
Transfer Out	(317,171)	-	-	(317,171)
Transfer In	-	287,229	29,942	317,171
TOTAL OTHER FINANCING SOURCES (USES)	(317,171)	287,229	29,942	-
NET CHANGE IN FUND BALANCES	(711,601)	101,489	38,596	(571,516)
FUND BALANCES, Beginning	3,590,713	-	153,388	3,744,101
FUND BALANCES, Ending	\$ 2,879,112	\$ 101,489	\$ 191,984	\$ 3,172,585

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, 2025

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

Net change in fund balances - total governmental funds \$ (571,516)

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	483,346	
Depreciation and Amortization	(384,242)	99,104

Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds.

COPs Principal Payments	50,000	
Leases Principal Payments	31,934	
Changes in Accrued Interest Payable	263	
Changes in Compensated Absences	<u>(51,034)</u>	31,163

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	48,092	
Deferred charges related to OPEB	<u>74,361</u>	<u>122,453</u>

Change in net position of governmental activities \$ (318,796)

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

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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, 2025

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, 2025

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 *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 30th 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, 2025

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, 2025, the District reports \$7,945 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, 2025, were \$915,693. 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 \$203,802 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, 2025

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, 2025

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

- 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 balances in the Food Service Fund and Capital Projects Fund as committed resources for the respective fund purposes.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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, 2025 through February 23, 2026, 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, 2025

NOTE 2: CASH AND INVESTMENTS

Cash and investments on June 30, 2025, consist of the following:

Petty Cash	\$	100
Deposits		3,982,808
Investments		<u>208,004</u>
Total	\$	<u>4,190,912</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, 2025, 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, 2025, the District had deposits with financial institutions with a carrying amount of \$3,982,808. The bank balances with the financial institutions were \$4,245,377. Of these balances, \$250,000 was covered by federal depository insurance and \$3,995,377 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, 2025

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 \$208,004 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, 2025

NOTE 3: CAPITAL ASSETS

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
Governmental Activities				
Capital Assets, Not Depreciated				
Construction in Progress	\$ -	\$ 399,857	\$ -	\$ 399,857
Capital Asset, Being Depreciated/Amortized				
Buildings and Improvements	13,381,564	-	9,000	13,372,564
Vehicles and Equipment	1,568,975	83,489	21,981	1,630,483
Right to Use Asset	309,492	-	-	309,492
Total Capital Assets, Being Depreciated/Amortized	15,260,031	83,489	30,981	15,312,539
Accumulated Depreciation/Amortization				
Buildings and Improvements	7,534,133	277,258	9,000	7,802,391
Vehicles and Equipment	1,033,248	66,672	21,981	1,077,939
Right to Use Asset	226,465	40,312	-	266,777
Total Depreciation/Amortization	8,793,846	384,242	30,981	9,147,107
Net Capital Assets, Depreciated/Amortized	6,466,185	(300,753)	-	6,165,432
Net Capital Assets	\$ 6,466,185	\$ 99,104	\$ -	\$ 6,565,289

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

Governmental Activities	
Instruction	\$ 182,249
Supporting Services	<u>201,993</u>
Total	<u>\$ 384,242</u>

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 4: LONG-TERM DEBT

The following is a summary of the District’s long-term debt transactions for the year ended June 30, 2025:

	Balance 6/30/2024	Additions	Payments	Balance 6/30/2025	Current Portion
Series 2017 Certificates of Participation	\$ 430,000	\$ -	\$ 50,000	\$ 380,000	\$ 50,000
PERA Pension Liability	12,082,557	-	1,135,592	10,946,965	-
OPEB Liability	291,745	-	97,515	194,230	-
Compensated Absences	152,768	51,034	-	203,802	-
Total Long-Term Obligations	<u>\$ 12,957,070</u>	<u>\$ 51,034</u>	<u>\$ 1,283,107</u>	<u>\$ 11,724,997</u>	<u>\$ 50,000</u>

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.

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.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 4: LONG-TERM DEBT (Continued)

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
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	55,000	4,646	59,646
2031-2032	120,000	3,780	123,780
Total	\$ 380,000	\$ 43,629	\$ 423,629

NOTE 5: LEASES

The following is a summary of the District’s lease transactions for the year ended June 30, 2025:

	Balance 6/30/2024	Additions	Payments	Balance 6/30/2025	Current Portion
HVAC Lease	\$ 21,281	\$ -	\$ 10,327	\$ 10,954	\$ 10,954
LED Lease	116,287	-	\$ 21,607	94,680	22,352
Total	\$ 137,568	\$ -	\$ 31,934	\$ 105,634	\$ 33,306

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, 2025

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
2026	\$ 33,306	\$ 3,907	\$ 37,213
2027	23,218	2,806	26,024
2028	24,113	1,912	26,025
2029	24,997	940	25,937
Total	\$ 105,634	\$ 9,565	\$ 115,199

NOTE 6: INTERFUND BALANCES AND TRANSFERS

During the year ended June 30, 2025, the General Fund transferred \$287,229 to the Capital Projects Fund, \$14,501 to the Food Service Fund, and \$15,441 to the Student Activity Fund to cover operating costs of those funds.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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/forms-resources/financial-reports-and-studies.

Benefits provided as of December 31, 2024. 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, 2025

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

General Information about the Pension Plan (Continued)

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

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

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

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

Contributions provisions as of June 30, 2025: 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, 2024 through June 30, 2025. Employer contribution requirements are summarized in the following table:

	July 1, 2024 Through June 30, 2025
Employer contribution rate	11.40%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)
Amount apportioned to the SCHDTF	10.38%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	4.50%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	5.50%
Total employer contribution rate to the SCHDTF	20.38%

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

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$1,030,875 for the year ended June 30, 2025.

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.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

For 2024, 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.

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, 2024, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TPL to December 31, 2024. The District’s proportion of the net pension liability was based on the District’s contributions to the SCHDTF for the calendar year 2024 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2025, the District reported a liability of \$10,946,965 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	\$10,946,965
The State’s proportionate share of the net pension liability as a nonemployer contributing entity associated with the District	983,211
Total	\$11,930,176

At December 31, 2024, the District’s proportion was 0.063%, which was a decrease of 0.0048% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$1,176,208 and revenue of \$89,738 for support from the State as a nonemployer contributing entity. At June 30, 2025, 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, 2025

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)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$619,910	\$-
Changes of assumptions or other inputs	82,071	-
Net difference between projected and actual earnings on pension plan investments	206,539	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	681,741	662,141
Contributions subsequent to the measurement date	522,829	N/A
Total	\$2,113,090	\$662,141

\$522,829 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, 2026. 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,	
2026	\$753,506
2027	718,135
2028	(396,218)
2029	(147,303)
2030	-
Thereafter	-

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions

The December 31, 2023, actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation:	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 ¹	Financed by the AIR

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

All mortality assumptions are developed on a benefit-weighted basis and apply generational mortality. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019.

	Mortality Table	Adjustments, as Applicable
Pre-Retirement	PubT-2010 Employee	N/A
Post-Retirement (Retiree), Non-Disabled	PubT-2010 Healthy Retiree	Males: 112% of the rates prior to age 80/ 94% of the rates age 80 and older Females: 83% of the rates prior to age 80/ 106% of the rates age 80 and older
Post-Retirement (Beneficiary), Non-Disabled	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages Females: 105% of the rates for all ages
Disabled	PubNS-2010 Disabled Retiree	99% of the rates for all ages

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

Actuarial assumptions (Continued)

The actuarial assumptions used in the December 31, 2023, 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.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total pension liability from December 31, 2023, to December 31, 2024.

Salary increases, including wage inflation:	4.00%-13.40%
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Salary scale assumptions were altered to better reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. All mortality assumptions are developed on a benefit-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using the 2024 adjusted MP-2021 projection scale.

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (Continued)

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

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

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

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

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial assumptions (Continued)

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

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

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.
- 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.

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Discount Rate (Continued)

- 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.

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	\$14,841,548	\$10,946,965	\$7,684,708

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

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

Subsequent Events

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

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PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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/forms-resources/financial-reports-and-studies.

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

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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 or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

General Information about the OPEB Plan (Continued)

DPS Benefit Structure

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

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

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

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 \$51,594 for the year ended June 30, 2025.

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

At June 30, 2025, the District reported a liability of \$194,230 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2024, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023. Standard update procedures were used to roll-forward the TOL to December 31, 2024. The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year 2024 relative to the total contributions of participating employers to the HCTF.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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)

At December 31, 2024, the District’s proportion was 0.041%, which was a decrease of 0.0003% from its proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense of (\$22,767). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$-	\$42,843
Changes of assumptions or other inputs	2,227	62,086
Net difference between projected and actual earnings on OPEB plan investments	658	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	13,097	20,693
Contributions subsequent to the measurement date	26,167	N/A
Total	\$42,149	\$125,622

\$26,167 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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)

Year ended June 30,	
2026	(\$28,219)
2027	(17,825)
2028	(26,327)
2029	(18,884)
2030	(12,647)
Thereafter	(5,738)

Actuarial assumptions

The December 31, 2023, actuarial valuation used the following actuarial cost method and key actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40%-11.00%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	16.00% in 2024, then 6.75% in 2025, gradually decreasing to 4.50% in 2034
MAPD PPO #2	105.00% in 2024, then 8.55% in 2025, gradually decreasing to 4.50% in 2034
Medicare Part A premiums	3.50% in 2024, gradually increasing to 4.50% in 2033

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

Each year the per capita health care costs are developed by plan option. As of the December 31, 2023, actuarial valuation, costs are based on 2024 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 were 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%

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

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	\$1,710	\$1,420	\$585	\$486	\$1,897	\$1,575
70	\$1,921	\$1,589	\$657	\$544	\$2,130	\$1,763
75	\$2,122	\$1,670	\$726	\$571	\$2,353	\$1,853

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	\$6,536	\$5,429	\$4,241	\$3,523	\$7,063	\$5,866
70	\$7,341	\$6,073	\$4,764	\$3,941	\$7,933	\$6,563
75	\$8,110	\$6,385	\$5,262	\$4,143	\$8,763	\$6,900

The 2024 Medicare Part A premium is \$505 per month.

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

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

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

Actuarial assumptions (Continued)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models, and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. PERACare Medicare plan rates are applied where members have no premium-free Part A and where those premiums are already exceeding the maximum subsidy. MAPD PPO #2 has a separate trend because the first year rates are still below the maximum subsidy and to reflect the estimated impact of the Inflation Reduction Act for that plan option.

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

Year	PERACare Medicare Plans¹	MAPD PPO #21	Medicare Part A Premiums
2024	16.00%	105.00%	3.50%
2025	6.75%	8.55%	3.75%
2026	6.50%	8.10%	3.75%
2027	6.25%	7.65%	4.00%
2028	6.00%	7.20%	4.00%
2029	5.75%	6.75%	4.25%
2030	5.50%	6.30%	4.25%
2031	5.25%	5.85%	4.25%
2032	5.00%	5.40%	4.25%
2033	4.75%	4.95%	4.50%
2034+	4.50%	4.50%	4.50%

¹ Increase in 2024 trend rates due to the effect of the Inflation Reduction Act.

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

Mortality assumptions used in the December 31, 2023, valuation for the Division Trust Funds as shown in the following table, reflect generational mortality and were applied, as applicable, in the December 31, 2023, valuation for the HCTF, but developed using a headcount-weighted basis. Note that in all categories, displayed as follows, the mortality tables are generationally projected using scale MP-2019. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-Retirement	Mortality Table	Adjustments, as Applicable
School Division	PubT-2010 Employee	N/A
<hr/>		
Post-Retirement (Retiree), Non-Disabled	Mortality Table	Adjustments, as Applicable
School Division	PubT-2010 Healthy Retiree	Males: 112% of the rates prior to age 80/ 94% of the rates age 80 and older Females: 83% of the rates prior to age 80/ 106% of the rates age 80 and older
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Post-Retirement (Beneficiary), Non-Disabled	Mortality Table	Adjustments, as Applicable
All Beneficiaries	Pub-2010 Contingent Survivor	Males: 97% of the rates for all ages Females: 105% of the rates for all ages
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Disabled	Mortality Table	Adjustments, as Applicable
Members	PubNS-2010 Disabled Retiree	99% of the rates for all ages
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PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

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, 2023, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect costs for the 2024 plan year.
- The health care cost trend rates applicable to health care premiums were revised to reflect the current expectation of future increases in those premiums. A separate trend rate assumption set was added for MAPD PPO #2 as the first-year rate is still below the maximum subsidy and also the assumption set reflects the estimated impact of the Inflation Reduction Act for that plan option.
- The Medicare health care plan election rate assumptions were updated effective as of the December 31, 2023, valuation date based on an experience analysis of recent data.

The actuarial assumptions used in the December 31, 2023, 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.

Based on the 2024 experience analysis, dated January 3, 2025, for the period January 1, 2020, to December 31, 2023, revised actuarial assumptions were adopted by PERA's Board on January 17, 2025, and were effective as of December 31, 2024. The following assumptions were reflected in the roll forward calculation of the total OPEB liability from December 31, 2023, to December 31, 2024.

	School Division
Salary increases, including wage inflation:	
Members other than Safety Officers	4.00%-13.40%
Safety Officers	N/A

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

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

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

Plan	With Medicare Part A	Without Medicare Part A
MAPD PPO #1	\$1,824	\$6,972
MAPD PPO #2	624	4,524
MAPD HMO (Kaiser)	2,040	7,596

The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on the experience. Note that in all categories, the mortality tables are generationally projected using the 2024 adjusted MP-2021 project scale. These assumptions updated for the Division Trust Funds, were also applied in the roll forward calculations for the HCTF using a headcount-weighted basis. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

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

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

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

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.

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Actuarial assumptions (Continued)

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

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

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

Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates

The following table presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

Sensitivity of the School’s proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates (Continued)

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate ¹	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial MAPD PPO#2 trend rate ¹	7.55%	8.55%	9.55%
Ultimate MAPD PPO#2 trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate ¹	2.75%	3.75%	4.75%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$188,997	\$194,230	\$200,152

¹For the January 1, 2025, plan year.

Discount rate

The discount rate used to measure the TOL was 7.25%. The basis for the projection of liabilities and the FNP used to determine the discount rate was an actuarial valuation performed as of December 31, 2023, and the financial status of the HCTF as of the current measurement date (December 31, 2024). 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, 2024, 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.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

Discount rate (Continued)

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- As of the December 31, 2024, measurement date, the FNP and related disclosure components for the HCTF reflect additional payments related to the disaffiliation of Tri-County Health as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 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 did not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

PEYTON SCHOOL DISTRICT 23JT
 NOTES TO THE FINANCIAL STATEMENTS
 June 30, 2025

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

Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the discount rate

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

	1% Decrease (6.25%)	Current Discount Rate	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$238,032	\$194,230	\$156,467

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

NOTE 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, 2025, 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.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

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, 2025, the emergency reserve of \$276,288 was reported as a restriction of net position and fund balance in the Governmental Activities and General Fund, respectively.

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, 2025, the District received \$31,924 in grant funds from BOCES and paid \$25,934 to BOCES for services.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

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

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.

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 second installment was received during the fiscal year ended June 30, 2025.

NOTE 10: **DEFICIT NET POSITION**

The net position of the governmental activities is in a deficit position in the amount of \$726,147 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, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
REVENUES					
Local Sources					
Property Taxes	\$ 2,179,949	\$ 2,179,949	\$ 1,849,839	\$ (330,110)	\$ 1,813,672
Specific Ownership Taxes	143,362	143,362	239,157	95,795	239,395
Earnings on Investments	58,100	58,100	140,199	82,099	72,692
Tuition from Individuals/BOCES	87,100	87,100	150	(86,950)	78,110
Grants and Donations	-	-	10,231	10,231	17,126
All Other Local Revenue Codes	59,837	59,837	395,654	335,817	424,715
Total Local Sources	2,528,348	2,528,348	2,635,230	106,882	2,645,710
State Sources					
State Equalization	5,282,084	5,515,958	5,508,962	(6,996)	4,994,164
Small Rural Schools	-	-	-	-	614,372
Early Literacy Grant	112,256	110,000	47,907	(62,093)	-
Exceptional Children's Educational Act	-	-	-	-	36,107
Counselor Corp Grant	80,000	90,000	90,000	-	90,000
Transportation	86,000	86,000	121,156	35,156	95,310
Universal Preschool	116,680	127,000	127,853	853	111,755
SSD Grant Revenue	-	67,285	67,285	-	-
BEST Grant Revenue	-	-	104,905	104,905	-
PERA On Behalf Revenue	-	-	89,738	89,738	20,185
All Other State Revenue	142,078	207,334	72,372	(134,962)	100,714
Total State Sources	5,819,098	6,203,577	6,230,178	26,601	6,062,607
Federal Sources					
Title I	74,682	74,682	86,401	11,719	108,788
Title II	17,761	17,761	-	(17,761)	-
Title IV	10,000	10,000	10,000	-	10,000
Carl Perkins Grant	-	148,000	148,476	476	108,465
Education Stabilization Grants	-	-	-	-	43,424
All Other Federal Revenue	171,515	171,515	71,392	(100,123)	81,661
Total Federal Sources	273,958	421,958	316,269	(105,689)	352,338
TOTAL REVENUES	8,621,404	9,153,883	9,181,677	27,794	9,060,655
EXPENDITURES					
Instruction					
Salaries	2,994,603	3,563,391	3,554,112	9,279	2,919,189
Employee Benefits	876,123	1,000,084	1,015,573	(15,489)	857,762
Purchased Services	437,335	787,335	768,823	18,512	318,818
Supplies and Materials	156,215	345,523	373,766	(28,243)	290,141
Property	21,500	21,500	25,338	(3,838)	49,092
Other Objects and Uses	6,000	6,000	5,589	411	5,664
Total Instruction	4,491,776	5,723,833	5,743,201	(19,368)	4,440,666

(Continued)

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
EXPENDITURES (Continued)					
Supporting Services					
Student Services					
Salaries	242,451	195,026	184,289	10,737	200,117
Employee Benefits	48,956	54,952	46,384	8,568	45,659
Purchased Services	1,350	13,690	15,725	(2,035)	34,929
Supplies and Materials	3,050	3,235	3,312	(77)	4,028
Property	-	-	-	-	-
Other Objects and Uses	200	200	-	200	-
Total Students	296,007	267,103	249,710	17,393	284,733
Instructional Staff					
Salaries	136,317	23,852	25,399	(1,547)	23,187
Employee Benefits	39,149	7,044	7,142	(98)	1,942
Purchased Services	18,750	13,750	2,007	11,743	3,932
Supplies and Materials	60,000	7,000	4,488	2,512	9,119
Property	5,500	5,500	1,656	3,844	-
Total Instructional Staff	259,716	57,146	40,692	16,454	38,180
General Administration					
Salaries	114,381	128,000	120,328	7,672	94,671
Employee Benefits	40,558	43,670	47,704	(4,034)	47,200
Purchased Services	53,240	193,240	191,578	1,662	139,603
Supplies and Materials	1,000	1,000	3,366	(2,366)	4,885
Property	-	-	-	-	65
Other Objects and Uses	4,500	4,500	2,628	1,872	16,116
Total General Administration	213,679	370,410	365,604	4,806	302,540
School Administration					
Salaries	413,022	406,033	425,190	(19,157)	386,579
Employee Benefits	119,859	118,262	138,052	(19,790)	117,495
Purchased Services	24,600	24,600	35,246	(10,646)	40,505
Supplies and Materials	10,400	16,500	17,432	(932)	7,979
Property	-	-	-	-	-
Other Objects and Uses	1,400	1,400	7,125	(5,725)	225
Total School Administration	569,281	566,795	623,045	(56,250)	552,783

(Continued)

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Business Administration					
Salaries	210,842	262,000	231,638	30,362	150,585
Employee Benefits	62,585	74,275	81,754	(7,479)	51,714
Purchased Services	191,710	236,710	263,881	(27,171)	224,192
Supplies and Materials	17,000	17,000	13,357	3,643	18,182
Property	25,000	25,000	23,695	1,305	-
Other Objects and Uses	7,500	7,500	-	7,500	-
Total Business Services	514,637	622,485	614,325	8,160	444,673
Operations and Maintenance					
Salaries	374,033	410,856	441,323	(30,467)	351,404
Employee Benefits	129,508	142,727	152,975	(10,248)	113,572
Purchased Services	71,600	157,840	169,762	(11,922)	51,507
Supplies and Materials	262,500	262,500	281,762	(19,262)	242,849
Property	23,500	23,500	-	23,500	71,541
Other Objects and Uses	200	200	-	200	-
Total Operations and Maintenance	861,341	997,623	1,045,822	(48,199)	830,873
Student Transportation					
Salaries	337,803	338,939	328,341	10,598	375,750
Employee Benefits	86,797	87,057	108,772	(21,715)	103,708
Purchased Services	17,550	47,550	96,017	(48,467)	15,992
Supplies and Materials	133,250	133,250	87,634	45,616	100,868
Property	16,000	16,000	4,991	11,009	19,380
Other Objects and Uses	1,000	1,000	99	901	98
Total Student Transportation	592,400	623,796	625,854	(2,058)	615,796
Central Support					
Salaries	-	-	-	-	5,115
Employee Benefits	-	-	-	-	74
Purchased Services	217,000	217,000	211,081	5,919	163,928
Property	5,000	5,000	-	5,000	24,009
Other Objects and Uses	101,857	101,856	-	101,856	-
Total Central Support	323,857	323,856	211,081	112,775	193,126

(Continued)

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
EXPENDITURES (Continued)					
Supporting Services (Continued)					
Debt Service					
Principal	-	-	50,000	(50,000)	-
Interest	-	-	6,773	(6,773)	-
Total Debt Service	-	-	56,773	(56,773)	-
Total Supporting Services	3,630,918	3,829,214	3,832,906	(3,692)	3,262,704
RESERVES					
Appropriated Reserves	1,921,312	1,077,555	-	1,077,555	-
Emergency Reserves	276,288	276,288	-	276,288	-
TOTAL RESERVES	2,197,600	1,353,843	-	1,353,843	-
TOTAL EXPENDITURES	10,320,294	10,906,890	9,576,107	1,330,783	7,703,370
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,698,890)	(1,753,007)	(394,430)	1,358,577	1,357,285
OTHER FINANCING (USES)					
Transfers In	-	-	-	-	17,034
Transfers Out	(345,887)	(291,770)	(317,171)	(25,401)	(86,523)
Insurance Proceeds	-	-	-	-	710,111
TOTAL OTHER FINANCING (USES)	(345,887)	(291,770)	(317,171)	(25,401)	640,622
CHANGE IN FUND BALANCE	(2,044,777)	(2,044,777)	(711,601)	1,333,176	1,997,907
FUND BALANCES, Beginning	2,044,777	2,044,777	3,590,713	1,545,936	1,592,806
FUND BALANCES, Ending	\$ -	\$ -	\$ 2,879,112	\$ 2,879,112	\$ 3,590,713

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,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the Net Pension Liability (Asset)	0.0634%	0.0683%	0.0571%	0.0651%	0.0715%	0.0626%	0.0642%	0.0740%	0.0763%	0.0762%
Proportionate Share of the Net Pension Liability (Asset)	\$ 10,946,965	\$ 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
State of Colorado Proportionate Share of the Net Pension Liability (Asset)	983,211	264,935	3,032,494	868,367	-	1,185,678	1,553,932	-	-	-
Total Proportionate Share of the Net Pension Liability (Asset)	\$ 11,930,176	\$ 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
Covered payroll	\$ 4,902,500	\$ 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
Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	223.3%	267.5%	236.0%	186.2%	282.6%	257.8%	366.13%	701.00%	735.61%	375.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.17%	64.74%	61.79%	74.86%	66.99%	64.52%	57.01%	43.96%	43.10%	59.20%

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,

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contributions	\$ 1,030,875	\$ 958,194	\$ 915,270	\$ 849,935	\$ 772,210	\$ 754,041	\$ 674,972	\$ 635,922	\$ 559,735	\$ 538,232
Contributions in Relation to the Contractually Required Contributions	<u>1,030,875</u>	<u>958,194</u>	<u>915,270</u>	<u>849,935</u>	<u>772,210</u>	<u>754,041</u>	<u>674,972</u>	<u>635,922</u>	<u>559,735</u>	<u>538,232</u>
State of Colorado Proportionate Share of the Net Pension Liability (Asset)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 5,058,262	\$ 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
Total Proportionate Share of the Net Pension Liability (Asset) Covered Payroll	20.38%	20.38%	20.38%	19.88%	19.88%	19.36%	19.13%	18.63%	18.13%	17.33%

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,

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the Net OPEB Liability (Asset)	0.0406%	0.0409%	0.0434%	0.0425%	0.0413%	0.0403%	0.0417%	0.0420%	0.0434%
Proportionate Share of the Net OPEB Liability (Asset)	\$ 194,230	\$ 291,745	\$ 354,747	\$ 366,477	\$ 392,835	\$ 453,317	\$ 567,586	\$ 546,419	\$ 562,143
Covered payroll	\$ 4,902,500	\$ 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	3.96%	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	59.83%	46.16%	38.57%	39.40%	32.78%	24.49%	17.03%	17.53%	16.72%

NOTE: Information for the prior year 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,

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contributions	\$ 51,594	\$ 47,957	\$ 45,808	\$ 43,608	\$ 39,621	\$ 39,726	\$ 35,989	\$ 34,817	\$ 31,491
Contributions in Relation to the Contractually Required Contributions	51,594	47,957	45,808	43,608	39,621	39,726	35,989	34,817	31,491
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$5,058,262	\$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%	1.02%

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

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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.

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

2024 Changes in Assumptions or Other Inputs Since 2023:

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The Pub-2010 Public Retirement Plans Mortality base tables were retained for purposes of active, retired, disabled, and beneficiary lives, with revised adjustments for credibility and gender, where applicable. In addition, the applied generational projection scale was updated to the 2024 adjusted scale MP-2021.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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

- The estimated administrative expense as a percentage of covered payroll was increased from 0.40% to 0.45%.

2023 Changes in Plan Provisions Since 2022:

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

NOTE 3: **SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA HEALTH CARE TRUST FUND PLAN**

2024 Changes in Plan Provisions Since 2023:

- As of the December 31, 2024, measurement date, the FNP and related disclosure components for HCTF reflect additional payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. The additional employer disaffiliation payment allocations to the HCTF and Local Government Division Trust Fund were \$0.020 million and \$0.486 million, respectively.

PEYTON SCHOOL DISTRICT 23JT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

NOTE 3: **SIGNIFICANT CHANGES IN PLAN PROVISIONS AFFECTING TRENDS IN ACTUARIAL INFORMATION – PERA HEALTH CARE TRUST FUND PLAN** (Continued)

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

2024 Changes in Assumptions or Other Inputs Since 2023:

- Salary scale assumptions were altered to better reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The adjustments for credibility applied to the Pub-2010 mortality tables for active and retired lives, including beneficiaries, were updated based on experience. In addition, the mortality projection scale was updated to the 2024 adjusted scale MP-2021 to reflect future improvements in mortality for all groups.
- Participation rates were reduced.
- MAPD premium costs are no longer age graded.

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, 2025

	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	TOTALS
ASSETS			
Cash and Investments	\$ 32,779	\$ 160,787	\$ 193,566
Accounts Receivable	26,866	-	26,866
Inventory	4,331	-	4,331
TOTAL ASSETS	\$ 63,976	\$ 160,787	\$ 224,763
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	32,779	-	32,779
TOTAL LIABILITIES	32,779	-	32,779
FUND EQUITY			
Fund Balance			
Nonspendable	4,331	-	4,331
Committed for Fund Purpose	26,866	-	26,866
Assigned	-	160,787	160,787
TOTAL FUND EQUITY	31,197	160,787	191,984
TOTAL LIABILITIES AND FUND BALANCES	\$ 63,976	\$ 160,787	\$ 224,763

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, 2025

	FOOD SERVICE FUND	STUDENT ACTIVITY FUND	TOTALS
REVENUES			
Local Sources	\$ 1,396	\$ 249,091	\$ 250,487
State Sources	126,714	-	126,714
Federal Sources	203,383	-	203,383
	<u>331,493</u>	<u>249,091</u>	<u>580,584</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
Supporting Services	344,442	227,488	571,930
	<u>344,442</u>	<u>227,488</u>	<u>571,930</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(12,949)</u>	<u>21,603</u>	<u>8,654</u>
OTHER FINANCING SOURCES			
Transfers In	14,501	15,441	29,942
	<u>14,501</u>	<u>15,441</u>	<u>29,942</u>
NET CHANGE IN FUND BALANCES	1,552	37,044	38,596
FUND BALANCES, Beginning	29,645	123,743	153,388
	<u>29,645</u>	<u>123,743</u>	<u>153,388</u>
FUND BALANCES, Ending	<u>\$ 31,197</u>	<u>\$ 160,787</u>	<u>\$ 191,984</u>

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE
 FOOD SERVICE FUND
 Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
REVENUES					
Local Sources					
Charges for Services	\$ 54,550	\$ 3,400	\$ 1,396	\$ (2,004)	\$ 628
Other	-	-	-	-	39
State and Federal Sources					
School Lunches	101,622	223,802	217,132	(6,670)	202,587
School Breakfast	-	124,820	94,874	(29,946)	-
Commodity Donations	-	-	16,512	16,512	16,149
State Match	-	-	1,579	1,579	1,663
TOTAL REVENUES	156,172	352,022	331,493	(20,529)	221,066
EXPENDITURES					
Supporting Services					
Salaries	113,954	150,000	149,485	515	90,896
Benefits	32,445	40,682	24,493	16,189	25,060
Purchased Services	2,200	11,200	11,633	(433)	5,091
Food	100,000	133,500	157,339	(23,839)	99,332
Property	3,000	14,000	550	13,450	-
Other Objects and Uses	500	500	942	(442)	3,262
Appropriated Reserves	-	31,785	-	31,785	-
TOTAL EXPENDITURES	252,099	381,667	344,442	37,225	223,641
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(95,927)	(29,645)	(12,949)	16,696	(2,575)
OTHER FINANCING SOURCES					
Transfers In	54,117	-	14,501	14,501	-
CHANGE IN FUND BALANCE	(41,810)	(29,645)	1,552	31,197	(2,575)
FUND BALANCES, Beginning	41,810	29,645	29,645	-	32,220
FUND BALANCES, Ending	\$ -	\$ -	\$ 31,197	\$ 31,197	\$ 29,645

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE
 STUDENT ACTIVITY FUND
 Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
REVENUES					
Local Sources					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and Donations	265,000	250,000	249,091	(909)	220,539
TOTAL REVENUES	265,000	250,000	249,091	(909)	220,539
EXPENDITURES					
Supporting Services					
Materials and Supplies	230,000	230,000	227,488	2,512	281,549
Appropriated Reserves	170,852	143,743	-	143,743	-
TOTAL EXPENDITURES	400,852	373,743	227,488	146,255	281,549
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(135,852)	(123,743)	21,603	145,346	(61,010)
OTHER FINANCING SOURCES					
Transfers In	-	-	15,441	15,441	-
CHANGE IN FUND BALANCE	(135,852)	(123,743)	37,044	160,787	(61,010)
FUND BALANCE, Beginning	135,852	123,743	123,743	-	184,753
FUND BALANCE, Ending	\$ -	\$ -	\$ 160,787	\$ 160,787	\$ 123,743

See the accompanying independent auditor's report.

PEYTON SCHOOL DISTRICT 23JT

BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROJECTS FUND
 Year Ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2024 ACTUAL
REVENUES					
Local Sources					
Earnings on Investments	\$ -	\$ -	\$ 8,080	\$ 8,080	\$ 9,531
Federal Sources					
Federal Revenue	-	-	-	-	104,307
TOTAL REVENUES	-	-	8,080	8,080	113,838
EXPENDITURES					
Supporting Services					
Purchased Services	100	100	-	100	-
Property	132,952	197,952	150,626	47,326	104,307
Debt Service					
Principal	-	-	31,934	(31,934)	75,627
Interest	-	-	11,260	(11,260)	20,818
Appropriated Reserves	270,594	105,948	-	105,948	-
TOTAL EXPENDITURES	403,646	304,000	193,820	110,180	200,752
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(403,646)	(304,000)	(185,740)	118,260	(86,914)
OTHER FINANCING SOURCES					
Transfers In	292,270	304,000	287,229	(16,771)	86,523
CHANGE IN FUND BALANCE	(111,376)	-	101,489	101,489	(391)
FUND BALANCE, Beginning	111,376	-	-	-	391
FUND BALANCE, Ending	\$ -	\$ -	\$ 101,489	\$ 101,489	\$ -

See the accompanying independent auditor's report.

AUDITORS INTEGRITY REPORT



Colorado Department of Education

Auditors Integrity Report

District: 1060 - Peyton 23 Jt

Fiscal Year 2024-25

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
Governmental	+		-	=
10 General Fund	3,590,713	8,864,505	9,576,106	2,879,112
18 Risk Mgmt Sub-Fund of General Fund	0	0	0	0
19 Colorado Preschool Program Fund	0	0	0	0
Sub- Total	3,590,713	8,864,505	9,576,106	2,879,112
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	29,646	345,994	344,443	31,197
22 Govt Designated-Purpose Grants Fund	0	0	0	0
23 Pupil Activity Special Revenue Fund	123,743	264,532	227,488	160,787
25 Transportation Fund	0	0	0	0
31 Bond Redemption Fund	0	0	0	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	0	295,309	193,820	101,489
46 Supplemental Cap Const, Tech, Main Fund	0	0	0	0
Totals	3,744,101	9,770,340	10,341,856	3,172,585
Proprietary				
50 Other Enterprise Funds	0	0	0	0
64 (63) Risk-Related Activity Fund	0	0	0	0
60,65-69 Other Internal Service Funds	0	0	0	0
Totals	0	0	0	0
Fiduciary				
70 Other Trust and Agency Funds	0	0	0	0
72 Private Purpose Trust Fund	0	0	0	0
73 Agency Fund	0	0	0	0
74 Pupil Activity Agency Fund	0	0	0	0
79 GASB 34:Permanent Fund	0	0	0	0
85 Foundations	0	0	0	0
Totals	0	0	0	0

FINAL