



College Prep in a Small School Environment

PEAK TO PEAK CHARTER SCHOOL

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The Peak to Peak community will inspire students to fulfill their academic dreams for college, to develop their creative passions and athletic talents, and to become responsible citizens.

NARRATIVE FINANCIAL ANALYSIS

2nd Quarter (Q2) - FY'12-13

(10.1.12 – 12.31.12)

REVENUES

Charter Fund Revenues (Fund 11)

- State PPR for Q2 is on target at \$2.25 million, or 25% of budget. Year-to-date (YTD), PPR is at \$4.5 million, or 50%.
- BVSD mill levy revenues are also on target for Q2 at \$762K, or 25%. YTD, mill levies are at \$1.5 million, or 50%.
- SpEd categorical funding was above budget at \$58K, or 28%; and ELPA funding was \$3.6K, or 24%.
- Special Ed Teacher Reimbursement revenue will be received in Q3 and Q4.
- TAG grant revenue came in at \$13.6K in Q2, or 105%. This funding comes only once a year.
- CDE Charter School Capital Construction revenue was at budget at \$31K, or 25%.
- Overall, charter fund revenues came in at \$3,125,144 in Q2, or 24%, slightly lower than budget due to SpEd Teacher reimbursement being delayed until Q3. Charter Fund revenues are at 50% for the first half, which are at budget.

Local Revenues (Funds 11, 26, 51, and 73)

- Instructional Fee revenues were slightly higher than budget in Q2 at \$68K, or 28%.
- Other local revenues were higher than budget in Q2 at \$8K, or 79%.
- Athletics & Activities revenues were lower than budget in Q2 at \$49K, or 23%, but higher for the first half at 72%.
- Friends revenues were above budget in Q2 at \$114K, or 30%, due to a strong giving to Annual Gift.
- Food Service revenues were at budget in Q2 at \$120K, or 26%.
- BAASC revenues were above budget in Q2 at \$69K, or 31%, rebounding from lower revenues in Q1.
- Center for Professional Dev't revenues were above budget in Q2 at \$51K, or 38%, also rebounding from a lower Q1.
- Kindergarten Enrichment revenues were above budget at \$61K, or 35%.
- The Bond Reserve Refund of \$6K was received in Q1, which means that we only reached 24% of budget for the year, due to greatly reduced interest earnings.
- Overall, Local Revenues came in at \$549,105, or 29.4% for Q2, which is better than expected.

Total Revenues

- Total revenues in Q2 were \$3,674,249, or 25% of total budgeted revenues, right on target. YTD at the end of the first half, total revenues were \$7,533,833, or 51% of budget.

EXPENSES

Instructional Expenses

- Instructional salaries came in at \$1M, or 25% of budget in Q2, which is right on budget. Instructional benefits were slightly lower than budget at \$286K, or 24%.
- Instructional support staff salaries were higher than budget in Q2 at \$41K, or 28%, and benefits were \$13K, or 23%. These numbers are expected to be higher in Q2 and Q3 since school is in full session during these months, and Q1 and Q4 are lower due to summer break.
- Instructional program costs were higher than budget in Q2 at \$135K, or 37%, due to some large tech purchases.
- Overall, Instructional Expenses came in at \$1,474,657, or 25.4% for Q2, which is just above budget, as expected. Year-to-date (YTD) at the end of the first half, instructional expenses were \$2,422,687, or 42% of budget, as expected.

Administration Expenses

- Admin salaries were at budget in Q2 at \$405K, or 25%. Benefits costs were under budget at \$97K, or 21%.
- Admin support staff salaries were higher than budget in Q2 at \$50K, or 29%, and benefits were at \$13K, or 18%. These numbers are expected to be higher in Q2 and Q3 since school is in full session during these months, and Q1 and Q4 are lower due to summer break.

- Admin program costs were lower than budget in Q2 at \$46K, or 18%, due to conservative spending.
- Overall, Administration Expenses were lower than budget in Q2 at \$610,876, or 23.3%, better than expected. Year-to-date (YTD) at the end of the first half, admin expenses were \$1,119,144, or 43% of budget, better than expected.

Facility Expenses

- Total Facilities expenses were lower than budget in Q2 at \$208,752, or 23.1%. Year-to-date (YTD) at the end of the first half, facilities expenses were lower than budget at \$435,801, or 48.3%.

Debt Service Expenses

- Bond debt servicing was right on track at \$389,658, or 25% in Q1, as expected. Year-to-date (YTD) at the end of the first half, debt service expenses were at budget at \$780,974, or 49.8%.

Local Expenses

- Miscellaneous local expenses above budget in Q2 at \$4.4K, or 29%, and YTD they are at 63%, higher than budget.
- Athletics & Activities (A&A) salaries were slightly higher than budget in Q2 at \$27K, or 27%; and benefits were at \$5K, or 25%. A&A program expenses were slightly higher than budget at \$54K, or 27%. Total A&A expenses exceeded total A&A revenues by \$37K in Q2, but the deficit YTD in the first half was only \$738.
- Friends of P2P expenses were above budget at \$35K, or 37% in Q2. Total Friends revenues exceeded total expenses by \$78K in Q2, and by \$116K YTD in the first half.
- Food Service salaries were above budget in Q2 at \$39K, or 28% and benefits were at \$11K, or 24%. Food Service program expenses were above budget in Q2 at \$88K, or 33%. Total food service revenues were exceeded by total expenses by \$18K in Q2, and by \$13K YTD in the first half. We expect this deficit to reduce in Q3 since some reimbursements for Q2 were received in Q3, and we may need to reduce the amount of utilities being charged to food services to ensure that the program finishes the year with a positive net revenue.
- BAASC salaries were above budget in Q2 at \$16K, or 27%, and benefits were at \$6K, or 27%. BAASC program expenses were above budget in Q2 at \$31K, or 32%. Total BAASC revenues exceeded total expenses by \$16K in Q2; and by \$16K YTD in the first half.
- CPD salaries were above budget in Q2 at \$23K, or 29% due to a large payment of stipends in November, which also pushed CPD benefits above budget in Q2 at \$4.7K, or 62%. CPD program expenses were above budget in Q2 at \$12K, or 117%. Total CPD revenues exceeded total expenses by \$11.7K in Q2, and by \$6.8K YTD in the first half.
- Kindergarten Enrichment salaries were above budget in Q2 at \$8.4K, or 31%, and benefits were at \$2.8K, or 26%. Kindergarten Enrichment program expenses were above budget at \$3.9K, or 28%. Total Enrichment revenues exceeded total expenses by \$46K in Q2, and by \$72K YTD in the first half.
- Revolving grant expenses were \$1311 in Q2, which were unbudgeted.
- Overall, total Local Expenses came in at budget at \$368,409, or 24.5% in Q2. Year-to-date (YTD) at the end of the first half, total Local Expenses were higher than budget at \$820,890, or 54.6%, which is as expected due to the \$237K summer renovation project being completed in Q1.

BVSD Purchased Services

- Total payments to BVSD for Purchased Services came in slightly higher than budget at \$611,690, or 25.9% in Q2. Year-to-date (YTD) at the end of the first half, BVSD Purchased Services were slightly higher than budget at \$1,202,739, or 50.9%.

Total Expenses

- Total Expenses in Q2 were \$3,668,415, which represents 24.8% of total budgeted expenditures, slightly lower than budget, as expected. Year-to-date (YTD) at the end of the first half, Total Expenses were lower than budget at \$6,786,607, or 45.9%. The lower than budget YTD expenses will be offset in Q4 when accrued salaries and benefits will be charged to Fund 11.
- Total revenues exceeded total expenses by \$5,834 in Q2, which is very close to budget. Year-to-date (YTD) at the end of the first half, Total Revenues exceeded Total Expenses by \$747,226, which will more than offset the anticipated \$550,000 salary and benefit accrual in Q4.

RESERVES

Reserves

- Total reserves at the end of Q2 were at \$3.58 million, which far surpasses the 20% minimum reserving level of \$2.6 million. However, this number is inflated by the large surplus reflected in Q1. This will be offset in Q4, and we expect to end the fiscal year with \$2.8 million in reserves.

Summary

- The financial results for Q2 are positive for Peak to Peak. The results are aligned with our goal of being conservative in order to protect the school financially.

PEAK TO PEAK CHARTER SCHOOL

Q2 FY 2012-13 FINANCIAL REPORT 10.1.12 - 12.31.12		Q2 FY'11-12 Actual	Q2 FY'12-13 Actual	% of Budget	Q2 FY'12-13 YTD	% of Budget	FY 2012-13 Budget	Comments
REVENUES								
Charter Fund Revenues (Fund 11)								
							1,413.8	FTE enrollment as of 10/1/12
State PPR Funding (School Finance Act)	\$2,252,606	\$2,256,716	25.0%	\$4,509,675	50.0%	\$9,014,134		State Per Pupil Revenue
BVSD 1991 Mill Levy Override	\$ 88,194	\$ 87,660	25.0%	\$ 175,153	50.0%	\$ 349,972		1991 BVSD Mill Levy Override Revenue
BVSD 1998 Mill Levy Override	\$ 93,169	\$ 92,629	25.0%	\$ 185,116	50.0%	\$ 369,949		1998 BVSD Mill Levy Override Revenue
BVSD 2002 Mill Levy Override	\$ 157,324	\$ 156,471	25.0%	\$ 312,733	50.0%	\$ 625,046		2002 BVSD Mill Levy Override Revenue
BVSD 2005 Mill Levy Override	\$ 90,249	\$ 89,697	25.0%	\$ 179,232	50.0%	\$ 358,139		2005 BVSD Mill Levy Override Revenue
BVSD 2010 Mill Levy Override	\$ 303,174	\$ 335,396	25.1%	\$ 669,127	50.1%	\$ 1,334,925		2010 BVSD Mill Levy Override Revenue
SPED Funding	\$ 54,264	\$ 58,049	27.7%	\$ 110,473	52.7%	\$ 209,693		Special Ed categorical funding from state
ELPA Funding	\$ 3,872	\$ 3,659	24.2%	\$ 7,440	49.2%	\$ 15,122		English Language Proficiency Act categorical funding
BVSD Special Ed Teacher Reimbursement	\$ -	\$ -		\$ -	0.0%	\$ 228,120		Reimbursement from BVSD for P2P SpEd Teachers
TAG Grant	\$ 13,738	\$ 13,629	104.5%	\$ 13,629	104.5%	\$ 13,038		Talented & Gifted funding
CDE Charter Capital Construction	\$ 28,162	\$ 31,239	25.1%	\$ 52,065	41.8%	\$ 124,411		CDE Charter School Capital Construction funding
Carryover from Previous Year				\$ 265,000	100.0%	\$ 265,000		Budget surplus from 2011-12 carried over to 2012-13
Other District/State Revenues				\$ -				Other miscellaneous funding
Total Charter Fund Revenues	\$3,084,752	\$3,125,144	24.2%	\$6,479,641	50.2%	\$12,907,549		
Local Revenues								
Instructional Fees (Fund 11)	\$ 35,838	\$ 68,298	28.2%	\$ 252,731	104.2%	\$ 242,500		ES supplies, planners, lockers, WL, science, counseling, art, music fees
Other Local Revenues (Fund 11)	\$ 10,811	\$ 7,888	78.9%	\$ 11,907	119.1%	\$ 10,000		Local fees and fines, insurance refunds, rental income, BVSD transfers
Athletics & Activities Revenue (Fund 11)	\$ 25,649	\$ 49,105	22.6%	\$ 156,721	72.1%	\$ 217,418		Athletics & Activities fees
Friends of P2P Fundraising Revenue (Fund 26)	\$ 103,957	\$ 113,530	30.4%	\$ 161,318	43.2%	\$ 373,000		Revenues from events, donations and other fund raising activities
Food Service Revenue (Fund 51)	\$ 115,679	\$ 120,320	25.9%	\$ 208,107	44.9%	\$ 464,000		Food Service sales
BAASC Revenue (Fund 11)	\$ 60,410	\$ 69,219	31.0%	\$ 96,002	43.0%	\$ 223,279		BAASC fees
Center for Professional Development (Fund 11)	\$ 24,986	\$ 51,327	37.7%	\$ 59,290	43.5%	\$ 136,200		CPD fees for service
Kindergarten Enrichment Revenue (Fund 11)	\$ 61,545	\$ 61,316	35.4%	\$ 92,551	53.4%	\$ 173,259		Enrichment fees
Bond Reserve Fund Refund (Fund 11)	\$ -	\$ -		\$ 6,059	24.2%	\$ 25,000		Bond Reserve Fund annual earned interest
Investment Income (Fund 11)	\$ 2,067	\$ 1,519		\$ 2,926				Interest Earned in Chase and GWB MMkt Accounts
Revolving Grant Revenue (Fund 73)	\$ 1,198	\$ 6,581		\$ 6,581				Revolving Grant Revenues
Total Local Revenues	\$ 442,138	\$ 549,105	29.4%	\$1,054,192	56.5%	\$ 1,864,656		
Grand Total Revenues	\$3,526,890	\$3,674,249	24.9%	\$7,533,833	51.0%	\$14,772,205		
EXPENSES								
Instructional Expenses								
Instructional Salaries	\$ 976,452	\$1,000,599	24.7%	\$1,639,002	40.5%	\$ 4,043,425		Salaries and stipends for classroom teachers
Instructional Benefits	\$ 271,322	\$ 285,547	23.9%	\$ 464,543	38.9%	\$ 1,193,411		Employee benefits for classroom teachers
Instructional Support Staff Salaries	\$ 38,361	\$ 40,624	27.5%	\$ 56,049	38.0%	\$ 147,653		Instructional support staff salaries
Instructional Support Staff Benefits	\$ 7,783	\$ 12,738	23.0%	\$ 19,412	35.1%	\$ 55,275		Instructional support staff employee benefits
Instructional Program	\$ 112,553	\$ 135,148	36.6%	\$ 243,682	66.1%	\$ 368,922		Textbooks, library books, dep't materials, IT and copying expenses
Total Instructional Expenses	\$1,406,471	\$1,474,657	25.4%	\$2,422,687	41.7%	\$ 5,808,686		
Administration Expenses								
Administrative Salaries	\$ 354,933	\$ 405,461	24.5%	\$ 763,184	46.2%	\$ 1,652,596		Salaries for administrators, librarians, counselors
Administrative Benefits	\$ 87,255	\$ 97,080	20.8%	\$ 180,983	38.7%	\$ 467,547		Employee benefits for administrators, librarians, counselors
Administrative Support Staff Salaries	\$ 58,609	\$ 49,534	28.6%	\$ 71,448	41.2%	\$ 173,232		Admin support staff salaries
Administrative Support Staff Benefits	\$ 17,285	\$ 12,889	18.1%	\$ 20,335	28.5%	\$ 71,348		Admin support staff employee benefits
Administrative Support Program	\$ 46,540	\$ 45,913	17.7%	\$ 83,194	32.1%	\$ 258,900		Staff dev't, testing, counseling, copiers, supplies, acctg, IT, OE, HR expenses

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Q2 FY 2012-13 FINANCIAL REPORT							Comments
10.1.12 - 12.31.12							
	Q2 FY'11-12	Q2 FY'12-13	% of	Q2 FY'12-13	% of	FY 2012-13	
	Actual	Actual	Budget	YTD	Budget	Budget	
Total Administration Expenses	\$ 564,621	\$ 610,876	23.3%	\$1,119,144	42.7%	\$ 2,623,623	
Facility Expenses							
Facilities Salaries	\$ 60,188	\$ 51,254	20.0%	\$ 103,272	40.2%	\$ 256,781	Facility and custodial staff salaries
Facilities Benefits	\$ 18,779	\$ 17,376	20.4%	\$ 36,318	42.6%	\$ 85,223	Facility and custodial staff employee benefits
Facilities Program	\$ 134,327	\$ 140,122	25.0%	\$ 296,210	52.8%	\$ 560,580	Utilities, maintenance costs, custodial supplies, insurance premiums
Total Facility Expenses	\$ 213,294	\$ 208,752	23.1%	\$ 435,801	48.3%	\$ 902,584	
Debt Service							
Debt Servicing (Bond Payments)	\$ 389,798	\$ 389,658	24.8%	\$ 780,974	49.8%	\$ 1,568,042	Rent paid to Prairie View to make bond payments
Total Debt Service Expenses	\$ 389,798	\$ 389,658	24.8%	\$ 780,974	49.8%	\$ 1,568,042	
Local Expenses							
Miscellaneous Local Expenses (Fund 11)	\$ 2,540	\$ 4,373	29.2%	\$ 9,449	63.0%	\$ 15,000	Bank fees, RTD fees, other local fees
Return to Reserves (Fund 11 to Fund 75)				\$ -	0.0%	\$ 30,000	Add'l money to go towards the Soccer Field Reserve
Athletics & Activities Salaries (Fund 11)	\$ 27,840	\$ 26,743	26.6%	\$ 52,213	51.9%	\$ 100,700	Athletic coaches and activity leaders salaries
Athletics & Activities Benefits (Fund 11)	\$ 4,360	\$ 4,559	25.2%	\$ 8,903	49.1%	\$ 18,126	Athletic coaches and activity leaders employee benefits
Athletics & Activities Program Expenses (Fund 11)	\$ 50,132	\$ 54,468	27.2%	\$ 96,343	48.1%	\$ 200,200	Transportation, referees, supplies, A&A equipment
Friends of P2P Fundraising Program Expenses (Fund 26)	\$ 30,651	\$ 35,135	36.9%	\$ 45,490	47.8%	\$ 95,200	FP2P fundraising program costs
Food Service Salaries (Fund 51)	\$ 32,820	\$ 39,076	28.0%	\$ 58,322	41.8%	\$ 139,504	Food Service staff salaries
Food Service Benefits (Fund 51)	\$ 9,652	\$ 11,440	24.0%	\$ 16,666	35.0%	\$ 47,586	Food Service staff employee benefits
Food Service Program Expenses (Fund 51)	\$ 69,856	\$ 88,003	32.7%	\$ 146,515	54.4%	\$ 269,390	Food, supplies and equipment for food service
BAASC Salaries (Fund 11)	\$ 13,087	\$ 15,808	27.3%	\$ 24,371	42.1%	\$ 57,865	BAASC staff salaries
BAASC Benefits (Fund 11)	\$ 4,878	\$ 5,930	27.2%	\$ 9,932	45.6%	\$ 21,784	BAASC staff employee benefits
BAASC Program Expenses (Fund 11)	\$ 35,125	\$ 31,272	32.2%	\$ 45,618	47.0%	\$ 97,000	Transportation, program costs, supplies, staff benefit lost revenue
Center for Professional Dev't Salaries (Fund 11)		\$ 22,745	29.4%	\$ 30,395	39.3%	\$ 77,301	CPD salaries and stipends
Center for Professional Dev't Benefits (Fund 11)		\$ 4,650	61.5%	\$ 7,012	92.8%	\$ 7,560	CPD employee benefits
Center for Professional Dev't Expenses (Fund 11)	\$ 17,876	\$ 12,258	116.7%	\$ 15,114	143.9%	\$ 10,500	CPD marketing expenses, office and job fair supplies
Kindergarten Enrichment Salaries (Fund 11)	\$ 9,052	\$ 8,379	30.6%	\$ 11,318	41.3%	\$ 27,413	Enrichment staff salaries
Kindergarten Enrichment Benefits (Fund 11)	\$ 2,756	\$ 2,780	26.1%	\$ 4,660	43.8%	\$ 10,649	Enrichment staff employee benefits
Kindergarten Enrichment Program Expenses (Fund 11)	\$ 13,370	\$ 3,852	27.5%	\$ 4,236	30.3%	\$ 14,000	Transportation, program costs and supplies for enrichment
Major Renovations Expenses (Fund 11)				\$ 237,208	89.5%	\$ 265,000	Expenses associated with summer 2012 building renovations
Revolving Grant Expenses (Fund 73)	\$ 2,591	\$ 1,311		\$ 1,497			Revolving Grant Expenses
Total Local Expenses	\$ 326,587	\$ 372,782	24.8%	\$ 825,263	54.8%	\$ 1,504,778	
Total Expenses	\$2,900,772	\$3,056,725	24.6%	\$5,583,868	45.0%	\$12,407,713	
Total BVSD Purchased Services	\$ 587,858	\$ 611,690	25.9%	\$1,202,739	50.9%	\$ 2,364,197	Services purchased from BVSD: SpEd, ELL, Legal, Business, IT, HR, TAG
Grand Total Expenses	\$3,488,630	\$3,668,415	24.8%	\$6,786,607	45.9%	\$14,771,910	
RESERVES							
Increase (Decrease) in Fund Balance	\$ 38,260	\$ 5,834		\$ 747,226		\$ 295	Total Revenues less Total Expenses
ADD Soccer Field Reserves				\$ 298,817		\$ 298,817	Balance in Soccer Field Reserve Account (Great Western)
ADD P2P Financial Reserves				\$2,109,437		\$ 2,109,487	Balance in Financial Reserve Accounts (Chase/Great Western)
ADD Beginning TABOR Balance				\$ 426,391		\$ 426,391	Balance in TABOR Joint Bank Account with BVSD
Grand Total Ending Reserves				\$3,581,871		\$ 2,834,990	Total Cash Reserves including TABOR