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April 29, 2022

Members of the Board of Education
 1829 Denver West Drive, Building 27
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Board Members,

Attached is the Third Quarter Financial Report for fiscal year (FY) 2021/2022 covering the period from July 1, 2021 to March 31, 2022. Though the general fund shows a net loss of \$132 million year-to-date, this is common for this time of year given the timing of revenue because the full year's local tax receipts show up in the last four months of the fiscal year. Expenditures in the general fund are trending at close to 71% of the revised budget; it's common for spending to accelerate a little towards the end of the fiscal year. Cash balances are healthy.

This report includes cash management, investment and comparative analysis schedules for the General Fund, as well as narrative and comparative schedules for all other district funds. The appendices include staffing reports, performance indicators and a guide to understanding the content within the General Fund expense descriptions. Following are the 2021-22 third quarter (unaudited) financial results by fund:

2021/2022 Year to Date, \$ in thousands	Revenue	% of Budget For Revenue	Total Expenses	% of Revised Budget For Expenses	Net Income	Fund Balance
General Fund	477,177	57%	609,509	73%	(132,332)	80,179
Debt Service	29,045	43%	50,669	74%	(21,624)	45,613
Capital Reserve	37,274	143%	23,555	344%	13,719	77,627
Building Fund 2018	8	8%	42,435	81%	(42,427)	10,101
Building Fund 2020A	-494	-165%	83,028	49%	(83,522)	199,438
Grants Fund	37,955	32%	33,895	28%	4,060	16,170
Food Services Fund	26,638	101%	21,634	77%	5,004	10,047
Campus Activity Fund	14,998	55%	13,404	49%	1,594	13,860
Transportation	22,348	77%	18,423	64%	3,925	4,635
Child Care Fund	14,279	86%	12,955	74%	1,324	4,980
Property Management Fund	1,387	53%	1,484	60%	(97)	5,570
Central Services Fund	2,204	65%	1,916	55%	287	1,683
Employee Benefits Fund	4,619	68%	5,138	69%	(520)	10,509
Insurance Reserve Fund	7,848	77%	8,496	72%	(648)	1,764
Technology Fund	25,184	82%	24,074	71%	1,110	11,873
Charter Schools	72,986	76%	68,867	68%	4,119	44,537

Cash Management:

- Jeffco has \$397.5 million in cash as of March 31st, compared to \$250 million a year prior

General Fund:

- Revenues are at 57% of the budgeted total due the continued local tax receipts that are concentrated in the last four months of the fiscal year
- Expenses are at 73% of the budgeted total, approximately 2% lower than the 75% benchmark reflecting primarily vacancy savings and uneven timing of certain expenses
- Expenditures on salaries and benefits are \$345.6 M and \$105.2 M respectively, reflecting a mix of salary increases and one-time compensation payments that are approximately 9% higher than the prior year

Debt Service, Capital Reserve and Building Funds:

- Debt service revenues at 43% of budget are similar to the prior year and reflect the fact that local property tax collection is concentrated in the last four months of the fiscal year
- Capital Reserve Fund expenditures reflect the full cost of setting up the NW Aquatics Centers lease asset for \$17.5 M; the board of education adopted a revised appropriation for this fund on April 7, 2022 which increased the overall appropriation to \$24.4 M and which will be reflected in the year-end report
- Building Fund/Capital Projects Fund 2018 was created with the issuance of \$376 million from 2018 Series GO bond proceeds; \$50 million of that was premium. Expenditures are tracking at 80% of the revised budget amount of \$52.6 million. The district intentionally spends down the proceeds from the 2018 issuance before the 2020 issuance.
- Building Fund/Capital Projects Fund 2020A was created with the issuance of \$308.8 million from 2020A Series GO bond proceeds; \$68.3 million of that is premium. Expenditures are tracking at 49% of the revised budget amount.

Grants, Food Service, Campus Activity and Transportation Funds:

- Grants revenues were \$38 M through the third quarter and expenditures \$33.9 M. Both figures are much lower than the 75% benchmark because the district fully appropriated the three-year ESSER 3 grant of \$61 M for this fiscal year even though the district does not expect to spend this full amount.
- Food Services generated higher revenues through a significant increase in meals served due to federal subsidies this year. The USDA extended their program allowing all children to eat at no charge through the end of the school year. The fund is showing a \$5 M income from operations and so the monitoring flag has been removed for the balance of this year.
- Campus Activity Fund revenues and expenses are trending at 55% and 45% of budget respectively, both amounts higher than prior year because activities have largely resumed this year. Timing of events, activities and fundraising impacts the collection of revenues and their related expenditures.
- Transportation Fund revenues and transfers are trending at benchmark and the fund is showing a \$3.9 M income from operations. Fees revenues for field trips and services are up at \$1.8 M compared to \$260 K in the prior year because fees and field trips have resumed in FY22.

Child Care and Property Management Enterprise Funds:

- Child Care Fund has a net income of \$1.3 M through the third quarter, an amount that is substantially higher than the prior year due to resumption of services and related revenues

including tuition. Revenues are up due to both increases in enrollment and tuition this year compared to last. Overall, the fund's net income through the third quarter suggests that the fund is back on track, taking into account the \$2.4 M transfer in from the general fund.

- Property Management Fund ended the quarter with a net loss of (\$96K). This is better than prior year same quarter. While rentals have increased substantially compared to the prior year, there were still disruptions in the fall and winter that are impacting this fund. Expenditures are well below budget.

Internal Service Funds:

- The Central Services Fund is largely balanced in terms of revenues and expenditures through the third quarter, with both higher than the prior year due to the resumption of regular services.
- The Employee Benefits Fund ended the quarter with a loss of \$519K which is comparable to prior year same quarter. The fund has a healthy reserve balance that can be spent down to avoid benefits' premium increases for employees.
- The Insurance Reserve Fund had a net loss of \$648K for the quarter. Expenses are trending close to the benchmark expectation and higher than the prior year due to increases in insurance premiums.
- The Technology Fund ended the quarter with a net income of \$1.1 M, better than prior year same quarter. Overall, revenues are higher than budget and prior year due to receiving E-rate funds of just over \$2.1 million for the Geomax broadband connection which is an infrastructure rebate. Expenses are trending below plan partly due to salary underspend.

Charter Schools Fund:

- As a whole, the district's 16 charter schools are showing an excess of revenues over expenditures of approximately \$4 M

This memo certifies that the information contained herein is an accurate and fair representation of the district's financial status as of the date shown.



Brenna Copeland
Chief Financial Officer