JEFFCO PUBLIC SCHOOLS

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Transmittal of Quarterly Report

Attached is the Third Quarter Financial Report for fiscal year (FY) 2023-24 covering the period from July 1, 2023 through March 31, 2024. Quarterly reports reflect unaudited interim financials. The district often has to make minor adjustments to prior months in order to accurately record and deploy grant resources and/or record other book entries to correctly identify and report transactions. As such, the data in these reports is subject to change.

The district does not spend evenly across all four quarters of the fiscal year. Spending is lowest in the first quarter and highest in the fourth quarter, so the reader should not extrapolate figures from any quarterly report as if part of a straight line trend.

The following are the 2023-2024 third quarter (unaudited) financial results by fund:

2023-24 Year to Date ($ in M)	Revenue	% of Budget	Expense	% of Budget	Net Income	Fund Balance
General Fund	533	58%	665	73%	(132)	79
Debt Service Fund	36	53%	52	77%	(16)	51
Capital Reserve Fund	28	81%	30	51%	(2)	112
Building Fund 2018	.035	N/A	1	98%	(1)	0
Building Fund 2020	1	1370%	39	86%	(38)	11
Grants Fund	46	55%	57	67%	(10)	7
Food Services Fund	28	77%	30	78%	(2)	9
Campus Activity Fund	18	63%	14	55%	3	16
Transportation Fund	24	78%	23	74%	1	2
Child Care Fund	23	88%	19	72%	4	11
Property Management Fund	1	94%	5	68%	(4)	3
Central Services Fund	3	85%	2	71%	0	2
Employee Benefits Fund	20	79%	20	74%	0	11
Insurance Reserve Fund	13	80%	10	62%	3	6
Technology Fund	26	77%	24	73%	1	14
Charter Schools	86	79%	84	72%	2	54

Cash Management

- The total available cash on hand balance on March 31st, 2024, was $440.8 million compared to $414.8 million on March 31, 2023. The 2023-24 trend is anticipating a one-month delay in property tax revenues compared to historical collections timing due to state legislation passed in November. Significant property tax collections have begun in March and will continue through June.

General Fund

- Revenue is trending lower than the 75% benchmark because of the timing of property tax collections.
- Expense is trending close to the 75% benchmark and expenditures typically increase in the 4th quarter, so the district expects to finish the year close to budgeted expenditures if not slightly over.

Debt Service, Capital Reserve and Building Funds:

- Debt service is funded through property tax collections, which are concentrated in March through June; the district expects to collect adequate funds to cover debt service payments.
- The Capital Reserve Fund receives an annual transfer from the general fund, in addition to interest earnings, fees in lieu and other miscellaneous funds. Revenue is trending higher than the benchmark because of a mid-year adjustment to the planned transfer from the general fund that restored historic funding levels.
- The two building funds manage bond proceeds and expenditures. Both the 2018 and 2020 building funds are trending on track, per the plans of the Capital Improvement Program. The district expects to finish spending from the 2018 building fund in the current fiscal year and will likely conclude spending in the 2020 building fund in the 2024-25 or 2025-26 fiscal year.

Grants, Food Service, Campus Activity and Transportation Funds:

- The Grants Fund's revenues and expenditures are trending higher compared to the prior year's quarter due to the deployment of ESSER III funds prior to the deadline for grant spending later this year.
- The Food Services Fund's revenues are trending higher than the prior year due to the passage of the Healthy Schools Meals for All program funded by the State, which started this fiscal year. Expenses are trending higher than prior year and higher than revenue, which may necessitate adjustments in future years. The current year's deficit will be funded from reserves.
- The Campus Activity Fund accounts for student funded activities such as fundraising for trips, yearbooks, athletic needs, fees for classrooms, and Outdoor Lab. Year to date revenues exceeded expenditures by $3.2 million compared to $1.1 million through the same quarter last year. The difference between revenue and expenditure can fluctuate based on timing of activities.
- Transportation revenues have exceeded expenditures by $820,000 year to date compared to $1.3 million through the same quarter last year. Revenues in this fund are transfers from the general fund designed to cover expenses. Year to date expenditures are trending close to expectations and are higher than prior year due to expected cost increases in labor, supplies and material.

Child Care and Property Management Enterprise Funds:

- Year-to-date expenditures for the Child Care Fund through the 3rd quarter increased by $6.9 million compared to the same period last year. Revenue from the Colorado Preschool Program and Universal Preschool grew by $6 million over the same timeframe, resulting in a net income of $4.4 million.
- The Property Management Fund ended the quarter with a year to date net loss of $4.0 million. This is due to a necessary transfer to the Capital Reserve Fund, to fund capital maintenance and repairs, as is appropriate with rental receipts for our facilities.

Internal Service Funds:

- The Central Services Fund's revenues and expenditures are trending higher than prior year due to regular increases in costs for labor, supplies and materials.

- The Employee Benefits Fund, which includes expenses for self-insured medical, vision, and dental plans, has expenditures higher than the prior year due to increasing claims costs for medical, dental and vision care. The district is self-insured for a portion of employee's medical care, meaning that the district pays actual claims instead of an insurance premium.
- The Insurance Reserve Fund's expenditures are a little lower than the prior year due to a mix of factors such as lower liability claims and settlements, partially offset by higher insurance premium costs.
- The Technology Fund's revenue is lower than prior year due to the decreased amount of Erate revenues. Expenses are trending higher due to increased costs in software purchases.

As a note, certain non-cash expenditures and liabilities are only reconciled at year-end, consistent with governmental standards in accounting. The year-end figures published in our annual comprehensive financial report reflect management's most accurate presentation of the district's financial data. Please be sure to visit our financial transparency web-page to access our annual reports and audited financials.

Sincerely,

Brenna Copeland
Chief Financial Officer