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Transmittal of Quarterly Report

Attached is the fourth Quarter Financial Report for fiscal year (FY) 2022-2023 covering the period from July 1, 2022 to June 30, 2023.

Following are the 2022-2023 fourth quarter (unaudited) financial results by fund:

2022-23 Year To Date ($ in M)	Revenue	% of Budget	Expense	% of Budget	Net Income	Fund Balance
General Fund	861	101%	863	97%	(2)	212
Debt Service Fund	69	101%	68	100%	1	68
Capital Reserve Fund	32	122%	25	98%	7	112
Building Fund 2018	0	160%	6	84%	(6)	2
Building Fund 2020	4	195%	103	73%	(99)	51
Grants Fund	80	84%	77	80%	4	17
Food Services Fund	30	122%	31	98%	(1)	11
Campus Activity Fund	22	83%	22	86%	(0)	13
Transportation Fund	28	95%	28	93%	1	1
Child Care Fund	20	102%	18	85%	3	6
Property Management Fund	2	116%	2	114%	1	7
Central Services Fund	3	96%	3	94%	0	2
Employee Benefits Fund	23	106%	24	106%	(1)	11
Insurance Reserve Fund	16	130%	15	97%	1	3
Technology Fund	32	105%	30	93%	3	13
Charter Schools	106	103%	113	88%	(7)	52

Cash Management:

- Jeffco has $541.5 million in cash as of June 30th, compared to $500.5 million a year prior, which is a healthy cash balance. The district should not need to borrow funds to cover fluctuations in cash for the beginning of FY2024.

General Fund:

- Revenues ended FY2023 at 101% of the budgeted annual total. This is due to an unexpected uptick in local tax collections for both specific ownership tax and property tax.
- Expenditures ended FY2023 at 97% of the budgeted annual total. This is due to a mix of departments and schools underspending their budgets based on any number of factors (e.g., timing of supply purchases, unexpected staffing vacancies, etc.) and due to contingency budgets at the school and district level not being fully deployed towards actual expenses.

Debt Service, Capital Reserve and Building Funds:

- The debt service, capital reserve and building funds finished the year better than budgeted for revenues due to favorable interest earning.

Grants, Food Service, Campus Activity and Transportation Funds:

- The Grants Fund has a net income of $3.7 million for the end of the quarter compared to prior year net income of $1.3 million. Any annual net income in this fund is indicative of timing issues between revenue and expense recognition. In general, revenues and expenses should match in this fund.
- The Food Services Fund ended the quarter with net loss of $1 million compared to a net income of $7.1 million for the same quarter last year. The Food Services Fund must continue to spend down its fund balance to come into compliance with federal expectations for a maximum amount of fund balance permissible.
- The Campus Activity Fund finished about even for the year, which is the expected outcome for the fund given that revenues and expenses should generally match.
- Transportation has a net income of $686 thousand for the quarter compared to $93 thousand for the same quarter prior year. Revenues are trending below prior year as student bus fees are not being collected. Expenditures are trending below the benchmark due to staffing vacancies.

Child Care and Property Management Enterprise Funds:

- The Child Care Fund has a net income of $2.6 million compared to last year's near break even result. The Preschool Program portion of the net income is $1.6 million compared to a $96 thousand for the prior year. This year's preschool is running 113 classrooms compared to prior year 96 classrooms. The school age enrichment (SAE) childcare programs provide before and after care for elementary students. SAE ended the quarter with a net income of $1.1 million compared to a prior year net loss of $187 thousand. Revenues and expenses are up this quarter compared to last year same quarter with the opening of three new sites and tuition increases of approximately 10%.
- The Property Management Fund ended the quarter with net income of $696 thousand compared to net income of $214 thousand in the prior year same quarter. Revenues and expenditures have both increased compared to the prior fiscal year as rental and fee-based usage of the facilities has increased.

Internal Service Funds:

- Central Services is near breakeven for the quarter compared to a net income of $157 thousand the prior year same quarter.
- The Employee Benefits Fund for vision, dental and self-insured medical ended the quarter with a net loss of $835 thousand compared to the prior year net income of $791 thousand. Revenues and expenditures are coming in higher than prior year due to the new self-insured Aetna medical plan and in part due to an agreement by the district to not collect employee contributions for vision and dental in the month of June. The fund finished the quarter with reserves of just under $11 million.
- The Insurance Reserve Fund has a net income of $1.3 million for the quarter, compared to the prior year net loss of $877,634. Overall expenses are higher than the prior year due to increases in premium costs, workers compensation claims, legal expenses, and settlement payments. The fund is supported by a general fund transfer which was increased to ensure adequate reserves to cover unforeseen expenses.
- The Technology Fund completed the quarter with net income of $2.9 million compared to last year's net loss of $651 thousand. Revenues are coming in higher than plan due to receiving E-Rate funds of over $1.5 million. Expenses ended the year at 93% of plan. Salary and benefits continue to trend below plan due to vacancies.

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.

Sincerely,

Brenna Copeland
Chief Financial Officer