



TO: *Pat Sánchez
Superintendent*

FROM: *Sandy Rotella CPA SFO
Chief Financial Operations Officer*

DATE: *December 9, 2014*

SUBJECT: *First Quarter Fiscal year 14-15 All Funds Financial Reports*

Comparative budget reports for all funds are presented on the following pages for the Board of Education review. The actual year-to-date expenditures (July through September) for fiscal year 2014-2015 are compared to the actual year-to-date expenditures for 2013-2014. The percentage of revenue and expenditures collected or expended to date are for comparative purposes. While not all revenues and expenditures are recorded in one-twelfth each month it is a measure that can be used to review the financial position of the District.

GENERAL FUND

REVENUE:

We have completed 25% of our fiscal year and received 15.3% of our budgeted revenues which is less than 25%. This apparent shortfall is neither unexpected nor unreasonable because we receive property taxes as they are collected by the Adams County Treasurer in April. Most taxpayers pay their property taxes in the five month window from February through June. Explanations of revenue classifications are identified below:

- About 95% of the District's Property Tax Revenues are received in the third and fourth quarters of our fiscal year. We have currently received .7%, and last year we had collected 1.1% of property tax revenue. This is not an unreasonable variance for this time of year, as majority of collections are received from February through April. The District plans to participate in the state's interest free loan program in December through February by requesting approximately \$2.5 million dollars. The District will repay this loan amount in March/April when property taxes are collected.
- Collections for Specific Ownership Tax are slightly less than a year ago, but at this point do not anticipate specific ownership tax being below projections.
- Other Local Revenue is higher from prior year to current year due to the timing of E-Rate revenue. Amounts appear reasonable and comparable to prior year, which is a result of a change made to the way E-Rate expenditures are paid. Historically, the District.
- Our largest revenue source, State Equalization, is paid in twelve (approximately equal) installments. The amount is comparable to budgeted amount and prior year collection rates.
- In the State Other category, we have not received categorical. This is reasonable as most of the categorical revenue from the state is collected during the second quarter. This is comparable to the prior year.
- The majority of the Federal revenues budget consists of Section 8002 Impact Aid payments. Although the timing and exact dollar amount of Impact Aid payments are unpredictable, we anticipate a payment be made in April. Payments received during the first quarter are payouts from prior year awards that the Federal Government is distributing.

EXPENDITURES:



In total, first quarter expenditures are tracking as expected.

- Salaries and Benefits are at 25% of budget. This is on track to the budget amount and being twenty-five percent through the fiscal year. Benefits are currently 24% of overall expenditures and is also as expected. The percentage is expected to increase throughout the remainder of the year due to the 0.9% increase to the employer contribution rate for PERA that went into effect January 1, 2015.
- Purchased Services and Supplies and Materials are collectively at or slightly over 35% of the budgeted amounts, which is fairly comparable to prior year. Schools and departments typically spend more in the beginning of the school year compared to the other quarters in the fiscal year
- Capital Outlay total expenditures are reasonable and comparable to the same time period from last year. Equipment, furniture and technology continue to be purchased as budgeted for and as needed to support optimal instruction of our students.
- The Other expenditure classifications is reasonable and comparable to the prior year amounts.

FUND BALANCE:

The ending fund balance for FY2014-2015 is projected to remain constant at approximately \$10 million. The use of fund balance was Board approved on June 10, 2014, with Resolution #14-006. This will change during the remaining of the fiscal year once pupil count is determined and any budget revisions are made.

The amounts reported in the Actual Year-to-Date column reflect the negative cash flow (cash outflows exceed cash inflows) that we normally experience this time of year. This is comparable to prior years and will align more closely to our projected fund balance as we collect the property tax revenues in the third and fourth quarters.

OTHER FUNDS:

Grant Fund

This fund represents the accounting for federal, state and local grants. Revenues and expenditures appear reasonable when compared to prior year.

Bond Fund

This fund represents the accounting for the collection of property taxes to make the annual principal and interest payments on voter approved debt. Payments are made semi-annually in December and June. The change in expenditures is due to the refinancing of outstanding General obligation Bonds. The refinancing lowered the interest rate paid on outstanding debt. Revenue and expenditures appear reasonable for the first quarter ending September 30, 2014.

Capital Projects Fund

This fund accounts for capital reserve projects. The variance from last year to the current year is due to the timing of capital projects. The difference appear reasonable.

Nutrition Fund

This fund accounts for the Food and Nutrition Services operations. This is a self supporting fund that operates from the sales of school breakfast and lunch and federal reimbursements. This program's leadership is reorganizing the department in order to increase student participation. Both revenue and expenditures are below last year's levels that reflect timing of federal revenue collection. Expenditures are down from prior year, due to a change in operations to operate this fund more efficiently. Finance will continue to monitor this fund.

Adult Education Fund





The Adult Education Fund accounts for the adult learning program. The fiscal plan for this fund is to use beginning reserves. Revenues and expenditures are comparable to actual levels for the same time period last year. Finance will continue to monitor this fund.

District operations and finances will be continually monitored throughout the year to ensure that departments stay within their budgets and unused budgeted resources are reallocated based on need.

Adams County School District 14
Division of Financial Services
Fiscal Year 2014-2015
General Fund - First Quarter Report
Three Month Period Ending September 30, 2014

	Fiscal Year 2014-15			Fiscal Year 2013-14		
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget
REVENUES:						
Property Taxes	\$ 20,553,990	\$ 152,009	0.7%	\$ 20,047,628	\$ 222,591	1.1%
Specific Ownership Tax	1,932,704	408,683	21.1%	1,321,559	354,736	26.8%
Local Other	1,006,200	140,923	14.0%	2,305,000	154,458	6.7%
State Equalization	36,200,777	9,193,559	25.4%	33,099,119	8,628,008	26.1%
State Other	2,690,000	-	0.0%	1,018,882	1,334,482	131.0%
Federal	2,382,500	157,394	6.6%	2,391,000	20,465	0.9%
Allocations & Transfers	(1,300,000)	(325,000)	25.0%	(1,460,000)	(365,000)	25.0%
TOTAL	\$ 63,466,171	\$ 9,727,568	15.3%	\$ 58,723,188	\$ 10,349,740	17.6%
EXPENDITURES:						
Salaries	\$ 40,695,148	\$ 10,396,685	25.5%	\$ 43,209,622	\$ 10,772,541	24.9%
Benefits	11,979,518	2,879,797	24.0%	12,481,684	2,916,687	23.4%
Purchased Services	5,931,627	2,492,835	42.0%	6,192,079	2,370,578	38.3%
Supplies & Materials	3,689,078	881,592	23.9%	4,068,276	1,072,478	26.4%
Capital Outlay	944,888	343,098	36.3%	836,696	277,892	33.2%
Other	339,613	23,669	7.0%	553,592	22,584	4.1%
TOTAL	\$ 63,579,871	\$ 17,017,676	26.8%	\$ 67,341,949	\$ 17,432,760	25.9%
REVENUES OVER (UNDER) EXPENDITURES	\$ (113,700)	\$ (7,290,108)		\$ (8,618,761)	\$ (7,083,020)	
FUND BALANCE:						
Beginning Fund Balance	10,140,799	10,140,799		14,762,681	14,762,681	
Ending Fund Balance	10,027,099	2,850,691		6,143,920	7,679,661	

ANALYSIS OF FUND BALANCE:

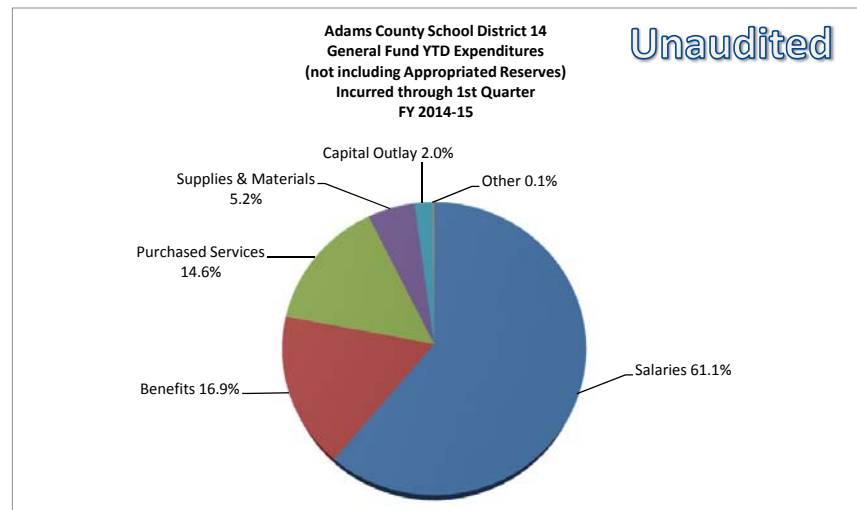
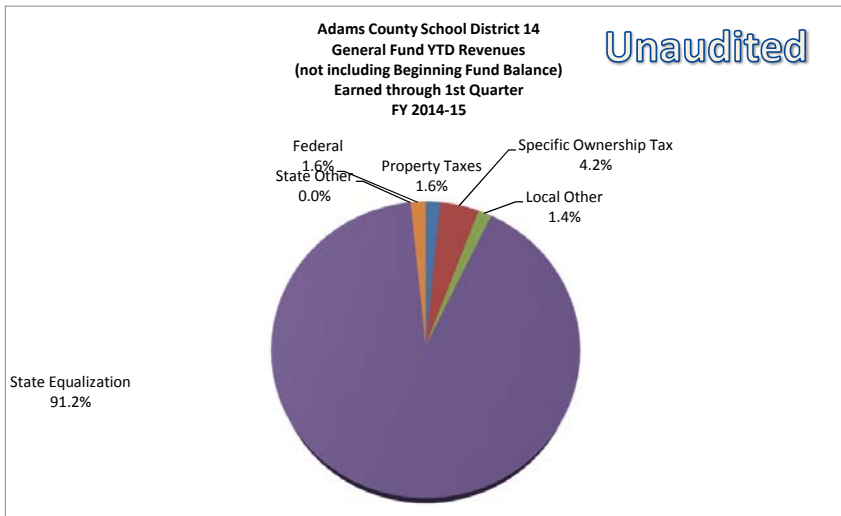
Current Year-to-Date Fund Balance:

Reserved for TABOR Amendment	\$ 3,088,733	\$ 2,157,882
Restricted for Risk Mgmt	954,440	
Board Designated Reserves:		
Operating Contingency (5.00%)	850,884	871,640
Unreserved:	(2,043,366)	4,650,139
Current Year-to-Date Fund Balance	\$ 2,850,691	\$ 7,679,661
Audited Year-End FY2013-14	10,140,799	14,762,681
Increase (Decrease) in Fund Balance	\$ (7,290,108)	\$ (7,083,020)

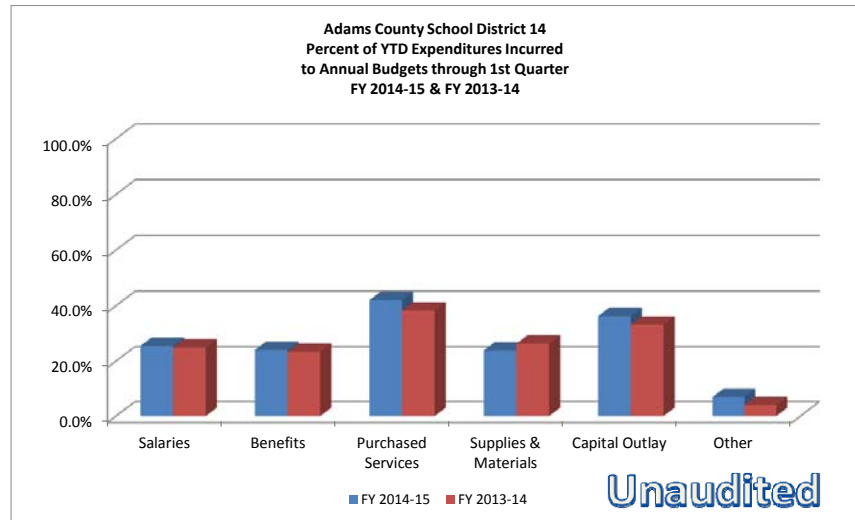
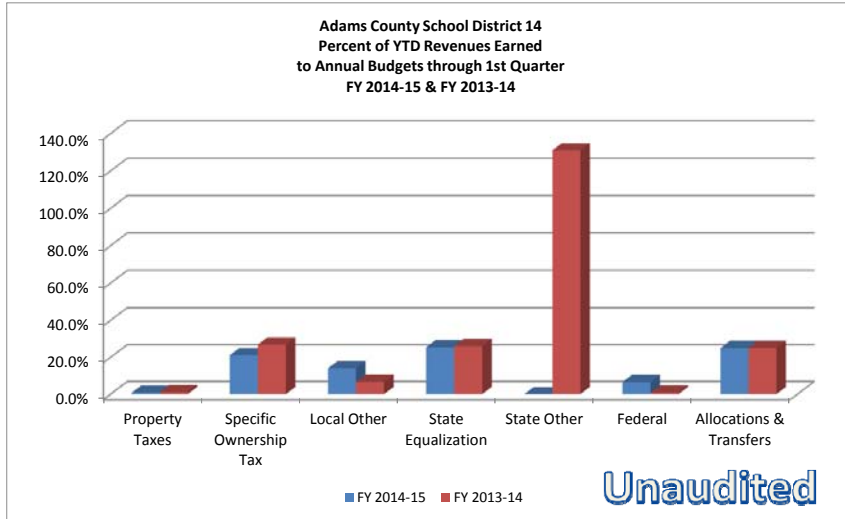
Audited Year-End FY2012-13

NOTES:

FOR MANAGEMENT PURPOSES ONLY
(Unaudited)



FOR MANAGEMENT PURPOSES ONLY
(Unaudited)



Adams County School District 14
 Division of Financial Services
 Fiscal Year 2014-2015
 Grant Fund - First Quarter Report
 Three Month Period Ending September 30, 2015

	Fiscal Year 2014-15			Fiscal Year 2013-14		
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget
REVENUES:						
Federal	\$ 8,397,700	194,457.66	2.3%	\$ 8,508,857	\$ 23,290	0.3%
State	684,801	527,510.10	N/A	201,681	164,023	81.3%
Local	495,493	151,679.65	N/A	503,493	400,171	79.5%
TOTAL	\$ 9,577,994	873,647.64	9.1%	\$ 9,214,031	\$ 587,483	6.4%
EXPENDITURES:						
Salaries	\$ 4,681,266	688,703.52	14.7%	\$ 4,490,770	\$ 666,243	14.8%
Benefits	1,270,121	195,023.88	15.4%	1,173,855	183,114	15.6%
Purchased Services	2,473,276	250,157.12	10.1%	1,707,842	182,744	10.7%
Supplies & Materials	542,833	99,539.45	18.3%	506,958	103,816	20.5%
Capital Outlay	36,600	15,791.39	43.1%	256,003	195,467	76.4%
Other	695,392	7,148.25	1.0%	525,979	15,046	2.9%
TOTAL	\$ 9,699,487	1,256,363.61	13.0%	\$ 8,661,407	\$ 1,346,429	15.5%
REVENUES OVER (UNDER) EXPENDITURES	\$ (121,493)	\$ (382,716)		\$ 552,624	\$ (758,946)	
FUND BALANCE:						
Beginning Fund Balance	-	-		-	-	
Ending Fund Balance	(121,493)	(382,716)		552,624	(758,946)	

Adams County School District 14
Division of Financial Services
Fiscal Year 2014-2015
Bond Fund - First Quarter Report
Three Month Period Ending September 30, 2014

	Fiscal Year 2014-15			Fiscal Year 2013-14		
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget
REVENUES:						
Taxes	\$ 7,196,324	\$ 51,932	0.7%	\$ 6,422,575	\$ 53,223	0.8%
Payments in Lieu of Taxes	20,000	-		10,000	23,158	
Miscellaneous	-	-		-	-	
Investment Income	2,500	1,078	43.1%	2,000	1,284	64.2%
TOTAL	\$ 7,218,824	\$ 53,010	0.7%	\$ 6,434,575	\$ 77,664	1.2%
EXPENDITURES:						
Principal Retirement	\$ 3,690,000	\$ -	0.0%	\$ 3,745,000	\$ -	0.0%
Interest and Fiscal Charges	3,405,649	-	0.0%	3,400,506	-	0.0%
Bond Issue Costs	-	-	N/A	-	-	N/A
TOTAL	\$ 7,095,649	\$ -	0.0%	\$ 7,145,506	\$ -	0.0%
OTHER SOURCES AND USES						
Refunding Bonds Issued	\$ -	\$ -	N/A	\$ -	\$ -	N/A
Issuance Premium	-	-	N/A	-	-	N/A
Payment to Refunding Bond Escrow Agent	-	-	N/A	-	-	N/A
TOTAL	\$ -	\$ -	N/A	\$ -	\$ -	N/A
REVENUES OVER (UNDER) EXPENDITURES	\$ 123,175	\$ 53,010		\$ (710,931)	\$ 77,664	
FUND BALANCE:						
Beginning Fund Balance	6,292,697	6,292,697		7,003,628	6,215,033	
Ending Fund Balance	6,415,872	6,345,707		6,292,697	6,292,697	

Adams County School District 14
 Division of Financial Services
 Fiscal Year 2014-2015
 Capital Projects Fund - First Quarter Report
 Three Month Period Ending September 30, 2014

	Fiscal Year 2014-15			Fiscal Year 2013-14		
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget
REVENUES:						
Miscellaneous	\$ -	\$ -	N/A	\$ -	\$ -	100.0%
Investment Income	-	399	100.0%	-	766	100.0%
TOTAL	\$ -	\$ 399	100.0%	\$ -	\$ 766	100.0%
EXPENDITURES:						
Operations and Maintenance	\$ 210,000	\$ 57,140	27.2%	\$ 778,019	\$ 593,057	76.2%
Capital Outlay	1,789,000	84,398	4.7%	815,392	176,173	21.6%
Debt Service Principal	179,454	88,864	49.5%	146,000	78,990	54.1%
Debt Service Interest	70,546	36,136	51.2%	92,000	40,010	43.5%
TOTAL	\$ 2,249,000	\$ 266,537	11.9%	\$ 1,831,411	\$ 888,229	48.5%
OTHER FINANCING SOURCES						
Transfers In	1,300,000	324,999		1,460,000	365,000	
TOTAL	\$ 1,300,000	\$ 324,999	25.0%	\$ 1,460,000	\$ 365,000	25.0%
REVENUES OVER (UNDER) EXPENDITURES	\$ (949,000)	\$ 58,861		\$ (371,411)	\$ (522,463)	
FUND BALANCE:						
Beginning Fund Balance	980,636	980,636		796,976	1,503,099	
Ending Fund Balance	31,636	1,039,497		425,565	980,636	

Adams County School District 14
Division of Financial Services
Fiscal Year 2014-2015
Nutrition Fund - First Quarter Report
Three Month Period Ending September 30, 2014

	Fiscal Year 2014-15			Fiscal Year 2013-14		
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget
REVENUES:						
Federal Aid	\$ 3,873,137	\$ 269,237	7.0%	\$ 4,026,086	\$ 664,233	16.5%
State Match	75,050.00	2,271	3.0%	37,000	6,902	18.7%
Interest	-	249	0.0%	-	270	100.0%
Food Sales	70,290.00	14,544	20.7%	86,790	8,382	9.7%
TOTAL	\$ 4,018,477	\$ 286,301	<u>7.1%</u>	\$ 4,149,876	\$ 679,786	<u>16.4%</u>
EXPENDITURES:						
Salaries	\$ 1,214,131	\$ 320,234	26.4%	\$ 1,182,430	\$ 289,111	24.5%
Benefits	412,910	104,874	25.4%	406,750	96,939	23.8%
Purchased Services	134,500	37,035	27.5%	139,850	21,825	15.6%
Supplies & Materials	2,210,032	73,419	3.3%	1,999,283	274,939	13.8%
Capital Outlay	226,000	79,057	35.0%	534,000	82,637	15.5%
Other	299,000	641	0.2%	148,300	1,218	0.8%
TOTAL	\$ 4,496,573	\$ 615,260	<u>13.7%</u>	\$ 4,410,613	\$ 766,668	<u>17.4%</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ (478,096)	\$ (328,959)		\$ (260,737)	\$ (86,882)	
FUND BALANCE:						
Beginning Fund Balance	1,794,171	1,794,171		1,916,323	1,881,053	
Ending Fund Balance	<u>1,316,075</u>	<u>1,465,212</u>		<u>1,655,586</u>	<u>1,794,171</u>	

Adams County School District 14
 Division of Financial Services
 Fiscal Year 2014-2015
 Adult Ed Fund - First Quarter Report
 Three Month Period Ending September 30, 2014

	Fiscal Year 2014-15			Fiscal Year 2013-14		
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget
REVENUES:						
Tuition and Fees	\$ 40,000	\$ 16,616	41.5%	\$ 27,000	\$ 16,293	60.3%
General Fund Transfer	-	-	N/A	-	-	#DIV/0!
Investment Income	200	84	N/A	200	162	80.8%
TOTAL	\$ 40,200	\$ 16,700	<u>41.5%</u>	\$ 27,200	\$ 16,455	<u>60.5%</u>
EXPENDITURES:						
Salaries	\$ 121,510	\$ 37,369	30.8%	\$ 155,750	\$ 55,651	35.7%
Benefits	42,940	11,247	26.2%	25,230	14,840	58.8%
Purchased Services	34,050	2,860	8.4%	29,300	1,595	5.4%
Supplies & Materials	31,500	11,490	36.5%	44,000	1,586	3.6%
Capital Outlay	12,000	7,247	60.4%	27,000	8,835	32.7%
Other	9,000	11	0.1%	98,500	1,707	1.7%
TOTAL	\$ 251,000	\$ 70,223	<u>28.0%</u>	\$ 379,780	\$ 84,212	<u>22.2%</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ (210,800)	\$ (53,523)		\$ (352,580)	\$ (67,758)	
FUND BALANCE:						
Beginning Fund Balance	280,165	280,165		347,923	347,923	
Ending Fund Balance	<u>69,365</u>	<u>226,642</u>		<u>(4,657)</u>	<u>280,165</u>	