



Division of Financial Services
Educational Support Services
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TO: Pat Sánchez
Superintendent

FROM: Lynne Winchell, M.B.A.
Chief Financial Officer

DATE: October 18, 2013

SUBJECT: First Quarter General Fund Financial Reports

Attached are the September 30, 2013 General Fund financial reports.

REVENUE:

Overall, revenues for the calendar quarter ending September 30, 2013 are approximately 24.5% higher than the prior year mainly due to the District receiving its ECEA payment, of approximately \$1.3 million, in September, compared to receiving it in October in the previous year.

- Nearly all of the District's property tax revenues are collected in the third and fourth quarter of our fiscal year. Therefore, collecting only 1.1% in the first quarter does not represent a serious budget shortfall and we anticipate collecting the full budgeted amount. The District anticipates it will need to participate in the state's interest-free loan program this year and will continually project its cash inflows and outflows for the remainder of the fiscal year.
- Collections for Specific Ownership Tax are slightly higher than our budgeted amounts. Since it's the first quarter and its proportional share to total revenues is rather small, no budgetary adjustment is necessary at this time. These funds are part of the State Equalization funding formula, so the excess we may collect this year will be factored into next year's State Equalization payments.
- The majority of the Federal revenues budget consists of Section 8002 Impact Aid payments. Our budgeted revenues for the current year are \$500,000 higher than prior year budget based on historical trends. The timing and exact dollar amount of Impact Aid payments are received is unpredictable. The District has requested an early payment from our Section 8002 allocation to prolong the necessity of participating in the state's interest-free loan program.
- Our largest revenue source, State Equalization, is paid in twelve (approximately equal) installments, so 25% is right on target for our annual projection.

EXPENDITURES:

First quarter general fund expenditures are tracking just as we expected but about 1.8% lower compared to last year. Overall, we project that General Fund Expenditures should equal or be less than the Adopted Budgeted amounts.

- Salaries are more than last year due to the increase staffing and the 1% adjustment made to all the FY 2013-2014 salary schedules. Benefits are running 0.5% higher compared to prior year when comparing benefits as a percentage of salaries. This increase is due to the higher PERA employer contribution rate and increase in health benefits.
- Purchased services are approximately 1.7% higher than last year. The increase is attributable to the slight increase in the property, liability and worker's compensation insurance premiums.
- Supplies and materials are approximately \$175,000, or 14.1%, lower than last year.
- The Other expenditure classifications no longer reflect the effect of Title funding school wide allocations which was accounted for in other expenditure in the prior year. This change results in a more accurate presentation of expenses by category in the current year and adheres to CDE requested reporting.

FUND BALANCE:

The ending fund balance for fiscal year 2013-14 is projected to decrease by \$7,423,919. This use of fund balance was Board approved on June 11, 2013, with Resolution #13-010. 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.

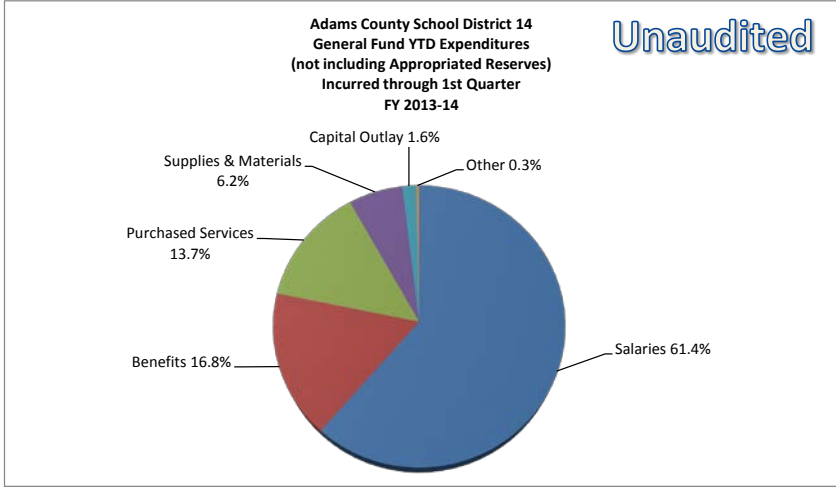
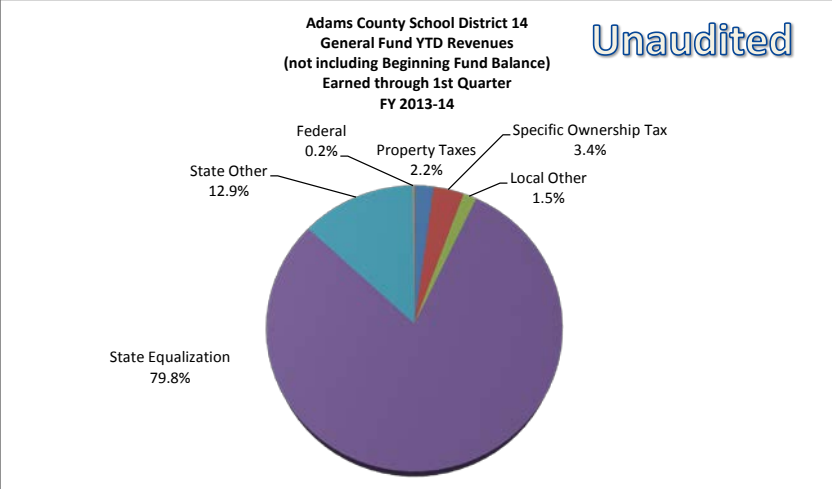
cc: Sandy Mutchler, C.P.A.

Adams County School District 14
Division of Financial Services
Fiscal Year 2013-2014
General Fund - First Quarter Report
Three Month Period Ending September 30, 2013

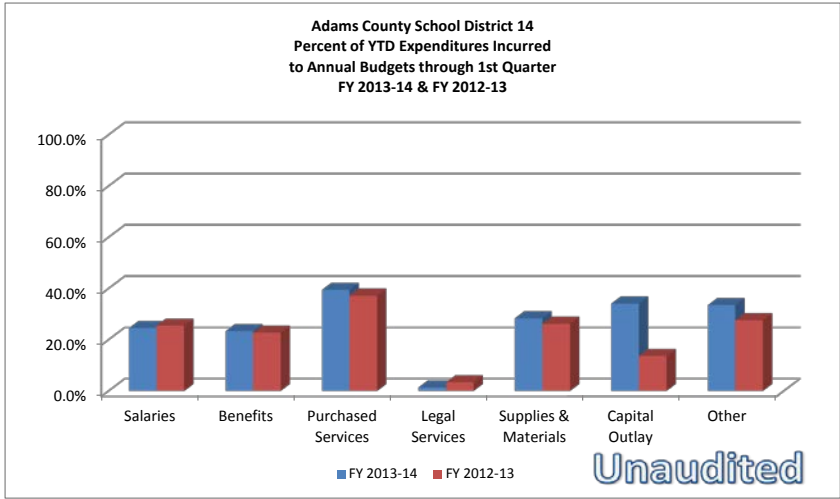
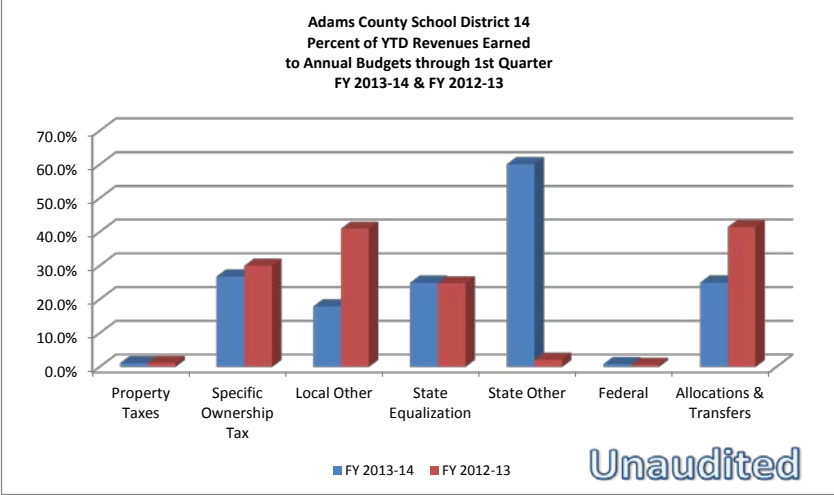
	Fiscal Year 2013-14			Fiscal Year 2012-13			PROJECTED FY 2013-14 ACTUAL
	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	Annual Budget	Actual Year-to-date	Actual as % of Annual Budget	
REVENUES:							
Property Taxes	\$ 19,413,425	\$ 222,591	1.1%	\$ 18,818,760	\$ 226,745	1.2%	\$ 19,413,425
Specific Ownership Tax	1,321,559	354,736	26.8%	998,380	299,587	30.0%	1,321,559
Local Other	862,040	154,983	18.0%	960,670	393,732	41.0%	862,040
State Equalization	34,562,214	8,628,008	25.0%	32,760,037	8,123,034	24.8%	34,562,214
State Other	2,220,000	1,334,482	60.1%	2,104,330	45,537	2.2%	2,220,000
Federal	2,391,000	20,465	0.9%	1,885,000	11,736	0.6%	2,391,000
Allocations & Transfers	(1,460,000)	(365,000)	25.0%	(1,902,500)	(789,375)	41.5%	(1,460,000)
TOTAL	\$ 59,310,238	\$ 10,350,265	17.5%	\$ 55,624,677	\$ 8,310,996	14.9%	\$ 59,310,238
EXPENDITURES:							
Salaries	\$ 43,334,296	\$ 10,646,836	24.6%	\$ 40,643,828	\$ 10,391,760	25.6%	\$ 43,334,296
Benefits	12,483,500	2,916,687	23.4%	11,900,962	2,711,337	22.8%	12,483,500
Purchased Services	5,995,277	2,368,221	39.5%	6,256,351	2,329,582	37.2%	5,995,277
Legal Services	167,250	2,357	1.4%	175,000	5,992	3.4%	167,250
Supplies & Materials	3,776,318	1,072,478	28.4%	4,760,181	1,249,204	26.2%	3,776,318
Capital Outlay	813,938	277,892	34.1%	1,576,482	215,320	13.7%	813,938
Other	163,578	54,819	33.5%	(1,208,160)	(333,746)	27.6%	163,578
TOTAL	\$ 66,734,157	\$ 17,339,290	26.0%	\$ 64,104,644	\$ 16,569,448	25.8%	\$ 66,734,157
REVENUES OVER (UNDER) EXPENDITURES	\$ (7,423,919)	\$ (6,989,025)		\$ (8,479,967)	\$ (8,258,452)		\$ (7,423,919)
FUND BALANCE:							
Beginning Fund Balance	13,193,222	14,762,681		19,228,960	18,933,987		14,762,681
Ending Fund Balance	5,769,303	7,773,656		10,748,993	10,675,535		7,338,762
ANALYSIS OF FUND BALANCE:							
Current Year-to-Date Fund Balance:							
Reserved for TABOR Amendment		\$ 2,154,269			\$ 2,157,882		\$ 2,154,269
Board Designated Reserves:							
Operating Contingency (5.00%)		866,965			828,470		3,336,710
Unreserved:		4,752,422			7,689,183		1,847,783
Current Year-to-Date Fund Balance		\$ 7,773,656			\$ 10,675,535		\$ 7,338,762
Unaudited Year-End FY2013-14		14,762,681		Unaudited Year-End FY2012-13	18,933,987		14,762,681
Increase (Decrease) in Fund Balance		\$ (6,989,025)			\$ (8,258,452)		\$ (7,423,919)

NOTES:

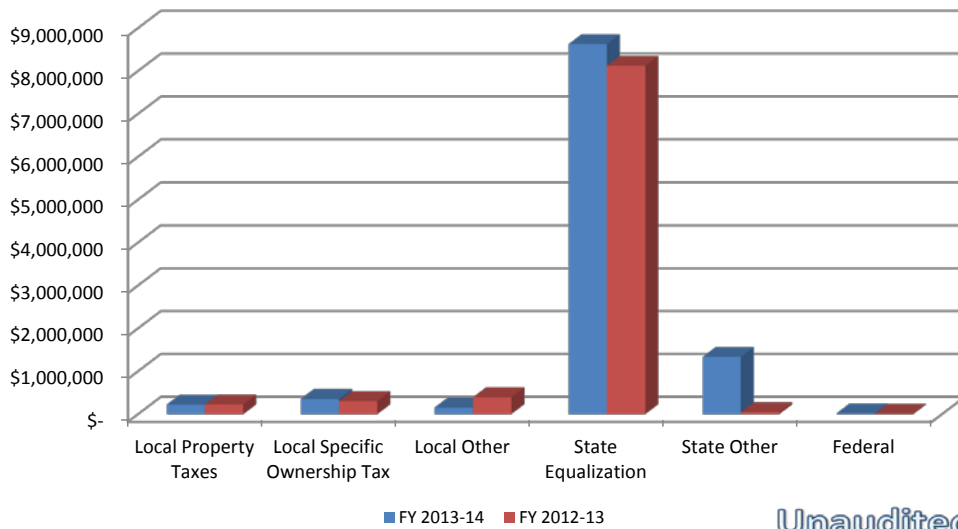
FOR MANAGEMENT PURPOSES ONLY
(Unaudited)



FOR MANAGEMENT PURPOSES ONLY
(Unaudited)



**Adams County School District 14
Comparison of 1st Quarter General Fund Revenues**



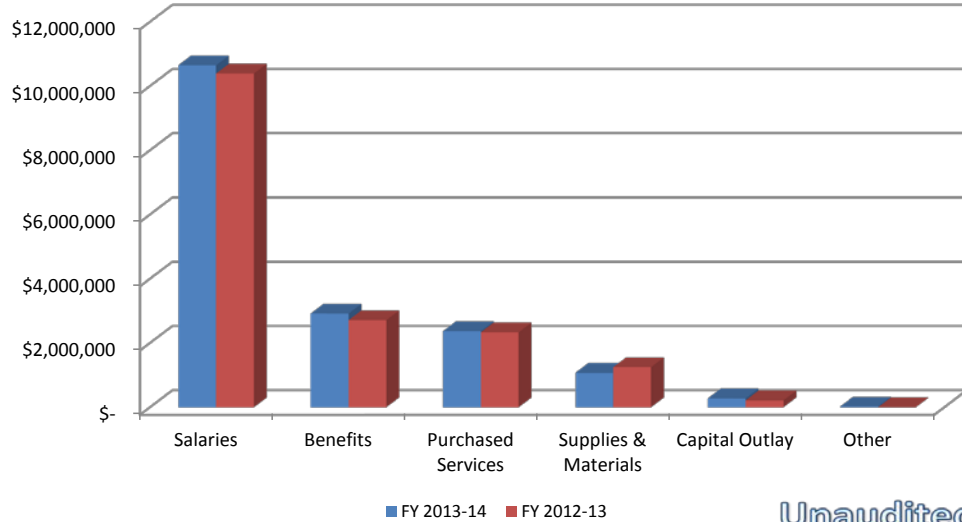
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FOR MANAGEMENT PURPOSES ONLY
(Unaudited)

First Quarter

REVENUE SOURCE	FY13-14		FY12-13	
	Actual \$ rounded to thousands	% of Annual Budget	Actual \$ rounded to thousands	% of Annual Budget
Local Property Taxes	\$ 222,591	1.2%	\$ 226,745	1.2%
Local Specific Ownership Tax	354,736	26.8%	299,587	30.0%
Local Other	154,983	18.0%	393,732	41.0%
State Equalization	8,628,008	25.0%	8,123,034	24.8%
State Other	1,334,482	60.1%	45,537	2.2%
Federal	20,465	0.9%	11,736	0.6%
Allocations & Transfers	(365,000)	25.0%	(789,375)	41.5%
Total Collected	\$ 10,350,265	17.5%	\$ 8,310,996	14.9%

**Adams County School District 14
Comparison of 1st Quarter General Fund Expenditures**



Unaudited

FOR MANAGEMENT PURPOSES ONLY
(Unaudited)

First Quarter

EXPENDITURES	FY13-14		FY12-13	
	Actual \$ rounded to thousands	% of Annual Budget	Actual \$ rounded to thousands	% of Annual Budget
Salaries	\$ 10,646,836	24.6%	\$ 10,391,760	25.6%
Benefits	2,916,687	23.4%	2,711,337	22.8%
Purchased Services	2,370,578	38.5%	2,335,573	36.3%
Supplies & Materials	1,072,478	28.4%	1,249,204	26.2%
Capital Outlay	277,892	34.1%	215,320	13.7%
Other	22,584	28.7%	(333,746)	19.3%
Total Expended	\$ 17,307,055	26.0%	\$ 16,569,448	26.0%