

Update on 2014-2015 fiscal year end

- Prior-year closing entries continue, as they will into October. The fund balances for all funds have decreased \$23 million, of which \$15 million was in the Construction Fund. This fund varies greatly with the timing of the construction and funding these projects, often by selling bonds. We now anticipate our ending General Fund fund balance to reduce approximately \$2.1 million. While this is positive news for General Fund as a whole, our unassigned fund balance, the portion that is completely unrestricted and unencumbered, will reduce approximately \$10 million.

General notes

- August is a transition month as school starts back up and our employees are all back to work. The function categories that are largely school-based have low expenses through August while those that work year-round, like District Administration and Business Support, show expenses incurred more steadily each month.
- We have not yet begun recording the monthly expenses for employee benefits paid on our behalf by the state (KTRS employer match and employee health insurance). As in previous years, we will record these estimates when the previous fiscal year's contributions have been verified and finalized.

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- General Fund shows a \$3.1 million increase in Operating Transfers In and Food Service Fund shows the same increase in Operating Transfers Out. JCPS has elected to charge indirect cost to Food Service for the first time during the 2015-2016 school year. Indirect cost is a method of allocating the value of shared services, such as Human Resources, Payroll, and Accounts Payable.

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- Numerous expense categories show negative amounts for the month. This is generally the result of year-end adjusting entries (timing differences, like year-end invoices payable where the goods or services were received during one fiscal year but paid in the following fiscal year, often due to when the invoice is sent in for payment).

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- In the Capital Outlay Fund, the state pays this fund's revenues in two payments: July and May. The payment represents \$100 times our average daily attendance. This July's payment was half of our total revenue for this fund for the fiscal year.

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- Food Service Enterprise Fund shows Operating Transfers In approximately \$3 million each year. These revenues represent the value of the cafeteria facilities that JCPS provides for the program at no cost. These entries are recorded at year-end.

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- Enterprise Programs Fund houses special programs that we anticipate will be self-supporting. In 2014-2015, we added the Aquatics centers and the All-County music programs to this fund over the past year, which will help us track these activities but may make the fund less comparable across years.