Notes of Interest
January Financial Report

General notes

- January is the month each year when we have collected most of our property taxes for the year and are at or near our highest fund balance levels. The accumulated revenues on hand will be spent down over the months until next year's property tax collections begin in November. We have reviewed our balances and cash flows and feel that JCPS is in a good position to finish this year and begin the budget cycle for next year.

Page 2

- Interest income is up over the previous two years. This is in part because JCPS has taken a larger investing position and partly due to the Federal Reserve increased rates.
- Other Sources of revenues has increased in keeping with the prior years' trend due to our December bond sale, but this category still lags previous years due to this year's bond issue being smaller.

Page 4

- We are continuing to monitor Motor Vehicle Taxes closely. They are down from the previous two years, although they have caught up some over the past two months. These receipts vary significantly from month-to-month.
- Occupational taxes are outpacing the previous two fiscal years as the economy continues the strong trend from last year.
- Omitted taxes represent tax revenues that were excluded from the local tax rolls when appraised. Generally, these are automobiles, boats or planes that were added to the tax rolls after January 1 of the prior year, and the tax is collected and remitted to us by the state. These revenues are notoriously difficult to predict.

Page 7

- Plant Operations & Maintenance Other Purchased Services show a sizeable negative due to a $1.4 million reimbursement of our telephone and network connectivity expenses from the federal Universal Service Fund, otherwise known as eRate.
- Transportation Professional/Technical Services are negative due to reimbursements from grants for direct transportation services provided to the grant programs.

Page 10

- Operating transfers in are higher this year due to a timing difference where our offer of assistance from the KETS local district technology grant was received earlier this year than in the past.

Page 12

- Capital Outlay receives two revenue payments each year, generally in July and May. The two payments together equal $100 times our Average Daily Attendance for the year.

Page 14

- Building Fund had a spike in Operating Transfers Out during 2013-14 when we used predominantly cash to fund projects that year. This was a one-time occurrence due to selling a low-interest bond late in the construction phase, which freed up the Building Fund to finance 2013-14 projects.
- Building Fund receives most of its revenue each year as a required local effort (a percent of our property taxes), which we transfer in November. For the remainder of the year, the fund will receive very little additional revenue and will spend the funds on hand for debt service or construction projects.

Page 16

- The expansion of the Community Eligibility program has resulted in a decrease in Food Sales and a directly related increase in Federal Grant revenues.
- Food Service Operating Transfers Out are a new charge during the current year, as the fund is reimbursing the full cost of centralized operations provided by General Fund staff.