



## Notes of Interest

### February Financial Report

#### Page 2

- As expected, the timing difference due to a process improvement made during the 2015-16 tax collection period has leveled out our current year collections compared to 2016-17, which now reflect more reasonable growth.
- Occupational taxes continue to outpace previous years as the economy remains strong.
- Other taxes are significantly lower in the current year as compared to the previous two years due to receiving our franchise taxes later this year. This tax is generally a few large collections and are usually received between January and March. We believe that these will be collected in full.
- SEEK Program revenues continue to demonstrate a decreasing trend, as our assessments growth increases more than the increase in base per pupil funding.
- Other state revenues and most expense categories showed a significant increase from the 2014-15 school year to the 2015-16 school year due to recording state-paid health insurance and teachers' retirement system employer match on a monthly basis, as recommended by the Kentucky Department of Education.
- Interest income continues to be strong as both our cash balances and investments are benefitting from the rising interest rate environment. We hope this process progresses, as the Federal Reserve is expected to increase interest rates again at their March meeting.

#### Page 3

- Since the main property tax collection period has ended for the year, the fund balance in General Fund has begun decreasing, as it will continue to do until the end of the fiscal year. This is part of the cyclical nature of JCPS finances.

#### Page 7

- Transportation Professional/Technical Services are negative due to reimbursements from grants for direct transportation services provided to the grant programs, such as preschool.

#### Page 13 and 14

- Building Fund had \$7.3 million remaining unspent at the end of the 2015-16 year. These funds have already been included in the facilities and renovation allocation for the 2016-17 year.
- 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 when property tax receipts begin for the year. As assessments increase, the amount required to be received into Building Fund increases proportionately.

#### Page 16

- Community eligibility continues to cause our food sales to drop, which is offset by federal grants, as the USDA is reimbursing us for meals previously paid by students or their families. At the time of this report, January meal data was being reconciled and reviewed prior to invoicing the USDA for January. Once this revenue is received, federal grant revenues will show a small increase over FY16.