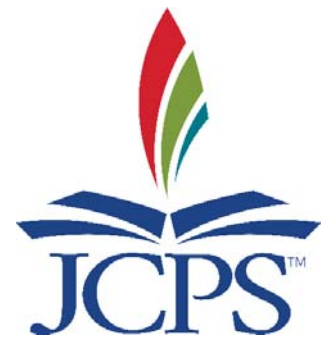


Notes of Interest

June Unaudited Financial Report



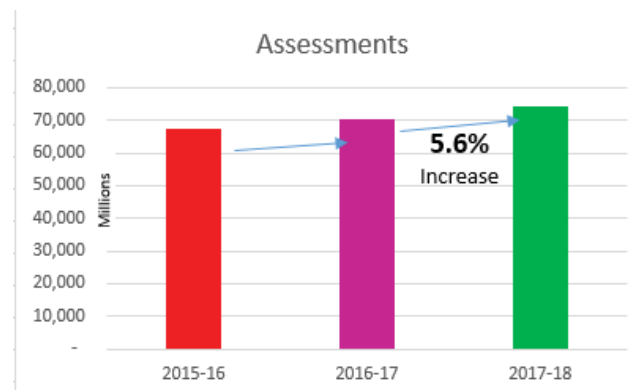
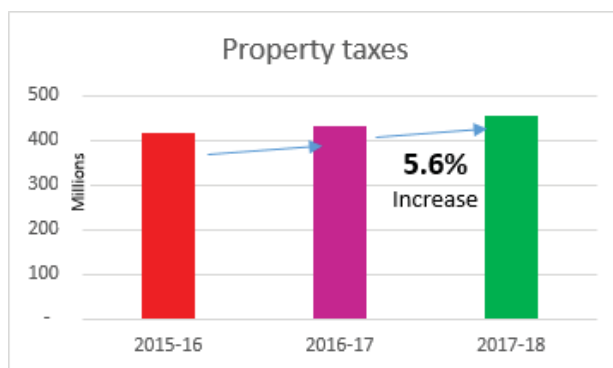
Year-end review

Although another school year is complete, we are far from having final financial numbers as we prepare for closing our books, make year-end adjustments, then begin our audit. At this time, we are forecasting a General Fund net loss for the 2017-18 school year between \$12 million and \$18 million. Part of this loss was a reaction to 2016-17 income of \$20.6 million as some expenses were delayed into the current year, such as \$7 million of bus purchases. Additionally, our Working Budget planned for a net loss of \$5 million.

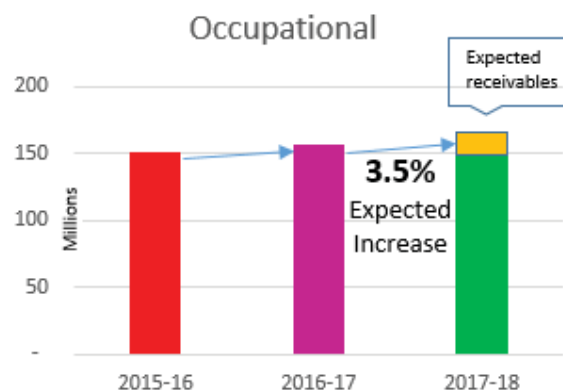
Budget update

June is a month when few new programs are budgeted since we have recently finished the Tentative Budget, but we zero those unspent budgets that are allowed to carry over to the next school year. Carryover is limited to special programs, such as the annual facilities improvement programs or school flexible budget funds.

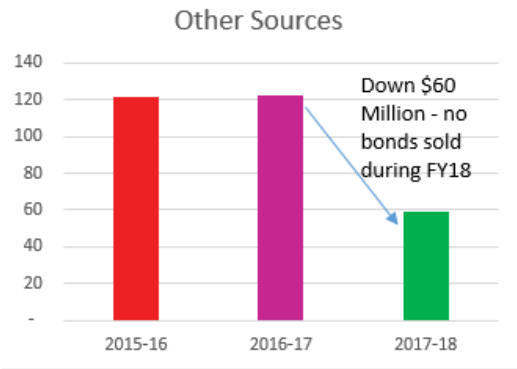
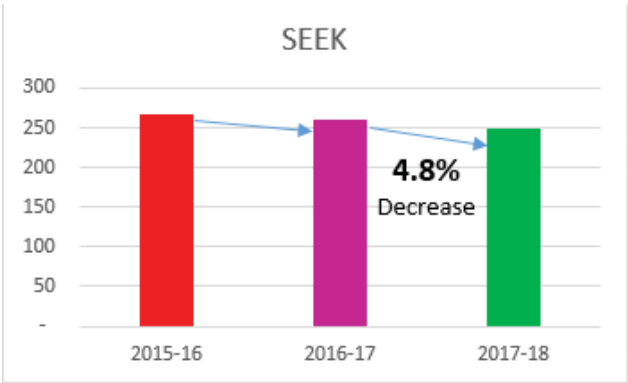
These are some highlights of our revenues:



Property Taxes reliably follow Assessments each year and have shown steady increases for a number of years. Occupational taxes are also up, as they follow the economy which has been steadily improving for many years as well. The graph below shows the expected year-end result after posting amounts receivable at June 30th. These amounts are predictable but not known when creating the unaudited notes.



As assessments rise, State SEEK revenues decrease if the state does not increase the base SEEK allocation. This shifts funding JCPS greater onto the shoulders of property taxpayers.



Other Sources of Revenues were down because JCPS sold no bonds during the 2017-18 school year. We are preparing to sell a bond in early 2018-19 school year.

As a school-focused District, our expenses reflect our Vision. Most of the function categories presented in the graph below are services delivered or supplies used at schools. Although some categories may not sound like a classroom, they may represent the bus driver bring the students to school, the custodian helping to keep school nice and tidy, or the dedicated staff maintaining the computer systems that all schools use.

