



Items of Note:

- Property taxes (p. 1) are very close to where they will end for the year, with an increase of 4.95% over the prior year. Each year, JCPS reconciles our receipts to the payments sent by the Sheriff's office, and the Sheriff reviews all collections to ensure JCPS has received the correct amount. After these steps, JCPS and the Sheriff's office have our final settlement to conclude the tax year.
- Occupational taxes are down from the previous year. We have discussed this matter with the Revenue Commission who has traced the differences to correction of allocations made in an old accounting system replaced last fall.
- Other taxes are up 10%. This increase is split between motor vehicle taxes, which tend to rise during sustained strong economies, and franchise taxes, which increase as utility rates increase.
- Other state revenues (p. 1) are significantly higher as state-paid fringe benefit payments have increased drastically as the state attempts to fund the pensions. Through May, the increase year-over-year is \$96.8 million. These fringe benefits consist of health insurance for all employees, KTRS employer match, and some smaller benefits, but most of the increase is in the KTRS employer match. The increase signifies that the Kentucky General Assembly and Executive Branch have begun to address KTRS's unfunded pension liabilities. This is good news for our employees and our ability to attract and retain teachers; however, the increase overshadows swings in other revenues that are far smaller by dollar amount and by percent.
- Interest is significantly higher than previous years as the Federal Reserve funds rate has continued to raise interest rates and as JCPS has done additional investing that is further increasing our revenues.
- Other sources of revenues (p. 1) are significantly higher this year as we sold larger bonds than in previous years. Most expense categories (p. 1) are higher because the state is funding state-paid employee benefits (see other state revenues bullet above), such as health insurance and pensions, at higher levels than in previous years.
- General Fund transportation technical services (p. 6) are negative, which is consistent with previous years, due to reimbursements of grant program transportation costs.

Charts: 2018-19 is noticeably higher than comparison years due to higher on-behalf payments, larger bond sale, and the increase in pension support by the state.

