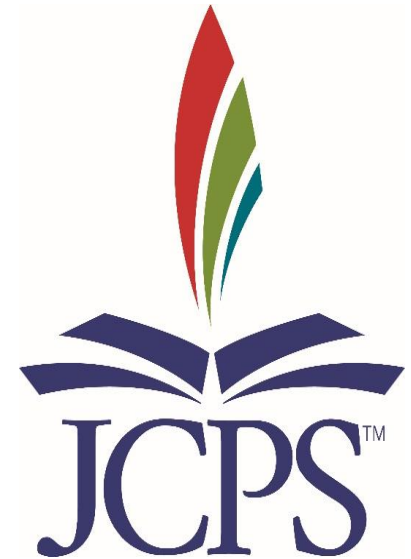


JEFFERSON COUNTY PUBLIC SCHOOLS



Revenue Advisory Task Force
October 10, 2019

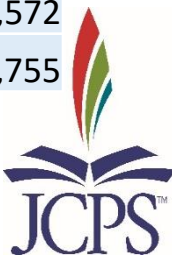
- **District Profile**

- 29th largest school district in the U.S.
- 167 schools
- 81% of market share
- 6 high schools on U.S. News & World Report list of Best U.S. High Schools
- Two new school facilities in 18-19: Newcomer Academy and W.E.B. DuBois Academy
- Approximately 6,700 teachers, with an average experience of 10.8 years;
- 14,400 full-time employees. (17,791 total)
- 85% of teachers have a masters degree
- Over 400 teachers with National Board Certification
- 27,674 members of parent Teacher Association (PTA)
- 66 magnet schools and programs

Student Demographics

FY 2018-19 Databook		
Race Description	Count	Percentage
Hispanic/Latino	11,344	11.53%
American Indian/Alaska Native	119	0.12%
Asian	4,304	4.38%
African American	35,904	36.50%
Native Hawaiian/Pacific Islander	148	0.15%
White	41,766	42.46%
2 or more	4,776	4.86%
TOTAL	98,361	100.00%
Gender Description	Count	Percentage
Female	48,014	48.81%
Male	50,347	51.19%
TOTAL	98,361	100.00%

Student Supplementary Services examples	FY20 GF Budget	Count
English Second Language	\$30.7 million	8,572
Exceptional Child Education	\$118.9 million	11,755



Total Revenue FY20 Working Budget – All Funds

Tuition Programs, \$818,135, 0.04%
Adult Education, \$377,676, 0.02%
Enterprise Fund, \$166,581, 0.01%
Day Care, \$589,466, 0.03%

General Fund, \$1,388,182,881,
75.86%

Construction Fund,
\$154,721,550, 8.45%

Building Fund,
\$40,704,000, 2.22%

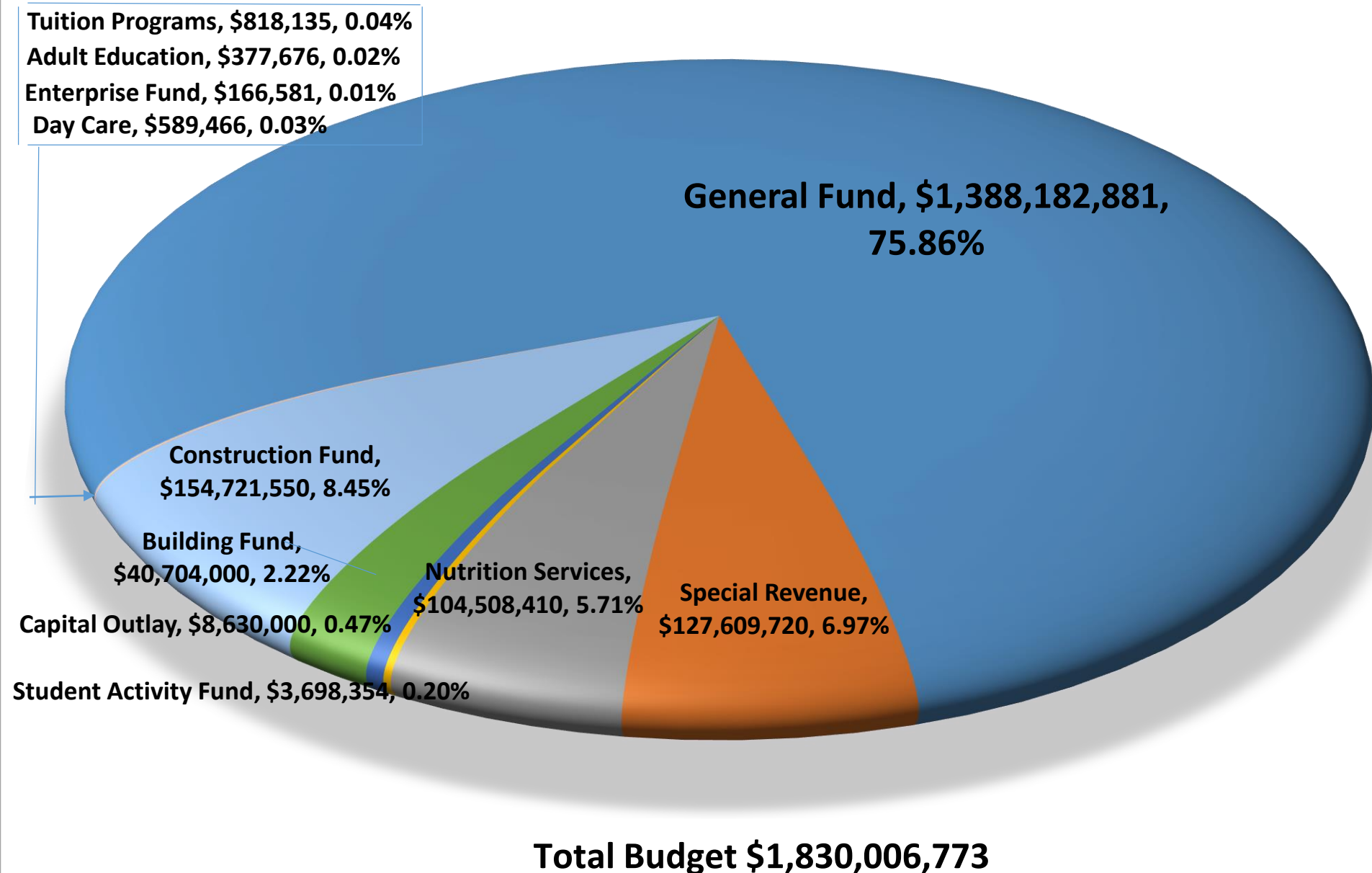
Nutrition Services,
\$104,508,410, 5.71%

Special Revenue,
\$127,609,720, 6.97%

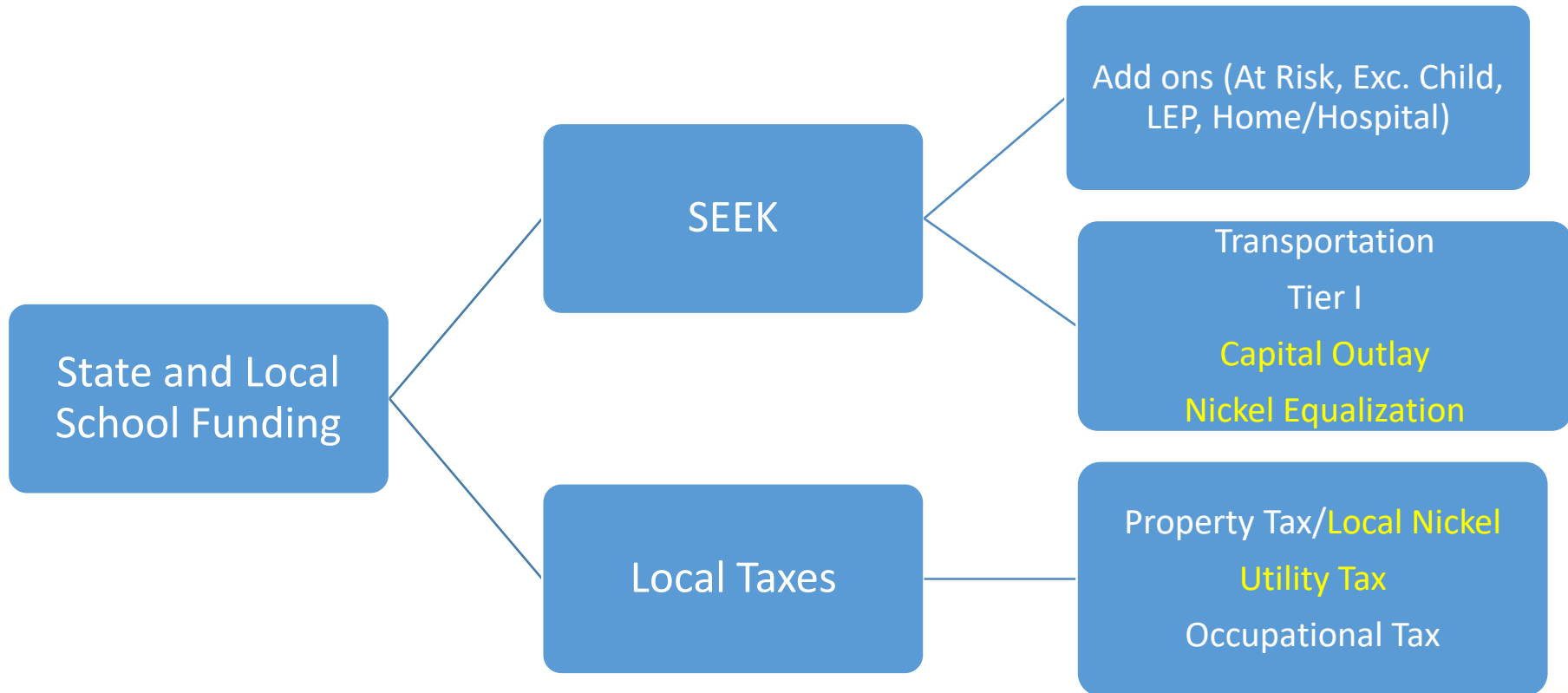
Capital Outlay, \$8,630,000, 0.47%

Student Activity Fund, \$3,698,354, 0.20%

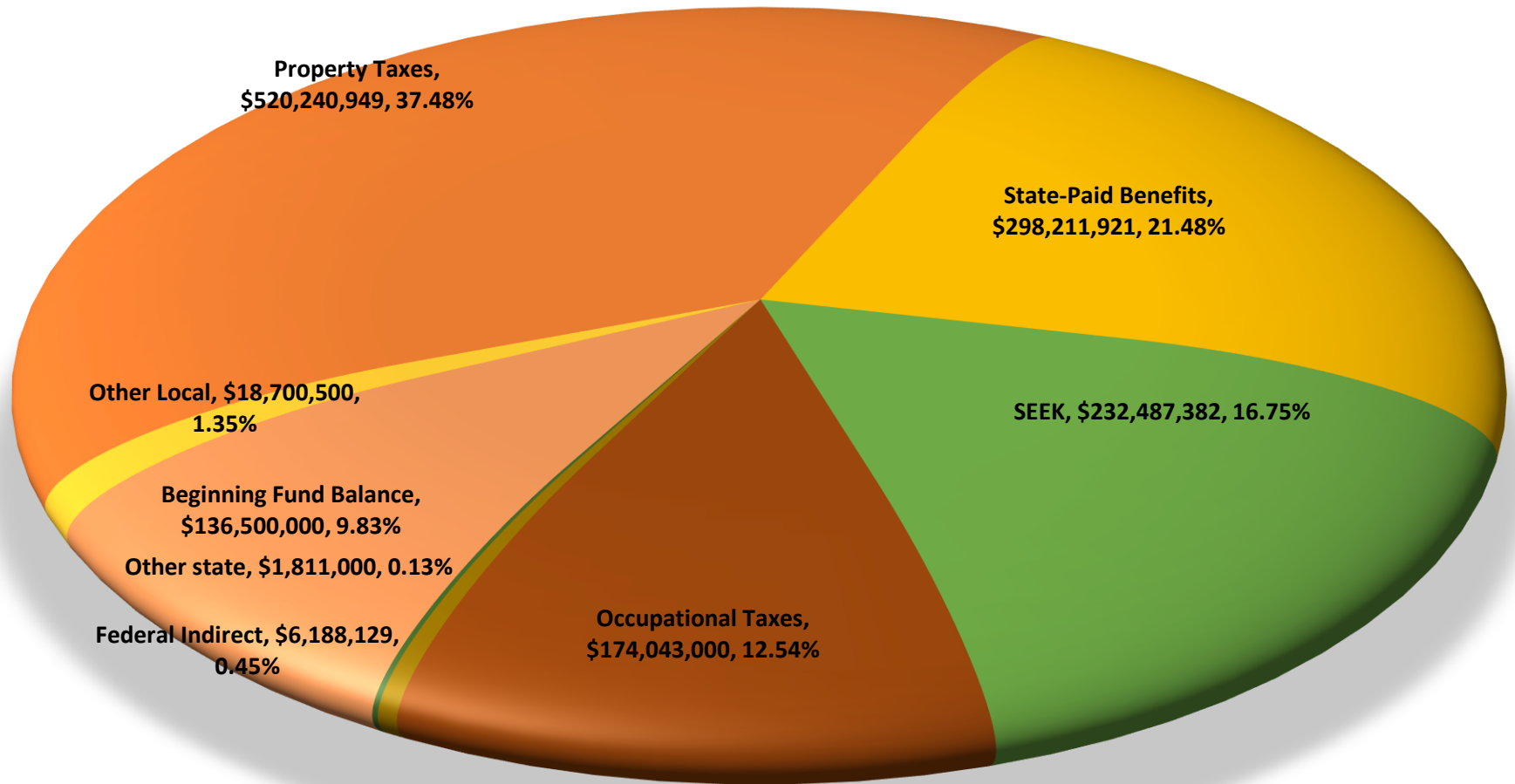
Total Budget \$1,830,006,773



District Funding Structure

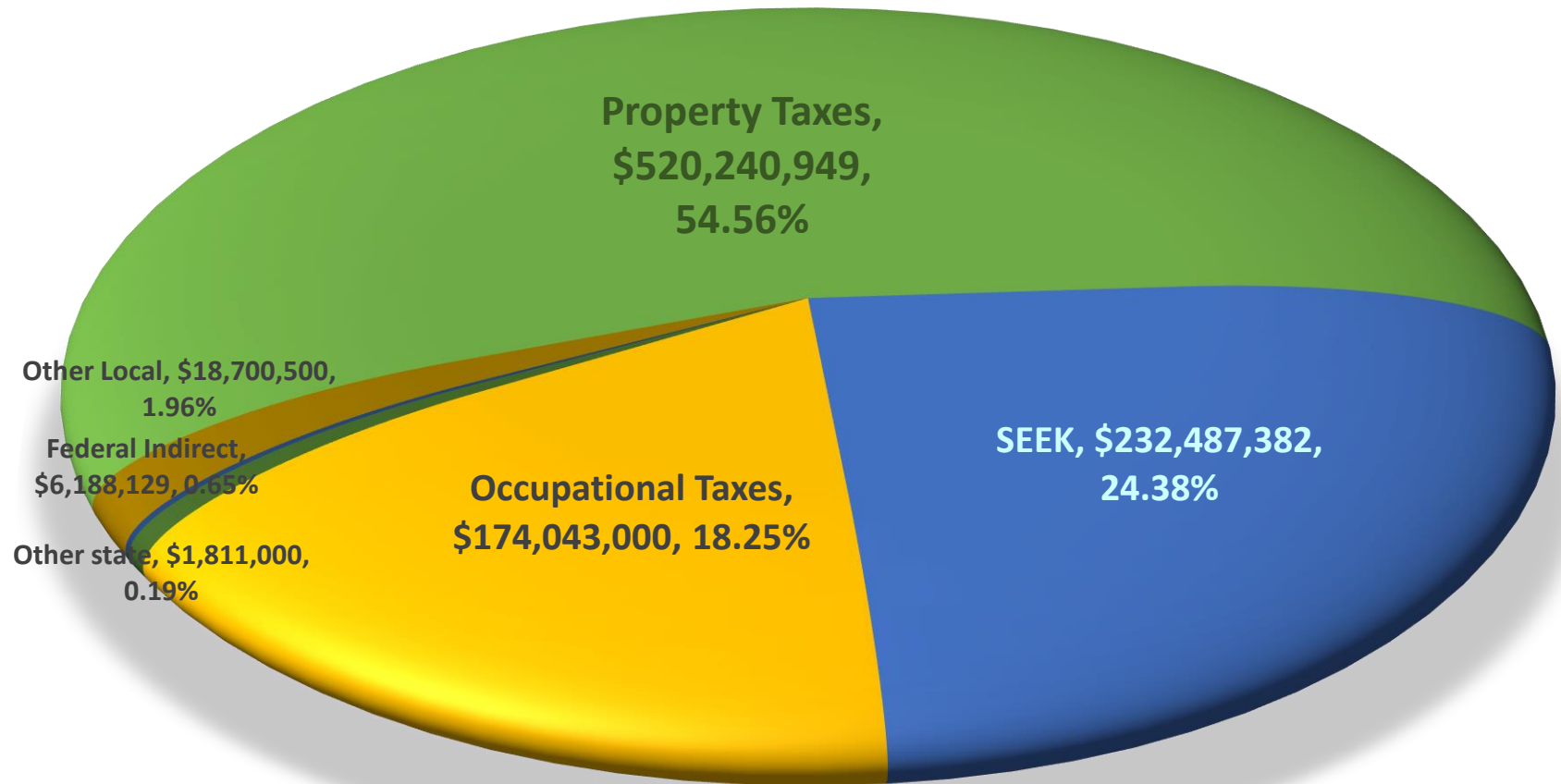


Total General Fund Revenue FY20 Working Budget – All Accounts



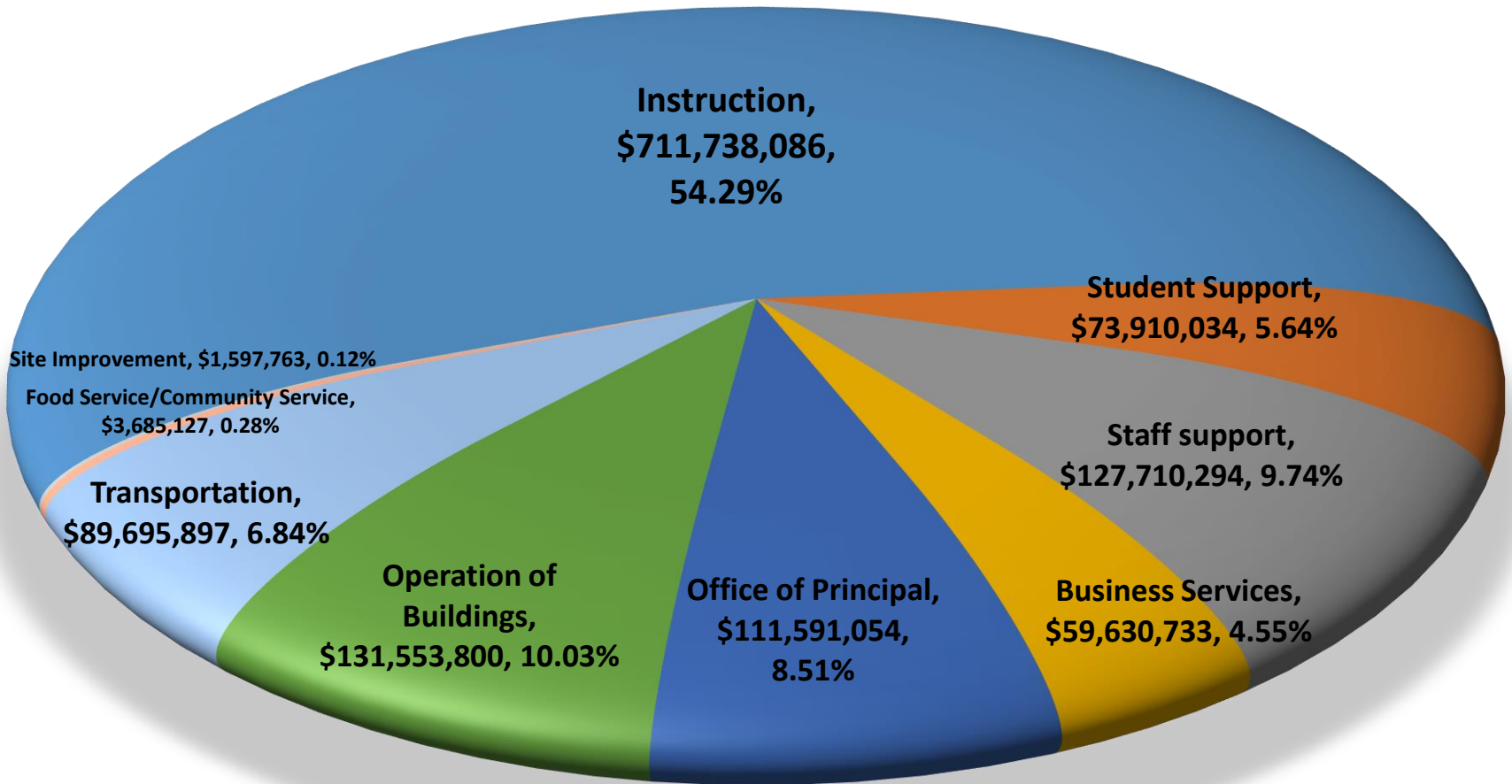
Total General Fund Budget \$1,388,182,881

Total General Fund RECEIPTS - FY20 Working Budget



Total General Fund Receipts \$953,470,960

Total General Fund Budget Expense Categories



Total General Fund Expense Budget \$1,311,112,788

Local Taxes – Board Authority KRS 160.455

1. Property Taxes – KRS 160.470

Real Estate:

- **1979 House Bill 44 – provides options of three possible rates**
 - Compensating Rate – Using current year tax assessments excluding new construction, this rate yields same projected revenue as last year.
 - Subsection (1) Rate - rate that will produce no more revenue than the previous years maximum rate.
 - 4 Percent Increase Tax Rate - rate that produces 4% revenue growth above the Compensating Rate.
 - **Recallable - Additional Tax Rate above the 4% revenue increase rate**
- **1990 House Bill 940 (KRS 157.440) – KERA authorization**

Motor Vehicle – JCPS 58.5 cents per \$100

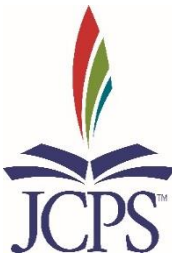
Nickel Taxes – Five cent equivalent (FSPK) , **Recallable**

- For Construction only
- All 173 districts include the FSPK five cent equivalent in their tax levy
- 106 out of 173 districts have no additional nickel, (Growth, Recallable, BRAC, or Category 5)
- **Recallable – for JCPS would generate \$39.7 million restricted for capital projects**

2. Permissive Taxes – KRS 160.593

- **Occupational Taxes (0.5% or 0.75%) – KRS 160.605**
- **Utility Gross Receipts (3% maximum) – KRS 160.613**
 - **for JCPS would generate estimated \$35 million to the General Fund with no restriction**
 - **14 out of 173 districts do not levy the Utility tax**
- **Excise Tax (no district currently levies this tax) – KRS 160.621**
 - **Not to exceed 20% of the county resident individual state income tax liability**
 - **Filed with the individual state tax return**
 - **Total individual state income tax liability for 2018 was \$965.9 million**

- Items in red are additional revenue options not currently levied in JCPS

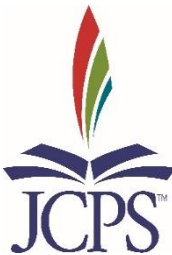


PROPERTY TAXES

- Property Tax rates are displayed as “cents per \$100 of assessed value”
- JCPS currently levies 73.6 cents per \$100 on real estate and tangible property assessments
- For a home assessed by the PVA at \$100,000, this equates to \$736 annually
 - Current tax rate: 73.6 cents
 - FSPK “Nickel”: 5.6 cents
 - General Fund : 68.0 cents

WHAT ARE NICKELS?

- Simply put, the ‘nickels’ are a portion of the property tax rate that is restricted for facilities construction and renovation
- Each school district has the Facilities Support Program of Kentucky (FSPK) nickel
- Historically, the General Assembly has passed legislation which allowed school boards to levy additional nickels beyond the FSPK nickel in order to help support local facilities construction or renovation
- Many of these additional nickels are ‘dormant’ and no longer available for adoption
- Adopting a new Recallable Nickel will be in addition to our other tax rates
- For JCPS, 5.0 cents equates to roughly \$39.7 million per year which can be directed towards the cost of building or renovating facilities



OTHER OPTIONAL TAXES

UTILITY TAX - Utility Gross Receipts License

- Communication Services (i.e. cell phones)
- Electric
- Water
- Natural, artificial, and mixed gas
- May apply to cable/satellite services (option of the school board)

EXCISE TAX for Schools (Income Tax)

- Up to 20% of a county resident's state individual income tax liability
- Considered resident if on December 31 of his/her tax year, individual was domiciled in the county

NICKEL TAX

- Portion of the property tax rate
- Used for construction and renovation of facilities only

