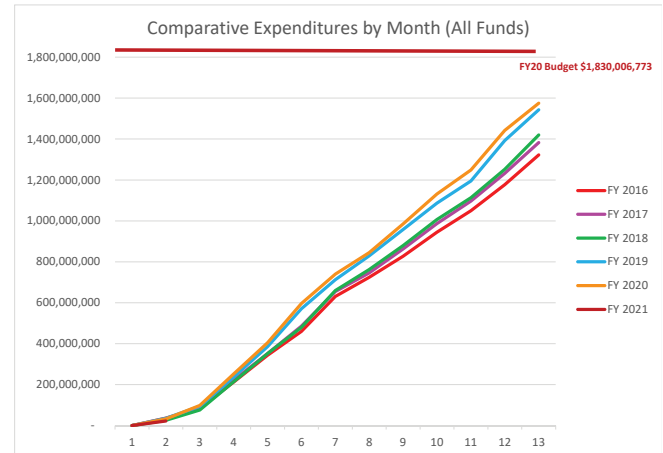
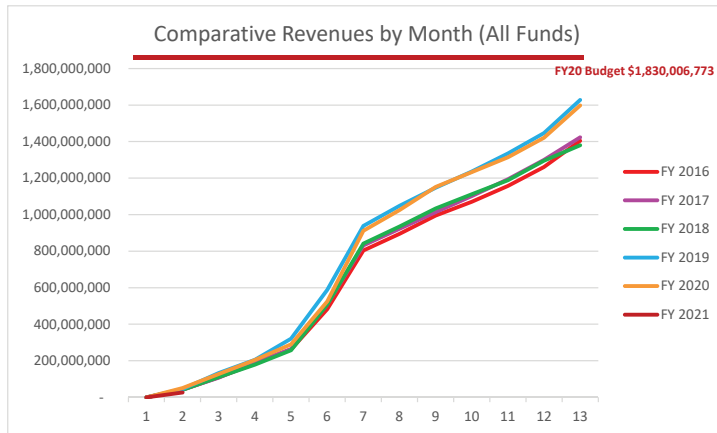
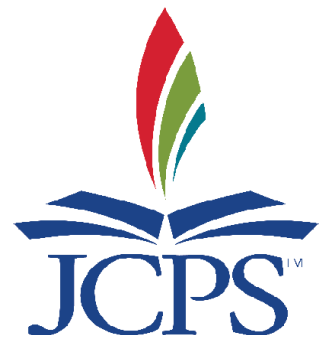


Notes of Interest

July 2020 Financial Report



Update on Fiscal Year End:

We have begun our financial statement audit and are working daily on financial statement preparation. This means we are verifying data and adjusting as necessary to make our financials accurate for the audit. Although it is far too soon to know exactly where our fund balance will end up after audit, we expect that it will go down \$34-\$39 million from the previous year due to lower occupational taxes, lower interest revenue, and higher expenses required to adjust to the pandemic and begin Non-Traditional Instruction.

July Report Items of Note:

- Property taxes, our largest revenue source each year, do not begin their collection period until November each year.
- Occupational taxes have not begun their collection year. The collections attributed to the 2020-2021 school year begin in August. This is consistent with previous years.
- SEEK state revenues continue to decrease as a result of the state funding formula, which lowers the amount sent to JCPS as our assessments increase.
- Interest rates have drastically reduced as the Federal Reserve lowered interest rates twice in March, with rates dropping 2.25% to 0.50%.
- Capital Outlay receives half of its funding in July and half in April or May each year. These funds are used to pay debt service on major construction or renovation projects.
- Building Fund receives most of its funding as a percentage of property tax revenues with the amount based on total assessments including both property and motor vehicle assessments. This collection period begins in November.