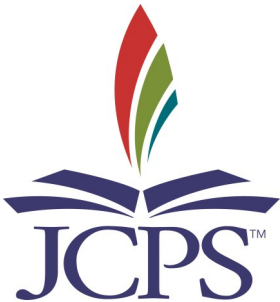
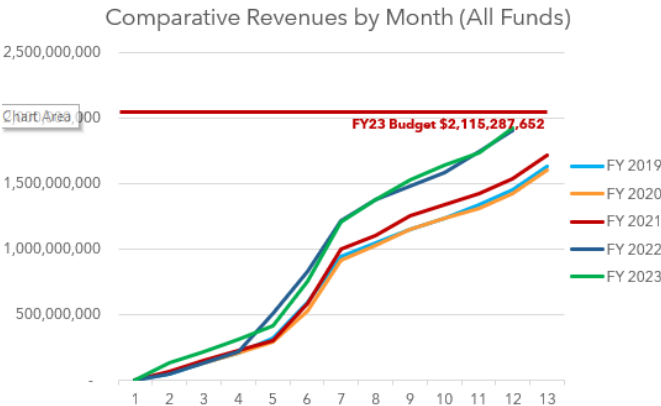


Notes & Analysis

May 2023 Financial Report

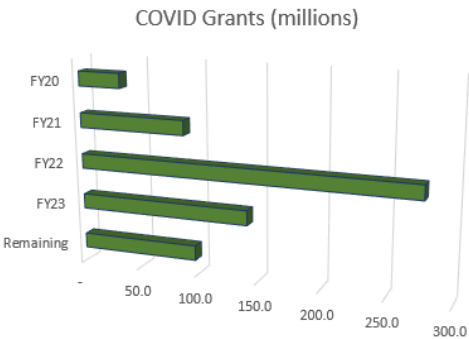
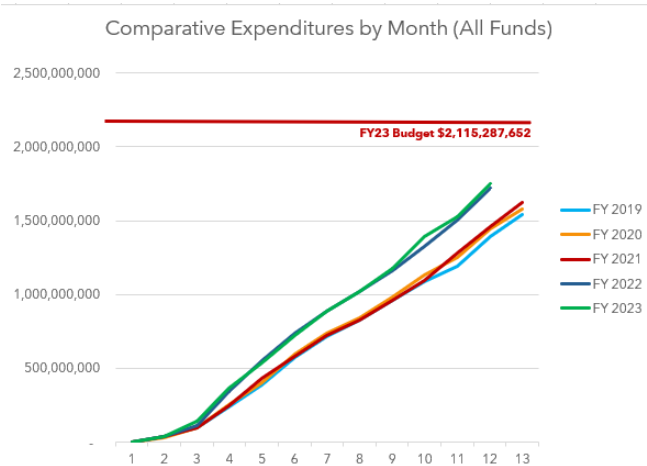


May is a busy month around JCPS as state testing occurs and we prepare for graduations. Additionally, as our audit planning starts, employees are working simultaneously to finish the current school year and prepare for opening school again in August.

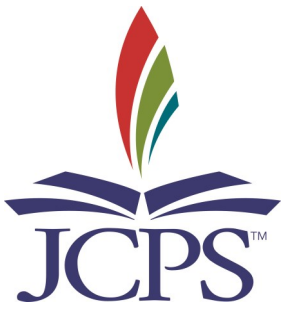


High spending of ESSER COVID-19 stimulus grant in the 2021-2022 and 2022-2023 school years cause those years to track much higher than the comparison years.

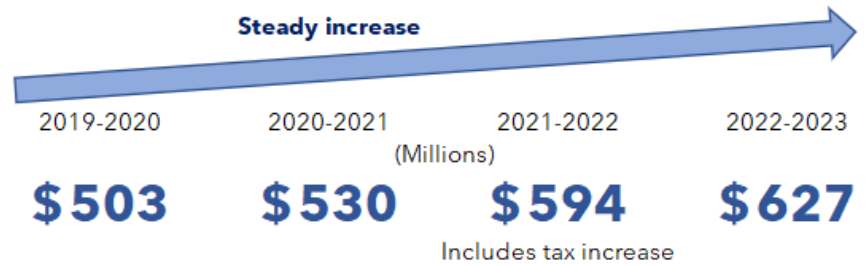
Total District-wide expenditures are tracking with the 2021-2022 school year due to the significant impact of the ESSER COVID-19 stimulus grants.



COVID-19 stimulus grants are the main reason the 2021-2022 and 2022-2023 school years have higher activity than previous years in the revenues and expenditures graphs above. These grants have been instrumental for addressing sanitization, mitigation, the shift to remote learning, and the ensuing learning loss.



Property tax collections generally reflect the increasing property values of Jefferson County residents and businesses and the growing wealth from property ownership. This growth sustains JCPS programs and student support.

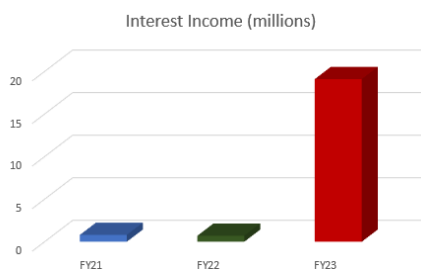


Occupational taxes reflect the Jefferson County employee wages and closely mirror the local economy. By this measure, the economy appears strong, however inflation and other economic pressures are not reflected in this.

Motor vehicle taxes are in the third year of growth. Motor vehicle sales generally increase when consumers are both confident about their future earning potential and need a vehicle. This causes motor vehicle taxes to not follow the economy since cars continue to age during down economies as well.

% Change from Previous Year and Explanation

FY23	14.1%	Increased purchases required as cars age plus inflation increased prices
FY22	10.2%	
FY21	18.7%	
FY20	-4.4%	COVID logistics shortages
FY19	1.6%	Long growth period ended in 2017
FY18	1.8%	



Interest income is strong for JCPS in the 2022-2023 school year with high cash balances due to ESSER COVID-19 stimulus grants and the Federal Reserve raising interest rates to fight inflation. Many market conditions affect the forecast of whether these favorable conditions will sustain into next school year.

Expenses for JCPS follow a familiar pattern, with direct classroom instruction being the largest category by far. Please note that district administration is a wedge of the pie that is small enough that it's hard to see.

- Instruction
- School-based support services
- District administration
- Business support services
- Plant operations and maintenance
- Transportation
- Food service & other
- Building renovations & debt service

