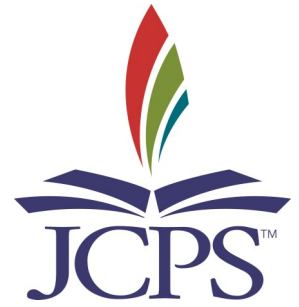


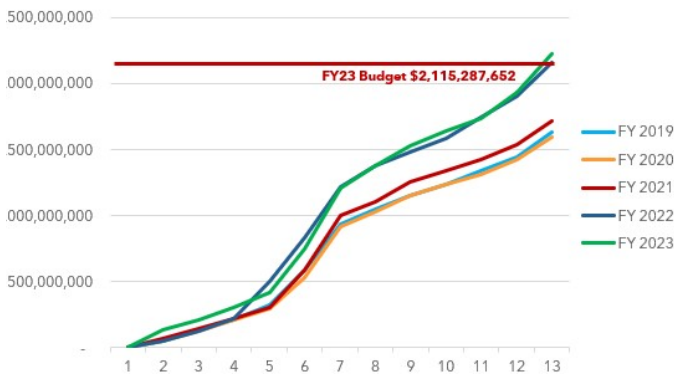
Notes & Analysis

June 2023 Financial Report



June is the final month of our fiscal year as most of our employees take a well deserved summer break. Our audit is now in full swing as Finance works diligently to close out our books for the year and begin creating our Annual Comprehensive Financial Report. This happens while we are planning to open school again in August and implement new changes to make our students' lives better.

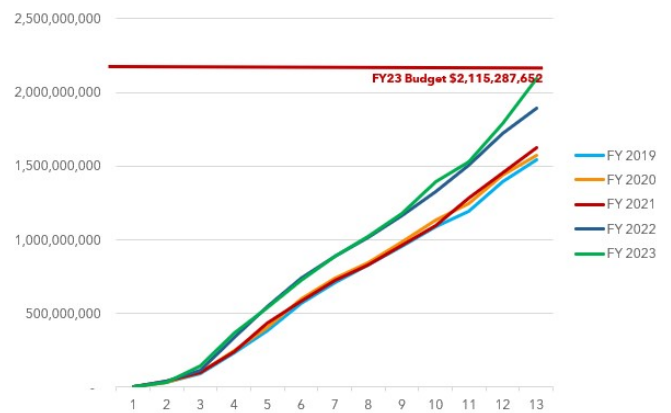
Comparative Revenues by Month (All Funds)



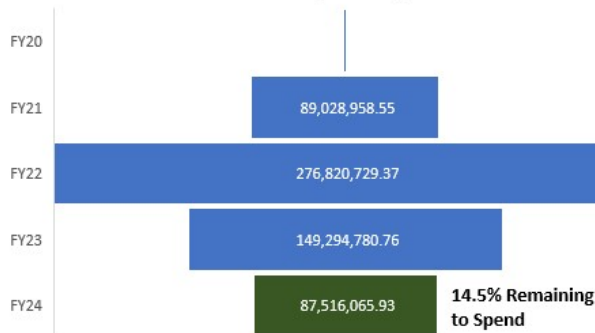
High spending of ESSER COVID-19 stimulus grant in the 2021-2022 and 2022-2023 school years cause those years to track much higher than the comparison years.

Total District-wide expenditures remained comparable to the expenditures in FY 2022 until we received the on-behalf payment information from the state. On-behalf payments are expenses the state pays for us, mainly teacher retirement match and health insurance for all employees. These expenses were \$89 million higher this year.

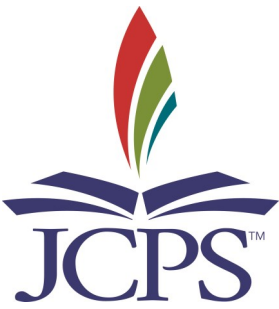
Comparative Expenditures by Month (All Funds)



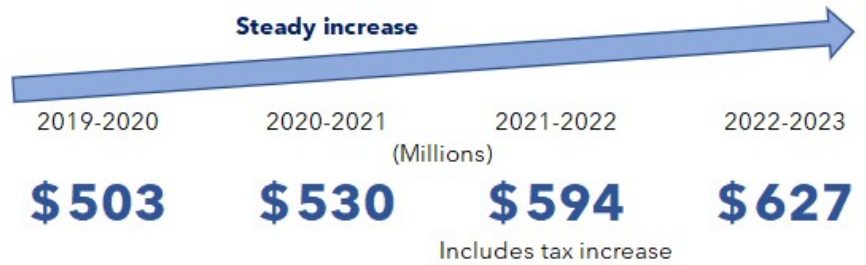
ESSER Spending



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. JCPS is on track to spend all of these funds before the grant deadlines.



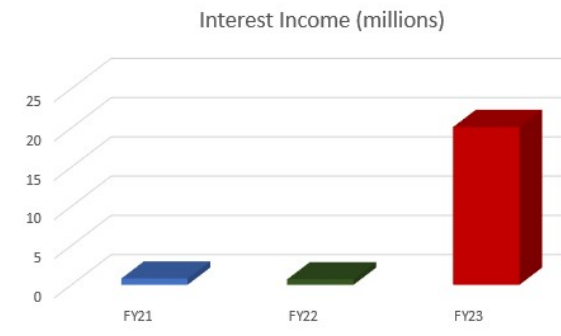
Property tax collections generally reflect the increasing property values of Jefferson County residents and businesses and the growing wealth from property ownership. This growth sustains JCPS programs and student support. FY 2023 increased 5.6%.



Occupational taxes reflect the Jefferson County employee wages and closely mirror the local economy. For the first time in a few years, the current year's occupational taxes are slightly less than the previous year. The difference is small enough to be considered flat year-over-year, but we will continue watching this category.

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.

	Total	Change
FY23	\$ 40.5	7.3%
FY22	\$ 37.6	9.3%
FY21	\$ 34.1	15.7%
FY20	\$ 28.7	-4.4%



Interest income had its strongest year on record 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
- Grant match, community service and other

