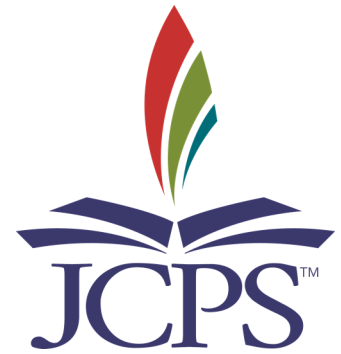


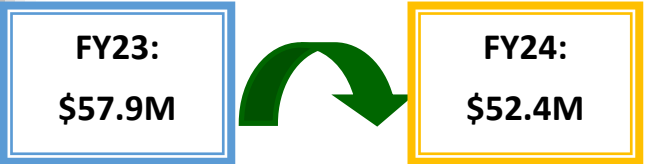
Notes & Analysis

September 2023 Financial Report

Monthly Update: The accounting team is progressing with the financial statements, single audit, and school activity fund audits and are working to make the District's financial statements as clean and transparent as possible for the Jefferson County community, bond holders, and other stakeholders. Many adjusting entries for the prior year are taking place, like health insurance, KTRS employer match, and other management estimates.



SEEK Trends: The 2022 Kentucky Legislature increased SEEK by \$100 in the 2022-23 school year to \$4,100 and again in 2023-24 to \$4,200, yet the revenue JCPS has received from SEEK is \$5 million lower in the current year compared to the prior year. This is the direct result of sustained property assessment values in Jefferson County. As local revenue efforts increase, the state revenues as it relates to SEEK decrease, despite an increase in the SEEK guaranteed per pupil base.



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. The rates have continued to rise during 2023 so the Federal government can rein in spending to bring inflation down. Many economists are predicting that interest rates will continue to remain high at least through the end of this calendar year, which is good news for sustaining budget to support vital JCPS programs.

