

Notes of Interest

September 2025 Financial Report

Monthly Update: Having recently finished the annual financial statement audit, the accounting team is progressing with the single audit and school activity fund audits and are beginning work on the very readable Popular Annual Financial Statement for the Jefferson County community, bond holders, and other stakeholders. These documents are intended to provide a wide range of informational documents explaining financial position for anyone from your average Louisvillian to experienced financial experts.



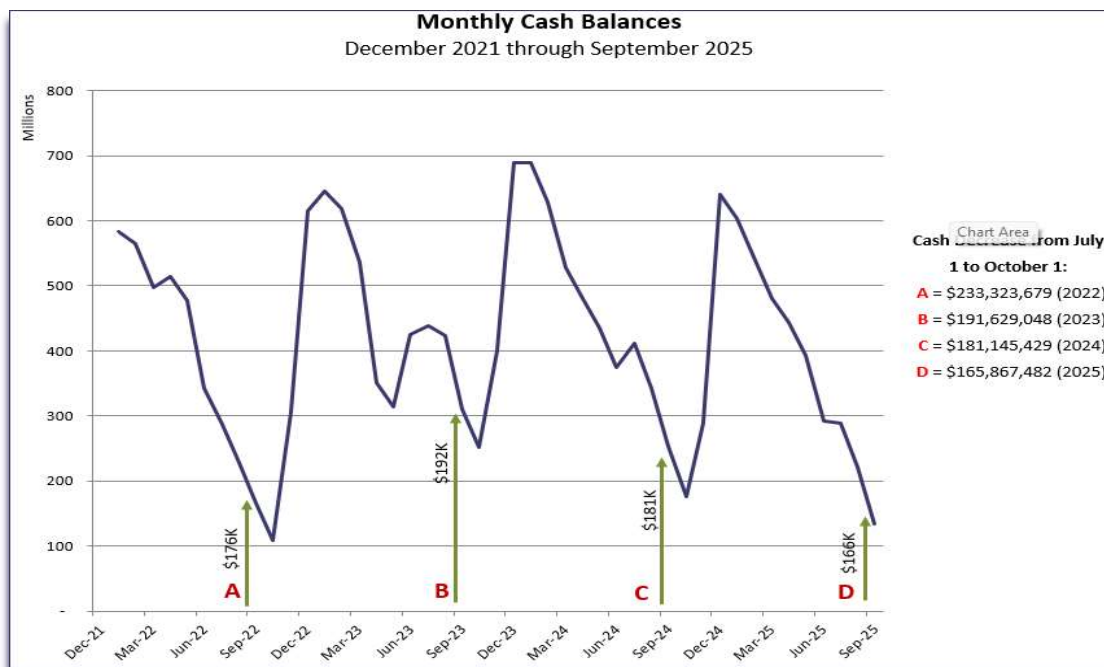
SEEK revenues are the largest source of funds we receive from the state. The Kentucky Legislature increased base SEEK by \$126 in the 2024-25 school year to \$4,326 and again in 2025-2026 by \$260 to \$4,586. The formula is designed to reduce the state payments as local assessments increase. The revenue JCPS has received from SEEK is \$4.4 million higher in the current year compared to the prior year.

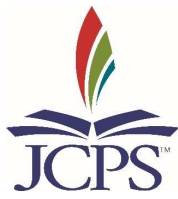
FY25
47.8M



FY26
52M

Property taxes: Collections begin each year in November. This is our largest revenue source, and most property tax revenues are collected between November and January. This



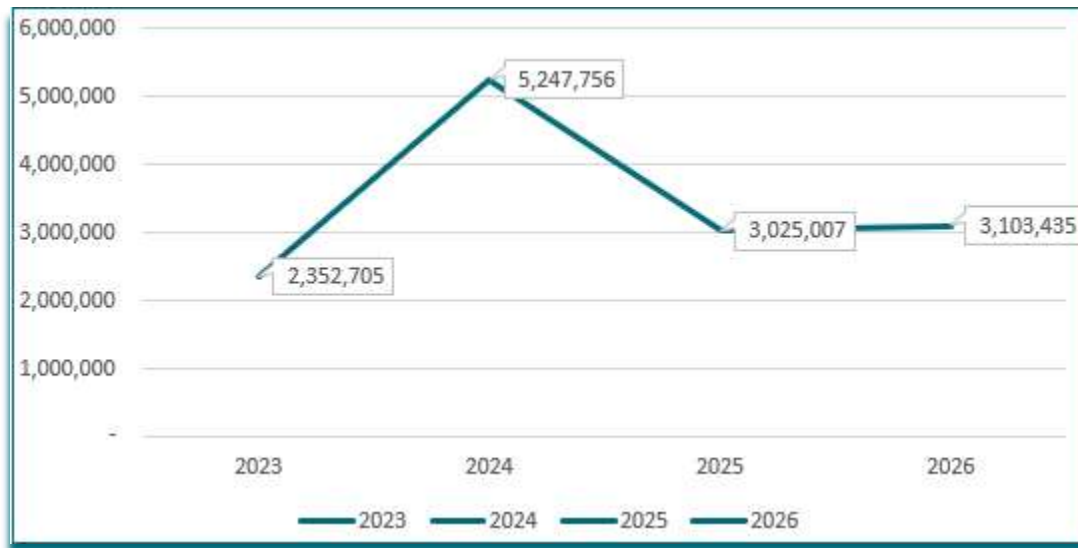


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makes JCPS finances extremely cyclical causing each October to be the month with our lowest cash balance.

Interest income depends to a great degree on the Federal Reserve's fed funds rate, which is the base borrowing rate established in the United States, and JCPS is limited to very high-grade investments that don't exceed five years. On October 29, the Fed cut interest for a second time this year by a total of 50 basis points to 3.75%-4.00%.



Budget to actual analysis generally is less effective this early in the year. Many revenues vary within any given month, and expense analysis can be affected by year-end accrual entries. Detailed analysis will continue in October's financial report.

Budget status update We are currently reviewing the extensive survey results received from community members throughout Jefferson County and reviewing our budget reduction options against these survey submissions. So far, many of the results are in line with feedback we have already received from community members, teachers, Principals, and other JCPS stakeholders. This effort will not be easy, which makes it even more important to include as much input as possible.

