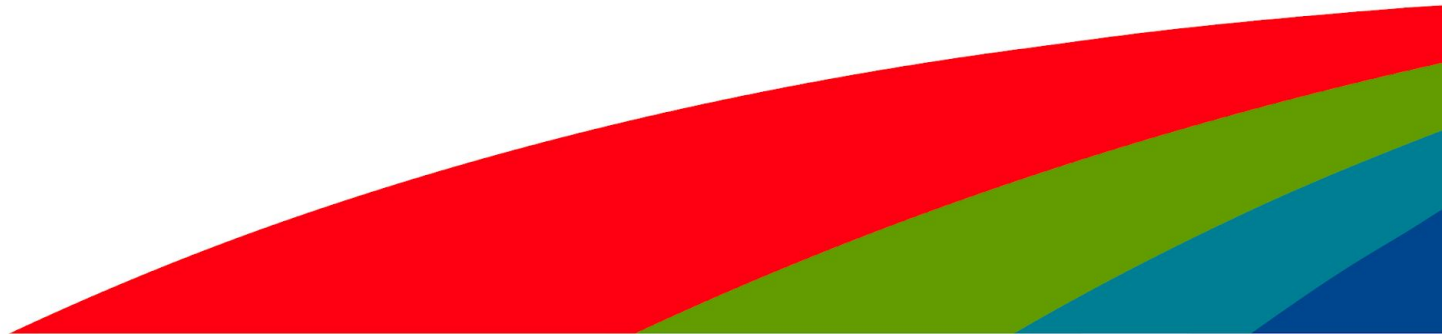




JCPS Finance Presentation

September 22, 2026



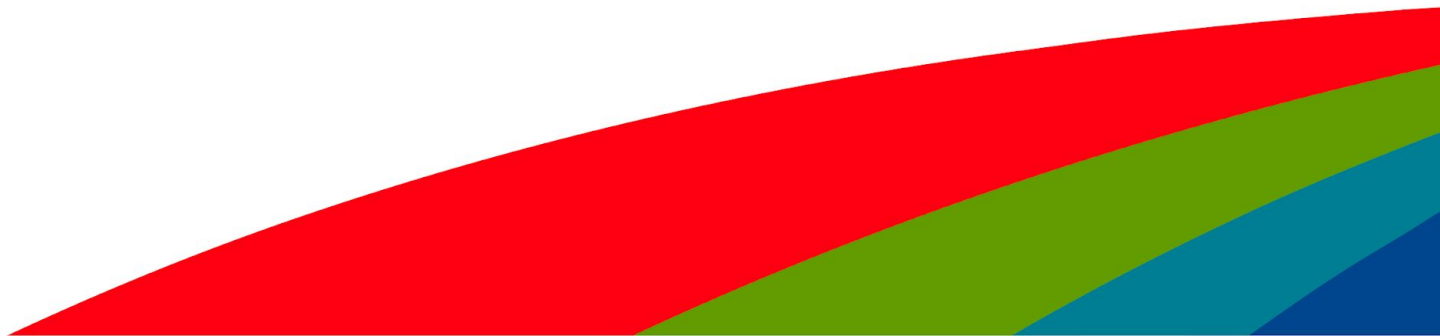
Finance Topics



Financial Recovery Update

- **Fund Balance**
- **Cash Flows**

Reduction Plan Review



JCPS Finance Recognitions



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Board of Education of Jefferson County
Kentucky**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2025

MOODY'S RATINGS

Rating Action: Moody's Ratings assigns Aa2 to Jefferson County BOE,
KY's Series 2026A GO Bonds; outlook stable

Kentucky School Districts Budget Cycle



3 Phases of Development

Draft Budget

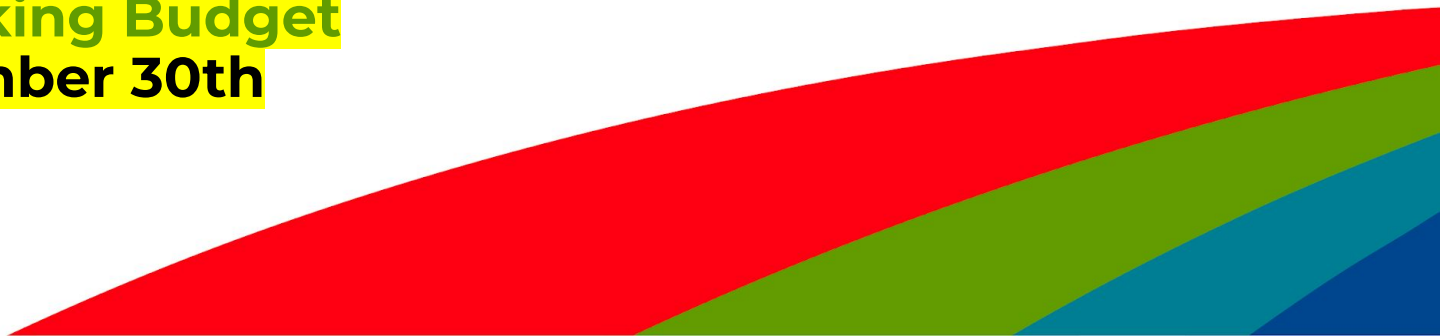
Due January 31st of the preceding school year

Tentative Budget

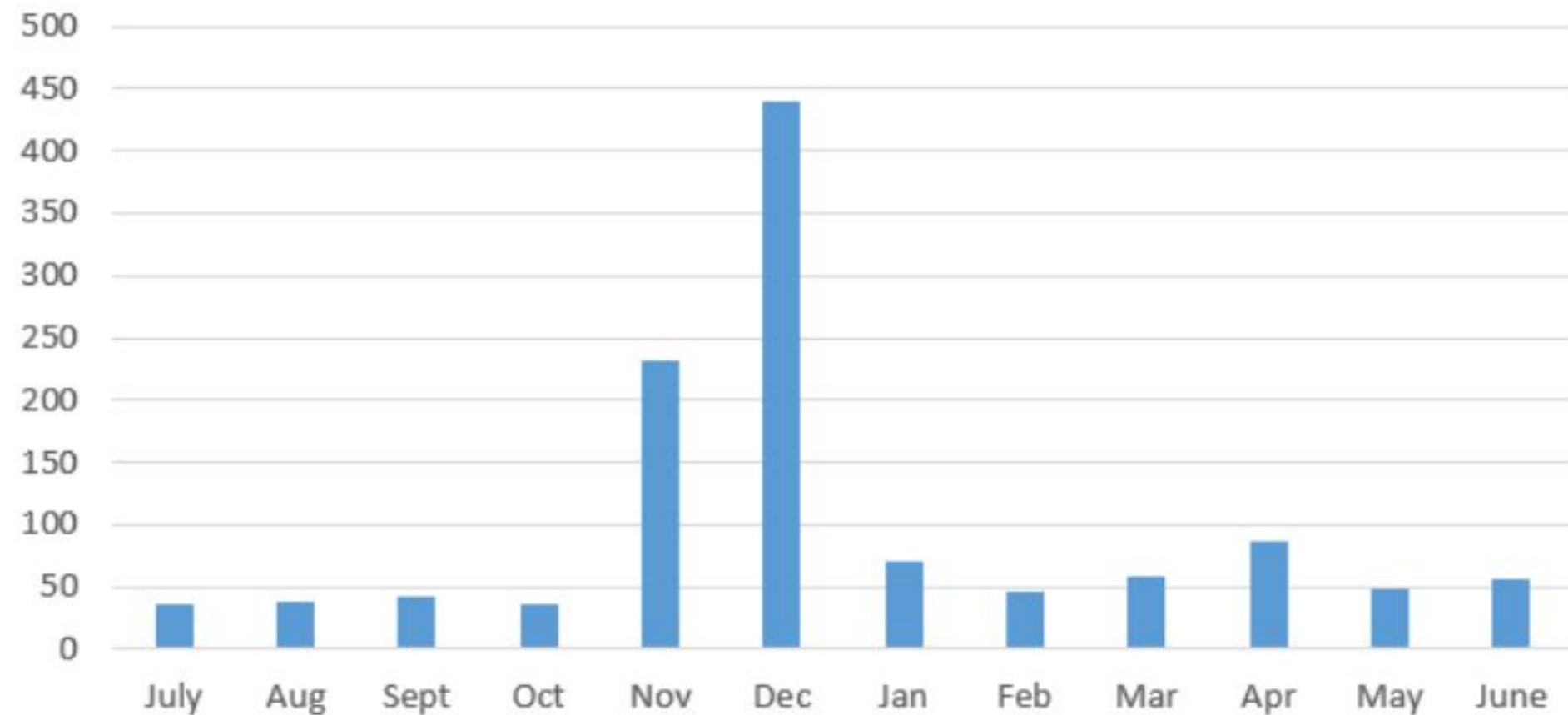
Due May 30th

(Final) Working Budget

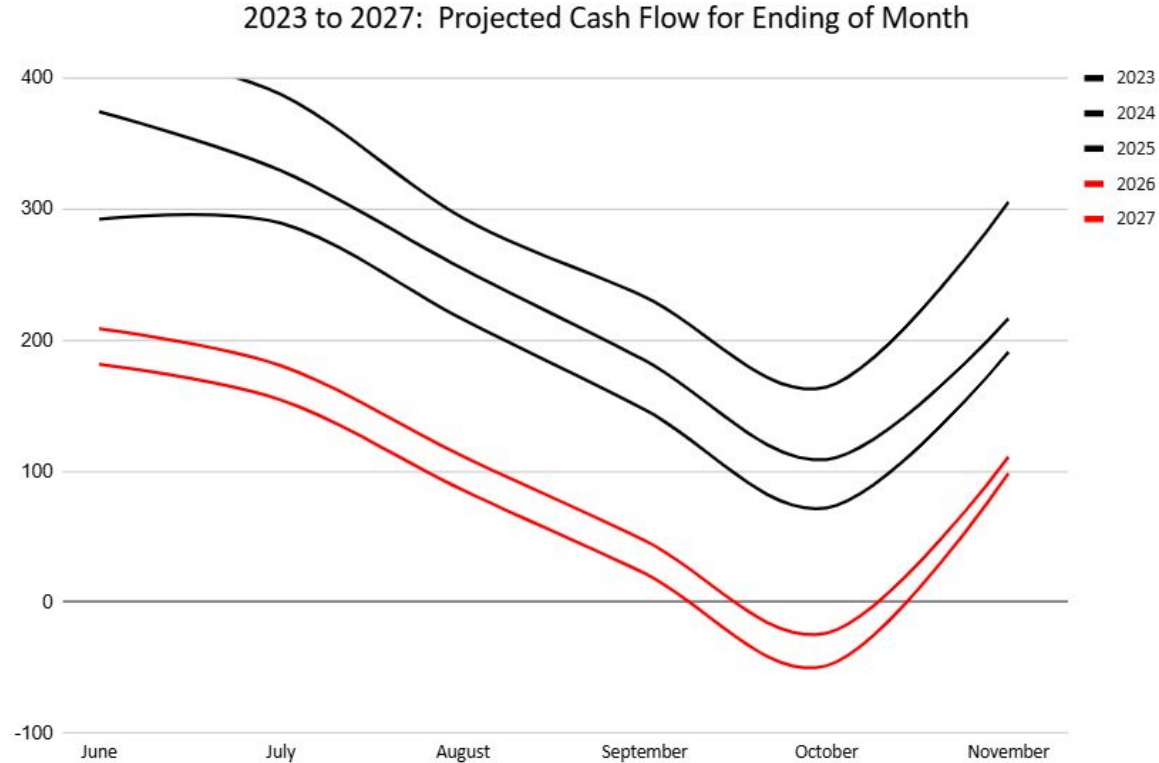
Due September 30th



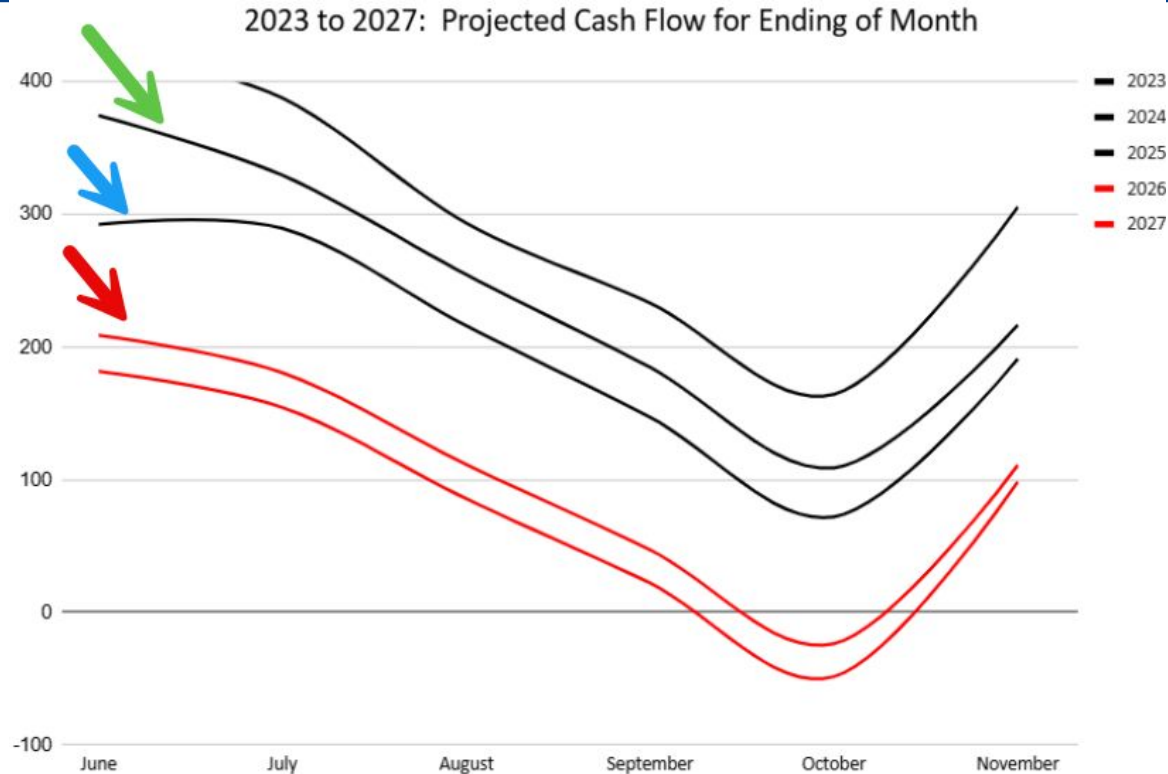
Avg Monthly General Fund Revenues FY24 & FY25 (millions)



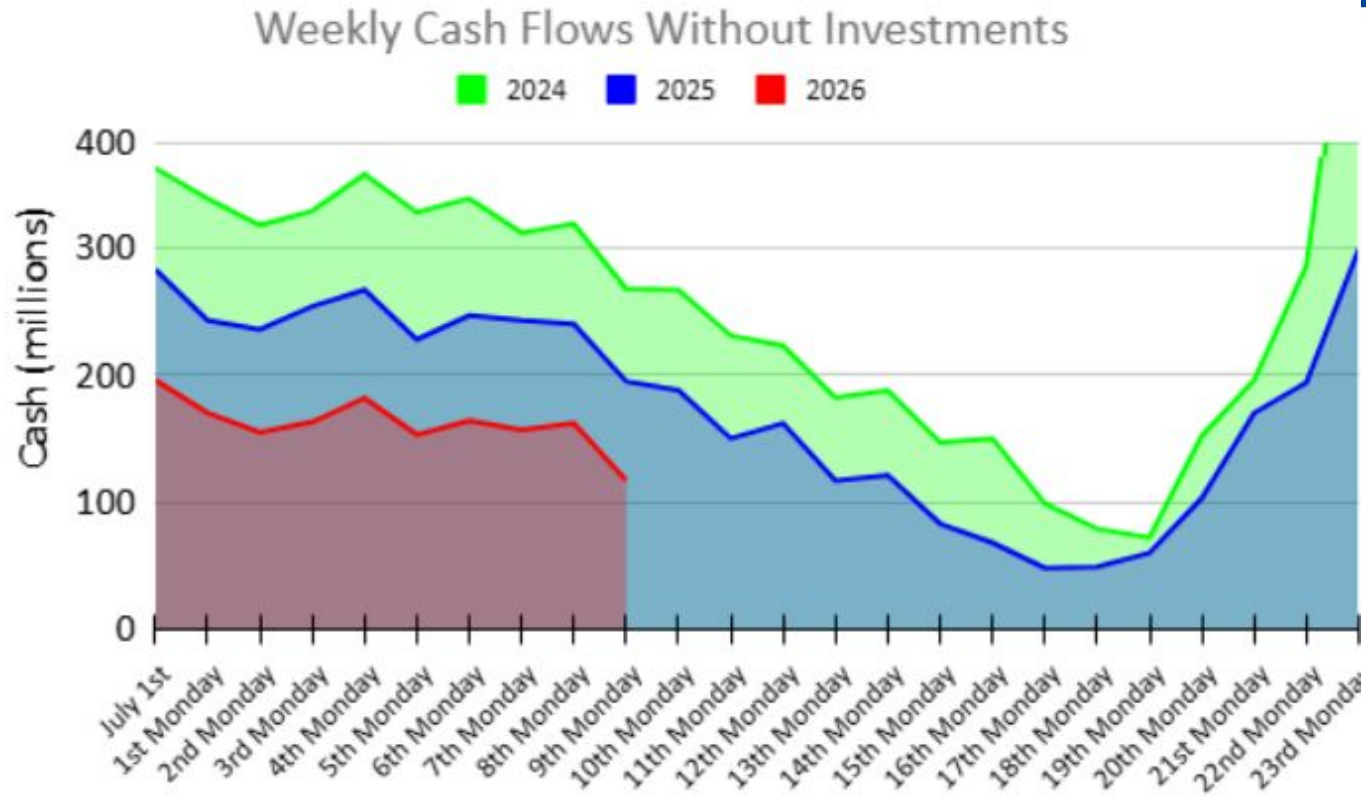
JCPS Finance Projected Cash Flows Shared in May 2026



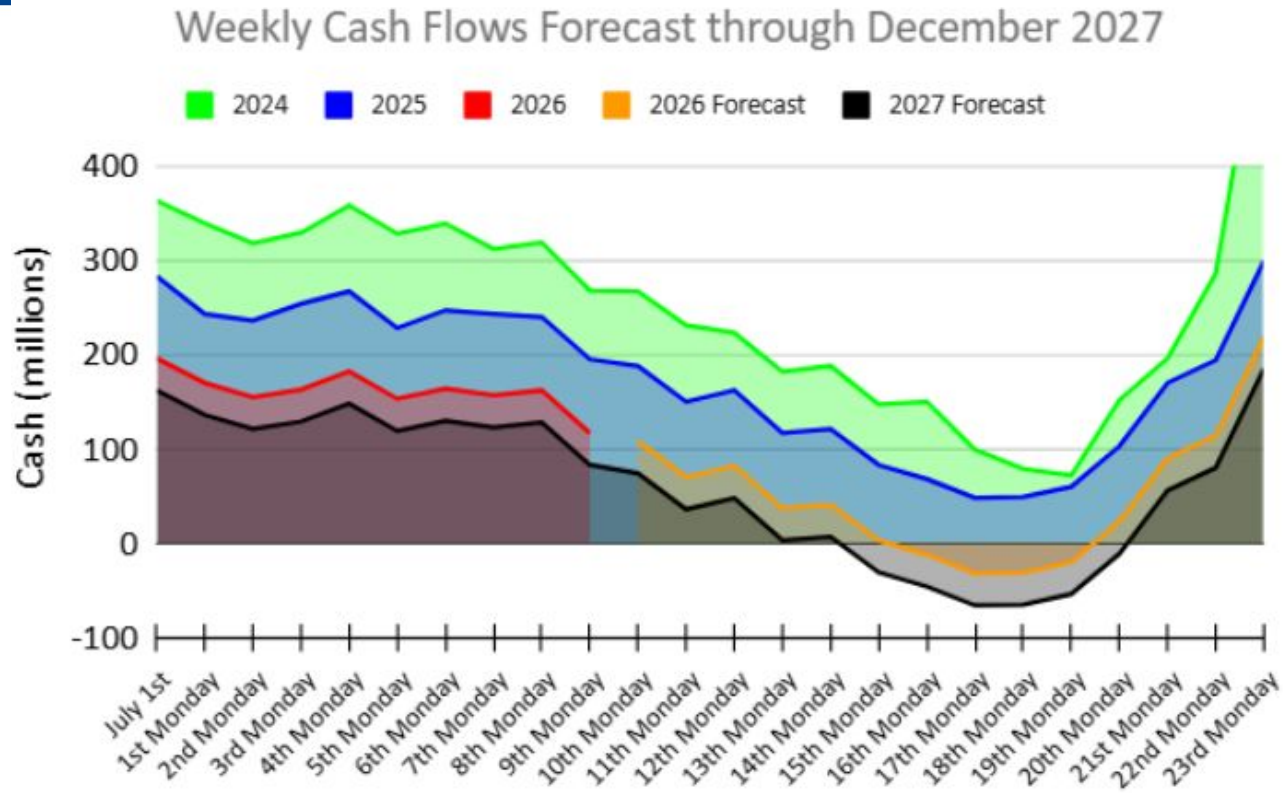
2025 (Green), 2026 (Blue), and Current 2027 (Red)



Actual Cash Balances: 2025 (Green), 2026 (Blue), to Present Day 2027 (Red)



Forecast Cash Balances: Rest of 2027 (Orange), 2028 (Black)





Reduction Process

November

JCBE received recommendation on school closures (King and Zachary Taylor) and school restructuring (Liberty and TAPP)

December

Overall restructuring and reduction plan delivered to board members

January

- One-on-one meetings with board members
- Meetings with JCTA and Union Leaders
- School allocations and Draft Budget approved by JCBE

Spring

- Cabinet level reductions recommendations and Organizational Charts reviewed. All recommended changes and additional cuts quantified by Finance and reviewed by Superintendent
- Organizational Charts updated based on Central Office reorganization
- Contract negotiations and meetings with union leadership
- Tentative Budget approved by JCBE
- JCTA contract extension

Expense Reductions in 2026-27

Category	Amount	% of Reduction
Central Office and Centrally-Managed Positions	\$ 27,838,000	24%
Central Office Contracts	\$ 6,000,000	5%
Central Office Operational (non-Contracts)	\$ 12,700,000	11%
District-Wide Costs	\$ 44,240,000	38%
School-Based Flexible Allocation Reductions	\$ 24,983,000	22%
	\$ 115,761,000	

Central Office Positions and Centrally-Managed Positions

	Positions	Total
Central Office Org Chart June 2026 plus District Managed Positions assigned in schools (156 Academic Instructional Coaches, 74 School Safety Administrators, 161 Bookkeepers)	3,372	\$ 202,919,597
Central Office Org Chart July 2026 including 56 Risk Assessment Coordinators, 22 additional Finance Support Center, plus District Managed Positions assigned in schools (41 Bookkeepers)	3,020	\$ 175,081,597
	-352	\$ (27,838,000)



Central Office Positions and Centrally-Managed Positions

Examples of position changes:

- **-4 Assistant Superintendents** (Grade 16); reduced from 12 to 8 positions.
- **-6 Chiefs** (Grade 18) redesigned to Executive Officers (Grade 16); difference \$10,000-\$20,000 each
- **-12 Executive Administrators** (Grade 14) redesigned to Executive Directors (Grade 13) or Directors (grade 12); difference about \$10,000-\$20,000 each.

Examples of Division changes:

- | | | | |
|--|-------------|------------------|----------------------|
| ● Academics Division, Schools Division, and AICs | -148 | positions | -\$12,500,000 |
| ● JCPS Police and School Safety Administrators | -23 | positions | -\$ 3,901,000 |
| ● Information Technology | -19 | positions | -\$ 2,570,000 |
| ● Strategy & Innovation | -23 | positions | -\$ 2,150,000 |
| ● Opportunity & Access | -12 | positions | -\$ 1,090,000 |
| ● Office of Student Support | -13 | positions | -\$ 1,340,000 |
| ● Operations | -28 | positions | -\$ 930,000 |
| ● Communications | -10 | positions | -\$ 800,000 |
| ● ARSI, HR, General Counsel | -16 | positions | -\$ 1,330,000 |
| ● Finance, Elementary Bookkeepers,
and HS Ordering & Receiving Clerks | -65 | positions | -\$ 1,925,000 |



Central Office Contracts and Other Operational Reductions

Contracts Elimination (not comprehensive):

Transportation, \$2,400,000; Stober Road Facility Lease, \$1,000,000; Telehealth, \$291,970; Transportation, \$220,000; Transportation, \$198,336.

Contracts Reduction Savings (not comprehensive):

Temp Custodians, \$2,191,300; Evolve502, \$1,875,000; Academic Readiness Tool, \$1,400,000; Microsoft A5, \$700,000; Professional Learning Contracts, \$625,000; Ring Central, \$425,000; Wireless Failover, \$128,296.

Other Operational Changes (not comprehensive):

Summer programming, \$2,085,644; Showcase of Schools Reform, \$100,000; Google Backpack Suite, \$100,000

\$ (18,700,000)



District-Wide Cost Reductions

	Reduction
ESZ/CZ Stipends Restructuring (continued for ESZ/CZ schools at 75%)	\$ 9,000,000
ESZ/CZ Extra PD Days (eliminated)	\$ 1,040,000
Long-Term Sub Incentive (reduced the 20th day increase from 50% to 25% beyond base)	\$ 4,000,000
Unfilled Sub Extra Service	\$ 2,000,000
Transition Teachers (EPSB)	\$ 3,000,000
Online Tutoring- Contract Service	\$ 1,000,000
MS Explore Coaches (reduced)	\$ 650,000
MS Teams Additional Teachers	\$ 1,700,000
EL/IM Curriculum	\$ 9,000,000
Elementary Reduced Class Size Addition	\$ 2,200,000
School Consolidations (King Elementary, Zachary Taylor Elementary)	\$ 5,400,000
State Agency Restructuring	\$ 2,500,000
HS CTE Additional Operational	\$ 2,000,000
ECE Additional Operational	\$ 500,000
Duvalle Education Center Restructure	\$ 250,000
	\$ (44,240,000)



School-Based Flex Allocations

	Reduction
Needs Index Equity Funds	\$ 18,000,000
Multilingual Supplemental Funds	\$ 3,000,000
School Operational Extras	\$ 2,200,000
Elementary Bookkeepers Attrition	\$ 1,783,000
	\$ (24,983,000)



Summary

Category	Amount	% of Reduction
Central Office and Centrally-Managed Positions	\$ 27,838,000	24%
Central Office Contracts	\$ 6,000,000	5%
Central Office Operational (non-Contracts)	\$ 12,700,000	11%
District-Wide Costs	\$ 44,240,000	38%
School-Based Flexible Allocation Reductions	\$ 24,983,000	22%
	\$ 115,761,000	

Sustained Supports

- **No reduction to base salary** for any teachers, substitutes, clerks, nor school-based personnel.
- All employees **eligible for “step” increases** received this increase to base salary (average step increase is about 1.5%).
- **\$10 million** was invested to correcting historical shortfalls in the classified salaries based on comparable market analysis.
- The following **stipends (payments beyond base salary)** were retained:

One-Time Incentive Stipends for all active full

time and permanent part-time employees \$ 34,000,000
(\$1,000 December and \$1,000 May)

ESZ Stipends (at 75%) \$ 8,500,000

Clerical Continuity Stipend (\$1,000 quarterly) \$ 3,000,000

Sub Long Term 20th Day Increase (25%) \$ 4,000,000

Sub Long Term 20th Day Stipend (\$1,000) \$ 800,000

Department Heads/Chairpersons \$ 880,000



Sustained Supports

- **Bus Driver and SNTA: Challenging Routes Incentive Pay, Longevity, and other incentive pays.**

Longevity Pay for Job Family 1B (revised effective 7/1/24). The rates below are in addition to the rate. Longevity pay is based on continuous, permanent JCPS employment with no break in service.

10 years as of July 1st: \$.20 per hour
15 years as of July 1st: \$.60 per hour (includes the \$.20 for after 10 yrs.)
20 years as of July 1st: \$.80 per hour (includes the \$.60 for after 15 yrs.)
25 years as of July 1st: \$1.00 per hour (includes the \$.80 for after 20 yrs.)

Challenging Bus Stipend (Job Class Codes 8814, 8816, 8818 & 8824):

\$5.00 per hour for one challenge
\$7.50 per hour for two challenges
\$10.00 per hour for three challenges

New Bus Driver Incentives (Job Class Codes 8814 & 8818):

\$150 plus CDL fees: New Bus Driver without CDL

Bus drivers hired by JCPS after 7/1/16 will receive reimbursement of CDL license fees up to permanent part-time bus driver. One-time \$150 incentive will be paid after successful completion one-time during the driver's career including breaks in service.

\$2000 Incentive: New Bus Driver with CDL

Full-time and permanent part-time Bus driver hired by JCPS after 7/1/24 and have a CDL will of 90-day probationary period. Only eligible to be paid this incentive one-time during the drive

\$4000 Incentive: New Bus Driver with CDL and School Bus Endorsement

Full-time and permanent part-time bus drivers hired by JCPS after 7/1/24 and have a CDL and School Bus Endorsement will receive payment after successful completion of 90-day probationary period. Only eligible to be paid th

Bus Driver & SNTAs Expenses (General Fund)

2022-23 \$ 20,752,811

2023-24 \$ 24,030,612

2024-25 \$ 30,670,021

2025-26 \$ 34,537,289

2026-27

(allocated) \$ 37,048,746

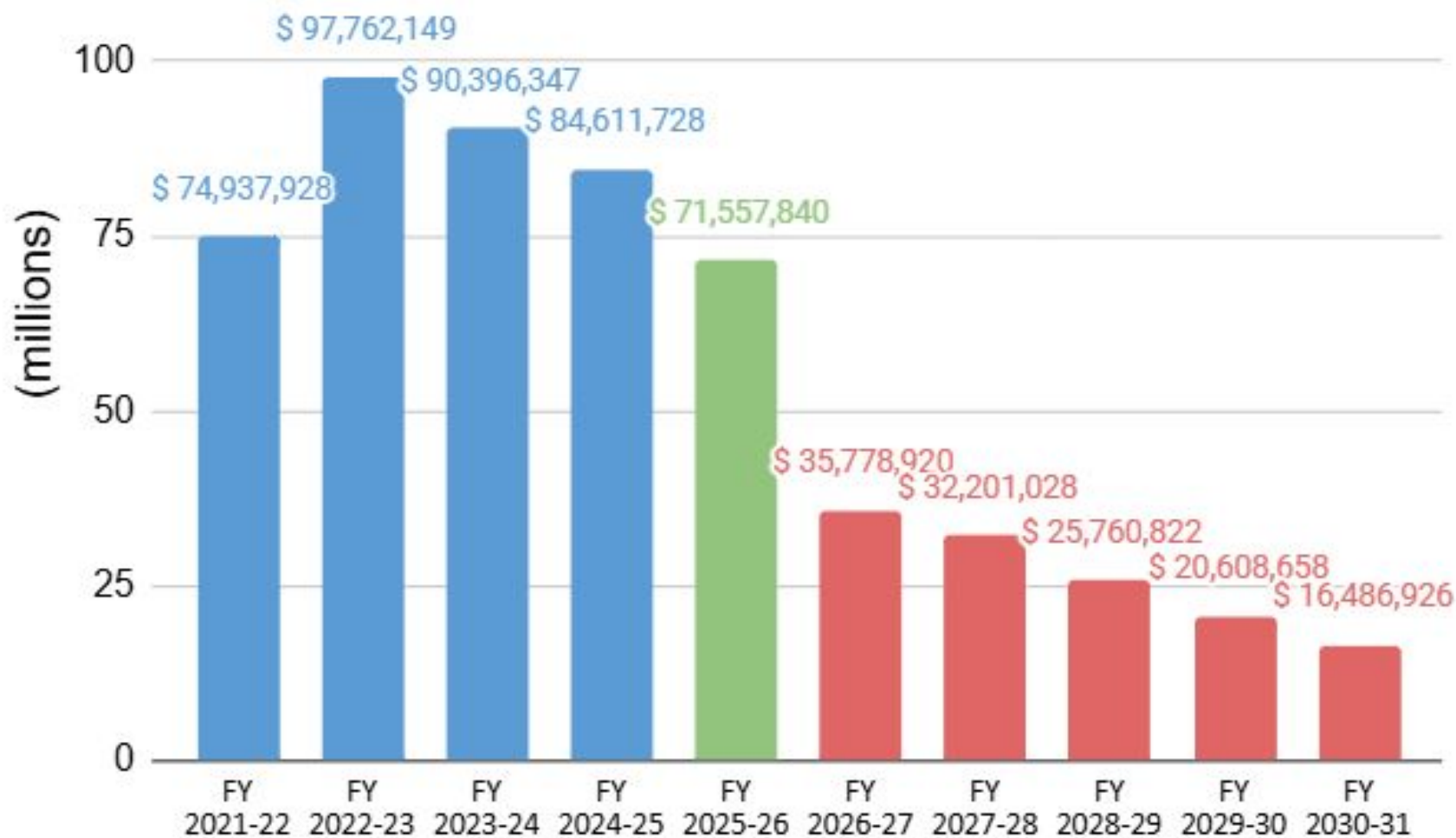


Sustained Supports

Annual Facility Improvement Funds (AFIF) increased from \$7 million to \$20 million	\$ 20,000,000
Equity Funds	\$ 16,200,000
170 ECE Implementation Coaches	\$ 13,900,000
School Flex Carryover (unused school operational funds from last year)	\$ 12,000,000
174 Mental Health Practitioners	\$ 11,100,000
High School Career Pathways (TDAXA)	\$ 8,900,000
Contract Nursing Services	\$ 8,800,000
School Bus Replacement	\$ 7,000,000
Middle School Explore (EXPXA)	\$ 5,200,000
\$35 per pupil textbook allocation	\$ 3,100,000
Elev8 Learning Centers	\$ 3,000,000
Teacher Amazon Supplies	\$ 2,500,000
Chromebook Replacement	\$ 2,000,000



Unused Budget-to-Actuals Salaries ("Vacancy Credit")



District Leadership Questions on New Financial Matters

~~Can we afford this?~~

1. What funds are currently **available elsewhere** that can be re-allocated to address this new issue/need?
2. How does adding this new expense **impact our forecast?**
3. What are possible **unintended consequences** on District functional systems?
 - **Academics/Schools**
 - **Finance**
 - **Human Resources**
 - **Operations**

JCPS Mission & Vision

Mission

To challenge and engage each learner to grow through effective teaching and meaningful experiences within caring, supportive environments.

Vision

All Jefferson County Public Schools students graduate prepared, empowered, and inspired to reach their full potential and contribute as thoughtful, responsible citizens of our diverse, shared world.

