

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 16, 2025

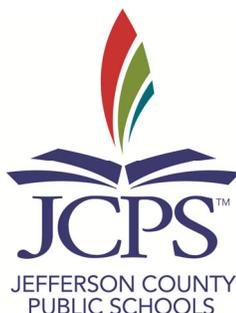
*In the opinion of Wyatt, Tarrant & Combs, LLP, Bond Counsel, (i) under the Internal Revenue Code as presently enacted and construed and subject to the conditions and limitations set forth herein under the caption "TAX TREATMENT," interest on the 2025B Bonds is excludable from gross income for federal income tax purposes and (ii) the 2025B Bonds are exempt from ad valorem taxation, and the interest thereon is exempt from income taxation, by the Commonwealth of Kentucky and all of its political subdivisions and taxing authorities. See "TAX TREATMENT" herein.*

NEW ISSUE  
BOOK-ENTRY ONLY

Ratings: **Moody's: Aa2**  
(See "RATING" herein)

**\$9,390,000\***

**JEFFERSON COUNTY SCHOOL DISTRICT, KENTUCKY  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2025B**



Dated: Date of Delivery

Due: As shown herein

Interest on the above captioned bonds (the "2025B Bonds") is payable semiannually as described herein. The 2025B Bonds will initially be issued as book-entry bonds registered by the Bond Registrar hereinafter identified in the name of a nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the 2025B Bonds. Individual purchases of 2025B Bonds may be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple of \$5,000. Principal of and interest on the 2025B Bonds shall be payable to DTC, which in turn will remit such principal and interest to the beneficial owners of the 2025B Bonds through DTC's participants as described herein in "Appendix G – Book Entry System".

The 2025B Bonds and the interest thereon are general obligations of the Jefferson County School District (the "District"), a county school district organized and existing under Section 160.010 of the Kentucky Revised Statutes ("KRS"). As general obligations of the District, the 2025B Bonds are payable in accordance with KRS Chapter 66 from all lawfully available amounts received or receivable by or on behalf of the District (including but not limited to ad valorem property taxes, occupational license fees, insurance premium taxes, excises, utility and service revenues, and any other receipts from taxes, excises, permits, licenses, fines, or other source of revenue of, or of revenue distributions to, the District), including any aid to, or revenues or entitlements of the District duly withheld or intercepted by the Kentucky School Facilities Construction Commission (the "Commission") in accordance with a participation agreement entered into between the Board and the Commission with respect to a project or projects or series of bonds or notes, to the extent permitted by law (collectively, "Pledged Receipts"). No liability shall attach to the elected officials, officers, agents, employees, or representatives of the District for the payment of the 2025B Bonds, including without limitation the Board of Education of Jefferson County, Kentucky (the "Board"), a body politic and corporate of the Commonwealth of Kentucky (the "Commonwealth"), organized and existing under KRS 160.160(1) to manage and control the District.

The District deems this Preliminary Official Statement to be final for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"), except for certain information herein which has been omitted in accordance with the Rule and will be provided in the final Official Statement.

The 2025B Bonds are offered when, as, and if issued by the District and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offer without notice, to the approval of legality by Wyatt, Tarrant & Combs, LLP, Bond Counsel, and to certain other conditions. Certain legal matters will be passed on by Kevin Brown, Esq., General Counsel to the District. The 2025B Bonds will be available for delivery on or about November 13, 2025.

Dated: October 23, 2025

\* *Subject to adjustment as described in the Official Terms and Conditions of Bond Sale.*

This Preliminary Official Statement and information contained herein are subject to change, completion or amendment without notice. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

**\$9,390,000\***  
**JEFFERSON COUNTY SCHOOL DISTRICT, KENTUCKY**  
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2025B**

<b><u>Due April 1,</u></b>	<b><u>Principal Amount*</u></b>	<b><u>Interest Rate</u></b>	<b><u>Yield</u></b>	<b><u>Price</u></b>	<b><u>CUSIP†</u></b>
2026	\$ 825,000				
2027	775,000				
2028	815,000				
2029	860,000				
2030	895,000				
2031	945,000				
2032	990,000				
2033	1,040,000				
2034	1,095,000				
2035	1,150,000				

*\* Subject to adjustment as described in the Official Terms and Conditions of Bond Sale.*

*† CUSIP is a registered trademark of the American Bankers Association. The CUSIP numbers shown herein are provided by Standard & Poor's, a division of The McGraw-Hill Companies, Inc., as manager of CUSIP Global Services, and are shown herein for convenience of reference only. No representation is made as to the correctness of the CUSIP number shown herein for any of the Series 2025B Bonds. The CUSIP numbers for some or all of the Series 2025B Bonds may be changed as a result of various actions occurring after the issuance of the Series 2025B Bonds, including, but not limited to, a refunding in whole or in part of the Series 2025B Bonds or the addition of secondary market portfolio insurance or other credit enhancement applicable to some or all of the Series 2025B Bonds.*

**JEFFERSON COUNTY BOARD OF EDUCATION**

Board Members

Corrie Shull, Chair  
James Craig, Vice Chair  
Trevin Bass  
Linda Duncan  
Taylor Everett  
Tricia Lister  
Gail Logan Strange

Administrative Personnel

Dr. Brian Yearwood, Superintendent  
Kevin Brown, General Counsel  
Edward D. Muns, Chief Financial Officer and Treasurer

**BOND COUNSEL**

Wyatt, Tarrant & Combs, LLP

**FISCAL AGENCY GROUP**

Robert W. Baird & Co. Incorporated  
and  
RSA Advisors, LLC

**BOND REGISTRAR AND PAYING AGENT**

Truist Bank

## REGARDING USE OF THIS OFFICIAL STATEMENT

### AUTHORIZED INFORMATION AND REPRESENTATIONS

No dealer, broker, salesman or other person has been authorized by the District, the Board, the Fiscal Agency Group (identified above and defined below), or the Underwriters (defined below) to give any information, or to make any representations, other than those contained in this Official Statement. Moreover, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell, or the solicitation of any offer to sell, or the solicitation of any offer to buy, nor shall there be any sale of, the 2025B Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Except where otherwise indicated, the information set forth herein has been obtained from the District and the Board and other sources that are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Fiscal Agency Group or the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall at any time or under any circumstances imply that information or expressions of opinion herein are correct as of any time subsequent to this date or that there has been no change in the affairs of the District or the Board since the date hereof.

In connection with this offering, the Underwriters may overallot or effect transactions that stabilize or maintain the market price of the 2025B Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

### REGISTRATION EXEMPTIONS

The 2025B Bonds have not been registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), nor has the Bond Resolution adopted October 14, 2025 authorizing and approving the issuance of the 2025B Bonds (the “Bond Resolution”) been qualified under the Trust Indenture Act of 1939, as amended (the “Indenture Act”), in reliance upon exemptions contained in the Securities Act or the Indenture Act. The 2025B Bonds have not been registered under any state securities or “blue sky” laws where the 2025B Bonds will be offered for sale, in reliance upon exemptions contained in such laws. In making an investment decision, investors must rely upon their own examination of the District and the Board and the sources of payment, security for, and other terms of the 2025B Bonds, including the merits and risks of an investment in the 2025B Bonds. No federal or state securities commission or other regulatory authority has recommended an investment in the 2025B Bonds and none of them has confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

### PRELIMINARY OFFICIAL STATEMENT

The District has deemed this Preliminary Official Statement final as of its date, with respect to the 2025B Bonds, for purposes of Rule 15c2-12 (the “Rule”) of the U.S. Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the “Securities Exchange Act”), except for such information as is permitted to be omitted in accordance with the Rule.

### FINAL OFFICIAL STATEMENT

In accordance with the Rule, the District will deliver, within seven business days after the sale of the 2025B Bonds to the Underwriters, a final Official Statement with respect to the 2025B Bonds, dated the date of sale of the Series 2025B Bonds, including the information that was omitted from this Preliminary Official Statement as permitted by the Rule.

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**\$9,390,000\***  
**JEFFERSON COUNTY SCHOOL DISTRICT, KENTUCKY**  
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2025B**

*\* Subject to adjustment as described in the Official Terms and Conditions of Bond Sale.*

**SUMMARY STATEMENT**

The purpose of this Official Statement, including the cover pages and appendices, is to set forth certain information in connection with the offering by the Jefferson County School District (the “District”), a county school district organized and existing under KRS 160.010 of its General Obligation Refunding Bonds, Series 2025B (the “2025B Bonds”) in the aggregate principal amount set forth above. The 2025B Bonds are being issued to finance the acquisition, construction, and equipping of the school building facilities more particularly described in “THE 2025B Refunding Project” below (collectively, the “2025B Refunding Project”). The 2025B Bonds shall be the first Series of Bonds issued pursuant to the Bond Resolution, and shall be on a parity and without priority or distinction as to source of payment and security with each other Series of Bonds issued pursuant to the Bond Resolution after the issuance of the 2025B Bonds.

Certain capitalized terms used in this Official Statement and not otherwise defined have the meaning given to those terms in “Appendix E - Summary of Certain Provisions of the Bond Resolution; Continuing Disclosure Certificate; Definitions”.

**JEFFERSON COUNTY SCHOOL DISTRICT**

The District is governed by a seven-member Board of Education of Jefferson County, Kentucky (the “Board”), a body politic and corporate of the Commonwealth organized and existing under KRS160.160(1) to manage and control the District. The members of the Board are elected to represent individual election districts and serve staggered four-year terms. The members of the Board elect a chairperson and vice chairperson from among the members of the Board.

The Board selects and employs an individual to serve as Superintendent of Schools (the chief executive officer) of the District and Secretary of the Board. Dr. Brian Yearwood currently serves as Superintendent of Schools of the District and Secretary of the Board with his contract set to run from July 1, 2025 through June 30, 2029.

The District’s boundary is coterminous with Jefferson County, Kentucky. It is the largest school district in Kentucky and approximately the 30th largest public school system in the nation. Serving 97,462 students in preschool through grade 12, the District included a total of 169 schools and learning centers for FYE 2025: 88 elementary schools, 23 middle schools, 18 high schools, 17 special needs schools, 3 multi-level schools and 20 other learning centers. Enrollment and average daily attendance for the District for the current year and the past five years can be found in “Appendix A - Operating, Financial and Tax Base Information of the District”.

The following table summarizes certain financial information relating to the District and is qualified by reference to the more complete information contained herein:

Assessed property valuation (2024-25 school year)	\$109,819,489,581 <sup>(1)</sup>
Total bonded debt outstanding (estimated as of 11/01/25)	\$674,026,243
Less: Bonded debt payable from other sources (SFCC) <sup>(3)</sup>	(\$86,866,951)
Net local bonded debt	\$587,159,292
Net debt as a percent of assessed valuation	0.535%
Population: Jefferson County (U.S. Census estimate as of July 1, 2024)	782,969
School enrollment (as of 6/30/25)	97,462
(1) Excludes property removed from the assessed valuation for property tax purposes pursuant to the homestead exemption described below under “CERTAIN LIMITATIONS ON TAXATION AND OTHER TAX MATTERS”.	
(2) Total outstanding bonded debt of the District less SFCC participation. See “STATE SUPPORT OF EDUCATION – Kentucky School Facilities Construction Commission” below and “Bonded Indebtedness Outstanding of the District” in Appendix C.	
(3) Payment expected to be available from the Kentucky School Facilities Construction Commission, as described below under “REVENUE SOURCES WITHIN THE JEFFERSON COUNTY SCHOOL DISTRICT – Kentucky School Facilities Construction Commission”.	

## THE BONDS

### Authority

The 2025B Bonds have been authorized by (i) the Bond Resolution adopted by the Board on October 14, 2025 authorizing and approving the issuance of the 2025B Bonds (the “Bond Resolution”), and (ii) the provisions of KRS Chapter 66 (the “Act”). For further information about the Bond Resolution, see “Appendix E – Summary of Certain Provisions of the Bond Resolution; Continuing Disclosure Certificate; Definitions.”

### Kentucky House Bill 727

2024 Kentucky House Bill 727 (“HB 727”), 2024 Ky. Acts Ch. 126, enacted March 28, 2024, and effective July 15, 2024, allows Kentucky school districts, such as the District, to issue general obligation bonds, pledging to their payment the full faith, credit, and taxing power of the school district, to finance the acquisition, construction, and equipping of school building facilities.

KRS 160.160(6), as amended by HB 727, provides that if a board of education that issues general obligation bonds fails to make, not less than ten (10) days prior to the date of any debt service payment due on the bonds, upon notification to the Kentucky Department of Education (“KDE”) by the paying agent, bond registrar, or trustee for the bonds not less than three (3) days prior to the interest due date, KDE shall withhold or intercept any funds then due such school district to the extent of the amount of the required payment on the bonds and remit the amount to the paying agent, bond registrar, or trustee and

thereafter KDE shall resolve the matter with the board of education and adjust remittances to the school district to the extent of the amount paid by KDE on the school district's behalf.

Prior to the enactment of HB 727, Kentucky school districts could not issue general obligation bonds to finance school building facilities. Instead, a school district finance corporation established by the school district under KRS Chapter 58 would typically issue lease revenue bonds to finance the acquisition, construction, and equipping of school building facilities and would lease the facilities to the school district under an annually renewable lease pursuant to which the school district would make lease rental payments in amounts equal to and at the same times as the debt service payments due on the lease revenue bonds. Accordingly, prior to the enactment of HB 727, the District typically financed its acquisition, construction, and equipping of school building facilities through the issuance of School Building Lease Revenue Bonds by the Jefferson County School District Finance Corporation. See Appendix C herein regarding the outstanding School Building Lease Revenue Bonds issued by the Jefferson County School District Finance Corporation on behalf of the District.

### **Description**

The 2025B Bonds are issued as fully registered bonds in denominations of \$5,000 or integral multiples thereof. Semiannual interest on the 2025B Bonds is payable April 1 and October 1, commencing April 1, 2026 (each, an “Interest Payment Date”) at the rates per annum set forth on the inside cover of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months). Each 2025B GO Bond shall bear interest from the Interest Payment Date to which interest has been paid as of the date on which such 2025B GO Bond is authenticated or, if such 2025B GO Bond is authenticated prior to a date to which interest has been paid, from its original issuance.

The 2025B Bonds will initially be issued as book-entry bonds registered by the Bond Registrar hereinafter identified in the name of a nominee of The Depository Trust Company (“DTC”), which will act as securities depository for the 2025B Bonds. Purchases of the 2025B Bonds may be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple of \$5,000. Principal of and interest on the 2025B Bonds shall be payable to DTC, which in turn will remit such principal and interest to the beneficial owners of the 2025B Bonds through DTC’s participants, as more fully described below under “Securities Depository; Ownership of Bonds”.

### **Bond Registrar and Paying Agent**

Truist Bank has been appointed by the District as the Bond Registrar and Paying Agent for the 2025B Bonds.

### **Redemption**

The 2025B Bonds are noncallable bonds that cannot be redeemed, in whole or in part, before their stated maturity date.

### **Security and Sources of Payment**

As general obligations of the District, the 2025B Bonds are payable in accordance with KRS Chapter 66 from all lawfully available amounts received or receivable by or on behalf of the District (including but not limited to ad valorem property taxes, occupational license fees, insurance premium taxes, excises, utility and service revenues, and any other receipts from taxes, excises, permits, licenses, fines, or other source of revenue of, or of revenue distributions to, the District), including any aid to, or revenues or entitlements of the District duly withheld or intercepted by the Kentucky School Facilities Construction Commission (the “Commission”) in accordance with a participation agreement entered into between the

Board and the Commission with respect to a project or projects or series of bonds or notes, to the extent permitted by law (collectively, “Pledged Receipts”). No liability shall attach to the elected officials, officers, agents, employees, or representatives of the District for the payment of 2025B Bonds, including without limitation the Board.

To secure the payment of the 2025B Bonds, the District pledges and grants a security interest in and a lien on the Pledged Receipts and all Funds and Accounts (as defined below) established and held under the Bond Resolution, including the investment income, if any, on such Funds and Accounts. The aforesaid pledge, lien, and security interest shall be prior and superior to any lien, pledge, or security interest created by the District to secure (i) any bonds or notes hereafter issued by the District which are not issued under the Bond Resolution and which are payable from any of the Pledged Receipts, and (ii) any other claims or obligations of any nature hereafter arising or hereafter incurred by the District which are not issued under the Bond Resolution and which are payable from any of the Pledged Receipts. Except as may be otherwise expressly provided in an amendment or supplement to the Bond Resolution for a particular series of Bonds issued pursuant thereto, the foregoing lien, pledge, or security interest in the Pledged Receipts for the 2025B Bonds constitutes security for all other series of Bonds issued under the Bond Resolution and the interest thereon without preference, priority or distinction of one Bond or Series of Bonds over another Bond or Series of bonds.

Pursuant to the Bond Resolution, the proceeds received by the District from the sale of the 2025B Bonds shall be applied as follows: [i] there shall be deposited to the credit of the Cost of Issuance Account sufficient proceeds as necessary for payment of Financing Costs incurred in connection with the issuance of the 2025B Bonds; [ii] there shall be deposited to the credit of the Project Fund from the proceeds of the 2025B Bonds an amount sufficient to pay the costs of refunding the obligations to be refunded; and [iii] there shall be deposited to the credit of the Bond Fund any remaining proceeds after the deposit and payments made as set forth above. As defined in the Bond Resolution: (x) the “Cost of Issuance Account” shall be funded and used to pay any and all duly authorized expenses of the issuance of the 2025B Bonds; (y) the “Project Fund” shall be funded and used for payment of costs of the 2025B Refunding Project; and (z) the “Bond Fund” shall constitute a “sinking fund” within the meaning of Section 66.081(1) of the Act, and shall be funded and pledged for the retirement of all Bonds outstanding under the Bond Resolution. “Funds and Accounts” means, collectively, the Bond Fund, the Cost of Issuance Account, and the Project Fund established under the Bond Resolution.

The District in the Bond Resolution covenants and agrees that it shall set aside as received and pay into the Bond Fund, not less than ten (10) days prior to each Payment Date, all or such portion of the Pledged Receipts as will be sufficient to pay when due, in immediately available funds, the principal of, premium, if any, and interest on all Bonds outstanding under the Bond Resolution, including the 2025B Bonds, and all other General Obligation Debt, at or before their maturity or earlier proceedings for redemption.

### **Participation Agreement**

Although the District is required to pay and maintain sufficient amounts in the Bond Fund for payment of the principal and interest requirements on the 2025B Bonds, the Board has entered into a Participation Agreement to be dated as of the date of delivery of the 2025B Bonds (the “Participation Agreement”), between the Board and the Commission under which the Commission has agreed to pay annually to the Bond Registrar for the 2025B Bonds an amount (calculated based on the debt service on the 2025B Bonds resulting from the competitive sale thereof) estimated to be approximately 100% of the annual principal and interest requirements for the 2025B Bonds (the “Agreed Participation”), subject to the Commonwealth of Kentucky’s constitutional restrictions limiting the commitment to the biennial period. The obligations of the Commission are limited to the biennial fiscal period of the Commonwealth, in this case terminating June 30, 2026, and June 30 every two years thereafter, provided that if the Commission

elects not to continue to pay the Agreed Participation, it shall give notice to the Board and the original purchasers of the 2025B Bonds, at least sixty (60) days before the expiration of the biennial fiscal period then in effect. There is no assurance the Kentucky General Assembly will appropriate sufficient funds to enable the Commission to pay the Agreed Participation or that the Governor of the Commonwealth will not veto the appropriation from time to time. Amounts contributed by the Commission during the period the Participation Agreement is in effect are to be applied only to the principal and interest requirements of the 2025B Bonds.

As described above, each Participation Agreement between the District and the Commission shall be security only for the Series of Bonds for which the Participation Agreement was entered into unless otherwise provided therein.

### **Securities Depository; Ownership of Bonds**

The 2025B Bonds initially shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book-Entry Form by the Securities Depository for the account of the Agent Members thereof. Initially, the 2025B Bonds shall be registered in the name of Cede & Co., as the nominee of DTC, New York, New York. See “Appendix G - Book-Entry System” attached hereto, for further information on DTC and the book-entry system.

Except as provided below under this subheading, the 2025B Bonds may be transferred, in whole but not in part, only to the Securities Depository or the Securities Depository Nominee, or to a successor Securities Depository selected or approved by the District or to a nominee of such successor Securities Depository. The person in whose name any 2025B GO Bond shall be registered shall be the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on such 2025B GO Bond shall be made only to or on the order of the registered owner thereof or his legal representative. Neither the District nor the Bond Registrar shall have any responsibility or obligation with respect to [i] the accuracy of the records of the Securities Depository or any Agent Member with respect to any beneficial ownership interest in the 2025B Bonds, [ii] the delivery to any Agent Member, any beneficial owner of the 2025B Bonds or any other person, other than the Securities Depository, of any notice with respect to the 2025B Bonds, or [iii] the payment to any Agent Member, any beneficial owner of the 2025B Bonds or any other person, other than the Securities Depository, of any amount with respect to the principal, premium, if any, or interest on the 2025B Bonds.

So long as any 2025B Bonds are registered in Book-Entry Form, the District and the Bond Registrar may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such 2025B Bonds for all purposes whatsoever, including without limitation [i] payment of principal, premium, if any, and interest on 2025B Bonds, [ii] giving notices of redemption and other matters with respect to the 2025B Bonds, [iii] registering transfers with respect to the 2025B Bonds, [iv] selection of 2025B Bonds for redemption, and [v] for purposes of obtaining consents under the Bond Resolution. Notwithstanding the definition of the term “Bondholder” or “Holder” or “Holder of Bonds” in the Bond Resolution, as referencing registered holders of the 2025B Bonds, the Bond Registrar shall be entitled to rely on written instructions from a majority of the beneficial owners of the 2025B Bonds with reference to any consent required from the registered holders pursuant to the terms of the Bond Resolution.

If at any time the Securities Depository notifies the District that it is unwilling or unable to continue as Securities Depository with respect to the 2025B Bonds, or if at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Securities Depository is not appointed by the District within ninety (90) days after the District receives notice or becomes aware of such condition, as the case may be, then the above provisions in this subheading on the book-entry only system shall no longer be applicable and

the District shall execute and the Registrar shall authenticate and deliver certificates representing the 2025B Bonds to the Bondholders.

### **Registration and Transfer**

Interest on each Bond not registered in Book-Entry Form to a Securities Depository shall be payable by check mailed by the Bond Registrar to the Holder thereof as of the Record Date, at the address shown on the registration books kept by the Bond Registrar or at such other address as is furnished to the Bond Registrar in writing by such Holder. The principal of and premium, if any, on the 2025B Bonds not registered in Book-Entry Form to a Securities Depository shall be payable, without exchange or collection charges, in lawful money of the United States of America on their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption or acceleration, at the designated corporate trust office of the Bond Registrar. On request of a Holder of at least \$1,000,000 in aggregate principal amount of the 2025B Bonds, all payments of principal of, premium, if any, or interest on the 2025B Bonds shall be paid by wire transfer in immediately available funds to an account designated by such Holder.

Principal of, premium, if any, and interest on 2025B Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Bond Registrar to the Securities Depository or its nominee. So long as any 2025B Bonds remain Outstanding, the Bond Registrar shall keep and maintain at its designated corporate trust office complete registration records in respect of the 2025B Bonds and shall provide for the registration of transfer and exchange of the 2025B Bonds in accordance with the terms of the Bond Resolution, subject to such reasonable procedures and regulations as the Bond Registrar may prescribe.

Except as may be otherwise provided in the Bond Resolution for 2025B Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Bond shall be transferable or exchangeable only on the presentation and surrender thereof at the designated corporate trust office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Holder or his authorized representative.

Except as may be otherwise provided in the Bond Resolution for 2025B Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, 2025B Bonds shall be exchangeable for a Bond or Bonds of the same maturity and interest rate and in Authorized Denominations, within a single maturity in an aggregate principal amount or amounts equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Bond Registrar is authorized to authenticate, deliver and exchange 2025B Bonds in accordance herewith. Each Bond delivered in exchange for a surrendered Bond shall constitute an original contractual obligation of the District and shall be entitled to the benefits and security of the Bond Resolution to the same extent as the Bond exchanged shall be canceled by the Registrar and the Bond Registrar shall maintain a complete record of all exchanges, transfers and cancellations of 2025B Bonds and shall make a report thereof to the District on request.

Except as may be otherwise provided in the Bond Resolution for 2025B Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, no service charge or other transfer fee shall be charged in connection with any transfer or exchange of a Bond. However, the registered owner of any Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Bond.

The Bond Registrar shall not be required to transfer or exchange any Bond for the period beginning fifteen (15) days prior to the selection by the Bond Registrar of 2025B Bonds to be redeemed prior to maturity and ending on the date of mailing of notice of any such redemption.

On the receipt by the District and the Bond Registrar of evidence satisfactory to them of the loss, theft, destruction or mutilation of any Outstanding 2025B Bonds, and of indemnity satisfactory to them, and on surrender and cancellation of such 2025B Bonds if mutilated, the District may execute and the Bond Registrar may authenticate and deliver, on the lapse of such period of time as they may deem advisable, a new 2025B GO Bond of like series, tenor and maturity bearing the same or different serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated 2025B GO Bond. The District and the Bond Registrar may require the payment of costs for each such new 2025B GO Bond issued, and the furnishing of indemnity satisfactory to the District and the Bond Registrar. The Bond Registrar shall incur no liability for anything done by it under the foregoing procedures in the absence of its gross negligence or fault.

## **KENTUCKY DEPARTMENT OF EDUCATION SUPERVISION**

The laws of the Commonwealth of Kentucky, and the regulations of the KDE issued thereunder, generally require that a local school district submit to KDE for its prior approval the district's plans for the funding, financing, design, construction, renovation, and modification of school facilities. House Bill 678 of the 2022 Regular Session of the Kentucky General Assembly (2022 Ky. Acts, Ch. 185) temporarily eliminated this requirement of prior approval for local school districts which elect by resolution to proceed without such prior approval and which so notify the Department. Per HB 727, the temporary elimination of prior approval is extended until June 30, 2027. The District has adopted such a resolution and has so notified KDE.

Notwithstanding HB 678, as extended by HB 727, KDE's supervision of local school districts continues to apply to other areas of local school finance, including supervision of general operations such as the examination of business methods and accounts of a school district, requirements of prompt, detailed reports of receipts and expenditures and the annual approval of the district's operating budget. All local school boards which have entered into contracts for the issuance of bonds must maintain insurance protection in an amount equal to the full insurable value of the buildings financed by the bonds. KDE has advised the Issuer that Kentucky has a perfect record of no defaults in payment of its revenue bonds for school purposes. The Issuer believes that KDE's supervision and control is a major contribution to this record.

## **THE 2025B REFUNDING PROJECT**

### **The 2025B Refunding Project and Sources of Funds**

The 2025B Bonds are being issued to refund (within the meaning of KRS 66.011(20), KRS 66.161, and the Act) the Jefferson County School District Finance Corporation School Building Revenue Bonds, Series 2015A Bonds, which were originally issued by the Jefferson County School District Finance Corporation, an agency and instrumentality of the Board, to finance certain improvements to the District's school facilities (the "2025B Refunding Project").

The sources and uses of funds for the 2025B Refunding Project are as follows:

Sources of Funds

Principal Amount of 2025B Bonds	\$ _____
Original Issue Premium/Discount	_____
<b>TOTAL</b>	<b>\$ _____</b>

Uses of Funds

2015A Refunding	\$ _____
Underwriter’s Discount	_____
Costs of Issuance*	_____
<b>TOTAL</b>	<b>\$ _____</b>

\* Costs of issuance includes the fees of the Fiscal Agency Group, Bond Counsel, the Bond Registrar/Paying Agent, and the rating agency.

**DISTRICT FACILITIES PLAN**

The Board approved amendments to its District Facilities Plan on April 26, 2022, which were approved by KDE in May of 2022, providing for new construction and renovations throughout the District. The resources necessary to finance the plan are expected to come from several sources, including the Board’s available funds, bonds supported by the Commission, bonds supported by the Board’s revenues, and bonds supported by full faith, credit and taxing power of the District. Except as specifically described herein, there can be no assurance that the Board will not amend or revoke the plan or that the District or the Commission will issue or support bonds or other funding for the plan in its current form or as hereafter amended.

**REVENUE SOURCES WITHIN THE JEFFERSON COUNTY SCHOOL DISTRICT**

**Ad Valorem School Tax**

Pursuant to KRS 160.470 the Board levies an annual ad valorem tax per \$100 of the assessed valuation of general real property, motor vehicles, tangibles and distilled spirits located within the District. Proceeds of the tax may be used to fund the general operating expenses of the Board, including payment of debt service on General Obligation Debt. Pursuant to KRS 160.476, the annual rate of ad valorem tax levied by the District also includes a school building fund tax to be used for the acquisition, construction, and equipping of school buildings and the sites thereof and to pay debt service on debt incurred for such purposes. See “Appendix A - Operating, Financial and Tax Base Information of the District” for more information.

**Capital Outlay Allotment**

Kentucky law provides for an annual payment by the Commonwealth to the Board to pay for capital construction or acquisition. Since the 1990-91 school year, the capital outlay allotment has been calculated as \$100 times average daily attendance (see “STATE SUPPORT FOR EDUCATION” below). Funds from the capital outlay allotment are not directly pledged for debt service, but as a practical matter, and to the extent needed, may be applied to payment of debt service on General Obligation Debt.

## **Occupational License Fee**

The Board currently imposes, for general school purposes including operations, an annual occupational license fee of three-quarters of one percent (0.75%) on (i) salaries, wages, commissions and other compensation earned by persons residing within the District for work done and services performed in Jefferson County, Kentucky (the “County”); and (ii) the net profits of businesses, occupations and professions located in the District from activities conducted in the County. See “Appendix A - Operating, Financial and Tax Base Information of the District” for more information.

## **CERTAIN LIMITATIONS ON TAXATION**

KRS 160.470 generally restricts school districts from levying ad valorem property taxes that would generate revenues in excess of the previous year’s revenues. There are three principal exceptions: (1) KRS 160.470(9), (2) KRS 160.470(10), and (3) KRS 157.440(1).

Under KRS 160.470(9)(a), school districts are directed to levy a “minimum equivalent tax rate” of thirty cents (\$0.30) for general school purposes. The equivalent tax rate is defined as the rate which results when the income collected during the prior year from all taxes (including occupational fees and utilities license taxes) levied by the District for school purposes is divided by the total assessed value of property plus the assessment for motor vehicles certified by the Kentucky Department of Revenue. Failure to levy the minimum equivalent rate subjects the members of the Board of the District to removal.

KRS 160.470(10) provides that a school district may levy a general tax rate that will produce revenue from real property, exclusive of revenue from new property, that is four percent (4%) over the amount produced by the compensating tax rate defined at KRS 132.010(6).

The exception provided by KRS 157.440(1)(a) permits school districts to levy an equivalent tax rate as defined in KRS 160.470(9)(a) which will produce up to fifteen percent (15%) of those revenues guaranteed by the program to Support Education Excellence in Kentucky (“SEEK”). Levies permitted by this section of the statute are not subject to public hearing or recall provisions as set forth in KRS 160.470. Effective with the 1990-91 school year, the Commonwealth is directed to equalize the revenue generated by this levy at one hundred fifty percent (150%) of the statewide average per pupil equalized assessment. For the biennium ending June 30, 2026, this levy is set at \$1,211,000.

Section 170 of the Kentucky Constitution exempts from property taxes the first \$6,500 of residential property maintained as the permanent residence of taxpayers 65 years of age or older or who have been classified as totally disabled under a United States government or railroad retirement system program. The exemption applies to real property “held by legal or equitable title, by the entireties, jointly, in common, [or] as a condominium ...” maintained as the permanent residence of the owner. KRS Chapter 132 permits counties and school districts to adjust their local tax revenues through increases in taxes on non-exempt property by amounts equivalent to the revenues lost through application of this homestead exemption. By statute, the \$6,500 exemption “shall be construed to mean \$6,500 in terms of the purchasing power of the dollar in 1972. Every two (2) years thereafter, if the cost of living index of the United States department of labor has changed as much as one percent (1%), the maximum exemption shall be adjusted accordingly.” See “Appendix A - Operating, Financial and Tax Base Information of the District” for the current total homestead exemption amount in the District and the current individual exemption.

## **STATE SUPPORT FOR EDUCATION**

Kentucky funds its system of public schools through the Support Education Excellence in Kentucky (“SEEK”) funding formula which is a shared state and local funding mechanism that guarantees a certain minimum amount of per pupil funding for each school district and provides incentives for school

districts to raise funds above that minimum amount through additional local taxation. The SEEK program is a “tiered” system of three related components: the adjusted base guarantee, Tier I, and Tier II.

### **Adjusted Base Guaranteed Funding Level**

KRS 157.360 guarantees a base funding level, which is a guaranteed amount of revenue per pupil to be provided to each school district and used for regular operating and capital expenditures. KRS 157.320(2). The base funding guaranteed to each school district is determined in each fiscal year by dividing the total annual state SEEK appropriation by the state-wide total of pupils in average daily attendance (“ADA”) in the preceding fiscal year. KRS 157.360. Each school district is guaranteed to receive an amount equal to the base funding level for each ADA pupil in the District in the previous year, adjusted by certain factors such as the number of at-risk and/or exceptional students located in the District, transportation costs, etc. KRS 157.360(2) and 157.370; 702 Kentucky Administrative Regulations (“KAR”) 3:270, Section 2(4). The statewide base guarantee, with these additions and adjustments, is the school district's adjusted base guarantee. 702 KAR 3:270 (SEEK funding formula), Section 2(4)(a).

While the state guarantees that each district will receive this minimum level of funding, the state does not provide all of the funds. Each district is required to provide a level of funding from local taxes (ad valorem property taxes and the permissive school taxes - occupational license fees, utility gross receipts license taxes, and/or excise taxes), the "required local effort," that is based upon the total assessed value of property plus the assessment for motor vehicles within the District. KRS 157.360(17), 157.390(5), and 157.615(6).

*Required Local Effort to Fund Adjusted Base Guarantee.* KRS 160.470(9) requires that each school district levy a “minimum equivalent tax rate” of \$0.30 per \$100 of assessed property value for general school purposes. The equivalent tax rate is defined as the rate which results when the income collected during the prior year from all taxes (including ad valorem property taxes and the permissive school taxes) levied by the District for school purposes is divided by the total assessed value of property plus the assessment for motor vehicles certified by the Kentucky Department of Revenue. KRS 160.470(9) and 702 KAR 3:270, Section 1(8). Each school district determines the amount of revenue that would be generated by the levy of a \$0.30 ad valorem tax rate. Once that amount is calculated, each school district must levy a \$0.30 ad valorem tax rate (or its equivalent) by raising that amount through ad valorem taxes on property and through the permissive school taxes. Each school district's portion of the adjusted base guaranteed funding level it will receive from the state, therefore, is reduced by the amount of all local taxes collected by the District that is equal to 0.30% of the total value of assessed property in the District. Revenue collected by a district above this required local effort is dealt with in the next tier of the SEEK formula. In levying the \$0.30 minimum equivalent tax rate, any annual increase in ad valorem taxes on real property beyond the 4% annual limitation imposed by KRS 160.470(8) is not subject to the recall provisions of that Section.

*State Funding of the Adjusted Base Guarantee.* KRS 157.330 establishes the state SEEK fund, which is funded from biennial appropriations from the Kentucky General Assembly for distribution to school districts. The state is required to provide from this fund that portion of each district's adjusted base guarantee not funded by the required local effort. Each school district receives from the state SEEK fund the District's adjusted base guarantee less the amount of the local tax revenues generated for school purposes by the \$0.30 minimum equivalent tax rate. KRS 160.470; 702 KAR 3:270, Section 2(4)(b). In addition to the required local effort and the state portion of the adjusted base guarantee, each district has the option of generating additional revenues through additional local effort.

### **Tier I Funding Level**

KRS 157.440(1)(a) provides that each school district may levy an equivalent tax rate which will produce not only the required local effort but also up to an additional 15% of those revenues guaranteed

by the SEEK program (known as “Tier I” funding). 702 KAR 3:270, Section 2(5). In levying this rate, any increase in ad valorem taxes on real property beyond the 4% annual limitation imposed by KRS 160.470(8) is not subject to the recall provisions of KRS 160.470(8). Each school district participating in Tier I funding is eligible for state equalization funds if its assessed property value per pupil is less than 150% of the statewide average per pupil assessment. This ensures that districts which make a similar effort receive the same amount of Tier I revenue per student, regardless of the District's property wealth.

### **Tier II Funding Level**

KRS 157.440(2)(a) permits school districts to levy up to an additional 30% of those revenues guaranteed by the SEEK program plus the revenue produced by the 15% levy comprising the Tier I funding (known as “Tier II” funding). Districts are allowed to raise additional revenue up to 30% of the total adjusted base guarantee plus Tier I and, if levied, the FSPK Nickel (see below). KRS 157.440(2)(a). Revenues raised through local taxation (ad valorem property taxes and occupational license fees, utility gross receipts license taxes or excise taxes) in excess of those counted against a district's required local effort and Tier I efforts are deemed Tier II funds. There is no state funds equalization involved in Tier II funding. A school district seeking to levy taxes at a Tier II funding level cannot, without prior voter approval, levy a general property tax rate that exceeds the maximum rate that could have been levied on all property in the prior year. KRS 157.440(2)(a) and KRS 160.470(1). To ensure equity of opportunity in Kentucky schools, no school district may provide funding in excess of Tier II funding. However, no district is compelled to levy an equivalent tax rate lower than the rate levied in the 1989-1990 school year. KRS 157.440(1)(e).

### **State and Local Funding for Capital Outlay and Facilities Construction**

The Facilities Support Program of Kentucky (“FSPK”, also known as the Building Fund, School Facilities Construction Commission Funds, and SEEK Capital Outlay) provides state funding to meet the facility needs of school districts as shown on each district's facility plan. KRS 157.611(1).

*SEEK Capital Outlay.* KRS 157.390(3) and 157.420(4) establish a formula which results in an allocation of the biennial state SEEK funds for capital expenditures in school districts at \$100 per ADA pupil which is included in the SEEK allotment for the current biennium (\$4,326 for FY 2025 and \$4,586 for FY 2026). The SEEK capital outlay is required to be segregated into a Capital Outlay Allotment Fund which may only be used for: (1) direct payment of construction costs; (2) debt service on voted and funding bonds; (3) lease rental payments in support of bond issues; (4) reduction of deficits resulting from over expenditures for emergency capital construction; and (5) a reserve for each of the categories enumerated in 1 through 4 above. These capital outlay funds are part of the state funded portion of the adjusted base guarantee.

*FSPK Nickel.* School districts must levy a minimum equivalent tax rate of \$0.05 per \$100 of property assessment to participate in the FSPK program (known as the “FSPK Nickel”). KRS 157.440(1)(b) and 157.620(1). If the funds from the FSPK Nickel levy are committed to debt service, the FSPK provides equalized funding for school systems at 150% of the statewide average per pupil assessment. This FSPK Nickel is in addition to the \$0.30 minimum local effort required for SEEK. KRS 157.440(1)(b). In levying this rate, any increase in ad valorem taxes on real property beyond the 4% annual limitation imposed by KRS 160.470(8) is not subject to the recall provisions of that Section. KRS 157.440(1)(d).

### **Kentucky School Facilities Construction Commission**

The Commission is an independent agency and instrumentality of the Commonwealth established pursuant to KRS 157.611 through 157.640 for the purpose of assisting local school districts in funding the cost of school construction and major renovation projects, in accordance with their school facilities plans approved by KDE, in excess of available local resources. The Commission assists a local

school district by (i) issuing school building revenue bonds to finance a capital construction project of the District, or (ii) participating in the District's bond issue by allocating specified annual amounts, subject to biennial appropriation of such amounts by the Kentucky General Assembly, toward the debt service on the bonds. Notwithstanding any such participation of the Commission in a local school building bond issue, the local school district is responsible for making all debt service payments due under such General Obligation Debt if such annual amounts are not appropriated by the General Assembly and paid by the Commission.

It is anticipated that the Commission will participate in the payment of an amount that approximates 100% of the annual debt service requirements on the 2025B Bonds. See "THE BONDS – Kentucky House Bill 727" for more information and "Appendix C – Bonded Indebtedness Outstanding of the District and Debt Service Requirements for the 2025B Bonds" for the outstanding bond issues of the Corporation in which the Commission has participated and the estimated annual Commission participation amounts.

### **LITIGATION**

In the opinion of the Board's General Counsel, as of the date of the issuance of the 2025B Bonds, there is no litigation of any nature pending or, to such counsel's knowledge, threatened, which in the opinion of such counsel presents greater than a remote risk of being decided adversely to the Board, and which, if decided adversely to the Board, would restrain or enjoin the issuance or delivery of the 2025B Bonds, question the authority of the Board to enter into the Participation Agreement, materially affect the financial condition of the Board as set forth in this Official Statement or materially and adversely affect the 2025B Bonds, the security for the 2025B Bonds, or the Board's ability to make all debt service payments as the same shall become due and payable.

### **TAX TREATMENT**

In the opinion of Wyatt, Tarrant & Combs, LLP, Bond Counsel, under existing law and as of the date of issuance thereof, (i) interest on the 2025B Bonds is excluded from gross income for federal income tax purposes and (ii) under the Constitution and laws of the Commonwealth of Kentucky, the 2025B Bonds are exempt from ad valorem taxation, and the interest thereon is exempt from income taxation, by the Commonwealth and all of its political subdivisions and taxing authorities.

For the purpose of rendering the opinions described above, Bond Counsel will assume compliance by the District with the requirements of the Internal Revenue Code that must be met subsequent to the issuance of the 2025B Bonds in order that interest thereon be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the 2025B Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2025B Bonds. The District has covenanted to comply with such requirements in a Tax Compliance Certificate executed by the District upon the issuance of the 2025B Bonds.

Other than as stated above, Bond Counsel expresses no opinion as to any federal, state, or local income tax consequences arising from the ownership or disposition of, or the accrual or receipt of interest on, the 2025B Bonds. Purchasers of 2025B Bonds should consult their own tax advisors regarding such tax consequences as are applicable to their individual circumstances.

The Series 2025B Bonds have not been designated by the District as "qualified tax-exempt obligations" (commonly known as "bank qualified" bonds) under Section 265(b)(3) of the Code.

The exclusion from gross income for federal income tax purposes of the interest on the 2025B Bonds may have certain adverse consequences in other respects for certain taxpayers, including but not limited to financial institutions, insurance companies, C corporations, S corporations, foreign

corporations, recipients of Social Security and Railroad Retirement benefits, taxpayers that are deemed to incur or continue indebtedness to acquire tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of such other tax consequences will depend upon the particular tax status and other items of income and expense of the owners of the 2025B Bonds. Bond Counsel expresses no opinion regarding such other tax consequences.

### **FISCAL AGENCY GROUP**

This Official Statement was prepared and distributed by, Robert W. Baird & Co. Incorporated and RSA Advisors, LLC (collectively, the “Fiscal Agency Group”). The information set forth herein was obtained from the Board, the District, and other sources believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Fiscal Agency Group.

### **UNDERWRITING**

The 2025B Bonds were purchased at a competitive sale held on October 23, 2025, for underwriting to the public by \_\_\_\_\_ at a purchase price of \$\_\_\_\_\_ (equal to the \$\_\_\_\_\_ aggregate principal amount of the 2025B Bonds, plus or minus original issue premium or discount of \$\_\_\_\_\_, less underwriter’s discount of \$\_\_\_\_\_).

The initial public offering prices set forth on the inside cover page of this Official Statement may be changed by the Underwriter and the Underwriter may offer and sell the 2025B Bonds to certain dealers (including dealers depositing 2025B Bonds into investment trusts) and others at prices lower than the offering prices set forth on the inside cover page.

### **RATING**

Moody's Investors Service, Inc. (“Moody's”) has assigned the ratings of the 2025B Bonds set forth on the cover page hereof. Certain information may have been submitted to the rating agency which is not included in this Official Statement. The rating reflects only the views of the rating agency. Any explanation of the significance of the rating should be obtained from the rating agency. There is no assurance that the rating might not be lowered or withdrawn entirely by the rating agency. Any such downward change in or withdrawal of the rating might have an adverse effect on the market price of the 2025B Bonds.

### **APPROVAL OF LEGALITY**

Certain legal matters incident to the authorization, issuance and sale of the 2025B Bonds are subject to the approval of Wyatt, Tarrant & Combs, LLP, Louisville, Kentucky, as Bond Counsel to the District. The form of opinion of Bond Counsel to be delivered in connection with the issuance of the 2025B Bonds is contained in Appendix F hereto.

Bond Counsel has reviewed the information contained in this Official Statement under the headings of “THE BONDS” and “TAX TREATMENT”, and the summaries of documents contained in Appendix E hereto, and is of the opinion that such information is an accurate summary of the instruments and information described therein.

Bond Counsel has not otherwise participated in the preparation of this Official Statement and has not verified the accuracy or completeness of the information in the Official Statement except to the extent described above. Without limiting the generality of the foregoing, Bond Counsel has not undertaken

to review the accuracy or completeness of the financial, or statistical information contained in this Official Statement or its appendices.

The information contained under the heading “LITIGATION” in this Official Statement has been reviewed and approved by Kevin Brown, Esq., as General Counsel to the Board and the District.

### **UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE**

In a Continuing Disclosure Certificate to be delivered to the underwriters of the 2025B Bonds as of the date of original issuance of the 2025B Bonds (the “Continuing Disclosure Certificate”), the Board undertakes for the benefit of Bondholders to provide or to cause to be provided, in a timely manner not in excess of 10 business days after the occurrence of such event, to the Electronic Municipal Market Access system (“EMMA”) at <http://www.emma.msrb.org>:

- [i] certain financial information and operating data relating to the District; and
- [ii] notices of the occurrence of certain events.

This undertaking is being made by the Board in order to assist the underwriters of the 2025B Bonds, in complying with the requirements of subsection (5) of section (b) of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission (the “SEC”).

The Continuing Disclosure Certificate, including the specific nature of the information to be contained in an annual report or a notice of an event, certain limitations on the Board’s undertaking, and provisions permitting the amendment and termination of the Continuing Disclosure Certificate, is summarized below in this Official Statement, at “Appendix E - “Summary of Certain Provisions of the Bond Resolution; Continuing Disclosure Certificate; Definitions.”

Among other things, the Continuing Disclosure Certificate provides that the Board may terminate its obligations if the District ceases to be an “obligated person” with respect to the 2025B Bonds (within the meaning of the Rule). The Continuing Disclosure Certificate provides that any right to enforce it shall be limited to obtaining specific enforcement of the Board’s obligations thereunder, and that failure by the Board to comply with the Continuing Disclosure Certificate shall not be an event of default under the 2025B Bonds or the Bond Resolution.

The Board from time to time may elect (but is not contractually bound) to provide other periodic reports or financial information, or notice of the occurrence of other events, in addition to those described in the Continuing Disclosure Certificate.

The Board has not during the past five years failed to comply, in any material respect, with any previous undertaking in a written contract or agreement specified in the Rule.

### **APPROVAL OF OFFICIAL STATEMENT**

The District has approved and caused this Official Statement to be executed and delivered by its Superintendent. This Official Statement is deemed “final” by the District as of the date hereof for purposes of SEC Rule 15c2-12(b)(1), except for information permitted by the rule to be excluded. The District will deliver a certificate simultaneously with the issuance of the 2025B Bonds to the effect that as of the date of issuance of the 2025B Bonds, and after due inquiry of responsible officers and employees of the District, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

The financial information supplied by the District and reported herein is represented by the Board to be correct. Only accounts required by Federal and State laws, rules and regulations to be audited annually by independent certified public accountants have been so audited and the financial information extracted from their annual audits and presented herein is incomplete to the degree that accounts not required to be so audited have not been included in the annual audits conducted by the District's independent certified public accountants. A copy of the most recent audit is contained in Appendix D.

The financial and related data regarding capital outlay allotments, assessments, tax rates and school tax collections, classroom attendance and receipts and expenditures contained in this Official Statement have been extracted from official records of the District.

The distribution of this Official Statement has been authorized by the Board.

JEFFERSON COUNTY SCHOOL DISTRICT,  
KENTUCKY

By: \_\_\_\_\_  
Dr. Brian Yearwood, Superintendent

**APPENDIX A**

**OPERATING, FINANCIAL AND TAX BASE INFORMATION OF THE DISTRICT**

## Operating Information

The District serves the public education needs of Jefferson County, Kentucky. Enrollment and average daily attendance for the District for the past five years are as follows:

<u>Year</u>	<u>Enrollment</u>	<u>Average Daily Attendance</u>
2024-25	97,462	86,204
2023-24 <sup>(1)</sup>	98,507	84,441
2022-23 <sup>(1)</sup>	97,912	83,587
2021-22 <sup>(1)(2)</sup>	98,506	87,753
2020-21 <sup>(1)(2)</sup>	98,506	87,753

Source: Jefferson County School District

- 1 For FY2021-FY2024, the legislature will be funding districts for full-day kindergarten instead of half-day.
- 2 According to guidance from the KDE, due to COVID-19 remote learning, official enrollment and ADA numbers were not calculated for FY2019-FY2022.

## Financial Data

The District maintains its books and records on the modified accrual method of accounting. This practice is the accounting method prescribed by the Kentucky Department of Education for local school districts. Adjustments have been made for financial statement presentations. These adjustments are described in the audited financial statements for the fiscal year ended June 30, 2024 (a copy of which is included as Appendix D).

The following tables summarize the activity of the major funds used by the District in managing its business affairs:

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## General Fund

	2023-24	2022-23	2021-22	2020-21	2019-20
Property Taxes	\$ 609,946,373	\$ 580,019,236	\$ 551,420,941	\$ 489,814,154	\$ 462,895,650
Occupational Taxes	212,522,322	206,342,623	206,474,525	176,787,809	156,348,315
Other Taxes	83,153,334	74,667,834	106,915,232	63,516,855	54,014,453
State SEEK Program	195,042,913	224,984,448	224,312,952	210,091,160	225,684,013
Other State Revenues	344,848,185	414,714,711	325,859,372	324,258,402	322,477,942
Interest	28,211,600	20,147,815	795,630	270,209	4,395,350
Other Sources	9,491,275	12,800,801	5,088,368	5,295,322	11,619,650
<b>Total Revenues</b>	<b>\$ 1,483,216,002</b>	<b>\$ 1,533,677,468</b>	<b>\$ 1,420,867,020</b>	<b>\$ 1,270,033,911</b>	<b>\$ 1,237,435,373</b>
Instruction	812,252,566	772,115,458	697,834,598	698,496,069	701,638,031
Support Services	451,247,455	445,452,884	370,730,117	352,346,216	362,142,927
Plant Operations & Maintenance	167,667,872	148,854,140	119,368,564	95,760,707	115,049,730
Transportation	105,738,443	79,123,449	72,866,769	64,492,953	84,502,094
Other Expenditures	8,407,505	5,333,206	3,892,019	3,962,598	4,620,337
<b>Total Expenditures</b>	<b>\$ 1,545,313,841</b>	<b>\$ 1,450,879,137</b>	<b>\$ 1,264,692,067</b>	<b>\$ 1,215,058,543</b>	<b>\$ 1,267,953,119</b>
Transfers to Other Funds	(10,883,385)	(108,131)	(31,237,901)	(5,683,885)	6,625,440
<b>Net Change in Fund Balance</b>	<b>\$ (51,214,454)</b>	<b>\$ 82,906,462</b>	<b>\$ 187,412,854</b>	<b>\$ 60,659,253</b>	<b>\$ (37,143,186)</b>
Beginning Fund Balance	\$ 425,626,112	\$ 342,719,650	\$ 155,306,796	\$ 94,647,543	\$ 131,790,729
<b>Ending Fund Balance</b>	<b>\$ 374,411,658</b>	<b>\$ 425,626,112</b>	<b>\$ 342,719,650</b>	<b>\$ 155,306,796</b>	<b>\$ 94,647,543</b>

**Capital Outlay**

	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
Capital Outlay Allotment	<u>\$ 8,431,845</u>	<u>\$ 8,775,318</u>	<u>\$ 8,775,318</u>	<u>\$ 8,432,343</u>	<u>\$ 8,432,343</u>
Total Revenues	\$ 8,431,845	\$ 8,775,318	\$ 8,775,318	\$ 8,432,343	\$ 8,432,343
Transfers for Debt Service	<u>8,431,845</u>	<u>8,775,318</u>	<u>8,775,318</u>	<u>8,432,343</u>	<u>8,432,343</u>
Ending Fund Balance	<u>\$ -</u>				

## Building Fund

	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
Property Tax Revenues	\$ 50,523,205	\$ 47,443,915	\$ 42,887,717	\$ 40,433,958	\$ 39,708,760
Other Sources	-	100,464	101,893	101,917	101,966
<b>Total Revenues</b>	<b>\$ 50,523,205</b>	<b>\$ 47,544,379</b>	<b>\$ 42,989,610</b>	<b>\$ 40,535,875</b>	<b>\$ 39,810,726</b>
Transfers for Debt Service	40,670,099	53,581,879	37,103,692	47,139,567	37,231,568
Net Change in Fund Balance	\$ 9,853,106	\$ (6,037,500)	\$ 5,885,918	\$ (6,603,692)	\$ 2,579,158
Beginning Fund Balance	\$ 4,299	\$ 6,041,799	\$ 155,881	\$ 6,759,573	\$ 4,180,415
Ending Fund Balance	<u>\$ 9,857,405</u>	<u>\$ 4,299</u>	<u>\$ 6,041,799</u>	<u>\$ 155,881</u>	<u>\$ 6,759,573</u>

## Tax Base Information

The taxing power of the Board, the Commission and the Commonwealth are not pledged to the payment of Notes, and the issuance of the Notes shall not directly, indirectly, or contingently obligate the Board, the Commission or the Commonwealth to levy or to pledge any taxes whatsoever.

## Property Subject to Taxation

The following table summarizes the assessed valuation of real property, tangible property, motor vehicles and distilled spirits within the area served by the District which is subject to taxation by the Board of Education.

### Assessment of Property Subject to School Taxes<sup>(1)</sup> (amounts are in dollars)

<u>Fiscal Year</u>	<u>Real Estate</u>	<u>Tangible Personal</u>	<u>Franchise</u>
2024-25	\$90,434,801,564	\$7,497,249,308	\$4,239,353,458
2023-24	83,113,100,488	6,226,529,696	3,796,855,976
2022-23	78,479,612,653	6,086,224,037	3,485,307,658
2021-22	71,098,214,497	5,458,828,137	3,172,778,255
2020-21	66,800,455,676	5,118,571,261	2,892,140,795

<u>Fiscal Year</u>	<u>Motor Vehicle</u>	<u>Distilled Spirits</u>	<u>Total Assessed Value</u>
2024-25	\$7,303,773,213	\$344,312,038	\$109,819,489,581
2023-24	7,586,718,275	323,203,025	97,249,551,484
2022-23	6,583,773,575	252,912,572	94,887,830,495
2021-22	5,789,431,042	256,182,196	85,775,434,127
2020-21	5,797,471,887	259,276,546	80,867,916,165

Source: Jefferson County School District

- (1) Represents amounts net of the Homestead Exemption. See "CERTAIN LIMITATIONS ON TAXATION AND OTHER TAX MATTERS" for more detail. See "Amount of Homestead Exemption" within this section for amount of the District homestead exemption and for the current amount of the individual exemption.

**History of Assessment Rates**

The following presents the assessment rates for the last five fiscal years for property subject to taxation by the Board.

**Tax Rates  
(cents per \$100 Assessed Valuation)**

General Purpose School Tax

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Real Estate	67.9¢	70.4¢	71.0¢	73.7¢	74.9¢
Tangible	67.9	70.4	71.0	73.7	74.9
Motor Vehicle	53.5	53.5	53.5	53.5	53.5
Public Service - Real	67.9	70.4	71.0	73.7	74.9
Public Service - Tangible	67.9	70.4	71.0	73.7	74.9
Distilled Spirits	67.9	70.4	71.0	73.7	74.9
Occupational License Fee	¾%	¾%	¾%	¾%	¾%

Building Fund Tax

	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>
Real Estate	5.6¢	5.6¢	5.3¢	5.9¢	5.7¢
Tangible	5.6	5.6	5.3	5.9	5.7
Motor Vehicle	5.0	5.0	5.0	5.0	5.0
Public Service – Real	5.6	5.6	5.3	5.9	5.7
Public Service – Tangible	5.6	5.6	5.3	5.9	5.7
Distilled Spirits	5.6	5.6	5.3	5.9	5.7

**Amount of Homestead Exemption**

In fiscal year 2024-25 approximately \$233,037,290 of property was exempted from property taxes in the District. The local general property tax rate on non-exempt property has been adjusted to recover tax revenues equivalent to the revenues lost through application of the homestead exemption.

The Kentucky Department of Revenue has set the maximum homestead exemption on real estate owned by qualified individuals at \$49,100 for the 2024 and 2025 tax periods. By statute, the amount of the homestead exemption is recalculated every two years to adjust for inflation. The 2025-2026 exemption reflects a \$2,750 increase over the 2023–2024 exemption of \$46,350. To qualify for the homestead exemption, a person must be at least 65 years old during the tax period or have been classified as totally disabled by any public or private retirement system. The property must also be owned, occupied and maintained by the taxpayer as a personal residence on the January 1 assessment date. The amount of the homestead exemption is deducted from the assessed value of the property subject to taxation.

**School Tax Collections**

The following represents Property Taxes levied and collected in the District for the last five years.

<u>Fiscal Year</u>	<u>Amount Levied</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
2024	\$712,923,155	\$678,873,032	95.2%
2023	679,298,315	645,609,875	95.0%
2022	643,990,091	611,504,542	95.0%
2021	571,206,069	544,761,795	95.4%
2020	543,290,378	515,985,211	95.0%

---

Source: Jefferson County Sheriff's Office, Audits and Jefferson County Board of Education.

**Largest Taxpayers**

The following represents the largest taxpayers for the District's fiscal year 2024-25.

<u>Company</u>	<u>School Tax Paid</u>
Louisville Gas & Electric	\$18,668,273
WW Grainger Inc #009	4,065,308
Bellsouth Telecommunications	2,169,915
BT Property LLC	2,250,863
Schneider Ground Co LLC	2,029,706
Middletown Owner LP	2,005,080
Humana Inc.	1,958,192
WMB 2 LLC	1,573,489
Brown Forman Corp.	1,504,021
Spectrum Mid America LLC	1,498,893
Total	<u>\$37,723,740</u>

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Source: Jefferson County Sheriff's Office

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**APPENDIX B**

**GENERAL INFORMATION FOR LOUISVILLE/JEFFERSON COUNTY METRO  
GOVERNMENT**

## LOUISVILLE/JEFFERSON COUNTY, KENTUCKY

The combined area of the former City of Louisville and Jefferson County (“Louisville Metro”) is located in the north-central portion of Kentucky on the south bank of the Ohio River. It is located in the geographic center of the Ohio River Valley region at a focal point where railroads, highways and the Ohio River converge, offering excellent accessibility to all major markets and is close to the population center of the United States. Louisville Metro, the largest city in the state, is a commercial, industrial, medical, educational, cultural and financial center for the greater metropolitan area. *Places Rated Almanac* has consistently ranked Louisville among the ten most livable American Cities. The 2024 census estimate of population for Jefferson County was 772,144 people. Louisville Metro covers a land area of approximately 385 square miles.

The total number of Jefferson County residents employed in 2024 was an estimated 376,516. According to the U.S. Census Bureau’s American Community Survey, employment in Louisville/Jefferson County was estimated as follows: manufacturing firms in the county reported 46,889 employees; transportation, warehousing and utilities provide 37,420 jobs; 92,929 people were employed in education services, healthcare and social assistance; financial, real estate, rental and leasing positions accounted for 31,353 employees; 42,439 accounted for jobs in retail trade; and 42,091 people were employed in professional, scientific, management, administrative and waste management services. (Source: <https://data.census.gov/table/ACSDP1Y2022.DP03?q=DP03&g=050XX00US21111>)

### Louisville Metro Major Employers

Company	Employment
United Parcel Service Inc.	24,000
Norton Healthcare Inc.	16,785
UofL Health Inc.	14,654
Jefferson County Public Schools	13,775
Ford Motor Co.	12,531
Baptist Healthcare System Inc.	11,085
Humana Inc.	10,000
GE Appliances	8,400
University of Louisville	7,302
Walmart Inc.	7,000
Source: <i>Louisville Business First</i> (July 2024)	

**Louisville/Jefferson County KY-IN Economic Statistics  
2021-2025**

<u>Year</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate</u>
2025	672,791	32,745	4.6%
2024	630,608	28,927	4.4%
2023	640,826	25,696	3.9%
2022	644,052	30,958	4.6%
2021	626,615	30,293	4.6%

Data from US Bureau of Labor Statistics ([https://www.bls.gov/eag/eag.ky\\_louisville\\_msa.htm](https://www.bls.gov/eag/eag.ky_louisville_msa.htm)).  
Data is for March of each respective year.

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**APPENDIX C**

**OUTSTANDING BONDED INDEBTEDNESS OF THE DISTRICT  
AND DEBT SERVICE REQUIREMENTS OF THE SERIES 2025B BONDS**

<b>\$9,390,000</b>				
<b>Jefferson County School District, Kentucky</b>				
<b>General Obligation Refunding Bonds, Series 2025B</b>				
Estimated Debt Service Requirements on Series 2025B GO Bonds				
Date	<b>Commission</b>			Net Fiscal Total
	Principal	Interest	Total P+I	
4/1/2026	\$825,000	\$179,975	\$1,004,975	\$1,004,975
10/1/2026		214,125	214,125	
4/1/2026	775,000	214,125	989,125	1,203,250
10/1/2027		194,750	194,750	
4/1/2027	815,000	194,750	1,009,750	1,204,500
10/1/2028		174,375	174,375	
4/1/2028	860,000	174,375	1,034,375	1,208,750
10/1/2029		152,875	152,875	
4/1/2029	895,000	152,875	1,047,875	1,200,750
10/1/2030		130,500	130,500	
4/1/2030	945,000	130,500	1,075,500	1,206,000
10/1/2031		106,875	106,875	
4/1/2031	990,000	106,875	1,096,875	1,203,750
10/1/2032		82,125	82,125	
4/1/2032	1,040,000	82,125	1,122,125	1,204,250
10/1/2033		56,125	56,125	
4/1/2033	1,095,000	56,125	1,151,125	1,207,250
10/1/2034		28,750	28,750	
4/1/2034	1,150,000	28,750	1,178,750	1,207,500
<b>Total</b>	<b>\$9,390,000</b>	<b>\$2,460,975.00</b>	<b>\$11,850,975.00</b>	<b>\$11,850,975.00</b>

*\* Subject to adjustment as described in the Official Terms and Conditions of Bond Sale.*

**Jefferson County School District, Kentucky  
General Obligation Refunding Bonds  
Series 2025B**

ANNUAL DISTRICT DEBT SERVICE REQUIREMENTS

Fiscal Year Ended June	Existing Debt Service
2025	\$50,221,036
2026	56,063,700
2027	56,064,866
2028	56,065,177
2029	56,063,916
2030	56,064,882
2031	56,064,624
2032	56,066,955
2033	49,965,183
2034	49,963,491
2035	43,240,668
2036	43,239,761
2037	43,240,592
2038	35,041,214
2039	27,084,926
2040	27,085,252
2041	20,472,777
2042	20,470,398
2043	20,476,499
2044	20,470,166
2045	20,475,466
Total	\$863,901,549

**Jefferson County (Kentucky) School District**  
**Bond Indebtedness Outstanding of the District Estimated as of November 1, 2025**

<b><i>DATED</i></b>	<b><i>NUMBER</i></b>	<b><i>ORIGINAL AMOUNT OF ISSUE</i></b>	<b><i>BONDS RETIRED AS OF 11/01/25</i></b>	<b><i>BONDS DEFEASED<sup>(1)</sup> AS OF 11/01/25</i></b>	<b><i>NET BONDS OUTSTANDING AS OF 11/01/25</i></b>
11/01/2010	2010C <sup>(2)</sup>	\$ 27,483,000	\$ -	\$ 23,416,114	\$ 4,066,886
06/07/2011	2011A <sup>(2)</sup>	30,352,000	-	30,322,643	29,357
03/15/2012	2012A	13,850,000	8,155,000	-	5,695,000
10/18/2012	2012D	27,235,000	9,225,000	-	18,010,000
01/30/2013	2013B	35,550,000	30,645,000	-	4,905,000
04/02/2015	2015A	16,465,000	6,345,000	-	10,120,000
04/02/2015	2015B	36,285,000	27,240,000	-	9,045,000
12/30/2015	2015C	15,160,000	4,105,000	-	11,055,000
07/06/2016	2016A	39,855,000	14,045,000	510,000	25,300,000
09/07/2016	2016B	7,120,000	5,290,000	-	1,830,000
06/12/2017	2017A	31,270,000	12,195,000	-	19,075,000
10/18/2018	2018A	29,625,000	6,675,000	-	22,950,000
06/19/2019	2019A	54,860,000	13,140,000	-	41,720,000
06/10/2020	2020A	57,795,000	3,255,000	-	54,540,000
02/03/2021	2021A	36,350,000	4,315,000	-	32,035,000
10/26/2021	2021B	86,445,000	3,785,000	-	82,660,000
07/28/2022	2022A	74,475,000	30,105,000	-	44,370,000
06/01/2023	2023A	57,925,000	3,460,000	-	54,465,000
04/04/2024	2024A	56,245,000	2,560,000	-	53,685,000
10/15/2024	GO 2024A	139,190,000	655,000	-	138,535,000
06/25/2025	GO 2025A	39,935,000	-	-	39,935,000
<b><i>TOTAL</i></b>		<b><u>\$ 913,470,000</u></b>	<b><u>\$ 185,195,000</u></b>	<b><u>\$ 54,248,757</u></b>	<b><u>\$ 674,026,243</u></b>
<b>LESS PAYABLE FROM OTHER SOURCES (COMMISSION)</b>		<b><u>130,943,517</u></b>	<b><u>44,076,566</u></b>	<b><u>-</u></b>	<b><u>86,866,951</u></b>
<b>NET PRINCIPAL PAYABLE BY BOARD FOR LEASE PAYMENTS</b>		<b><u>\$ 782,526,483</u></b>	<b><u>\$ 141,118,434</u></b>	<b><u>\$ 54,248,757</u></b>	<b><u>\$ 587,159,292</u></b>

Source: Jefferson County School District, the Kentucky School Facilities Construction Commission and the Fiscal Agent

- Notes**
- (1) Bonds that have been economically defeased through the establishment of an escrow of government securities, the receipts of which are sufficient to retire the principal, premium, if any, and the interest thereon, on the amounts listed above until their respective maturity dates. Such Bonds have generally not been legally defeased under the formal terms of the bond documents
  - (2) Economically defeased by annual deposits into invested sinking fund

**APPENDIX D**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR  
ENDED JUNE 30, 2024**

Dean Dorton Allen Ford, PLLC, independent public accountants and auditor to the Board and the District, has not been engaged to perform, and has not performed, since the date of the Comprehensive Annual Financial Report included herein, any procedures on the financial statements addressed in that report. Dean Dorton Allen Ford, PLLC, also has not performed any procedures relating to this Official Statement.

FOR THE YEAR ENDED JUNE 30, 2024



BOARD OF EDUCATION OF JEFFERSON COUNTY, KENTUCKY  
**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**





**JEFFERSON COUNTY PUBLIC SCHOOLS**  
 Board of Education of Jefferson County, Kentucky  
 For the Fiscal Year Ended June 30, 2024

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# INTRODUCTORY SECTION

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## Letter of Transmittal

November 15, 2024

**The Board of Education of Jefferson County, Kentucky and the Citizens of Jefferson County, Kentucky:**

**Jefferson County Public School District  
Louisville, Kentucky**

We hereby submit the Annual Comprehensive Financial Report ("ACFR") for Jefferson County Public Schools (the "District" or "JCPS"), a K-12 public school system, for the year ended June 30, 2024. The completeness, accuracy, and clarity of these financial statements and data herein are the responsibility of the District's Chief Financial Officer.

This ACFR is presented in three distinct sections: Introductory, Financial, and Statistical. The Introductory Section includes this letter of transmittal, a list of our Board Members and an organizational chart. The reader may use this information to understand the District and our financial condition. Accordingly, we will discuss the Jefferson County economy and tax base, a brief history of the District and education in Kentucky, and our major accomplishments.

The Financial Section contains the general purpose financial statements. Annual audits are required legally by Kentucky Revised Statute 156.265. These statements were audited by Dean Dorton Allen Ford, PLLC, an independent Certified Public Accounting firm. Their opinion is included on page 1 of the financial section. We would like to direct the reader to Management's Discussion and Analysis on pages 4 – 14 of the financial section. This provides an introduction to the financial statements and some financial highlights.

The Statistical Section presents numerous unaudited tables designed to present more detail and trends apparent within the District and Jefferson County.

The report has been prepared by the Finance Department following the requirements and guidelines prescribed by the Governmental Accounting Standards Board and recommendations by the Government Finance Officers Association. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly reflect the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial activity have been included.



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### Economic Outlook

As discussed further on page 13 of the Management's Discussion and Analysis in the Financial Section, Jefferson County has a diverse and strong economy but is affected by national social, health and economic trends. The District receives its revenue largely from two sources



related to the economy: locally-assessed real estate and property taxes, and locally-assessed occupational taxes. Additionally, the District receives state revenues derived from state income taxes, sales taxes and other taxes, but these state revenues are subject to many non-economic factors, such as political considerations and an allocation formula based on local revenue, student attendance, and transportation expenses. Beyond these sources, we also receive grant and general revenues from federal, state, and local governments, and private sources that are either unqualified gifts or grants based on non-tax determinants.

Real estate and personal property, other than automobile, taxes are assessed by the Property Valuation Administrator (“PVA”) annually, and the value is set as of January 1. After taxpayers are afforded a period to dispute the assessment, bills are prepared by the Jefferson County Sheriff and sent to the taxpayers on November 1. Real estate taxes, the largest in this total, typically show an increase in both assessments and tax rate. With growth in parts of Jefferson County and typical housing appreciation, local real estate taxes are becoming a greater percentage of our revenues each year as their growth outpaces other revenues. Motor vehicle taxes are assessed as of January 1 of each year. The PVA office uses standardized guides, provided by the Department of Revenue, to determine the value of a vehicle or boat. For years, the District has levied the statutory maximum motor vehicle tax rate, and increases are derived from assessment increases alone. See the Statistical Section for more details and trend analyses on these taxes.

Locally assessed occupational taxes are levied upon Jefferson County residents who work within Jefferson County at a rate of .75% of salary. This tax tends to be an accurate barometer of the local workforce, and, in some ways, the strength of the local economy. In reviewing past years’ revenues, the reader may notice the correlation between occupational tax revenues and the greater United States economy.

State revenues are based on a variety of state taxes and are allocated to the District based on a variety of factors. First, the Commonwealth of Kentucky is inherently a political entity, and the budget is allocated accordingly. Education continues to be a priority of the current government leaders, though funding levels lag behind many adjacent states. Funds are allocated to the various Kentucky school districts by a statutory formula introduced in the Kentucky Educational Reform Act, which is discussed later in this section.

Jefferson County has a long history as a central transportation hub, which fostered a manufacturing center for durable goods, including appliances, cars and trucks. In recent decades, the economy has diversified and is the home of several *Fortune* 500 companies, including Humana, Inc. and Yum! Brands, which includes KFC, Taco Bell, and Pizza Hut. Additionally, headquartered in Louisville is Brown-Forman, makers of numerous beverages such as Jack Daniels Tennessee Whiskey. Louisville is also home to Churchill Downs, United Parcel Service’s (“UPS”) Worldport Facility, employing over 20,000, two Ford plants, and GE Appliance Park.

Total Population	
2019	776,757
2020	782,969
2021	783,746
2022	778,194
2023	774,391

Source: U.S. Department of Commerce, Bureau of the Census

Although long-range challenges exist, the District’s current finances are strong. We aspire to achieve great things in public education. To do this, we must set high goals and be strict stewards of the public funds we have. We believe in budgeting conservatively, which allows us to make continual improvements even during sluggish economies.

In order to achieve far-reaching goals, we must maintain far-reaching funding plans. At any time, we forecast instructional needs and financial trends five years into the future. Additionally, we survey the facility needs of our entire district over the next four years. Each project is prioritized by a committee, and only the top priority projects are funded.

As described further in Notes F and H to the financial statements, the District is challenged by pervasively underfunded or underperforming pension plans in which our employees participate in as well as the related other post-employment benefits. Although the District has made all required contributions at actuarially determined rates, failure to do so by the Kentucky legislature and subpar investing performance has created a financial contingency to both the District and the state. This creates a significant level of financial uncertainty that may necessitate drastic corrections in future budget periods.



The current initiatives discussed on pages x and xi of this Introductory Section are major undertakings that may require dedication over many years. As a practice, we pair our recurrent revenue budget with our recurrent expense budget to eliminate liquidity concerns. In addition, all planning is done in concert with our research team to ensure that funds are allocated to programs that get results.

We also place great emphasis on internal controls. School districts have inherent weaknesses in financial structure, with funds being collected at numerous locations and where optimal segregation of duties is not always practical. However, because the cost of internal control should not exceed the anticipated benefits, the objective of these controls is to provide reasonable, rather than absolute, assurance that District assets are protected and that our financial statements are free of material misstatement.

To offset our inherent risks, the District is committed to strengthening its controls at the central office level, where 99% of revenues are received, and reviewing satellite offices and schools regularly. Central office uses positive pay for its disbursements and staff review bank information daily. Audits are performed using an enterprise-wide risk assessment. We maintain an anonymous fraud hotline to safeguard our assets. Currently, we are tightening segregation of duties and internal controls at satellite offices.

Our Ethics Guidelines further solidify the District's commitment to always act in the highest ethical manner to preserve the public trust. These guidelines reflect our commitment to creating the Future State of the District and our core values especially relating to respect, diversity, and stewardship.

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### History of Public Education in Jefferson County

On April 24, 1829, the City of Louisville established the first public schools for children under sixteen years of age and constructed the first school the following year. Although Louisville's charter specified that education would be free, a tuition of \$1 for primary grades and \$1.50 for other grades was assessed. By 1838, the City of Louisville had a full-service school system. Also in 1838, the remaining areas of Jefferson County outside of the City of Louisville incorporated the Common Schools of Jefferson County school district.



In 1870, Louisville Public Schools established its first two schools for African American students, bringing its enrollment up to 13,502. By this time, the Common Schools of Jefferson County operated 68 schools, including 10 for African Americans. Both districts continued to grow consistently over the decades.

In 1956, all public schools in Louisville and Jefferson County were desegregated at a time when the Louisville Public Schools were 26% African American and the Jefferson County Schools were 4% African American. By court order on April 1, 1975, the Louisville Public Schools and the Jefferson County Public Schools merged into the present Jefferson County Public Schools district in order to address the racial disparity.

At that time, it was determined that all schools in the new district must maintain racial diversity with the minority population between 15% and 50%. In June 2007, the United States Supreme Court held that some aspects of our student assignment plan did not satisfy the Court's "narrow tailoring" requirement. In May 2008, the District unanimously approved a revised student assignment plan which became effective for the 2009-2010 school year. The new plan uses socioeconomic factors including educational attainment, household income, and race averages of a student's geographic region as factors when assigning students to schools other than their home school.

The Kentucky Education Reform Act ("KERA") of 1990 formed the basis for massive change to the state's educational system. One of the most comprehensive, statewide restructuring efforts ever attempted in the United States, KERA changed the formula by which Kentucky school districts receive state funding in an effort to achieve equity and educational adequacy regardless of each district's local economic base. KERA created a Site-Based Decision-Making Council system. Each school would have such a council consisting of parents, teachers, and administrators of the school, who would oversee the financial and instructional decisions of the school and hire the Principal. KERA also established a state-wide accountability system that continues to evolve to meet student needs.

Through the resulting emphasis on data-driven educational accountability, Kentucky has gained a reputation as a cutting edge educational system focusing on accountability. The District, as well, has many years of assessment data. We continuously review our curriculum and initiatives to ensure Jefferson County children are being educated to the height of their ability.



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### **Jefferson County Public School District Today**

The current District is very different than our beginnings. We continue to strive for excellence in our educational and financial operations. As much as the world has changed, so too has the District.

Financially, we adjust conservatively to confront economic challenges, and still have sufficient fund balances to continue our plans for the future. We have a policy of reviewing vacancies, especially central office vacancies, to continuously strive for efficiency. We have reviewed many of our purchasing and distribution systems and made efficiency improvements including moving many of our revenue collections to online card payment systems. Our aim is to efficiently and completely support those who provide services to our students.

For fiscal year 2023-2024 we had 96,234 students:

High	29,224
Middle	20,254
Elementary	35,039
Kindergarten	6,820
Preschool	2,474
Special Schools	2,423

For the 2023-2024 school year, we have 168 schools and learning centers:

High	18
Middle	23
Elementary	88
Multi-Level	3
Pre-K Centers	6
Special	18
State Agency	12

We project that our enrollment is stable, with our 2024-2025 forecast of approximately 96,800 students.

Our schools were founded based on the neighborhood schools concept. The majority of our schools are off the major thoroughfares back in neighborhoods, where traffic disruptions are minimized, and as many children can walk to school as possible. As Jefferson County has grown to its current size and complexity, the District has found the need to increase its educational and environmental offerings. While students have the opportunity to attend a school within their regional cluster and a regular school program, they have many additional choices of schools and programs to best fit their needs and wants.

**School Choice:** A core philosophy within the District is that parents should be allowed to choose the program and the school their child attends. We feel this allows students and their parents the opportunity to meet certain educational needs based on the individual child. Our schools are also able to differentiate themselves if the Site-Based Decision-Making Council and the elected Jefferson County Board of Education approves the change. The District embraces many different schools and programs to meet students’ diverse needs, interests, and learning styles.



**Regular Program:** Most schools offer a regular curriculum in a typical school setting. This program is the choice of the majority of our parents and gives the Site-Based Decision-Making Council much educational latitude.

**Magnet and Optional Programs:** The District believes that not all students have the same interests or learn in the same way. We offer choices that let elementary, middle, and high school students select a specialized learning environment or a program that focuses on a particular subject.

Magnet Schools and Programs include traditional schools, Montessori schools, magnet programs, and magnet career academies. Traditional schools require uniforms, daily homework, and parent involvement. They teach at grade level in a structured classroom environment. The Montessori approach to learning is designed to encourage critical thinking, exploration, and self-directed education. Magnet programs offer specialized foci incorporated into the curriculum, such as performing arts, math & science, technology, early college, or International Baccalaureate. Magnet career academies offer high school students programs that focus on training for a specific career. There are more than a dozen magnet career academies, and most of them offer multiple career programs. Many of our magnet career academies have received national recognition in their program area. Fifteen of our high schools have Professional Career Theme Programs in such disciplines as Aerospace, Medicine, Engineering, Information Technology and the Environment.



Optional Program is a small, specialized program within a school, such as Creative Arts and Global Communications Optional Program.

Advance Program is for academically gifted students. It stimulates talented young people to stretch their abilities and requires schools to be creative in providing a range of educational opportunities that promote excellence for each child.

### **Alternative Schools:**

Binet School: A center that provides successful learning experiences for those students with multiple disabilities who need a more structured and supportive environment.

Breckinridge Metro High: A high school whose students have been referred to the school by the office of student services, the department of juvenile justice and/or other state and county agencies because of code violations in the regular schools or are court ordered to attend.

Churchill Park School: This special school serves students with moderate to severe functional mental disabilities from ages five to twenty-one. While following state-mandated core content, the program focuses on functional life skills, community-based instruction, and occupational work experience that will allow students to access and be successful in their immediate environment.

Pathfinder School of Innovation: A comprehensive virtual school for grades six through twelve. Pathfinder has a goal of producing exemplary levels of achievement through research-based instruction and data-driven assessments as students work through an on-demand curriculum with live support, intensive progress monitoring, and social, emotional, and behavioral support. Students may pursue regular instruction, advanced placement, dual credit, and career and technical education, just as they would at an in-person school.

Minor Daniels Academy: Middle school and high school students with behavioral challenges may be assigned to Minor Daniels Academy. This school uses restorative pathways to create a supportive environment with the goal that students may return to their home schools.

The Phoenix School of Discovery: Established under the federal guidelines of No Child Left Behind, this school relies heavily on technology to prepare students in grades 6-12 to reach state proficiency levels.

Liberty High: A nontraditional, safety-net school that serves students who meet any of the following criteria:

- One year of high school with fewer than five credits
- One to four years in high school and have fewer than 14 credits
- Frequently absent from school
- Failed four or more classes
- At least 16 years old
- Prefer hands-on, collaborative learning
- Prefer a flexible daily/yearly schedule
- Desire a work-based educational component
- Have diverse learning preferences and whose talents are not being developed.

State Agency Schools: Twelve unique residential and day treatment centers that work collaboratively with treatment partners to provide a therapeutic or rehabilitative school environment. Students are placed in the State Agency Children’s Program through court commitment, psychiatric hospitalization, or identified need for long term treatment of emotional or behavioral problems.



Georgia Chaffee Teenage Parent Program: A school designed to prevent school dropout due to teen pregnancy and parenting for middle and high school students. This award-winning program includes home-school coordinators and regular classroom instruction with a hospital-quality nursery.

Waller-Williams Environmental: A special school for students with severe and profound emotional and/or behavioral disabilities. Serving K-8<sup>th</sup> grade in a highly structured environment, this school utilizes a behavior management system where students earn tokens for good behavior and may use these tokens to purchase items in the school store.

Youth Performing Arts School (“YPAS”): One of only 100 schools of its kind in the nation. YPAS offers courses in dance, theater acting, musical theater, vocal music, piano, concert band, concert orchestra, visual arts, design and production. Students take their academic classes at an adjacent JCPS high school.

**Adult Education**: Total Adult Education enrollment in Adult Basic Education/General Education Development (“GED”) Program was 2,284 earning 176 GED Certificates.

- GED Preparation Classes
- Academic Life Skills ESL Classes
- Family Education Programs
- College & Career Navigation Support
- Workforce Education & Soft Skills Training
- Educational Enrichment Services

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### Current Initiatives

The District is moving boldly toward a Future State of JCPS that has been re-envisioned through the bold leadership of Dr. Pollio and a daring Board of Education. This Future State focuses on new facilities that support the best educational environments and athletic facilities throughout our District. Teachers in the Future State of JCPS will be exceptionally resourced and paid at levels that reflect their worth to our students, their education and the future of our community. The Future State meets the individualized student needs and gives students one-to-one technology access, individualized student supports, and access to optional programs throughout Jefferson County as well as the right to stay at the school nearest their home if they prefer this educational

environment. The Future State of JCPS will accomplish broad goals by focusing on three main pillars: Positive Culture & Climate, the Journey to Success, and the JCPS Racial Educational Equity Plan.



**Positive Climate and Culture:** Empowered employees create confident students. The sense of trust that students need to excel in the classroom and in extracurricular activities must be honed with extraordinary care. In addition, students must have the individualized resources they require to be at their best. This includes mental health, suicide prevention, and bullying prevention. To provide these resources and let each student achieve their individual best, we have added mental health practitioners into every school. All staff must come together to work with a passion for the students we are serving and focus on our mission and vision. This is the only way we can be confident in our success and convey that confidence to the parents entrusting us with their children.

**Journey to Success:** The District is redefining the student experience by using a developmental framework shifting the focus to transformational, student-driven learning. Created to empower students to explore their interests, showcase their learning, and develop the skills they need to thrive, Journey to Success builds upon the JCPS Backpack of Success Skills, which was launched in 2018. Measuring overall student success takes place both at transition years and interim years throughout a student's K-12 school life.

Success focuses on four main components. First, developing success skills individualizes each learner's path to learn the five JCPS Success Skills. Second, students will collect artifacts in their JCPS Digital Backpack to demonstrate their learning. Progress will be tracked using consistent District-wide rubrics. Third, each learner will demonstrate their learning and growth in Success Skill competencies by doing a mini-defense, student-led conference, or exhibition of learning in grades K-4, 6-7, and 9-11. Fourth, students will showcase their learning at key transition points--fifth, eighth, and twelfth grades--using artifacts to demonstrate how they have met five key indicators of success.

**JCPS Racial Educational Equity Plan:** The District's Commitment to Racial Educational Equity policy was established to increase access for students of color, strengthen opportunities, and create a more diverse instructional staff in JCPS. This transformative policy is the first step toward building the academic programs and services that meet the needs of a diverse student population and eliminate achievement gaps. To create this organization-wide transformation, we are in our fourth year of a district-wide professional development initiative. Additionally, our students have created Justice Now projects, transformative and significant equity projects that highlight and act upon racial, gender, and other equity matters. These projects culminated in Justice Fest, a televised event where the student groups promoted their projects to support the changes they champion.





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## Evidence of Success

The District continues to see the results of its vision of a Future State. Outstanding performance within the District has been validated by several national, independent organizations and governmental agencies and by the performance of our outstanding students.

## Current Year Highlights/Initiatives

- 88.2 percent graduation rate; highest in JCPS history.
- 82.3 percent of the class of 2024 earning post-secondary readiness standards for higher education or a career; highest in JCPS history.
- Graduation rate gap between black and white students is now just a half percent, cut from 3 percentage points just two years ago.
- 37 JCPS seniors were recently named National Merit Semifinalists. These academically talented students now have an opportunity to continue in competition for some 7,140 National Merit Scholarships worth nearly \$28 million that will be offered in the spring.
- 8 JCPS students earned perfect scores on an Advanced Placement exam.
- Noe Middle School was awarded the statewide Governor's Cup in academic competition.
- 187 CTE pathways offered at high schools district-wide; 76 of these pathways are unique.
- 19,000+ students enrolled in Academies of Louisville.
- All classrooms have interactive panels to support student participation, visual learners, and interactive learning.
- Waggener High School became first school in Kentucky to win accreditation from the National Career Academy Coalition ("NCAC") for an academy program. Waggener's IT and Law, Health Science and Freshman Academies have all been accredited for meeting NCAC standards for a robust program including teaching, facilities and hands on learning steeped in the career academy model.
- Mental health practitioners and counselors in every school building.
- All K-12 students are receiving the same, rigorous math and literacy curriculum guaranteeing a smooth transition for students or teachers who move to a different JCPS school.
- Expanded Louisville Teacher Residency ("LTR") program to include Bellarmine University as well as the University of Louisville. LTR offers a Master's in Education in one year and provides new teachers for JCPS' highest needs schools.
- 3 JCPS teachers were selected to participate in the McConnell Center Teacher Scholars Program facilitated at the University of Louisville.
- 6 JCPS high school students were awarded the McDonald's Black History Makers of Tomorrow Scholarship.
- \$91,700 in scholarships awarded to seven JCPS seniors through the JCPS Employee-Sponsored Student Scholarship Fund to go toward four-year tuition and college expenses.
- JCPS Careers and Technical Education hosted its first Academies of Louisville program, whereby out of state districts came to JCPS to observe how the program works.

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## Acknowledgements

We would like to thank all of the staff who assisted with closing the District's financial records and preparing this report.

In addition, we want to thank those at all levels of the District who do their part to provide relevant, comprehensive, quality instruction in person or through remote learning. We are inspired by the diligence of our student-focused educators at all levels of JCPS who are working tirelessly toward the Future State of JCPS.

Respectfully submitted,



**Marty Pollio, Ed. D.**  
Superintendent



**Edward D. Muns**  
Chief Financial Officer / Treasurer





June 30, 2024

To the Citizens of Jefferson County, Kentucky:

We, the Jefferson County Board of Education (the "Board"), are proud to serve as the collective voice and representation for the students, parents, staff, community members and taxpayers of Jefferson County. We are committed to providing clear direction to build the Future State of Jefferson County Public Schools ("JCPS"), and we firmly believe in setting high standards and using data-driven accountability measures to reach our goals.

To support our students at the level they deserve and require, the Board has said in one voice that it plans to make intentional investments in the future of all of our children, including those who may have been traditionally marginalized. These investments must meet the critical elements needed for all JCPS students to fulfill their academic, creative and social potential. This vision of our Future State includes bold strides toward engaging 21<sup>st</sup> century facilities; targeted resources for our highest-need schools; additional instructional time and continued focus on racial equity initiatives.

This Future State stands on three pillars:

The Journey to Success, our first pillar, is a developmental framework that defines Jefferson County Public Schools' shift to transformational, student-driven learning. Created to empower students to explore their interests, showcase their learning, and develop the skills they need to thrive, Journey to Success builds upon the JCPS Backpack of Success Skills, which launched in 2018.

Our second pillar is school culture and climate. For students to perform at their best, they must be educated in an environment that not only delivers high-yield learning, but also provides them with individualized behavioral, social and emotional supports. To realize this goal, we have added mental health practitioners and nursing services to all of our schools to address bullying, suicide prevention and the ongoing health challenges affecting our nation. We are

aggressively working to improve attendance rates through mental health and by providing nursing services in every school in a concerted effort to reduce the barriers that cause students to miss school. In addition, we are ensuring that the curriculum stimulates student interest by investing in career and technical education through the Academies of Louisville (high school) and Explore (middle school) programs, which offer hands-on learning opportunities and real-world student apprenticeships.

The third pillar is our commitment to Racial Equity. The first step was to create a Racial Equity Policy. This commits the Board to supporting educational excellence regardless of ethnicity, race, color, national origin, age, religion, marital or parental status, political affiliations or beliefs, gender, self-identification, gender identity or gender expression. The Board recognizes that multicultural education is a continuous development that is necessary to transform the educational process for our students and ensure that our schools are entirely inclusive. The plan includes a significant professional development investment and additional academic supports and extracurricular programs.

Within our governance responsibilities, we are ensuring that all budgetary decisions are directly linked to the Future State of all JCPS students. There are great things in store for our students and the future of our remarkable community.

On behalf of the Jefferson County Board of Education, I am pleased to present this Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

Sincerely,

A handwritten signature in cursive script that reads "Corrie Shull".

Dr. Corrie Shull  
Chair  
Jefferson County Board of Education



Members of the Board of Education as of June 30, 2024:

**Board of Education Districts Jefferson County Kentucky**

District	Member Name	Role
District 1	Gail Logan Strange	Member
District 2	Tricia Lister	Member
District 3	James Craig	Member
District 4	Joe Marshall	Member
District 5	Linda Duncan	Member
District 6	Corrie Shull	Chair
District 7	Sarah McIntosh	Member



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Kentucky**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

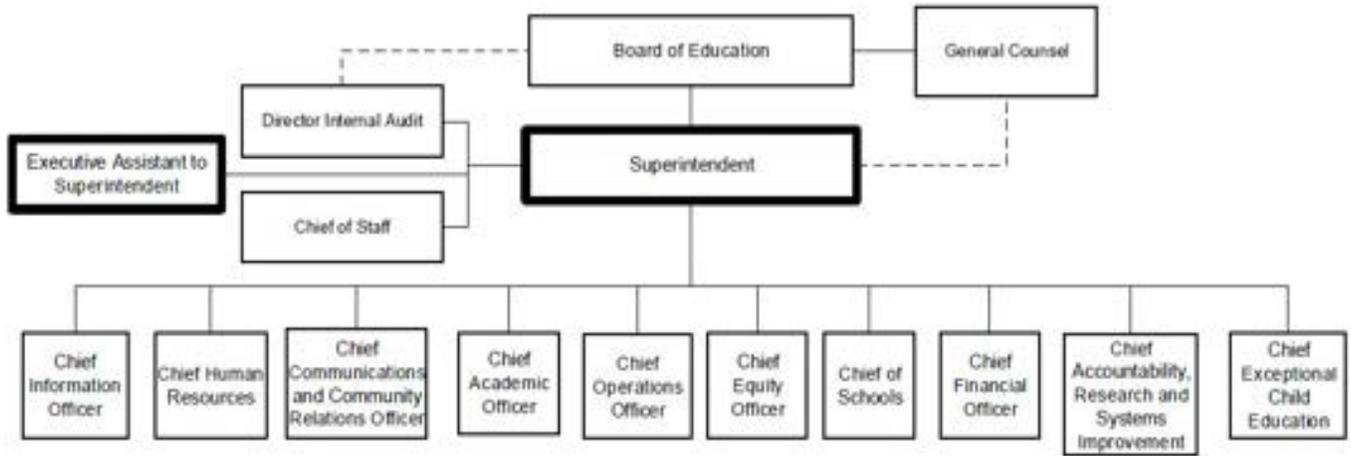
June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

This Certificate of Achievement for Excellence in Financial Reporting, awarded by the Government Finance Officers Association, is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment of the District. The District has received this award each year from 2007 through the latest award period for the year ended June 30, 2023.

# Organizational Chart



# FINANCIAL SECTION

- 
- A group of young people are engaged in a community service activity, planting a tree in a park. In the foreground, a young man in a black t-shirt and dark cargo pants is bent over, wearing red work gloves and carefully placing soil around the base of a newly planted sapling. To his right, a young woman with long black braids, wearing a plaid shirt and dark pants, is also kneeling and working on the tree. In the background, three other young people are standing and observing the process. The setting is a grassy park with trees and a clear sky. The image is framed by a red border at the top and bottom.
- **INDEPENDENT AUDITOR'S REPORT**
  - **MANAGEMENT'S DISCUSSION AND ANALYSIS**
  - **FINANCIAL STATEMENTS**
  - **FOOTNOTES**

## Independent Auditor's Report

Members of the Board  
Board of Education of Jefferson County, Kentucky  
Louisville, Kentucky

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Board of Education of Jefferson County, Kentucky (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Jefferson County Public Education Foundation, which represents 100 percent of the assets, net assets, and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Jefferson County Public Education Foundation, is based solely on the report of the other auditors.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the *Kentucky Public School Districts' Audit Contract and Requirements* prescribed by the Kentucky State Committee for School District Audits. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 14, Budgetary Comparisons on pages 67 to 69, and Pension and OPEB Information on pages 70 to 83 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Budgetary Comparisons on pages 84 to 88 and Combining Nonmajor Fund Information on pages 89 to 93 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

With regards to the Combining Nonmajor Fund Information on pages 89 to 93, the information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Nonmajor Fund Information on pages 89 to 93 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

With regards to the Budgetary Comparisons on pages 84 to 88, we have applied certain limited procedures to the information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information**

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Dean Dotson Allen Ford, PLLC*

Louisville, Kentucky  
November 15, 2024

# Management's Discussion and Analysis

For the Year Ended June 30, 2024



## Introduction

Our discussion and analysis of the financial performance of the Board of Education of Jefferson County, Kentucky (the "District") provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. The intent of this Management's Discussion and Analysis ("MD&A") is to look at the District's financial performance as a whole. It should be read in conjunction with the District's financial statements.

## Financial Highlights

Serving nearly 100,000 students, the District is the largest in Kentucky and the 30th largest in the United States. We maintain 168 schools and education centers: 88 elementary, 23 middle, 18 high, 3 multi-level, 6 pre-k centers, 18 special, and 12 state agency schools. The financial position of the District remains strong and stable with an operating budget of approximately \$2.5 billion.

The District maintains its focus on student achievement. Our students and teachers continue to win awards and reach new goals in numerous academic areas. The student-teacher ratio during the school year was 16 to 1.

	2023-24	2022-23	2021-22	Current Year Change
College scholarships earned	\$154 million	\$154 million	\$116 million	0.0 %
Students taking AP tests	5,154	5,122	5,061	0.6 %
Number of tests taken	8,443	8,033	8,175	5.1 %
AP scores earning college credit	60.5 %	55.9 %	52.3 %	8.2 %
Number of teachers	6,818	6,818	6,735	0.0 %
Teachers with Master's Degree or higher	82 %	83 %	83 %	(1.2)%
National Board Certified Teachers	364	346	434	5.2 %
Student daily attendance rate	89.7 %	89.7 %	89.4 %	0.0 %

On the District-wide financial statements, the total net position of the District was \$71.4 million, assets totaled \$1.7 billion, deferred outflows totaled \$284.6 million, liabilities totaled \$1.4 billion, and deferred inflows totaled \$462.0 million. The District's total net position increased by \$78.0 million for the fiscal year ended June 30, 2024. The District's governmental funds financial statements reported combined ending fund balance of \$444.7 million. Of this total, \$266.0 million is unassigned in the general fund. Due to economic uncertainty, along with the needs of specific instructional priorities, it is necessary to maintain adequate fund balance to support these initiatives.

# Management's Discussion and Analysis

For the Year Ended June 30, 2024



## Overview of the Financial Statements

### The annual report contains:

- Management's Discussion and Analysis ("MD&A")
- District-wide financial statements and fund financial statements
- Notes to Financial Statements
- Other required supplementary information, including various schedules for the District's proportionate share of the net pension and net other postemployment benefit liabilities
- Other supplementary information, including statements for non-major governmental and proprietary funds

This annual report consists of a series of financial statements. The District-wide financial statements, the Statement of Net Position and the Statement of Activities, provide an overview of the District's finances. The fund financial statements tell how these services were financed in the short term, as well as, what remains for future spending. The fund financial statements also report the District's operations in more detail than the District-wide financial statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District.

### Reporting the District as a Whole

#### The Statement of Net Position and the Statement of Activities

Our analysis of the District as a whole begins with the District-wide financial statements. One of the most important questions raised about the District's finances is whether the District as a whole is better off or worse off as a result of the year's activities. The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector organizations. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes to net position. The District's net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, is one way to measure its financial health. Increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating.

To evaluate the District's overall health, one may want to review other non-financial factors, such as changes in the District's property tax base and the condition of the District's school buildings and other physical assets.

The District-wide financial statements are divided into two categories:

- **Governmental activities:** Most of the District's basic services are reported here, including instruction, student support services, instructional staff support services, administrative support services, school administrative support services, business support services, transportation, and plant operations and maintenance. Property taxes, occupational taxes, the Commonwealth's Support Education Excellence in Kentucky ("SEEK"), other Commonwealth support, and state and federal grants finance most of these activities.

# Management's Discussion and Analysis

For the Year Ended June 30, 2024



- **Business-type activities:** School Food Services, Adult Education Lifelong Learning Courses, Tuition-based Preschool, fee-based Day Care, and Enterprise Programs are considered as business-type activities of the District. A fee is charged for these activities to assist the District in covering the cost of these services; therefore, they are classified as business-type activities.

## Reporting the District's Most Significant Funds

### Fund Financial Statements

Our analysis of the District's major activities provides detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State law and bond covenants. However, other funds are established as needed to help control and manage money for particular purposes or to show that the District is meeting legal responsibilities for using certain taxes, grants, and other money (for example, grants received from the federal and state governments). The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

**Governmental funds:** Most of the District's basic activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between the governmental activities (reported in the District-wide Statement of Net Position and Statement of Activities) and governmental funds in reconciliations following the fund financial statements.

**Proprietary funds:** When the District charges students or parents for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the District-wide Statement of Net Position and Statement of Activities. In fact, the District's proprietary funds are the same as the business-type activities we report in the District-wide financial statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2024**



**The District as a Whole**

The following is a summary of the District's net position:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 576,433,152	\$ 744,532,629	\$ 8,997,306	\$ 11,384,611	\$ 585,430,458	\$ 755,917,240
Capital assets, net of depreciation, and construction in progress	1,092,586,241	1,019,430,688	15,402,366	15,735,059	1,107,988,607	1,035,165,747
<b>Total Assets</b>	<b>1,669,019,393</b>	<b>1,763,963,317</b>	<b>24,399,672</b>	<b>27,119,670</b>	<b>1,693,419,065</b>	<b>1,791,082,987</b>
<b>Deferred Outflows</b>	<b>271,305,124</b>	<b>356,295,063</b>	<b>13,279,324</b>	<b>19,464,023</b>	<b>284,584,448</b>	<b>375,759,086</b>
Short-term liabilities	169,481,346	215,227,934	2,297,345	1,007,683	171,778,691	216,235,617
Other liabilities	1,231,674,845	1,651,864,893	41,187,977	81,257,131	1,272,862,822	1,733,122,024
<b>Total Liabilities</b>	<b>1,401,156,191</b>	<b>1,867,092,827</b>	<b>43,485,322</b>	<b>82,264,814</b>	<b>1,444,641,513</b>	<b>1,949,357,641</b>
<b>Deferred Inflows</b>	<b>431,759,951</b>	<b>214,894,349</b>	<b>30,190,265</b>	<b>9,209,875</b>	<b>461,950,216</b>	<b>224,104,224</b>
<b>Net Position</b>						
Net investment in capital assets	540,960,250	430,126,787	15,402,366	15,735,059	556,362,616	445,861,846
Restricted	17,255,306	84,679,016			17,255,306	84,679,016
Unrestricted	(473,732,573)	(476,534,599)	(51,398,957)	(60,626,055)	(525,131,530)	(537,160,654)
<b>Total Net Position</b>	<b>\$ 84,482,983</b>	<b>\$ 38,271,204</b>	<b>\$ (35,996,591)</b>	<b>\$ (44,890,996)</b>	<b>\$ 48,486,392</b>	<b>\$ (6,619,792)</b>

**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2024**



The following is a summary of the District's changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program revenues						
Charges for service	\$ 366,248	\$ 508,243	\$ 1,812,415	\$ 2,513,859	\$ 2,178,663	\$ 3,022,102
Operating grants & contributions	250,110,236	302,192,996	75,742,883	77,514,086	325,853,119	379,707,082
Capital grants & contributions	10,495,459	16,429,677			10,495,459	16,429,677
General revenues						
Local taxes	954,414,845	908,473,608			954,414,845	908,473,608
State sources	790,396,051	469,687,157			790,396,051	469,687,157
Other	57,750,261	57,344,058	873,900	235,809	58,624,161	57,579,867
<b>Total Revenues</b>	<b>2,063,533,100</b>	<b>1,754,635,739</b>	<b>78,429,198</b>	<b>80,263,754</b>	<b>2,141,962,298</b>	<b>1,834,899,493</b>
<b>Expenses</b>						
School operation & administration	1,971,293,164	1,618,684,493			1,971,293,164	1,618,684,493
School food services			67,808,049	84,104,750	67,808,049	84,104,750
Other business-type activities			1,726,744	193,685	1,726,744	193,685
Interest on debt service	23,102,765	22,959,925			23,102,765	22,959,925
<b>Total Expenses</b>	<b>1,994,395,929</b>	<b>1,641,644,418</b>	<b>69,534,793</b>	<b>84,298,435</b>	<b>2,063,930,722</b>	<b>1,725,942,853</b>
<b>Transfers, Net</b>	<b>—</b>	<b>1,234,936</b>	<b>—</b>	<b>(1,234,936)</b>		
<b>Change in Net Position</b>	<b>69,137,171</b>	<b>114,226,257</b>	<b>8,894,405</b>	<b>(5,269,617)</b>	<b>78,031,576</b>	<b>108,956,640</b>
<b>Net Position, End of Year</b>	<b>\$ 107,408,375</b>	<b>\$ 38,271,204</b>	<b>\$ (35,996,591)</b>	<b>\$ (44,890,996)</b>	<b>\$ 71,411,784</b>	<b>\$ (6,619,792)</b>

**Governmental Activities**

The revenues in the governmental activities increased by \$308.9 million. Most of this increase was due to other state revenues as their portion of post employment employee benefits liabilities increased compared to previous years, which consist mainly of employee health insurance and teachers' retirement system employer match that were paid on our behalf.

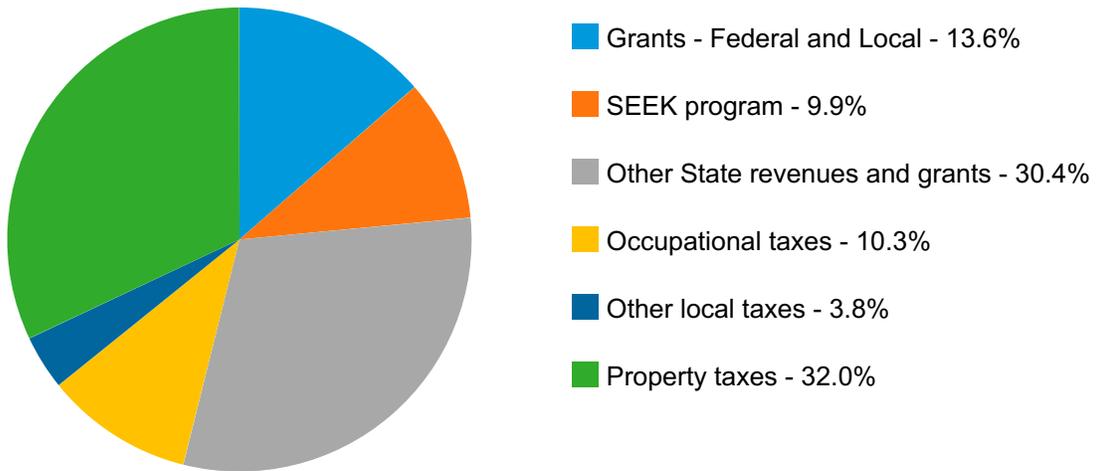
**Management’s Discussion and Analysis**  
**For the Year Ended June 30, 2024**



The following schedule provides a comparison of the District-wide revenues for governmental activities for the current and previous years:

Revenues	2024	2023	Change	% Change
Local sources:				
Property taxes	\$ 660,469,578	\$ 627,463,151	\$ 33,006,427	5.3 %
Occupational taxes	212,522,322	206,342,623	6,179,699	3.0 %
Other taxes	81,422,945	74,667,834	6,755,111	9.0 %
State sources:				
SEEK program	203,474,758	233,759,766	(30,285,008)	(13.0)%
Other State revenues and grants	586,921,293	235,927,391	350,993,902	148.8 %
KSFCC allocation	10,495,459	16,429,677	(5,934,218)	(36.1)%
Grants (Federal and Local)	250,110,236	302,192,996	(52,082,760)	(17.2)%
Interest	30,301,474	21,214,511	9,086,963	42.8 %
Other sources	27,815,035	36,637,790	(8,822,755)	(24.1)%
<b>Total Revenues</b>	<b>\$ 2,063,533,100</b>	<b>\$ 1,754,635,739</b>	<b>\$ 308,897,361</b>	<b>17.6 %</b>

**Revenue Sources**



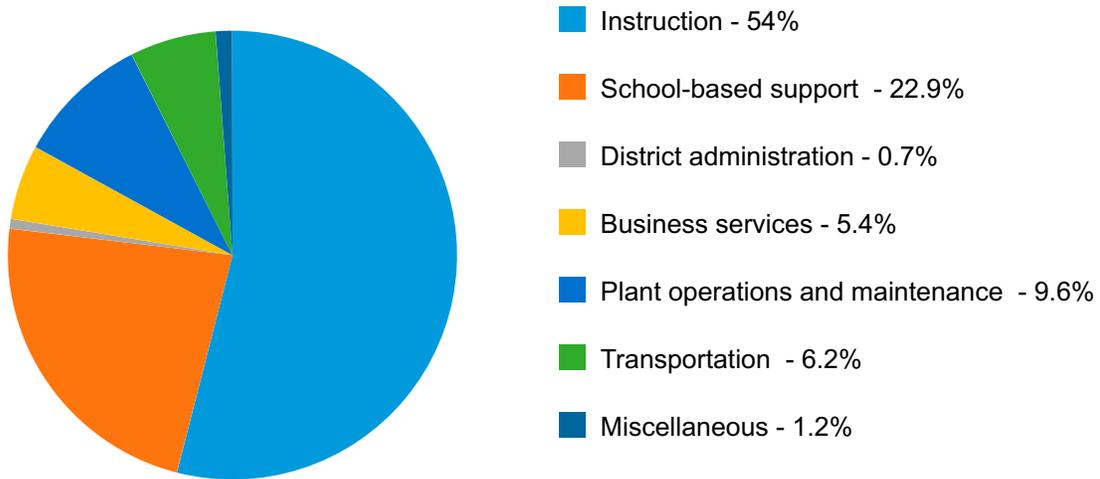
**Management’s Discussion and Analysis**  
**For the Year Ended June 30, 2024**



The following schedule provides a comparison of the District-wide expenses for governmental activities:

	2024	2023	Change	% Change
<b>Expenses</b>				
Instruction	\$ 1,077,574,900	\$ 909,760,084	\$ 167,814,816	18.4 %
Student support services	127,019,467	101,932,070	25,087,397	24.6 %
Instructional staff support services	172,501,926	161,840,162	10,661,764	6.6 %
District administrative support services	14,700,109	11,536,587	3,163,522	27.4 %
School administrative support services	143,362,931	120,050,420	23,312,511	19.4 %
Business support services	106,826,198	71,287,990	35,538,208	49.9 %
Plant operations and maintenance	192,149,315	144,355,232	47,794,083	33.1 %
Transportation	123,071,756	84,268,468	38,803,288	46.0 %
Food service support	94,764	696,158	(601,394)	(86.4)%
Community services	14,043,405	12,115,172	1,928,233	15.9 %
Other	1,326,298	842,150	484,148	57.5 %
Interest	23,102,765	22,959,925	142,840	0.6 %
<b>Total Expenditures</b>	<b>\$ 1,995,773,834</b>	<b>\$ 1,641,644,418</b>	<b>\$ 354,129,416</b>	<b>21.6 %</b>

**Expense Categories**



## Management's Discussion and Analysis

For the Year Ended June 30, 2024



### Business-type Activities

Net Position of the District's business-type activities increased \$8.9 million. Most of this occurred due to accounting for pension and other postemployment benefits as discussed further in Notes F and H of this report. Business-type activities continued to increase after the previous few years' pandemic-related struggles; however, revenues did not keep up with costs resulting in a loss for the year. School Food Services net position increased \$8.7 million due to the allocation percentage changes of postemployment benefits as well as the continued food and supply chain issues and increased food costs.

### Fund Budgetary Highlights and Future Budgetary Implications

The District's Draft Budget is presented to the members of the Board of Education by January 31 each year, followed by a Tentative (Original) Budget by May 30, and, once the members of the Board of Education approve tax rates in September, the Working (Final) Budget is submitted to the Kentucky Department of Education by September 30.

General Fund expenditures were \$472.0 million under budget. Much of this amount was due to \$180.1 million budgeted but not spent in the contingency category. Other categories such as instruction, instructional staff support services, and plant operations and maintenance came in less than budget due to vacancies and lower state-paid benefits, such as teachers retirement match and health insurance for all employees. As a whole, our General Fund decreased fund balance by \$51.2 million, much of which was due to planned spending as we come off the fiscal cliff from COVID-Relief grants (ESSER) and right-size our budget over a number of years. As discussed further in the Local Economic Outlook section on page 13, the local economy has remained strong for a number of years, although it is showing some signs of slowing.

General Fund revenues are generally from a combination of local and state sources. State sources historically stay flat or decrease each year. However, state revenues decreased this year due to post employment pension and benefits. Local revenues provide for income growth largely through property assessment increases and property tax increases which the elected Board of Education has traditionally supported. The District uses this local revenue growth to remain stable and adjust to student needs.

For the Special Revenue Fund, the fund balance decreased by \$6.9 million due to a large portion of the ESSER grant having been received in the 2022 school year with some funding still coming in during 2023. Some of the cost-reimbursement grant revenue will be received in the following year to reimburse the expenses from the current year.

Our Construction Fund experienced a \$82.2 million decrease during the year, as we worked to complete bonded construction projects. The Building Tax Fund increased \$9.9 million during the year as funds were escrowed for future priority renovation projects. On the whole, our Construction Fund and Building Tax Fund are well structured for future capital needs. We anticipate our revenue stream remaining stable for routine activities into the future.

## Management's Discussion and Analysis

### For the Year Ended June 30, 2024



In accordance with the requirements of Governmental Accounting Standards Board Statement No. 68, *Accounting and Reporting for Pensions* and Government Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District has recorded its proportionate share of certain financial factors of the pension and other post employment benefit plans in which its employees participate. These factors include certain inflows and outflows of funds which will be amortized over future years and net pension and net other postemployment benefits liabilities. The very nature of the net pension and net other postemployment benefits liabilities indicates that these plans have not been fully funded, whether by employee contributions, employer contributions, or investment earnings. Although the District has always paid its entire contribution based on rates determined by each plan, much of the responsibility falls on the Commonwealth of Kentucky. The need to shore up these plans may become a factor in future employer matching rates or State funding.

### Capital Assets and Debt Administration

#### Capital Assets

At the end of June 30, 2024, the District's investment in capital assets for its governmental and business-type activities was \$1.1 billion, representing an increase of \$72.8 million (net of depreciation), as shown in the following tables:

	June 30, 2024	July 1, 2023	Percent Change
<b>Governmental activities:</b>			
Land	\$ 29,247,665	\$ 29,247,665	0.0 %
Land improvements	59,416,335	51,904,848	14.5 %
Buildings and improvements	1,741,818,278	1,524,126,999	14.3 %
Lease buildings	1,240,887	430,899	188.0 %
Technology equipment	150,039,968	146,393,759	2.5 %
Lease technology equipment	937,071	695,545	34.7 %
Subscription assets	2,507,618	1,551,459	61.6 %
Buses and vehicles	124,912,320	114,938,613	8.7 %
Furniture, fixtures and other	122,077,776	98,096,364	24.4 %
Construction in progress	79,542,310	203,781,267	(61.0)%
<b>Total</b>	2,311,740,228	2,171,167,418	6.5 %
Less: accumulated depreciation	1,219,153,987	1,151,736,730	5.9 %
Governmental activities assets, net of depreciation	<u>\$ 1,092,586,241</u>	<u>\$ 1,019,430,688</u>	7.2 %

During the 2023-2024 year, governmental activities capital assets increased due to a District focus on new and improved school facilities and furnishing those updated facilities appropriately. The facility improvements account for the reduction in construction-in-process.

## Management’s Discussion and Analysis

### For the Year Ended June 30, 2024



	June 30, 2024	July 1, 2023	Percent Change
<b>Business-type activities:</b>			
Land	\$ 1,000,000	\$ 1,000,000	0.0 %
Land improvements	4,745	4,745	0.0 %
Buildings and improvements	17,030,604	17,030,604	0.0 %
Technology equipment	1,440,053	1,329,694	8.3 %
Buses and vehicles	2,162,043	2,162,043	0.0 %
Furniture, fixtures and other	33,284,184	32,329,878	3.0 %
<b>Total</b>	54,921,629	53,856,964	2.0 %
Less: accumulated depreciation	39,519,263	38,121,903	3.7 %
Business-type assets, net of depreciation	15,402,366	15,735,061	(2.1)%
<b>Total Capital Assets Governmental and Business-type activities</b>	<b>\$ 1,107,988,607</b>	<b>\$ 1,035,165,749</b>	<b>7.0 %</b>

The Local Planning Committee (“LPC”) develops a long-range facility plan through evaluation of every building, identification of appropriate renovations, and analysis of demographic census to determine future growth needs. The LPC is comprised of JCPS staff representing school staff, SBDM (“School-Based Decision-Making”) councils, PTA (“Parent Teacher Association”), local building officials, and community members. The long-range facility plan details the unmet needs for the District for the next four years. The plan is submitted to the Board of Education, the Kentucky Department of Education, and the Kentucky Board of Education for approval. At June 30, 2024, the unmet needs for the District totaled an estimated cost of \$1.4 billion.

Funding for these needs is typically provided from the General Fund, Construction Fund or through Bond issues. Bond issues are paid with Building Tax Funds (local 5-cent property tax), SEEK Capital Outlay Funds at \$100 per student or the Kentucky State Facility Construction Commission (“KSFCC”) funds. To ensure continued academic success for our students, we must provide a learning environment that is safe, functional, inviting and well-maintained.

Additional information on the District’s capital assets can be found in Note D of this report. Information concerning bonds and long-term liabilities is in Note E of this report.

### Local Economic Outlook

The Jefferson County economy has been strong over the past year, though the world economic instability with supply chain issues and staffing shortages pose similar challenges for JCPS as they do for other organizations. The District experienced continued growth and strength through maintaining a healthy revenue stream with occupational license tax revenue, which is based on net profits and salaries paid in our jurisdiction, increasing 3%. Jefferson County property valuation assessments are used to calculate property taxes, our largest revenue source. Since last school year, property taxes have increased 5.3% showing that the local economy is continuing to show strength.

Jefferson County’s central location, extensive transportation network and quality of life are factors in this resiliency and in attracting and maintaining a healthy business community.

Overall, with a diverse economy and excellent quality of life, Jefferson County has the stability necessary to minimize the impact of the current and potential future economic downturns.

## Management's Discussion and Analysis

For the Year Ended June 30, 2024



### Contacting the Jefferson County Board of Education Management

This financial report is designed to provide a general overview of the finances of the Jefferson County Board of Education and to show management's accountability for these funds. If you have questions about this report or need additional information, contact the Chief Financial Officer/Treasurer of the Jefferson County Board of Education, P. O. Box 34020, Louisville, Kentucky 40232-4020.

Statement of Net Position  
**Board of Education of Jefferson County, Kentucky**  
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 424,156,791	\$ 8,953,977	\$ 433,110,768
Investments	75,555,904		75,555,904
Accounts receivable	59,649,039	33,095	59,682,134
Inventories	4,369,474	4,293,106	8,662,580
Internal balances	5,138,755	(5,138,755)	
Land and other nondepreciable assets	108,789,975	1,000,000	109,789,975
Capital assets, net of depreciation	983,796,266	14,402,366	998,198,632
Net other post-employment benefits asset	7,563,189	855,883	8,419,072
<b>Total Assets</b>	<b>\$ 1,669,019,393</b>	<b>\$ 24,399,672</b>	<b>\$ 1,693,419,065</b>
<b>Deferred Outflows of Resources</b>			
Difference between actual and expected experience	\$ 23,469,334	\$ 2,655,890	\$ 26,125,224
Changes in assumptions	71,444,273	2,004,857	73,449,130
Difference between projected and actual earnings on plan investments	4,656,610	26,391	4,683,001
Change in proportionate share	106,474,048	3,334,321	109,808,369
Pension and OPEB contributions after measurement date	64,852,724	5,257,865	70,110,589
Deferred savings from refunding bonds	408,135		408,135
<b>Total Deferred Outflows</b>	<b>\$ 271,305,124</b>	<b>\$ 13,279,324</b>	<b>\$ 284,584,448</b>
<b>Liabilities</b>			
Accrued liabilities	\$ 121,057,700	\$ 2,297,345	\$ 123,355,045
Accrued interest payable	3,597,067		3,597,067
Current maturities of:			
worker's compensation claims	1,027,528		1,027,528
accrued vacation pay	1,253,725		1,253,725
accrued sick leave	817,828		817,828
school building revenue bonds	39,834,707		39,834,707
leases	1,242,153		1,242,153
subscription obligations	650,638		650,638
Long-term maturities of:			
worker's compensation claims	22,868,171		22,868,171
accrued vacation pay	7,331,379		7,331,379
accrued sick leave	46,665,300		46,665,300
school building revenue bonds	553,991,168		553,991,168
leases	452,752		452,752

Statement of Net Position – Continued  
**Board of Education of Jefferson County, Kentucky**  
June 30, 2024

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Continued			
Net pension liability	351,503,441	39,777,611	391,281,052
Net other post-employment benefits liabilities	248,862,634	1,410,366	250,273,000
<b>Total Liabilities</b>	<b>\$ 1,401,156,191</b>	<b>\$ 43,485,322</b>	<b>\$ 1,444,641,513</b>
<b>Deferred Inflows of Resources</b>			
Difference between actual and expected experience	\$ 192,691,757	\$ 12,738,766	\$ 205,430,523
Changes in assumptions	42,588,049	4,819,443	47,407,492
Net difference between projected and actual earnings on plan investments	6,549,975	741,221	7,291,196
Change in proportionate share	189,930,170	11,890,835	201,821,005
<b>Total Deferred Inflows</b>	<b>\$ 431,759,951</b>	<b>\$ 30,190,265</b>	<b>\$ 461,950,216</b>
<b>Net Position</b>			
Net investment in capital assets	\$ 540,960,250	\$ 15,402,366	\$ 556,362,616
Restricted for capital projects and construction	17,255,306		17,255,306
Restricted for grantor or donor donations	5,908,527		5,908,527
Restricted for application of Kentucky state law	17,016,865		17,016,865
Unrestricted (deficit)	(473,732,573)	(51,398,957)	(525,131,530)
<b>Total Net Position</b>	<b>\$ 107,408,375</b>	<b>\$ (35,996,591)</b>	<b>\$ 71,411,784</b>

See Notes to Financial Statements

Statement of Activities  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

Functions/Programs	Program Revenues			Capital Grants and Contributions	Net (Expense) Revenue
	Total District- wide Expenses	Charges for Services	Operating Grants and Contributions		
<b>Governmental activities</b>					
Instruction	\$ 1,077,574,900	\$ 366,248	\$ 250,110,236		\$ (827,098,416)
Student support services	127,019,467				(127,019,467)
Instructional staff support services	172,501,926				(172,501,926)
District administrative support services	14,700,109				(14,700,109)
School administrative support services	143,362,931				(143,362,931)
Business support services	106,826,198				(106,826,198)
Plant operations and maintenance	192,149,315			\$ 10,495,459	(181,653,856)
Student transportation	123,071,756				(123,071,756)
Community services	14,043,405				(14,043,405)
Transfers	(1,377,905)				(1,377,905)
Food service support	94,764				(94,764)
Other	1,326,298				(1,326,298)
Interest	23,102,765				(23,102,765)
<b>Total governmental activities</b>	<b>1,994,395,929</b>	<b>366,248</b>	<b>250,110,236</b>	<b>10,495,459</b>	<b>(1,733,423,986)</b>
<b>Business-type activities</b>					
School food services	67,808,049	1,633,754	75,430,864		9,256,569
Adult education	231,636	88,422	75,906		(67,308)
Enterprise programs	33,671		27,103		(6,568)
Tuition-based pre-school	18,612	88,979			70,367
Day care operations	64,920	1,260	209,010		145,350
<b>Total business-type activities</b>	<b>69,534,793</b>	<b>1,812,415</b>	<b>75,742,883</b>		<b>8,020,505</b>
<b>Total Activities</b>	<b>\$ 2,063,930,722</b>	<b>\$ 2,178,663</b>	<b>\$ 325,853,119</b>	<b>\$ 10,495,459</b>	<b>\$(1,725,403,481)</b>

Continued

Statement of Activities – Continued  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	<b>Government Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Net revenue (expense)</b>	\$ (1,733,423,986)	\$ 8,020,505	\$ (1,725,403,481)
<b>General revenues</b>			
Taxes			
Property taxes	660,469,578		660,469,578
Occupational taxes	212,522,322		212,522,322
Other taxes	81,422,945		81,422,945
State sources			
SEEK program	203,474,758		203,474,758
Other state revenues and grants	586,921,293		586,921,293
Interest and investment earnings	30,301,474	873,900	31,175,374
Miscellaneous	27,448,787		27,448,787
<b>Total general revenues</b>	1,802,561,157	873,900	1,803,435,057
Change in net position	69,137,171	8,894,405	78,031,576
Net position, beginning of year	38,271,204	(44,890,996)	(6,619,792)
<b>Net position, end of year</b>	<b>\$ 107,408,375</b>	<b>\$ (35,996,591)</b>	<b>\$ 71,411,784</b>

See Notes to Financial Statements

Balance Sheet – Governmental Funds  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	General Fund	Special Revenue Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 368,878,452		\$ 48,488,267	\$ 6,790,072	\$ 424,156,791
Investments	75,116,335			439,569	75,555,904
Accounts and grants receivable	32,167,585	\$ 27,342,758		138,696	59,649,039
Inventories	3,937,196			432,277	4,369,473
Due from other funds	56,459,404	21,417,460	37,003,607	16,244,889	131,125,360
<b>Total Assets</b>	<b>\$ 536,558,972</b>	<b>\$ 48,760,218</b>	<b>\$ 85,491,874</b>	<b>\$ 24,045,503</b>	<b>\$ 694,856,567</b>
<b>Liabilities</b>					
Accrued liabilities	\$ 85,640,001	\$ 16,949,572	\$ 20,879,377	\$ 687,834	\$ 124,156,784
Due to other funds	76,507,313	36,401,989	13,077,303		125,986,605
<b>Total Liabilities</b>	<b>162,147,314</b>	<b>53,351,561</b>	<b>33,956,680</b>	<b>687,834</b>	<b>250,143,389</b>
<b>Fund Balances</b>					
Nonspendable	3,937,196			432,277	4,369,473
Restricted			51,535,194	22,925,392	74,460,586
Committed	36,000,000				36,000,000
Assigned	68,465,315				68,465,315
Unassigned	266,009,147	(4,591,343)			261,417,804
<b>Total Fund Balances</b>	<b>374,411,658</b>	<b>(4,591,343)</b>	<b>51,535,194</b>	<b>23,357,669</b>	<b>444,713,178</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 536,558,972</b>	<b>\$ 48,760,218</b>	<b>\$ 85,491,874</b>	<b>\$ 24,045,503</b>	<b>\$ 694,856,567</b>

Continued

**Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities**

Total Governmental Fund Balances	\$ 444,713,178
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets are not financial resources and are not reported in the fund financial statements.	1,092,586,241
Bond issuance costs are amortized over the life of the bond on the district-wide financial statements.	(38,346,189)
Bonds are noncurrent liabilities and are excluded from the fund financial statements.	(555,479,686)
Savings from refunding bonds are not current and are not reported in the fund financial statements.	408,135
Leases are noncurrent liabilities that are excluded from the fund financial statements.	(1,694,905)
Subscription obligations are noncurrent liabilities that are excluded from the fund financial statements.	(650,638)
Long-term workers compensation liability is noncurrent and is excluded from the fund financial statements.	(22,868,171)
Long-term vacation pay liability is noncurrent and is excluded from the fund financial statements.	(7,331,379)
Long-term sick leave liability is noncurrent and is excluded from the fund financial statements.	(46,665,300)
Bond interest payable is a noncurrent liability and is excluded from the fund financial statements.	(3,597,067)
Net pension liability is noncurrent and is excluded from the fund financial statements.	(351,503,441)
Deferred outflows related to employee pension plans are excluded from the fund financial statements.	80,752,516
Deferred inflows related to pension plans are excluded from the fund financial statements.	(108,924,437)
Net other post-employment benefits liability is noncurrent and is excluded from the fund financial statements.	(241,299,445)
Deferred outflows related to other post-retirement employee benefits are excluded from the fund financial statements.	190,144,474
Deferred inflows related to other post-retirement employee benefits are excluded from the fund financial statements.	(322,835,511)
<b>Net Position of Governmental Activities</b>	<b><u>\$ 107,408,375</u></b>

See Notes to Financial Statements

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Local sources					
Property taxes	\$ 609,946,373			\$ 50,523,205	\$ 660,469,578
Occupational taxes	212,522,322				212,522,322
Other taxes	81,422,945				81,422,945
Grants from local agencies and donors	1,730,389	\$ 4,809,585			6,539,974
State sources					
SEEK program	195,042,913			8,431,845	203,474,758
Other state revenues	344,848,185	43,345,169			388,193,354
KSFCC allocation				10,495,459	10,495,459
Grants from the United States government		197,506,639		2,718,454	200,225,093
Interest	28,211,600	212,953	\$ 1,876,921		30,301,474
Other sources	9,491,275	242,051		18,081,712	27,815,038
<b>Total Revenues</b>	<b>1,483,216,002</b>	<b>246,116,397</b>	<b>1,876,921</b>	<b>90,250,675</b>	<b>1,821,459,995</b>
<b>Expenditures</b>					
Instruction	812,252,566	132,431,479		19,345,916	964,029,961
Student support services	102,225,262	18,081,747			120,307,009
Instructional staff support services	119,735,334	43,650,560			163,385,894
District administrative support services	10,316,625	358,519			10,675,144
School administrative support services	135,539,841	247,017			135,786,858
Business support services	83,430,394	17,728,782			101,159,176
Plant operations and maintenance	167,667,872	13,316,934		27,690	181,012,496
Transportation	105,738,443	5,629,226			111,367,669
Food service operations	89,516	240			89,756
Community services	3,027,495	10,224,887			13,252,382
Other instructional support services		41,448			41,448
Building renovations	5,290,494		84,041,796		89,332,290
Other			1,214,760		1,214,760
Debt service					
Principal			4,389,891	39,311,830	43,701,721
Interest				23,056,589	23,056,589
<b>Total Expenditures</b>	<b>1,545,313,842</b>	<b>241,710,839</b>	<b>89,646,447</b>	<b>81,742,025</b>	<b>1,958,413,153</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>(62,097,840)</b>	<b>4,405,558</b>	<b>(87,769,526)</b>	<b>8,508,650</b>	<b>(136,953,158)</b>

Continued

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – Continued

**Board of Education of Jefferson County, Kentucky**

Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Other Financing Sources (Uses)</b>					
Issuance of school building revenue refunding bonds			56,245,000		56,245,000
Repayment of refunded bonds			(56,245,000)		(56,245,000)
Premiums on bonds sold			5,604,650		5,604,650
Transfers to Proprietary Funds	(2,963,486)				(2,963,486)
Transfers from Proprietary Funds	4,341,391				4,341,391
Transfers in	12,915,031	1,628,994	4,350,975	50,935,062	69,830,062
Transfers out	(3,409,550)	(12,915,031)	(4,403,537)	(49,101,944)	(69,830,062)
<b>Total Other Financing Sources (Uses)</b>	10,883,386	(11,286,037)	5,552,088	1,833,118	6,982,555
<b>Net Change in Fund Balances</b>	(51,214,454)	(6,880,479)	(82,217,438)	10,341,768	(129,970,603)
Fund Balances, Beginning of Year	425,626,112	2,289,136	133,752,632	13,015,901	574,683,781
<b>Fund Balances, End of Year</b>	<b>\$ 374,411,658</b>	<b>\$ (4,591,343)</b>	<b>\$ 51,535,194</b>	<b>\$ 23,357,669</b>	<b>\$ 444,713,178</b>

Continued

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the District-wide Statement of Activities**

Net Change in Fund Balances - Total Governmental Funds	\$ (129,970,603)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Additions to capital assets capitalized on district-wide statement of net position.	361,444,772
Dispositions of capital assets are reflected on the district-wide statement of activities.	(218,499,246)
Capital asset use is expensed as depreciation on the district-wide statement of activities.	(69,789,972)
Bond principal payments are recorded as a reduction of a liability on the district-wide statement of net position.	99,946,721
Bonds issued are capitalized on the district-wide statement of net position.	(56,245,000)
Bond premiums and discounts on new bonds are capitalized on the district-wide statement of net position.	(5,604,650)
Bond premiums and discounts must be amortized over the remaining life of the bonds.	4,005,430
Capitalized savings from bond refundings must be amortized over the remaining life of the bonds.	245,995
Bond interest payable is reflected on the full accrual basis on the district-wide statement of net position.	46,176
Additions to long-term lease assets are capitalized on the statement of net position.	(568,238)
Long-term subscription assets are capitalized on the statement of net position.	838,275
Long-term workers compensation liability increased on the district-wide financial statements.	(125,330)
Long-term vacation payable increased on the district-wide financial statements.	(69,121)
Long-term sick leave payable increased on the district-wide financial statements.	(1,025,496)
Pension expense represents the cost of providing long-term benefits on the district-wide statement of activities.	148,537,418
Changes in deferred outflows related to pension plans are long-term in nature and are on the district-wide statement of activities.	(9,460,568)
Changes in deferred inflows related to pension plans are long-term in nature and are on the district-wide statement of activities.	(96,530,284)
Changes in deferred outflows related to other post-retirement employee benefits and are on the district-wide statement of activities.	(75,775,365)
Changes in deferred inflows related to other post-retirement employee benefits and are on the district-wide statement of activities.	(120,335,315)
Expenses related to other post-retirement employee benefits represents long-term employment costs on the district-wide statement of activities.	238,071,572
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 69,137,171</u></b>

See Notes to Financial Statements

Statement of Net Position – Proprietary Funds  
**Board of Education of Jefferson County, Kentucky**  
June 30, 2024

	Enterprise Funds		
	School Food Services	Total Nonmajor Enterprise Funds	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 8,629,146	\$ 324,831	\$ 8,953,977
Accounts receivable	23,978	9,117	33,095
Inventories	4,293,106		4,293,106
Due from other funds		1,841,357	1,841,357
Net other post-employment benefits assets	855,067	816	855,883
<b>Total Current Assets</b>	<b>13,801,297</b>	<b>2,176,121</b>	<b>15,977,418</b>
<b>Total Land and Capital Assets, net of accumulated depreciation</b>	<b>15,402,366</b>		<b>15,402,366</b>
<b>Total Assets</b>	<b>\$ 29,203,663</b>	<b>\$ 2,176,121</b>	<b>\$ 31,379,784</b>
<b>Deferred Outflows of Resources</b>			
Difference between actual and expected experience	\$ 2,653,359	\$ 2,531	\$ 2,655,890
Changes in assumptions	1,991,516	13,341	2,004,857
Difference between projected and actual earnings on plan investments	25,424	967	26,391
Change in proportionate share	3,314,759	19,562	3,334,321
Pension and OPEB contributions after measurement date	5,248,943	8,922	5,257,865
<b>Total Deferred Outflows of Resources</b>	<b>\$ 13,234,001</b>	<b>\$ 45,323</b>	<b>\$ 13,279,324</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accrued liabilities	\$ 2,276,015	\$ 21,328	\$ 2,297,343
Due to other funds	6,938,215	41,897	6,980,112
<b>Total Current Liabilities</b>	<b>9,214,230</b>	<b>63,225</b>	<b>9,277,455</b>
<b>Noncurrent Liabilities</b>			
Net pension liabilities	39,739,716	37,895	39,777,611
Net other post-employment benefits liabilities	1,358,725	51,640	1,410,365
<b>Total Noncurrent Liabilities</b>	<b>41,098,441</b>	<b>89,535</b>	<b>41,187,976</b>
<b>Total Liabilities</b>	<b>\$ 50,312,671</b>	<b>\$ 152,760</b>	<b>\$ 50,465,431</b>
<b>Deferred Inflows of Resources</b>			
Difference between actual and expected experience	\$ 12,709,583	\$ 29,183	\$ 12,738,766
Changes in assumptions	4,814,852	4,591	4,819,443
Net difference between projected and actual earnings on plan investments	740,517	707	741,224
Change in proportionate share	11,861,453	29,382	11,890,835
<b>Total Deferred Inflows of Resources</b>	<b>\$ 30,126,405</b>	<b>\$ 63,863</b>	<b>\$ 30,190,268</b>
<b>Net Position</b>			
Net investment in capital assets	15,402,366		15,402,366
Unrestricted (deficit)	(53,403,778)	2,004,821	(51,398,957)
<b>Total Net Position</b>	<b>\$ (38,001,412)</b>	<b>\$ 2,004,821</b>	<b>\$ (35,996,591)</b>

See Notes to Financial Statements

Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	Enterprise Funds		Total
	School Food Services	Total Nonmajor Enterprise Funds	
<b>Operating Revenues</b>			
Lunchroom sales	\$ 1,633,754		\$ 1,633,754
Tuition and fees		\$ 178,661	178,661
<b>Total Operating Revenues</b>	1,633,754	178,661	1,812,415
<b>Operating Expenses</b>			
Salaries and personnel services	24,858,134	105,221	24,963,355
Employee benefits	(541,182)	127,845	(413,337)
Purchased professional services	162,883	50,111	212,994
Purchased property and maintenance services	4,023,200	3,579	4,026,779
Other purchased services	102,566	5,727	108,293
Supplies and materials	35,997,658	45,165	36,042,823
Property	1,668,804	2,807	1,671,611
Miscellaneous	80,842	8,384	89,226
Depreciation	1,455,144		1,455,144
<b>Total Operating Expenses</b>	67,808,049	348,839	68,156,888
<b>Income (Loss) From Operations</b>	(66,174,295)	(170,178)	(66,344,473)
<b>Non-Operating Revenues (Expenses)</b>			
Federal grants	65,744,071		65,744,071
State grants	477,893		477,893
Other state revenue	5,136,129	286,544	5,422,673
Donated commodities	4,000,443		4,000,443
Interest income	857,629	16,271	873,900
Other revenues	72,328	25,475	97,803
<b>Total Non-Operating Revenues</b>	76,288,493	328,290	76,616,783
<b>Transfers</b>			
Transfers to other funds	(4,341,391)		(4,341,391)
Transfers from other funds	2,963,486		2,963,486
<b>Total Transfers</b>	(1,377,905)		(1,377,905)
<b>Change in Net Position</b>	8,736,293	158,112	8,894,405
Net Position, Beginning of Year	(46,737,705)	1,846,709	(44,890,996)
<b>Net Position, End of Year</b>	\$ (38,001,412)	\$ 2,004,821	\$ (35,996,591)

See Notes to Financial Statements

Statement of Cash Flows – Proprietary Funds  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	Enterprise Funds		Totals
	School Food Services	Total Nonmajor Enterprise Funds	
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 1,633,753	\$ 108,191	\$ 1,741,944
Cash paid to suppliers	(41,623,217)	(25,589)	(41,648,806)
Cash paid to employees	(29,002,560)	(203,261)	(29,205,821)
Cash paid for other expenses	(243,725)	(58,495)	(302,220)
<b>Net Cash Provided by (Used In) Operating Activities</b>	<b>(69,235,749)</b>	<b>(179,154)</b>	<b>(69,414,903)</b>
<b>Cash Flows From Investing Activities</b>			
Interest income	857,629	16,271	873,900
<b>Net Cash Provided by (Used In) Investing Activities</b>	<b>857,629</b>	<b>16,271</b>	<b>873,900</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Additions (deductions) to capital assets	(1,122,451)		(1,122,451)
Interest received	72,328		72,328
Funded OPEB asset	(855,067)	(816)	(855,883)
<b>Net Cash Provided by (Used In) Capital and Related Financing Activities</b>	<b>(1,905,190)</b>	<b>(816)</b>	<b>(1,906,006)</b>
<b>Cash Flows from Noncapital Financing Activities</b>			
Cash received for operational grants	71,572,917	168,838	71,741,755
<b>Net Cash Provided by (Used In) Noncapital Financing Activities</b>	<b>71,572,917</b>	<b>168,838</b>	<b>71,741,755</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,289,607</b>	<b>5,139</b>	<b>1,294,746</b>
Cash and Cash Equivalents, Beginning of Year	7,339,539	319,692	7,659,231
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 8,629,146</b>	<b>\$ 324,831</b>	<b>\$ 8,953,977</b>

Continued

Statement of Cash Flows – Proprietary Funds – Continued  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	<u>Enterprise Funds</u>		<u>Totals</u>
	<u>School Food Services</u>	<u>Total Nonmajor Enterprise Funds</u>	
<b>Reconciliation of Income (Loss) from Operations to Net Cash</b>			
<b>Provided by (Used In) Operating Activities</b>			
Income (loss) from operations	\$ (66,174,295)	\$ (170,178)	\$ (66,344,473)
Adjustments to reconcile income (loss) from operations to cash provided by (used in) operating activities:			
Depreciation	1,455,144		1,455,144
Donated commodities	4,000,443		4,000,443
Transfers	(1,377,905)		(1,377,905)
Change in accounts receivable		1,143	1,143
Change in amounts due from other funds	8,248,260	(71,613)	8,176,647
Change in inventories	(701,456)		(701,456)
Change in deferred outflows	6,206,074	(21,375)	6,184,699
Change in amounts due to other funds	(3,034,854)	24,811	(3,010,043)
Change in accrued liabilities	1,282,782	6,878	1,289,660
Change in deferred inflows	20,928,776	51,617	20,980,393
Change in unfunded post-employment benefits liabilities	(17,178,990)	26,045	(17,152,945)
Change in unfunded pension liability	(22,889,728)	(26,482)	(22,916,210)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (69,235,749)</b>	<b>\$ (179,154)</b>	<b>\$ (69,414,903)</b>
<b>Summary of Noncash Financing Activity</b>			
Donated commodities from the US Dept of Agriculture	\$ 4,000,443		
District facilities support – rent forgiven on cafeterias	\$ 2,963,486		
Depreciation	\$ 1,455,144		
<b>Adjustments in Cash Flows from Noncapital Financing Activity</b>			
Accounts receivable related to grant revenues	\$ 214,824		

See Notes to Financial Statements

Statement of Net Assets

**Jefferson County Public Education Foundation, a Major Component Unit of the Board  
of Education of Jefferson County, Kentucky**

June 30, 2024

	<u>Total</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 2,238,377
Investments	<u>19,916,450</u>
<b>Total Assets</b>	<b>\$ <u>22,154,827</u></b>
<b>Net Assets</b>	
Without donor restrictions	\$ 12,421
Without donor restrictions, board designated	19,822,511
With donor restrictions	<u>2,319,895</u>
<b>Total Net Assets</b>	<b>\$ <u>22,154,827</u></b>

Statement of Revenues, Expenses, and Changes in Net Assets

**Jefferson County Public Education Foundation, a Major Component Unit of the Board  
of Education of Jefferson County, Kentucky**

Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Operating Revenues</b>			
Contributions	\$ 18,864	\$ 220,834	\$ 239,698
Fundraising, net of event expenses of \$12,067 in fiscal year 2024		36,933	36,933
Net investment income	2,324,103	276,449	2,600,552
Net assets released from restriction	368,160	(368,160)	
<b>Total Operating Revenues</b>	<u>2,711,127</u>	<u>166,056</u>	<u>2,877,183</u>
<b>Operating Expenses</b>			
Program services	2,288,922		2,288,922
Management and general	18,420		<u>18,420</u>
<b>Total Operating Expenses</b>	<u>2,307,342</u>		<u>2,307,342</u>
<b>Change in Net Assets</b>	403,785	166,056	569,841
Net Assets, Beginning of Year	<u>19,431,147</u>	<u>2,153,839</u>	<u>21,584,986</u>
<b>Net Assets, End of Year</b>	<b>\$ <u>19,834,932</u></b>	<b>\$ <u>2,319,895</u></b>	<b>\$ <u>22,154,827</u></b>

See Notes to Financial Statements



**Note A—Summary of Significant Accounting Policies**

**Reporting Entity**—The Board of Education of Jefferson County, Kentucky (the “District”) is established under and governed by the Kentucky School Laws and maintains a system of schools primarily for kindergarten through twelfth grade, but also includes preschool, vocational and adult education. The District is a school district of the Commonwealth of Kentucky having boundaries coterminous with the boundaries of Jefferson County, excluding the City of Anchorage.

The accompanying financial statements include all funds and activities of the District, including the Jefferson County School Board Finance Corporation (the “Corporation”), a non-stock, not-for-profit Corporation. The Corporation is a blended component unit and was created to act as an agency in the acquisition and financing of any capital project which may be undertaken by the District. Accounts of the Corporation are included in the financial statements as a capital projects fund.

The District is not includable as a component unit within another reporting entity. Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to develop policies which may influence operations, and primary accountability for fiscal matters.

**Accounting Standards**—The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the U.S. (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**District-wide and Fund Financial Statements**—The District-wide financial statements (the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. These statements report information on all the activities of the District. The doubling-up effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by tax revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to students or parents who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District allocates certain indirect costs to be included in the program expense reported for individual functions and activities in the District-wide Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though fiduciary funds are excluded from the District-wide financial statements. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.



**Note A—Summary of Significant Accounting Policies—Continued**

**Measurement Focus and Basis of Accounting**—The District-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Each fund is a separate accounting entity with a self-balancing set of accounts. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible during the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pensions, other post employment benefits, compensated absences and workers' compensation claims, are recorded only when payment is due.

Revenues susceptible to accrual are property taxes, interest revenue and charges for services. Occupational tax revenues are not susceptible to accrual because generally they are not measurable until received in cash.

Funds are classified into three categories: governmental, proprietary and fiduciary. The District reports the following major governmental funds:

**The General Fund** is the District's primary operating fund, which accounts for all of the activities of the general government not required to be accounted for in another fund. Local taxes account for 61.1% of the General Fund revenues, while the Support Education Excellence in Kentucky ("SEEK") program accounts for 13.2% of General Fund revenues. SEEK is a program that began in 1990 as the result of the Kentucky Education Reform Act ("KERA"), and is the basic State funding spent by the District. Other State Revenues are 23.3% of General Fund revenues and are principally health insurance for all employees and teachers' pension match paid by the State on the District's behalf, as discussed further on page 34 in Note A.

**The Special Revenue Fund** is a special revenue fund which accounts for the activities of specific education related programs in accordance with restrictions established by the various grantors (primarily the United States Government and state and local governments). This includes certain KERA grants which carry grantor restrictions related to expenditures.

**The Construction Fund** accounts for funds from three sources. First, funds generated by sales of bond issues are used for various construction projects at educational facilities. Second, proceeds from the sale of properties and equipment owned by the District are to be used at the discretion of the District for future construction projects. Last, any funds remaining in the Capital Outlay and Building Tax Funds at the end of the year are escrowed to pay for categorical priorities listed in the Long-Range Facility Plan, discussed on page 13 in the MD&A.



**Note A—Summary of Significant Accounting Policies—Continued**

**Proprietary Funds** distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services or producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The District reports as a major proprietary fund the School and Community Nutrition Services (“School Food Services”) Program which provides certain food preparation at the Nutrition Center and serves breakfast and lunch at schools throughout Jefferson County.

**Component Unit**—The Jefferson County Public Education Foundation (“JCPEF”) is a 501(c)(3) public charity whose predominate mission is to support Jefferson County Public Schools, its students, and its staff. It maintains separate accounting records with full financial authority and a completely independent Board. As the only component unit, it qualifies as major and is reported as a separate financial statement of major component units. JCPEF maintains its financial records using the modified cash basis. These records have been audited separately and a copy of their financial statements can be obtained at Jefferson County Public Education Foundation, VanHoose Education Center, 3332 Newburg Road, Louisville, KY, 40218.

JCPEF reports net assets and revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of JCPEF and changes are reported as follows:

Without donor restriction – Portion of expendable funds available for support in the JCPEF operation. With donor restrictions – Net assets subject to donor-imposed stipulations. These net assets include those that may or will be met either by actions of JCPEF and/or the passage of time and also include \$1,724,376 permanent endowment funds.

JCPEF maintains cash in a bank account insured by the Federal Depositors Insurance Corporation (“FDIC”). When balances exceeded FDIC limits, excess amounts exposed to credit risk were secured by United States Treasury repurchase agreements. Investments remain subject to custodial credit risk, interest rate risk, and concentration of credit risk as outlined in Note B. All investments have been measured and reported at fair value according to the hierarchy explained in Note B:

Investments by Fair Value Level	Fair Value Measurements Using:			
	June 30, 2024	Quoted Prices in Active Markets for Identical Assets – Level 1	Significant Other Observable Inputs – Level 2	Significant Other Unobservable Inputs – Level 3
Corporate bonds	\$ 1,759,744		\$ 1,759,744	
Treasury notes	6,774,897	\$ 6,774,897		
Mutual funds – fixed income	38,867	38,867		
State and Municipal Bonds	25,866	25,866		
Equities	8,543,659	8,543,659		
Mutual funds – equity	523,414	523,414		
Exchange Traded Funds	2,250,003	2,250,003		
<b>Total</b>	<b>\$ 19,916,450</b>	<b>\$ 18,156,706</b>	<b>\$ 1,759,744</b>	



**Note A—Summary of Significant Accounting Policies—Continued**

**Cash and Cash Equivalents**—The District considers demand deposits, money market funds, and other investments with an original maturity of 90 days or less, to be cash equivalents.

**Inventories**—Inventories are valued at the lower of cost, using the first in, first out method, or market. Generally, the only inventory items marked to market are diesel, gasoline, and items determined to be obsolete with no current market value. The Food Service Fund’s inventories consist of food and supplies valued at cost and U. S. Government commodities whose value is determined by the U.S.D.A.

In the governmental funds balance sheet, reported inventories in the general fund are equally offset by a fund balance reserve which indicates that they do not constitute “available spendable resources” even though they are a component of total assets.

**Capital Assets**—Capital assets include land, buildings, vehicles, leased assets, subscription-based information technology assets, office equipment, school equipment, and food service equipment, and are reported in the applicable governmental or business-type activities column in the District-wide Statement of Net Position and in the Statement of Net Position – Proprietary Funds. The District maintains a record of its capital assets, and those with a cost of \$1,000 or more are capitalized. All computers, regardless of cost, are capitalized. Additions to capital assets are recorded at cost and depreciated using the straight-line method. Capital assets are depreciated over estimated useful lives as determined by the Kentucky Department of Education, as follows:

	<u>Estimated life (years)</u>
Land improvements	20
Buildings	50
Building improvements	25
Carpet/tile	7
Technology equipment	5
School buses	10
Other vehicles	5
Rolling stock	15
Food service equipment	12
Furniture and fixtures	20
Audio-visual equipment	15
Other general equipment	10
Musical instruments	10

The same asset classifications may be leased over a period exceeding 12 months instead of purchased, which would qualify as leases or subscription assets. These assets are amortized over the remaining term of the lease/subscription agreement, rather than in accordance with the depreciable life table.

**Estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note A—Summary of Significant Accounting Policies—Continued**

**Fund Balance**—Fund balance is separated into five categories, as follows:

<b>Category</b>	<b>Definition</b>	<b>District Purpose</b>
Nonspendable	Permanently nonspendable by decree of the donor, such as an endowment, or items which may not be used for another purpose, such as amounts used to prepay future expenses or already-purchased	Prepaid expenses and inventory on hand
Restricted	Legally restricted under federal or state law, bond authority, or grantor contract	Grant funds, bond proceeds, and funds governed by specific state laws
Committed	Commitments passed by the elected Board through a Resolution and can not be used for any other purpose unless modified or rescinded by Board Resolution	Required reserves to meet payroll and accounts payable cash flow requirements
Assigned	Spendable fund balance amounts authorized by management priority including issued encumbrances	Encumbered purchase orders (budgeted, approved money allocated/assigned to a purchase but not yet spent) and other specific purposes that are neither considered restricted or committed
Unassigned	Funds available for future operations	Funds available for future operations

<b>Category</b>	<b>District Purpose</b>	<b>General Fund</b>	<b>Special Revenue</b>	<b>Construction Fund</b>	<b>Nonmajor Funds</b>	<b>Purpose Total</b>
Nonspendable	Prepaid expenses and inventory on hand	\$ 3,937,196			\$ 432,277	\$ 4,369,473
Restricted	Grant or donor-directed funds				5,908,527	5,908,527
	Unspent bond proceeds and unallocated project residuals			\$ 51,535,194		51,535,194
	Funds governed by specific state laws				17,016,865	17,016,865
Committed	Cash flows protection	36,000,000				36,000,000
Assigned	Encumbered purchase orders (budgeted, approved money allocated/assigned to a purchase but not yet spent)	68,465,315				68,465,315
Unassigned	Funds available for future operations	266,009,147	\$ (4,591,343)			261,417,804



**Note A—Summary of Significant Accounting Policies—Continued**

Unassigned fund balance is generally only reported in the General Fund. However, if expenditures for a governmental fund other than the General Fund exceeded amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

It is the District’s practice to liquidate funds when conditions have been met releasing these funds from legal, contractual, District, or managerial obligations, using restricted funds first, followed by committed funds, assigned funds, then unassigned funds.

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. Encumbrances remaining open at the end of the fiscal year are automatically re-budgeted in the following fiscal year. Encumbrances are considered a managerial assignment of fund balance in the General Fund balance sheet. Board policy 04.31 grants this authority to the Superintendent or the Superintendent’s designee. The Superintendent has granted fund balance assignment authority to the Director of Purchasing.

Statutorily, the Kentucky Department of Education may assume financial control over any school district whose fund balance drops below 2% of the total expenditures of certain funds. To maintain balances above this level, they recommend reserving at least 5%. The elected Jefferson County Board of Education committed funds to ensure fund balance remains above these levels. While these funds have been properly committed and not budgeted for future years’ expenditures, there is no mandate on how the committed funds would be used if the District fell below the 2% floor.

**Property Tax Revenues**—Property taxes are levied each November on the assessed value listed as of the prior January 1 for all real and personal property in Jefferson County. The billings are considered due upon receipt by the taxpayer; however, the actual due date is based on a period ending 30 days after the tax bill mailing.

**On-Behalf Payments**—The Commonwealth of Kentucky pays certain expenses on behalf of the District. In the financial statements, these payments are recorded as an expense and other state revenue. These expenses include the following:

	<u>2023-24</u>
Health insurance	\$ 132,498,475
KTRS employer match	217,290,517
HRA, dental, vision, and life insurance	3,477,936
State administration fee	1,324,848
Reimbursement from federal programs	(7,185,263)
State facility construction support	10,495,459
Technology systems	805,215
	<u>\$ 358,707,187</u>

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note A—Summary of Significant Accounting Policies—Continued**

**Budgetary Principles**—The Superintendent must submit the proposed budget for all funds other than school-based activity funds to members of the Board each year. The Board Members will then discuss and, where so desired, amend the proposed budget and will adopt a final budget by September 30 of each fiscal year. Any adjustments to the adopted budget must be approved by the Board.

Budget information is presented for the General Fund and other funds with a legally-adopted budget. This budgetary data is prepared on the modified accrual basis of accounting, in accordance with generally accepted accounting principles. Budgetary revenues represent original estimates modified for any adjustments authorized by the Board during the fiscal year. Budgetary expenditures represent original appropriations adjusted for budget transfers and additional appropriations approved during the fiscal year. Although budgets are prepared on a line-item basis by cost center for each department, expenditures may legally exceed budget in these areas but may not exceed the budget in total. District Activity Funds and Student Activity Funds do not have legally-adopted budgets and budgetary information is not presented for these funds.

**Interfund Receivables and Payables**—Each fund is a separate fiscal and accounting entity, and thus interfund transactions are recorded in each fund affected by a transaction. Interfund receivables and payables for the District arise generally from two types of transactions: 1) all funds are initially received into the General Fund, thus a payable and receivable are established in the appropriate funds; and 2) payments are from the General Fund checking account, which may not have the legal liability for the expenditure, thus a payable from the fund having the legal liability is established at such time. Typically, interfund receivables and liabilities are resolved monthly, and all of these balances should be resolved within a year. All interfund receivables and payables have been eliminated on the District-wide Statement of Net Position.

	<b>Due from other Funds Reported in General Fund</b>	<b>Due to other Funds Reported in General Fund</b>
Special Revenue Fund	\$ 36,401,989	\$ 21,417,460
Construction Fund	13,077,303	37,003,607
Nonmajor Governmental Funds		16,244,889
Food Service Fund	6,938,215	
Nonmajor Enterprise Funds	41,897	1,841,357
	<u>\$ 56,459,404</u>	<u>\$ 76,507,313</u>



**Note A—Summary of Significant Accounting Policies—Continued**

**Transfers to Other Funds**—Although each fund is its own distinct reporting entity, periodically, funds have cause to make transfers to other funds. The most common reasons necessitating interfund transfers are for debt service payments and grant matching funds. Debt service payments may be paid from the Capital Outlay Fund, Building Tax Fund, or Construction Fund, but the expenditures are recorded in the Debt Service Fund with transfers recorded to keep the funds in balance. At times, the District receives grants which require an amount of matching funds. Usually, the General Fund supplies this match offset by transfers to the Special Revenue Fund. The following is a schedule of the District’s transfers during the year:

	<b>Transfers from other funds</b>	<b>Transfers to other funds</b>	
General Fund	\$ 17,256,422	\$ 6,373,036	Food Service facilities rent forgiven, grant matching, and construction funding
Special Revenue Fund	1,628,994	12,915,031	Grant matching funds and accounting changes
Construction Fund	4,350,975	4,403,537	Debt service payments and escrowed funds used for current construction
Nonmajor Governmental Funds	50,935,062	49,101,944	Debt service payments and escrowed funds used for current construction
Food Services Fund	2,963,486	4,341,391	Facilities rent forgiven by General Fund
	<u>\$ 77,134,939</u>	<u>\$ 77,134,939</u>	

**Pensions**—For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Kentucky Teachers Retirement System and the County Employees Retirement System and additions to/deductions from these pensions’ fiduciary net position have been determined on the same basis as they are reported by those pensions. The pensions’ financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide contributions. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Postemployment Benefits Other than Pensions (“OPEB”)**—For purposes of measuring the net OPEB asset or liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the Kentucky Teachers Retirement System and the County Employees Retirement System and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the respective plans. The plans’ financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide contributions. For this purpose, the plans recognize benefit payments when due and payable, in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.



**Note B—Cash, Cash Equivalents and Investments**

The District's deposits are maintained in five designated financial institutions. Deposits at all these financial institutions are entirely insured by the FDIC or by collateral held by the financial institutions in the District's name, as is required by the District's investment policy, though custodial credit risk is not specifically mentioned in this policy. During the year, the District invests excess cash into short-term United States Government obligations or bank certificates of deposit collateralized by U.S. Government securities. These investments are either insured or securities are held by the pledging financial institution's trust department in the District's name.

In compliance with Kentucky Statutes, the District's investment policy 04.6 specifies that the District's investment objectives, in order of priority, are the following:

- a. Legality
- b. Safety of principal
- c. Liquidity to enable the District to meet all operating requirements
- d. Return on Investment

The complete investment policy 04.6 is available at <http://policy.ksba.org/Chapter.aspx?distid=56>. Investments consist of certificates of deposit and U.S. Government agency securities. The certificates of deposit are held by various schools' activity funds in the Nonmajor Governmental Funds at several financial institutions located in Jefferson County, Kentucky, and have various rates of interest and maturity dates greater than ninety days. Such investments are stated at fair value as of June 30. These investments are covered by depositor insurance or by collateral held by the financial institutions in the District's name. The U.S. Government Securities also have maturities greater than ninety days and their value has been adjusted to fair value. As of June 30, 2024, the District had the following investments:

<b>Fund Type</b>	<b>Investment Type</b>	<b>Fair Value</b>	<b>Moody's Rating</b>	<b>Weighted Average Maturity in Years</b>
Governmental	Federal Agencies	\$ 75,116,335	Aaa	1.96
	Certificates of Deposit	<u>439,569</u>		1.25
		<u>\$ 75,555,904</u>		



**Note B—Cash, Cash Equivalents and Investments—Continued**

**Credit Risk**—Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. In an effort to minimize the likelihood that an issuer will default, the District has limited the number of permissible investments under its investment policy to certain highly rated investments. In accordance with this policy, the District is authorized to invest in the following:

- a. Obligations of the United States and of its agencies, national corporations, and instrumentalities, including repurchase agreements
- b. Certificates of deposit issued by banks or savings and loan institutions
- c. Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and municipalities
- d. Securities issued by a state or local government, or any instrumentality or agency thereof, in the United States, but only if fully defeased by direct obligations of or guaranteed by the United States of America
- e. Interest bearing deposits in national and state banks chartered in Kentucky and insured by an agency of the United States up to the amount so insured, and in larger amounts providing such bank shall pledge as security obligations having a current quoted market value at least equal to any uninsured deposits.

**Custodial Credit Risk**—Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments held by the District are insured or collateralized with securities held in the District's name. The securities held as collateral are maintained either by the Federal Reserve or in the trust area of major national banks.

**Interest Rate Risk**—Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair value by purchasing a combination of cash holdings, shorter-term, and longer-term investments. Some of the District's investments in federal agency securities are callable instruments and particularly carry this form of risk. The District has no formal policies relating to interest rate risk.

**Concentration of Credit Risk**—The District's investment policy places no limit on the amount the District may invest with any one issuer; however, all holdings must be collateralized with securities held in the District's name. As of June 30, 2024, the District had \$1,750,000 of deposits insured by the FDIC. Amounts on deposit in excess of FDIC insurance required to be collateralized were collateralized by securities held in the District's name and none were uninsured and uncollateralized.

**Fair Value Measurement**—The District's investments are measured and reported at fair value and are classified according to the following hierarchy:

- Level 1 – Investments reflect prices quoted in active markets.
- Level 2 – Investments reflect prices that are based on similar observable assets either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 – Investments reflect prices based upon unobservable sources.

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note B—Cash, Cash Equivalents and Investments—Continued**

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment’s risk. Debt securities classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor.

Investments by Fair Value Level	June 30, 2024	Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets – Level 1	Significant Other Observable Inputs – Level 2	Significant Other Unobservable Inputs – Level 3
Certificates of Deposit	\$ 439,569		\$ 439,569	
U.S. Agency Obligations	75,116,335	\$ 75,116,335		
<b>Total Debt Securities</b>	<b>\$ 75,555,904</b>	<b>\$ 75,116,335</b>	<b>\$ 439,569</b>	

**Note C—Receivables**

The District recognizes revenues as accounts receivable when they are measurable and receipt is certain. Concentration of credit risk with respect to the accounts receivable from federal and state governments is limited due to the historical stability of those institutions. While the District receives revenues from many different outside sources throughout the year, the accounts and grants receivable from outside sources may be grouped into the following categories:

Accounts and grants receivable from outside sources	Governmental Funds	Proprietary Funds	Total
Accounts receivable	\$ 4,348,298	\$ 33,095	\$ 4,381,393
Taxes receivable	27,957,983		27,957,983
Grants receivable	27,342,758		27,342,758
	<b>\$ 59,649,039</b>	<b>\$ 33,095</b>	<b>\$ 59,682,134</b>

Federal and state grants to be used or expended as specified by the grantor are recognized as revenue and recorded as receivables as qualifying expenditures are made.

The following is the District’s property tax calendar:

Date	Event
January 1, year of levy	Assessment date
October 1, year of levy	Taxes levied
November 30, year of levy	2% discount allowed
December 31, year of levy	1% discount allowed
January 31, following year	Gross amount due
February 1, following year	Delinquent date, 1½ % interest added per month
April 1, following year	10% penalty added

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note C—Receivable—Continued**

Unpaid property taxes attach as an enforceable lien on real property as of the delinquent date. The Jefferson County Clerk’s Office collects personal property tax on vehicles when registered. The Jefferson County Sheriff’s Office bills and collects all property taxes on real estate and other personal property on behalf of the District. District property tax revenues are recognized when levied to the extent that they result in current receivables.

Although the District has taxes receivable from a variety of constituents, a substantial portion of the debtors’ ability to honor this debt is dependent upon the widely diverse economic environment of the Commonwealth of Kentucky and the local area.

**Note D—Capital Assets**

Activity in capital assets during the year ended June 30, 2024 consisted of the following:

	Balance June 30, 2023	Additions	Dispositions	Balance June 30, 2024
<b>Governmental Activities</b>				
Land	\$ 29,247,665			\$ 29,247,665
Construction in progress	203,781,266	\$ 92,938,462	\$ 217,177,418	79,542,310
	233,028,931	92,938,462	217,177,418	108,789,975
Land improvements	51,904,848	7,515,547	4,060	59,416,335
Buildings & building improvements	1,524,126,999	217,960,446	269,167	1,741,818,278
Lease buildings	430,899	1,835,426	1,025,438	1,240,887
Technology equipment	146,393,759	5,455,062	1,808,853	150,039,968
Lease technology equipment	695,545	241,526		937,071
Subscription assets	1,551,459	956,159		2,507,618
Vehicles	114,938,613	10,043,485	69,778	124,912,320
General equipment	98,096,363	24,498,659	517,246	122,077,776
	1,938,138,485	268,506,310	3,694,542	2,202,950,253
<b>Less Accumulated Depreciation/Amortization</b>				
Land improvements	34,746,283	1,870,634	2,876	36,614,041
Buildings & building improvements	872,116,598	38,878,567	225,203	910,769,962
Lease buildings	107,725	1,025,438		1,133,163
Technology equipment	99,789,692	13,827,204	1,670,557	111,946,339
Lease technology equipment	671,286	241,750		913,036
Subscription assets	775,729	1,081,250		1,856,979
Vehicles	93,912,467	6,029,691	69,778	99,872,380
General equipment	49,616,950	6,835,437	404,300	56,048,087
	1,151,736,730	69,789,971	2,372,714	1,219,153,987
	\$ 1,019,430,686	\$ 291,654,801	\$ 218,499,246	\$ 1,092,586,241

Included in this table is current construction in progress. Items are not depreciated until placed into service. Accordingly, these items have no accumulated depreciation. Please note that minor adjustments or corrections are included in the dispositions column above and may cause small variances.

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note D—Capital Assets—Continued**

	Balance June 30, 2023	Additions	Dispositions	Balance June 30, 2024
<b>Business-type Activities</b>				
Land	\$ 1,000,000			\$ 1,000,000
Land improvements	4,745			4,745
Buildings & building improvements	17,030,604			17,030,604
Technology equipment	1,329,694	\$ 110,359		1,440,053
Vehicles	2,162,043			2,162,043
General equipment	32,329,877	1,038,985	\$ 84,678	33,284,184
	<u>53,856,963</u>	<u>1,149,344</u>	<u>84,678</u>	<u>54,921,629</u>
<b>Less Accumulated Depreciation</b>				
Land improvements	2,233	238		2,471
Buildings & building improvements	8,178,267	340,783		8,519,050
Technology equipment	1,270,584	40,891		1,311,475
Vehicles	2,111,648	22,399		2,134,047
General equipment	26,559,171	1,050,833	57,784	27,552,220
	<u>38,121,903</u>	<u>1,455,144</u>	<u>57,784</u>	<u>39,519,263</u>
	<u>\$ 15,735,060</u>	<u>\$ (305,800)</u>	<u>\$ 26,894</u>	<u>\$ 15,402,366</u>

Please note that minor adjustments or corrections are included in the dispositions column above and may cause small variances. Under GASB 87, leased buildings include office and classroom space at a local university with a five year term. Lease technology equipment includes copiers for use in the District print shop (six year term) and various schools (five year terms). Each lease asset is amortized over the term of the lease and each subscription assets is amortized over the term of the subscription-based information technology agreement.

Depreciation expense for business-type activities was entirely incurred in the operation of the District's school food services program. Depreciation and amortization for governmental activities is included in the following functional categories:

Instruction	\$ 59,757,979
Student support services	65
Staff support services	102
District administrative support services	3,429,358
Business support services	22,960
Plant operations and maintenance	1,037,432
Transportation	5,490,454
Community services	51,621
	<u>\$ 69,789,971</u>

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note D—Capital Assets—Continued**

**Net Investment in Capital Assets**—On the District-wide Statement of Net Position, capital assets from Note D and Long-term Debt represent material portions of the District’s net position. This calculation is as follows:

	<b>Governmental</b>	<b>Business-type</b>
Capital assets, net of related depreciation	\$ 1,092,586,241	\$ 15,402,366
Less: lease liability	(1,694,905)	
Less: subscription agreement liability	(650,638)	
School building revenue bonds	(555,479,687)	
Net premiums/discounts on bonds	(38,346,189)	
Deferred savings from refunding bonds	408,135	
Bond proceeds not yet spent on capital projects	44,137,293	
	<u>\$ 540,960,250</u>	<u>\$ 15,402,366</u>

**Note E—Long-Term Liabilities**

**School Building Revenue Bonds**

	<b>Original</b>	<b>Outstanding</b>
2010 Series C QSCB, interest rate of 5.125%, principal and interest payable semiannually on May 1 and November 1, with maturities through November 2029	\$ 27,483,000	\$ 6,100,330
2011 Series A QSCB, interest rate of 4.650%, principal and interest payable semiannually on June 1 and December 1, with maturities through June 2026	30,352,000	29,357
2012 Series A, interest rates ranging from 2.625% to 3.375% principal and interest payable semiannually on March 1 and September 1, with maturities through March 2032	13,850,000	6,415,000
2012 Series C, interest rate of 1.9%, principal and interest payable semiannually on March 1 and September 1, with maturities through September 2024	18,730,000	1,920,000
2012 Series D, interest rates ranging from 2% to 3.125%, principal and interest payable semiannually on October 1 and April 1, with maturities through October 2032	27,235,000	20,610,000
2013 Series A, interest rates ranging from 2% to 2.375%, principal and interest payable semiannually on June 1 and December 1, with maturities through June 2025	22,860,000	3,650,000
2013 Series B, interest rates ranging from 2% to 4%, principal and interest payable semiannually on July 1 and January 1, with maturities through July 2026	35,550,000	13,525,000
2015 Series A, interest rates ranging from 3% to 5%, principal and interest payable semiannually on October 1 and April 1, with maturities through April 2035	16,465,000	10,900,000
2015 Series B, interest rate set at 4%, principal and interest payable semiannually on December 1 and June 1, with maturities through December 2026	36,285,000	21,555,000
2015 Series C, interest rates ranging from 3% to 5%, principal and interest payable semiannually on December 1 and June 1, with maturities through December 2035	15,160,000	11,755,000

Continued

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note E—Long-Term Liabilities—Continued**

	<b>Original</b>	<b>Outstanding</b>
2016 Series A, interest rates ranging from 2.5% to 4%, principal and interest payable semiannually on July 1 and January 1, with maturities through July 2036	39,855,000	29,510,000
2016 Series B, interest rate set at 2%, principal and interest payable semiannually on April 1 and October 1, with maturities through October 2028	7,120,000	3,090,000
2017 Series A, interest rate set at 5%, principal and interest payable semiannually on August 1 and February 1, with maturities through August 2029	31,270,000	24,430,000
2018 Series A, interest rates ranging from 3% to 5%, principal and interest payable semiannually on April 1 and October 1, with maturities through October 2038	29,625,000	25,665,000
2019 Series A, interest rates ranging from 3% to 5%, principal and interest payable semiannually on December 1 and June 1, with maturities through June 2037	54,860,000	45,040,000
2020 Series A, interest rates ranging from 2% to 5%, principal and interest payable semiannually on December 1 and June 1, with maturities through June 2037	57,795,000	54,785,000
2021 Series A, interest rates ranging from 2% to 4%, principal and interest payable semiannually on August 1 and February 1, with maturities through February 2041	36,350,000	33,335,000
2021 Series B, interest rates ranging from 2% to 5%, principal and interest payable semiannually on June 1 and December 1, with maturities through June 2041	86,445,000	83,285,000
2022 Series A, interest rates ranging from 2% to 5%, principal and interest payable semiannually on June 1 and December 1, with maturities through June 2032	74,475,000	47,890,000
2023 Series A, interest rates ranging from 4% to 5%, principal and interest payable semiannually on May 1 and November 1, with maturities through May 2043	57,925,000	56,120,000
2024 Series A, interest rates ranging from 4% to 5%, principal and interest payable semiannually on May 1 and November 1, with maturities through May 2043	56,245,000	55,870,000
	<u>775,935,000</u>	<u>555,479,687</u>
Previous balance of (discounts)/premiums	52,453,016	36,746,969
Premiums on bonds sold during current year	5,604,650	5,604,650
Current year amortization of discounts/(premiums)		(4,005,430)
	<u>58,057,666</u>	<u>38,346,189</u>
	<u>\$ 833,992,666</u>	<u>\$ 593,825,876</u>

Bonds outstanding as of June 30, 2024, are reported in the accompanying District-wide Statement of Net Position as follows:

	<b>Current</b>	<b>Long-Term</b>	<b>Total</b>
Governmental activities	\$ 39,834,707	\$ 553,991,169	\$ 593,825,876

The School Building Revenue Bonds listed below are subject to redemption prior to their stated maturity dates at the option of the Board. The redemption prices include a premium of 1% to 3% of the outstanding principal amounts. The earliest allowable redemption dates for each Series are as follows:

2010 Series C November 2020	2013 Series B July 2023	2017 Series A February 2027	2022 Series A June 2032
2011 Series A June 2021	2015 Series A April 2035	2018 Series A October 2026	2023 Series A May 2031
2012 Series A March 2022	2015 Series B December 2026	2019 Series A June 2026	2024 Series A June 2034
2012 Series C September 2024	2015 Series C December 2025	2020 Series A June 2029	
2012 Series D October 2022	2016 Series A July 2036	2021 Series A February 2028	
2013 Series A June 2023	2016 Series B October 2028	2021 Series B December 2031	

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note E—Long-Term Liabilities**—Continued

Bondholders are protected against default by a mechanism whereby the Commonwealth of Kentucky would withhold state SEEK payments and remit required debt service payments directly to the debt service paying agent. All bonds are subject to federal arbitrage regulations.

In connection with most of the above listed bond issues, the District has entered into participation agreements with the Kentucky School Facilities Construction Commission (the "Commission") which provides that the Commission will remit a stated amount of bond principal and interest payments annually, subject to biennial approval by the Kentucky General Assembly. Should approval not be received in future periods, the District remains obligated for the full amount of the bond principal and interest payments.

Assuming no issues are called prior to scheduled maturity and continued Commission participation, the minimum obligations of the District at June 30, 2024 for debt service is as follows:

Year Ending June 30	Principal	Interest	Total Repayments	Less: Commission Participation	Net Repayments
2025	\$ 35,430,000	\$ 20,101,216	\$ 55,531,216	\$ 8,639,017	\$ 46,892,199
2026	37,374,357	20,049,128	57,423,485	8,605,269	48,818,216
2027	38,690,000	17,087,779	55,777,779	8,344,338	47,433,441
2028	39,290,000	15,699,154	54,989,154	7,561,089	47,428,065
2029	47,000,329	20,274,114	67,274,443	7,408,057	59,866,386
2030-2034	212,515,000	44,174,144	256,689,144	32,460,013	224,229,131
2035-2039	134,195,000	11,984,448	146,179,448	17,989,443	128,190,005
2040-2044	10,985,000	619,021	11,604,021	5,110,061	6,493,960
<b>TOTAL</b>	<b>\$ 555,479,686</b>	<b>\$ 149,989,004</b>	<b>\$ 705,468,690</b>	<b>\$ 96,117,287</b>	<b>\$ 609,351,403</b>

All bonds issued by the District were revenue bonds or refunding bonds of revenue bonds, and the proceeds were used to construct or renovate schools and other facilities. The bonds payable are collateralized by the educational facilities constructed by the District with bond proceeds. Bonds are repaid principally from state revenues in the Capital Outlay Fund and local revenues in the Building Tax Fund. General Fund revenues are available to pay for debt service but have not been needed for this purpose.

As of June 30, 2024, the outstanding principal amount of indebtedness that is considered to be extinguished under "in substance defeasance" and therefore excluded from the District-wide financial statements was \$45,326,561. Although defeased, the funded debt will not be actually retired until the call dates have come due or until maturity if they are not callable issues.

On March 14, 2024, the District issued \$56,245,000 of 2024A School Building Revenue Bonds, which refunded outstanding maturities of the 2013C and 2014A School Building Revenue Bonds, achieving a gross interest savings \$677,736.



**Note E—Long-Term Liabilities—Continued**

**Qualified School Construction Bonds ("QSCB")**—The District has issued two taxable Qualified School Construction Bonds with direct payment to issuer. As part of this program, the District pays interest to the purchaser at taxable interest rates and receives a refund from the US Department of Treasury for those interest payments. The official bond statements specify that the District will make payments, which will be held in trust for the sole purpose of redeeming the bonds held by the bondholders at maturity. Accordingly, as principal payments are made, both the cash held in trust and the payments made into the trust will be excluded from the District's assets and liabilities, respectively.

**Lease Obligations**—The District has leases providing access to building space and copiers owned by the University of Louisville. The lease obligations are valued at the present value of each lease discounted at the District's average borrowing rate for the term of each lease. All leases are for fixed payment amounts and none have early termination penalties. This schedule shows the remaining lease obligation payments over the life of the leases:

<b>Year Ending June 30</b>	<b>Payments</b>	<b>Interest</b>	<b>Net Repayments</b>
2025	\$ 1,292,907	\$ 50,754	\$ 1,242,153
2026	302,357	21,907	280,450
2027	173,586	12,393	161,193
2028	12,746	1,637	11,109
<b>TOTAL</b>	<b>\$ 1,781,596</b>	<b>\$ 86,691</b>	<b>\$ 1,694,905</b>

**Subscription Obligations**—The District's subscription obligations are valued at the present value of each subscription discounted at the District's average borrowing rate for the term of each subscription contract. This schedule shows the remaining payments over the life of the subscriptions:

<b>Year Ending June 30</b>	<b>Payments</b>	<b>Interest</b>	<b>Total Repayments</b>
2025	\$ 685,290	\$ 34,652	\$ 650,638

**Estimated Liability for Workers' Compensation Benefits**—The estimated liability for workers' compensation benefits consists of claim settlements for reported and outstanding claims and estimated claim settlements for incurred but not reported claims (based upon historical experience and an actuarial study). Estimated claim settlements for incurred but not reported claims are discounted at 3% over the anticipated payment periods to reflect the time value of money. This liability, along with certain related assets and liabilities, is accounted for within the Workers' Compensation Trust Fund, which is a self-insurance fund administered by the District for the purpose of providing workers' compensation insurance to employees of the District.

The District maintained reinsurance covering that portion of risks in excess of \$1,000,000 for any one occurrence with a \$500,000 deductible for the year ended June 30, 2024. The limit is subject to audit by the District's insurer. The District remains liable to the extent that claims are less than the amount of reinsurance coverage or if the reinsuring company is unable to pay its portion of claims. Workers' Compensation liability is charged against the same fund from which each employee's salary is paid. The majority of these payments are charged to the General Fund, Special Revenue Fund, and School Food Services Fund.



**Note E—Long-Term Liabilities—Continued**

**Accrued Vacation Pay and Sick Leave**—Accrued vacation pay, which may be accumulated for a period of up to two years, is payable upon termination of employment. Accrued sick leave, which has no maximum accumulation, is payable upon retirement at 30% of the value of accumulated sick leave. Both accrued sick leave and accrued vacation pay liabilities are charged against the same fund from which each employee’s salary is paid. The majority of these payments are charged to the General Fund, Special Revenue Fund, and School Food Services Fund.**Note E—Long-Term Liabilities—Continued**

Activity in long-term liabilities during the year ended June 30, 2024 consisted of the following:

	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024	Amounts Due Within One Year
<b>Governmental Activities:</b>					
School building revenue bonds	\$ 599,181,407	\$ 56,245,000	\$ 99,946,721	\$ 555,479,686	\$ 35,430,000
Net bond premiums/discounts	36,746,969	5,604,650	4,005,430	38,346,189	4,404,707
Lease liabilities	1,126,667	1,887,902	1,319,664	1,694,905	1,242,153
Subscription agreements liabilities	1,488,913		838,275	650,638	650,638
Estimated liability for workers' compensation claims	23,787,737	5,114,457	5,006,495	23,895,699	1,027,528
Accrued vacation pay	8,496,727	6,383,123	6,294,746	8,585,104	1,253,725
Accrued sick leave	46,389,565	44,425,920	43,332,357	47,483,128	817,828
	<u>\$ 717,217,985</u>	<u>\$ 119,661,052</u>	<u>\$ 160,743,688</u>	<u>\$ 676,135,349</u>	<u>\$ 44,826,579</u>

On the Government-wide and Proprietary Funds Statements of Net Position, long-term liabilities are split between the current maturities, which are expected to be paid within one year, and the long-term maturities, which are expected to be paid beyond one year later.

**Note F—Retirement Plans**

The District’s employees are provided with two pension plans, based on each position’s college degree requirement. The County Employees Retirement System covers employees whose position does not require a college degree or teaching certification. The Kentucky Teachers Retirement System covers positions requiring teaching certification or otherwise requiring a college degree. Both plans use the entry age normal actuarial funding method and the accrual basis of accounting.

**General information about the County Employees Retirement System Non-Hazardous Plan (“CERS”)**

*Plan description*—Employees whose positions do not require a degree beyond a high school diploma are covered by CERS, a cost-sharing multiple-employer defined benefit pension plan administered by the CERS Board of Trustees under the provisions of Kentucky Revised Statute (“KRS”) 61.646. CERS is governed by a 9-member board of trustees. Another 9-member board of trustees called the Kentucky Retirement Systems oversees the Kentucky Employees Retirement Systems (“KERS”) and the State Police Retirement System (“SPRS”).

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note F—Retirement Plans—Continued**

The administrative entity comprising the office of counselors and professional staff is referred to as the Kentucky Public Pensions Authority (“KPPA”). It is governed by a third 8-member board composed of trustees from the boards of trustees of CERS and the Kentucky Retirement Systems. CERS issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained from <http://kyret.ky.gov/>, by writing to the Kentucky Public Pensions Authority, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601-6124, or by calling (502) 696-8800.

*Benefits provided*—CERS provides retirement and other postemployment benefits, which are described further in Note H. For retirement purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date	Before September 1, 2008
	Unreduced retirement	27 years service or 65 years old
	Reduced retirement	At least 5 years service and 55 years old At least 25 years service and any age
Tier 2	Participation date	September 1, 2008 – December 31, 2013
	Unreduced retirement	Age 57 or older, if member's age and years service of equal 87 (Rule of 87); Age 65 with at least 60 months of service credit
	Reduced retirement	At least 10 years service and 60 years old
Tier 3	Participation date	After December 31, 2013
	Unreduced retirement	Age 57 or older, if the members age and sum of service years plus age equal 87; Age 65 with at least 60 months of service credit
	Reduced retirement	Not available

Cost of living adjustments are provided at the discretion of the General Assembly. Retirement benefits are based on a factor of the number of years’ service and hire date multiplied by the average of the highest five years’ earnings for Tier 1 employees, or the average of the last five fiscal years’ earnings for Tier 2 and Tier 3 employees. Reduced benefits are based on factors of both of these components.

Employees are eligible for service-related disability benefits regardless of length of service. Five years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits, but are payable immediately without an actuarial reduction. Death benefits equal the employee's final full-year salary.

*Contributions*—Contribution rates are actuarially determined per KRS Section 78.454 (33) each year. The District’s contribution rate to the pension and insurance (OPEB) funds was 23.34%, 26.79% and 26.95% for the years ended June 30, 2024, 2023 and 2022, respectively. Required contributions by the employee to the pension and insurance (OPEB) funds (see Note H for OPEB information) are based on the tier:

	<u>Required contribution</u>
Tier 1	5%
Tier 2	5% + 1% for insurance fund
Tier 3	5% + 1% for insurance fund



**Note F—Retirement Plans—Continued**

In accordance with Senate Bill 2, signed by the Governor of Kentucky on April 4, 2013, plan members who began participating on, or after, January 1, 2014, are required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute 5% of their creditable compensation each month to their own account, and 1% to the Insurance Fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board of Trustees of the Kentucky Retirement Systems and CERS based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit of 4% is deposited to the member's account. The employer pay credit represents a portion of the employer contribution.

**General information about the Teachers Retirement System of the State of Kentucky ("KTRS")**

*Plan description*—Teaching certified employees of the District and other employees whose positions require at least a college degree are provided pensions through KTRS, a cost-sharing multiple-employer defined benefit pension plan with a special funding situation established to provide retirement annuity plan coverage for local school districts and other public educational agencies in the State. KTRS was created by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Section 990 of the KRS. KTRS is a blended component unit of the Commonwealth of Kentucky and therefore is included in the Commonwealth's financial statements. KTRS issues a publicly available financial report that can be obtained at <https://trs.ky.gov/employers/information/gasb-65-67/>.

*Benefits provided*—For employees who have established an account in a retirement system administered by the Commonwealth prior to July 1, 2008, employees become vested when they complete five (5) years of credited service. To qualify for monthly retirement benefits, payable for life, employees must either:

- 1) Attain age fifty-five (55) and complete five (5) years of Kentucky service, or
- 2) Complete 27 years of Kentucky service.

Employees who retire before age 60 with less than 27 years of service receive reduced retirement benefits. Non-university employees with an account established prior to July 1, 2002 receive monthly payments equal to 2% (service prior to July 1, 1983) and 2.5% (service after July 1, 1983) of their final average salaries for each year of credited service. Employees (including second retirement accounts) establishing an account between July 1, 2002 and June 30, 2008 will receive monthly benefits equal to 2% of their final average salary for each year of service if, upon retirement, their total service is less than ten years. Employees establishing an account between July 1, 2002 and June 30, 2008 who retire with ten or more years of total service will receive monthly benefits equal to 2.5% of their final average salary for each year of service, including the first ten years. In addition, employees who retire July 1, 2004 and later with more than 30 years of service will have their multiplier increased for all years over 30 from 2.5% to 3.0% to be used in their benefit calculation. Employees hired on or after July 1, 2008, will receive monthly benefits equal to the average of their top three salary years multiplied by a sliding scale rate from 1.7% up to 2.5% based on years of service up to 30 years. Beyond 30 years of service, the rate increases to 3.0%.



**Note F—Retirement Plans—Continued**

Final average salary is defined as the member’s five (5) highest annual salaries for those with less than 27 years of service. Employees at least age 55 with 27 or more years of service may use their three (3) highest annual salaries to compute the final average salary. KTRS also provides disability benefits for vested employees at the rate of sixty (60) percent of the final average salary. A life insurance benefit, payable upon the death of a member, is \$2,000 for active contributing employees and \$5,000 for retired or disabled employees.

Cost of living increases are one and one-half (1.5) percent annually. Additional ad hoc increases and any other benefit amendments must be authorized by the General Assembly.

*Contributions*—Contribution rates are established by KRS. Employees are required to contribute 12.855% of their salaries to the pension plan. The Commonwealth of Kentucky, as a non-employer contributing entity, pays matching contributions at the rate of 13.105% of salaries for local school district and regional cooperative employees hired before July 1, 2008 and 14.105% for those hired on or after July 1, 2008. For local school district and regional cooperative employees whose salaries are federally funded, the employer contributes 15.355% of salaries. If an employee leaves covered employment before accumulating five (5) years of credited service, accumulated employee pension contributions plus interest are refunded to the employee upon their request.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2024, the District reported a liability of \$391,281,052 for its proportionate share of the net pension liability for CERS. The District did not report a liability for the District’s proportionate share of the net pension liability for KTRS because the Commonwealth of Kentucky provides the pension support directly to KTRS on behalf of the District. The amount recognized by the District as its proportionate share of the net pension liability, the related Commonwealth support, and the total portion of the net pension liability that was associated with the District as of June 30, 2024 were as follows:

District's proportionate share of the CERS net pension liability	\$ 391,281,052
Commonwealth’s proportionate share of the KTRS net pension liability associated with the District	<u>3,330,955,394</u>
	<u><u>\$ 3,722,236,446</u></u>

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note F—Retirement Plans—Continued**

The net pension liability for each plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The District's proportion of the net pension liability for CERS was based on the District's actual contributions to the pension plan relative to the actual contributions of all participating organizations. At June 30, 2023, the District's proportion was 6.10%.

For the year ended June 30, 2024, the District recognized pension expense of \$6,853,390 related to CERS and \$442,434,149 related to KTRS, of which \$200,361,041 was recognized on the fund financial statements as it represented amounts paid on the District's behalf during the year. The District also recognized revenue of \$442,434,149 for KTRS support provided by the Commonwealth. As of the June 30, 2023 measurement date, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 20,255,867	\$ 1,063,218
Change of assumptions		35,861,166
Net difference between projected and actual earnings on pension plan investments		5,337,299
Change in proportion and differences between District contributions and proportionate share of contributions	18,994,083	78,989,103
District contributions subsequent to the measurement date	50,640,861	
<b>Total</b>	<u>\$ 89,890,811</u>	<u>\$ 121,250,786</u>

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized over a period of either five years for investments-related deferrals or the estimated remaining service life for active participants in the CERS pension plan for other deferred items. As of June 30, 2023 plan year, the estimated remaining service life was 4.1 years. The net increase (decrease) in pension expense related to the amortization of these deferred inflows and outflows of resources is as follows:

<u>Year ended June 30:</u>	
2025	\$ (36,239,188)
2026	(50,708,676)
2027	8,734,987
2028	(3,787,959)
2029	—
Thereafter	—



**Note F—Retirement Plans—Continued**

*Actuarial assumptions*—For financial reporting, the actuarial valuation as of June 30, 2023 was performed by Gabriel, Roeder, Smith & Company (“GRS”) for CERS and was performed by Cavanaugh Macdonald Consulting, LLC (“Cavanaugh”) for KTRS. The total pension liability, net pension liability, and sensitivity information as of June 30, 2023 were based on an actuarial valuation date of June 30, 2022. The total pension liability was rolled-forward from the valuation date (June 30, 2022) to the plan’s fiscal year ended June 30, 2023, using generally accepted actuarial principles. The CERS Board of Trustees adopted new actuarial assumptions on May 9, 2023. These assumptions are documented in the report titled “2022 Actuarial Experience Study for the Period Ending June 30, 2022”, and include a change in investment return assumption from 6.25% to 6.50%. House Bill 506 passed during the 2023 legislative session and reinstated the Partial Lump Sum Option form of payment for members who retire on and after January 1, 2024, with the lump sum options expanded to include 48 or 60 times the member’s monthly retirement allowance. House Bill 506 also adjusted the minimum required separation period before a retiree may become reemployed and continue to receive their retirement allowance to one month under all circumstances. The total pension liability as of June 30, 2023, is determined using these updated benefit provisions. There have been no changes in KTRS actuarial assumptions since June 30, 2022. There were no material plan provision changes. Total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions:

	<u>CERS</u>	<u>KTRS</u>
Inflation	2.50%	2.50%
Payroll growth rate	2.00%	0.25%
Projected salary increases	3.30-10.30%, varies by service for CERS non- hazardous	3.00-7.50%, including wage inflation
Investment rate of return, net of investment expense & inflation	6.50%	7.10%

For CERS, the mortality table used for active members was a PUB-2010 General Mortality table, for the non-hazardous employees, projected with the ultimate rates from the MP- 2014 mortality improvement scale using a base year of 2010. The mortality table used for non-disabled retired members was a system-specific mortality table based on mortality experience from 2013-2022, projected with the ultimate rates from MP-2020 mortality improvement scale using a base year of 2023. The mortality table used for the disabled members was PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2020 mortality improvement scale using a base year of 2010.

For KTRS, mortality rates were based on the Pub-2010 (Teachers Benefit-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups; service, retirees, contingent annuitants, disabled retirees, and active members. The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation, and rates of plan election used in the June 30, 2022, valuation were based on the results of the most recent actuarial experience studies for the system, which covered the five-year period ended June 30, 2020.

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note F—Retirement Plans—Continued**

For CERS, the long-term expected rate of return was determined by using a building-block method in which best-estimate ranges of expected future real rate of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rate of return for each major asset class for CERS are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	50.00%	5.90%
Private Equity	10.00%	11.73%
Fixed Income - Core Bonds	10.00%	2.45%
Fixed Income - Specialty Credit/High Yield	10.00%	3.65%
Fixed Income - Cash	0.00%	1.39%
Real Estate	7.00%	4.99%
Real Return	13.00%	5.15%
<b>Total</b>	<b>100%</b>	

For KTRS, the long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KTRS’s investment consultant, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	35.4%	5.0%	High Yield Bonds	5.0%	3.8%
Small Cap U.S. Equity	2.6%	5.5%	Other Additional Categories	5.0%	3.6%
Developed International Equity	15.7%	5.5%	Real Estate	7.0%	3.2%
Emerging Markets Equity	5.3%	6.1%	Private Equity	7.0%	8.0%
Fixed Income	15.0%	1.9%	Cash	2.0%	1.6%
			<b>Total</b>	<b>100.0%</b>	

*Discount rate*—For CERS, the discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan employees and employers will be made at required contribution rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**Note F—Retirement Plans—Continued**

For KTRS, the discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made by the Commonwealth at the required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments. The Single Equivalent Interest Rate (SEIR) that discounts the entire projected benefit stream to the same amount as the sum of the present values of the two separate benefit payments streams was used to determine the total pension liability.

*Sensitivity of the District’s proportionate share of the CERS and KTRS net pension liability to changes in the discount rate*—The following table presents the net pension liability of the District, calculated using the discount rates selected by each pension system, as well as what the District’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
CERS discount rate	5.50 %	6.50 %	7.50 %
District’s proportionate share of net pension liability	\$ 494,015,976	\$ 391,281,052	\$ 305,904,469
KTRS discount rate	6.10 %	7.10 %	8.10 %
District’s proportionate share of net pension liability	\$ —	\$ —	\$ —

*Pension plan fiduciary net position*—Detailed information about the pension plans’ fiduciary net position is available in the separately issued financial reports of both CERS and KTRS.

**Other Retirement Plans**—The District makes available various 401(k) and 403(b) defined contribution pension plans for all employees. These plans are administered by independent third party administrators. Employees are allowed to contribute any amount to the plans up to the Internal Revenue Code maximum allowable amount. The District does not contribute to the plans, but the District retains authority to amend or terminate these plans. During the fiscal year ended June 30, 2024, employees of the District contributed \$2,723,011 to 401(k) plans and \$8,788,695 to 403(b) plans.

**Note G—Deferred Compensation**

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years. This deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, as amended, allows entities with little or no administrative involvement and who do not perform the investing function for these plans to omit plan assets and related liabilities from their financial statements. The District therefore does not show these assets and liabilities on its financial statements. The District does not contribute to the Plan, and employees of the District contributed \$2,962,527 to the Plan during the fiscal year ended June 30, 2024.



**Note H—Post-employment Benefits**

District employees may receive OPEBs through the same fiduciary OPEB system to which they contributed during their employment. In accordance with KRS, these benefits are provided and advanced-funded on an actuarially determined basis through the CERS and the KTRS plans. KTRS maintains two separate OPEB plans for its retirees. The structure and how to access the financial and actuarial reports of CERS and KTRS are discussed further in Note F. Both plans offer OPEB benefits that are not based on level of employee pay or contributions.

**CERS**

The Board of Trustees of the Kentucky Retirement Systems and CERS administer the Kentucky Retirement Systems’ Insurance Fund (the Insurance Fund). KRS provides for a single insurance fund to provide group hospital and medical benefits to retirees drawing a benefit from the three pension funds: (1) KERS; (2) CERS; and (3) SPRS. The assets of the Insurance Fund are also segregated by plan. CERS provides health insurance, disability insurance and death benefits to Plan employees and beneficiaries. As discussed in Note F, pension benefits are grouped into three tiers based on participation date with benefits adjusted based on tier. OPEB are not adjusted by tier other than the determination of retirement eligibility.

*Benefits provided*—For members participating prior to July 1, 2003, years of service and respective percentages of the maximum contribution benefits are as follows:

<u>Years of Service</u>	<u>% Paid by Insurance Fund</u>
20 or more	100%
15 -19	75%
10 - 14	50%
4 - 9	25%
Less than 4	—

As a result of House Bill 290 (2004 General Assembly), medical insurance benefits are calculated differently for members who began participation on or after July 1, 2003. Once members who commenced participating between July 1, 2003 and September 1, 2008 reach a minimum vesting period of ten years, and members who commenced participating on or after September 1, 2008 reach a minimum vesting period of 15 years, they earn ten dollars per month for insurance benefits at retirement for every year of earned service without regard to a maximum dollar amount. This dollar amount is subject to adjustment annually based on the retiree cost of living adjustment, which is updated annually due to changes in the Consumer Price Index prior to July 1, 2009 and by 1.5% annually after July 1, 2009. Health insurance benefits are not protected under the inviolable contract provisions of Kentucky Revised Statutes 16.652, 61.692, and 78.852. The Kentucky General Assembly reserves the right to suspend or reduce this benefit if, in its judgment, the welfare of the Commonwealth so demands.

*Contributions*—The combined contribution rates for the CERS pension and insurance (OPEB) funds are contained in Note F.

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note H—Post-employment Benefits—Continued**

**OPEB Assets/Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At June 30, 2024, the District reported an asset of \$8,419,071 for its proportionate share of the collective net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on the District's actual contributions to the OPEB plan relative to the actual contributions of all participating organizations. At June 30, 2023, the District's proportion was 6.10%.

For the year ended June 30, 2024, the District recognized OPEB benefit of \$23,551,072. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 5,869,356	\$ 119,542,302
Change of assumptions	16,568,130	11,546,326
Net difference between projected and actual earnings on OPEB plan investments		1,953,899
Change in proportion and difference between District contributions and proportionate share of contributions	9,285,286	32,997,903
<b>Total</b>	<b>\$ 31,722,772</b>	<b>\$ 166,040,430</b>

The District's amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized over a period of either five years for investments-related deferrals or the estimated remaining service life for active participants in the CERS OPEB plan for other deferred items. As of June 30, 2023 plan year, the estimated remaining service life was 6.61 years. The net increase (decrease) in OPEB expense related to the amortization of these deferred inflows and outflows of resources is as follows:

<b>Year ended June 30</b>	
2025	\$ (34,507,282)
2026	(39,596,267)
2027	(30,920,779)
2028	(29,293,330)
2029	—
Thereafter	—



**Note H—Post-employment Benefits—Continued**

*Actuarial assumptions*—For financial reporting, the actuarial valuation as of June 30, 2023 was performed by GRS. The total OPEB asset, net OPEB asset, and sensitivity information as of June 30, 2023 were based on an actuarial valuation date of June 30, 2022. The total OPEB asset/liability was rolled-forward from the valuation date (June 30, 2022) to the plan’s fiscal year ended June 30, 2023, using generally accepted actuarial principles. The CERS Board of Trustees adopted new actuarial assumptions on May 9, 2023. These assumptions are documented in the report titled "2022 Actuarial Experience Study for the Period Ending June 30, 2022". House Bill 506 passed during the 2023 legislative session and reinstated the Partial Lump Sum Option form of payment for members who retire on and after January 1, 2024, and adjusted the minimum required separation period before a retiree may become reemployed and continue to receive their retirement allowance to one month under all circumstances. The total OPEB asset as of June 30, 2023 is determined using these updated benefit provisions. There were no other material plan provision changes.

The assumed increase in future health care costs, or trend assumption, was reviewed during the June 30, 2021 valuation process and was updated to better reflect the plan’s anticipated long-term healthcare cost increases. In general, the updated assumption is assuming higher future increases in healthcare costs. There were no other material assumption changes.

The actuarial assumptions are:

Investment rate of return	6.50%
Payroll growth rate	2.00%
Projected salary increases	3.30% to 10.30%, varies by service
Inflation rate	2.50%
Actuarial cost method	Entry age normal
Mortality:	
Pre-retirement	PUB-2010 General Mortality table projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010
Post-retirement (non-disabled)	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019
Post-retirement (disabled)	PUB-2010 Disabled Mortality table, with a 4-year set-forward for both male and females rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010
Healthcare cost trend rates:	
Under 65	Initial trend starting at 6.80% at January 1, 2025, and gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years
Over 65	Initial trend starting at 8.50% at January i, 2025, then gradually decreasing to an ultimate trend rate of 4.05% over a period of 13 years
Municipal bond index rate	3.86%
Municipal bond index	Fidelity Index's 20-Year Municipal GO AA Index as of June 30, 2023

The long-term expected rate of return on OPEB plan investments was determined using an asset valuation method where 20% of the difference between the market value of assets and the expected actuarial value of assets is recognized.



**Note H—Post-employment Benefits—Continued**

*Discount rate*—The discount rate used to measure the total OPEB asset increased from 5.70% to 5.93%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the actuarially determined contribution rate of projected compensation over the remaining 25 years (closed) amortization period of the unfunded actuarial accrued liability. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset. The cost associated with the implicit employer subsidy was not included in the calculation of the actuarial determined contributions, and any cost associated with the implicit subsidy will not be paid out of CERS’s trusts. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy. The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in Note F above.

*Sensitivity of the District’s proportionate share of the net OPEB asset to changes in the discount rate*—The following table presents the net OPEB asset of the District, calculated using the discount rate selected by CERS, as well as what the District’s net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>1% Decrease (4.93%)</b>	<b>Current Discount (5.93%)</b>	<b>1% Increase (6.93%)</b>
District’s proportionate share of net OPEB asset (liability)	\$ (15,799,376)	\$ 8,419,071	\$ 28,699,046

*Sensitivity of the District’s proportionate share of the net OPEB asset to changes in the healthcare cost trend rates*—The following presents the District’s proportionate share of the net OPEB asset, as well as what the District’s proportionate share of the net OPEB asset would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Current Health Care Trend Rate</b>	<b>1% Increase</b>
District’s proportionate share of net OPEB asset (liability)	\$ 26,984,546	\$ 8,419,071	\$ (14,386,928)

*OPEB plan fiduciary net position*—Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued CERS financial report.

**KTRS Medical Insurance Plan**

*Benefits provided*—To be eligible for medical benefits, the member must have retired based on service or disability. The KTRS Medical Insurance Fund offers coverage to members under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. KTRS retired members are given a supplement to be used for payment of their health insurance premium. The amount of the member’s supplement is based on a contribution supplement table approved by the KTRS Board of Trustees. The retired member pays premiums in excess of the monthly supplement. Once retired members and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the KTRS Medicare Eligible Health Plan.



**Note H—Post-employment Benefits—Continued**

*Contributions*—In order to fund the post-retirement healthcare benefit, 6.75% of the gross annual payroll of employees before July 1, 2008 is contributed. 3% is paid by member contributions, 0.75% from State appropriation and 3% from the employer. Also, the premiums collected from retirees as described in the plan description and investment interest help meet the medical expenses of the plan.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At June 30, 2024, the District reported a liability of \$250,273,000 for its proportionate share of the net OPEB liability that reflected a reduction for the Commonwealth’s OPEB support provided to the District. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB liability was based on a projection of the District’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District’s proportion was 10.28%.

The amount recognized by the District as its proportionate share of the OPEB liability, the related Commonwealth support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 250,273,000
Commonwealth's proportionate share of the District's net OPEB liability	210,940,000
<b>Total</b>	<u><u>\$ 461,213,000</u></u>

For the year ended June 30, 2024, the District recognized OPEB expense of \$363,000. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience		\$ 84,825,000
Change of assumptions	\$ 56,881,000	
Net difference between projected and actual earnings on OPEB plan investments	4,683,000	
Change in proportion and differences between District contributions and proportionate share of contributions	81,529,000	89,834,000
District contributions subsequent to the measurement date	19,469,728	
<b>Total</b>	<u><u>\$ 162,562,728</u></u>	<u><u>\$ 174,659,000</u></u>

The District’s contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized over a period of either five years for investments-related deferrals or the estimated remaining service life for active participants in the OPEB plan for other deferred items. As of June 30, 2023 plan year, the estimated remaining service life was 6.61 years.

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note H—Post-employment Benefits—Continued**

The net increase (decrease) in OPEB expense related to the amortization of these deferred inflows and outflows of resources is as follows:

<u>Year ended June 30</u>	
2025	\$ (10,764,000)
2026	(9,944,000)
2027	4,051,000
2028	869,000
2029	(7,031,000)
Thereafter	(8,747,000)

*Actuarial assumptions*—For financial reporting, the actuarial valuation for KTRS as of June 30, 2023 was performed by Cavanaugh. The total OPEB liability, net OPEB liability, and sensitivity information as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022, using the new actuarial assumptions adopted by the Board subsequent to the June 30, 2022 valuation based on the experience investigation for the five-year period ended June 30, 2022. The following actuarial assumptions are applied to all periods included in the measurement:

Investment rate of return	7.10%, net of OPEB plan investment expense, including Inflation
Projected salary increases	3.00% - 7.50%, including wage inflation
Inflation rate	2.50%
Real wage growth	0.25%
Wage inflation	2.75%
Healthcare cost trend rates:	
Under 65	7.00% for FY2023 decreasing to an ultimate rate of 4.50% by FY2032
Medical Trend	6.75% for FY2023 decreasing to an ultimate rate of 4.50% by FY2032
Medicare Part B premiums	1.55% for FY2023 with an ultimate rate of 4.50% by FY2034
Municipal bond index rate	3.66%
Discount rate	7.10%
Single equivalent interest rate	7.10%, net of OPEB plan investment expense, including inflation

Mortality rates were based on the Pub2010 (Teachers Amount-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups; service retirees, contingent annuitants, disabled retirees, deferred vested retirees, and active members.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation, and rates of plan election used in the June 30, 2022, valuation were based on the results of the most recent actuarial experience studies for the system, which covered the five-year period ended June 30, 2020. The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.



**Note H—Post-employment Benefits—Continued**

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KTRS’s investment consultant, are summarized in the following table:

<b>Asset Class</b>	<b>% of Assets in Category</b>	<b>Long-Term Expected Rate of Return</b>
Large Cap US Equity	35.4%	5.0%
Small Cap US Equity	2.6%	5.5%
Developed International Equity	15.0%	5.5%
Emerging Markets Equity	5.0%	6.1%
Fixed Income	9.0%	1.9%
High Yield Bonds	8.0%	3.8%
Other Additional Categories	9.0%	3.7%
Real Estate	6.5%	3.2%
Private Equity	8.5%	8.0%
Cash	1.0%	1.6%
<b>Total</b>	<b>100.0%</b>	

*Discount rate*—The discount rate used to measure the total OPEB liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at the required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

*Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the discount rate*—The following table presents the net OPEB liability of the District, calculated using the discount rate selected by KTRS, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>1% Decrease (6.10%)</b>	<b>Current Discount Rate (7.10%)</b>	<b>1% Increase (8.10%)</b>
\$	321,896,000	\$ 250,273,000	\$ 191,067,000

**Notes to the Financial Statements**  
**For the Year Ended June 30, 2024**



**Note H—Post-employment Benefits—Continued**

*Sensitivity of the District’s proportionate share of the net OPEB liability to changes in the healthcare cost trend rates*—The following presents the District’s proportionate share of the net OPEB liability, as well as what the District’s proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
\$ 180,168,000	\$ 250,273,000	\$ 337,555,000

*OPEB plan fiduciary net position* – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued KTRS financial report.

**KTRS Life Insurance Plan**

As provided by Kentucky Revised Statute 161.655, KTRS administers the Life Insurance Plan for eligible active and retired members. The KTRS Life Insurance Plan is a cost-sharing multiple employer defined benefit plan with a special funding situation. Changes to the Plan may be made by the KTRS Board of Trustees and the General Assembly.

*Benefits provided*—The KTRS Life Insurance Plan provides a life insurance benefit of \$5,000 payable for members who retire based on service or disability. Active members may receive a \$2,000 lump sum payable. The benefit is payable to the member’s estate or to a party designated by the member.

*Contributions*—In order to fund the post-retirement life insurance benefit, 0.03% of the gross payroll of members is contributed by the Commonwealth.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At June 30, 2024, the District did not report a liability for its proportionate share of the collective net OPEB liability for life insurance benefits because the Commonwealth of Kentucky provides the OPEB support directly to KTRS on behalf of the District. The amount recognized by the District as its proportionate share of the OPEB liability, the related Commonwealth support, and the total portion of the net OPEB liability that was associated with the District were as follows:

Commonwealth’s proportionate share of the District’s net OPEB liability	\$ 5,221,000
District’s proportionate share of the net OPEB liability	<u>—</u>
<b>Total</b>	<u><u>\$ 5,221,000</u></u>



**Note H—Post-employment Benefits—Continued**

The District does not recognize revenue or expense associated with this plan. At June 30, 2024, the District did not have any deferred outflows of resources or deferred inflows of resources related to the net OPEB liability for life insurance benefits.

*Actuarial assumptions*—For financial reporting, the actuarial valuation for KTRS as of June 30, 2023 was performed by Cavanaugh. The total OPEB liability, net OPEB liability, and sensitivity information as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022, using the new actuarial assumptions adopted by the Board subsequent to the June 30, 2022 valuation based on the experience investigation for the five-year period ended June 30, 2022. The following actuarial assumptions are applied to all periods included in the measurement:

Investment rate of return	7.10%, net of OPEB plan investment expense, including inflation
Projected salary increases	3.00% - 7.50%, including wage inflation
Inflation rate	2.50%
Real wage growth	0.25%
Wage inflation	2.75%
Municipal bond index rate	3.66%
Discount rate	7.10%
Single equivalent interest rate	7.10%, net of OPEB plan investment expense, including inflation

Mortality rates were based on the Pub2010 (Teachers Amount-Weighted) Mortality Table projected generationally with MP-2020 with various set-forwards, set-backs, and adjustments for each of the groups; service retirees, contingent annuitants, disabled retirees, deferred vested retirees, and active members.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, rates of plan participation and rates of plan election used in the June 30, 2022 valuation were based on the results of the most recent actuarial experience studies for the system, which covered the five-year period ended June 30, 2017.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.



**Note H—Post-employment Benefits—Continued**

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KTRS’s investment consultant, are summarized in the following table:

Asset Class	% of Assets in Category	Long-Term Expected Rate of Return
U.S. Equity	40.0%	5.2%
Developed International Equity	15.0%	5.5%
Emerging Markets Equity	5.0%	6.1%
Fixed Income	21.0%	1.9%
Other Additional Categories	5.0%	4.0%
Real Estate	7.0%	3.2%
Private Equity	5.0%	8.0%
Cash	2.0%	1.6%
<b>Total</b>	100.0%	

*Discount rate*—The discount rate used to measure the total OPEB liability for life insurance was 7.10%. The projection of cash flows used to determine the discount rate assumed that the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

*OPEB plan fiduciary net position*—Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued KTRS financial report.

**Note I—Commitments**

On June 30, 2024, the District had outstanding commitments for construction of \$248,020,613.

**Note J—Contingencies**

The District is subject to legal actions in various stages of litigation. Based on the advice of counsel, management of the District does not anticipate that there will be any material effect on the financial position of the District as a result of the litigation presently in progress beyond the settlements recorded as liabilities as of June 30, 2024.

In the normal course of operations, the District receives funding from federal, state, and local government agencies and private contributions. These funds are to be used for designated purposes only. For government agency grants, if the grantor’s review indicates that the funds have not been used for the intended purpose, the grantor may request a refund of monies advanced or refuse to reimburse the District for its expenditures. The amount of such future refunds and unreimbursed expenditures, if any, is not expected to be significant. Continuation of the District’s grant programs is predicated upon the grantor’s satisfaction that the funds provided are being spent as intended and the grantors’ intent to continue their programs.



**Note J—Contingencies**—Continued

In addition, the District operates in a heavily regulated environment. The operations of the District are subject to the administrative directives, rules and regulations of federal and state regulatory agencies, including, but not limited to, the U.S. Department of Education and the Kentucky Department of Education. Such administrative directives, rules and regulations are subject to change by an act of Congress or the Kentucky Legislature or an administrative change mandated by the Kentucky Department of Education. Such changes may occur with little or inadequate funding to pay for the related cost, including the additional administrative burden to comply with a change.

**Note K—Insurance and Risk Financing Related Activities**

The District is exposed to various forms of loss of assets associated with the risks of fire, personal liability, theft, vehicle accidents, errors and omissions, fiduciary responsibility, etc. Each of these risk areas is covered through the purchase of commercial insurance. To further reduce financial risk to the District, additional policies are purchased to address the risk that claims could exceed the insurance coverage limits. Over the past three years, the District has not had claims that exceeded its insurance policies and excess policies. Since claims are entirely managed through commercial insurance, the District has no claims liability as of June 30, 2024.

**Note L—Encumbrances**

The District classifies encumbrances as Assigned Fund Balance in the General Fund and as Restricted Fund Balance in other funds on its Balance Sheet – Governmental Funds in accordance with a directive from the Kentucky Department of Education. Issuing and controlling purchase orders is traditionally a management function, and encumbering and releasing the encumbrance of fund balance is a function of the District’s management with approval of members of our Board of Education. As of June 30, 2024, encumbrances were included in our Fund Balances as follows:

General Fund assigned fund balance	\$ 68,465,315
Special Revenue Fund restricted fund balance	20,315,339
Construction Fund restricted fund balance	180,861,023
Nonmajor governmental funds restricted fund balance	<u>1,271,724</u>
<b>Total Encumbrances</b>	<b><u><u>\$ 270,913,401</u></u></b>



**Note M—Recent GASB Pronouncements**

The GASB has issued several reporting standards that will become effective for fiscal 2025 and later years' financial statements:

- Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences.
- Statement No. 102, *Certain Risk Disclosures*, requires governments to disclose information about risks that could make them vulnerable to loss or harm
- Statement No. 103, *Financial Reporting Model Improvements*, provides targeted improvements to the financial reporting model that was established for state and local governments in 1999 by GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*.

The District is currently evaluating the impact that will result from adopting these GASB standards and is therefore unable to disclose the impact that adopting these standards will have on the District's financial position and the results of its operations when the standards are adopted.

**Note N—Subsequent Events**

In preparing these financial statements, management of the District has evaluated events and transactions for potential recognition or disclosure through November 15, 2024, the date the financial statements were available to be issued.

On September 24, 2024, the District issued \$139,190,000 of General Obligation Bonds 2024GO maturing September 1, 2044. These bonds pay interest semiannually on March 1 and September 1 at rates ranging from 4% to 5%. These bonds were issued to fund construction projects, including new construction, HVAC, boiler replacements and partial roof replacements.

On September 27, 2024, Dr. Marty Pollio announced his retirement to be effective July 1, 2025, ending a period of highly effective leadership and vision for the District. The Jefferson County Board of Education voted to accept his retirement. The Board has begun a search with the goal to fill the vacant position by June of 2025.

**Required Supplementary Information**

Schedule of Revenues and Expenditures – Budget and Actual  
**Board of Education of Jefferson County, Kentucky**  
 Year Ended June 30, 2024

	General Fund			Variance with Final Budget Positive (Negative)
	Working Budget	Final Budget	Actual	
<b>Revenues</b>				
Local sources				
Property taxes	\$ 578,994,206	\$ 602,205,270	\$ 609,946,373	\$ 7,741,103
Occupational taxes	203,200,000	213,360,000	212,522,322	(837,678)
Other taxes	68,940,541	77,450,052	81,422,945	3,972,893
State sources				
SEEK program	214,730,514	192,182,859	195,042,913	2,860,054
Other state revenues	324,528,633	415,733,311	344,848,185	(70,885,126)
Interest	1,500,000	18,500,000	28,211,600	9,711,600
Transfers from Proprietary Funds			4,341,391	4,341,391
Operating transfers in	11,519,669	6,437,669	12,915,031	6,477,362
Other sources		5,083,069	11,221,664	6,138,595
<b>Total Revenues</b>	<b>1,403,413,563</b>	<b>1,530,952,230</b>	<b>1,500,472,424</b>	<b>(30,479,806)</b>
<b>Expenditures</b>				
Instruction	815,115,904	956,400,765	812,252,566	144,148,199
Student support services	89,394,628	112,684,523	102,225,262	10,459,261
Instructional staff support services	131,623,054	145,419,103	119,735,334	25,683,769
District administration support services	21,773,464	12,036,624	10,316,625	1,719,999
School administration support services	125,445,562	151,058,002	135,539,841	15,518,161
Business support services	97,545,494	97,656,508	83,430,394	14,226,114
Plant operations and maintenance	165,087,969	225,080,675	167,667,872	57,412,803
Transportation	83,460,517	100,122,989	105,738,443	(5,615,454)
Other	179,566	128,934	89,516	39,418
Community services	3,482,488	3,797,353	3,027,495	769,858
Building renovations	2,832,242	6,270,826	5,290,494	980,332
Transfers to Proprietary Funds			2,963,486	(2,963,486)
Operating transfers out	17,666,800	32,990,619	3,409,550	29,581,069
Contingency	195,505,875	180,068,163		180,068,163
<b>Total Expenditures</b>	<b>1,749,113,563</b>	<b>2,023,715,084</b>	<b>1,551,686,878</b>	<b>472,028,206</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ (345,700,000)</b>	<b>\$ (492,762,854)</b>	<b>\$ (51,214,454)</b>	<b>\$ 441,548,400</b>
<b>Fund Balance, End of Year</b>	<b>\$ 79,926,112</b>	<b>\$ (67,136,742)</b>	<b>\$ 374,411,658</b>	

See page 69 for explanation of significant budget variances

See Independent Auditor's Report

Schedule of Revenues and Expenditures – Budget and Actual—Continued  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	Special Revenue Fund			
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Grants	\$ 125,649,799	\$ 177,484,424	\$ 245,661,393	\$ 68,176,969
Interest		168,594	212,953	44,359
Other sources	12,032	12,032	242,051	230,019
Transfers from other funds	1,815,000	1,896,693	1,628,994	(267,699)
<b>Total Revenues</b>	<b>127,476,831</b>	<b>179,561,743</b>	<b>247,745,391</b>	<b>68,183,648</b>
<b>Expenditures</b>				
Instruction	71,747,958	117,566,884	132,431,479	(14,864,595)
Student support services	6,283,068	7,433,904	18,081,747	(10,647,843)
Instructional staff support services	31,780,452	36,019,016	43,650,560	(7,631,544)
District administration support services	79,608	106,900	358,519	(251,619)
School administration support services	232,770	233,886	247,017	(13,131)
Business support services	364,595	645,525	17,728,782	(17,083,257)
Plant operations and maintenance	1,121,292	1,354,449	13,316,934	(11,962,485)
Student transportation	534,530	948,843	5,629,226	(4,680,383)
Other		45,000	41,448	3,552
Food service operation			240	(240)
Community services	12,894,889	13,870,733	10,224,887	3,645,846
Transfers to other funds	2,437,670	3,164,096	12,915,031	(9,750,935)
<b>Total Expenditures</b>	<b>127,476,832</b>	<b>181,389,236</b>	<b>254,625,870</b>	<b>(73,236,634)</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ (1)</b>	<b>\$ (1,827,493)</b>	<b>\$ (6,880,479)</b>	<b>\$ (5,052,986)</b>
<b>Fund Balance, End of Year</b>	<b>\$ 2,289,135</b>	<b>\$ 461,643</b>	<b>\$ (4,591,343)</b>	

See page 69 for explanation of significant budget variances

See Independent Auditor's Report

**Explanation of significant budget variances:**

**General Fund**

Most revenue sources increased as a result of strong economic factors. Occupational taxes stabilized near the historic levels reached during last school year. Interest reached its historic high this year from a combination of high cash balances and high interest rates. Other state revenues are largely teacher retirement match and healthcare for all employees paid on our behalf by the state. These revenues swing based on the results posted by the pension and post-employment benefits plan performance, which often reflect large increases or decreases due to the size of these plans. Instruction expenses, plant operation and maintenance, and instructional staff support services were lower than budget largely from vacancies and the same pension and post-employment benefits decrease that affected other state revenues. Last, we are required to budget our ending unassigned fund balance in a Contingency category. These funds will not be spent.

**Special Revenue Fund**

The Special Revenue Fund accounts for grants whose term may extend more than one fiscal year, while the budget presented shows only current-year (new) grants, and doesn't show the remaining budget of grants awarded in previous fiscal years. Grant revenues and most expenses are significantly over budget as the ESSER COVID-Relief stimulus grant money awarded in previous fiscal years continued to be recognized and spent during the current fiscal year to combat learning loss and transition students back into the classroom. Since these grants have a greater than 12-month term, they are considered multi-year and some of the budgets of the prior year were higher than anticipated, with expenses being paid out the following (current) year. In this way, the expense overages reflect timing differences rather than budgets being exceeded.

See Independent Auditor's Report

Schedule of the District's Proportionate Share of the Net Pension Liability  
 – County Employees Retirement System Non-Hazardous  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
District's proportion of the net pension liability	6.10 %	7.78 %	6.95 %	7.31 %	7.60 %
District's proportionate share of the net pension liability	\$ 391,281,052	\$ 562,734,680	\$ 443,185,785	\$ 560,507,655	\$ 534,348,849
District's covered payroll*	198,517,980	219,184,480	180,625,616	190,153,756	194,138,549
District's proportionate share of the net pension liability as a percentage of District's covered payroll	197.10 %	256.74 %	245.36 %	294.77 %	275.24 %
Plan fiduciary net position as a percentage of the total pension liability	57.48 %	52.42 %	57.33 %	58.27 %	50.45 %
	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
District's proportion of the net pension liability	7.74 %	7.75 %	7.83 %	8.05 %	8.15 %
District's proportionate share of the net pension liability	471,620,358	453,555,175	385,681,594	346,318,819	264,419,000
District's covered payroll*	194,383,907	191,038,985	188,718,277	189,331,814	187,829,142
District's proportionate share of the net pension liability as a percentage of District's covered payroll	242.62%	237.41%	201.08%	183.51%	139.66%
Plan fiduciary net position as a percentage of the total pension liability	53.54 %	55.30 %	55.50 %	59.97 %	66.80 %

\* The amounts presented for each fiscal year were determined as of the measurement date of the net pension liability, which is as of the District's prior fiscal year end.

See Independent Auditor's Report

Schedule of the District's Proportionate Share of the Net Pension Liability  
 – Kentucky Teachers Retirement System  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
District's proportion of the net pension liability	—	—	—	—	—
District's proportionate share of the net pension liability	—	—	—	—	—
Commonwealth's proportion of the net pension liability associated with the District	19.55 %	19.27 %	19.56 %	19.62 %	19.52 %
Commonwealth's proportionate share of the net pension liability associated with the District	\$3,330,955,394	\$3,264,487,687	\$2,545,897,736	\$2,780,312,359	\$2,663,581,788
<b>Total</b>	<b>\$3,330,955,394</b>	<b>\$3,264,487,687</b>	<b>\$2,545,897,736</b>	<b>\$2,780,312,359</b>	<b>\$2,663,581,788</b>
District's covered payroll*	\$ 743,542,273	\$ 752,953,376	\$ 673,774,895	\$ 656,440,928	\$ 639,689,235
District's proportionate share of the net pension liability	—	—	—	—	—
Commonwealth's proportionate share of the net pension liability as a percentage of District's covered payroll	447.98 %	433.56 %	377.86 %	423.54 %	416.39 %
Plan fiduciary net position as a percentage of the total pension liability	57.68 %	56.41 %	65.59 %	58.27 %	58.80 %
	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
District's proportion of the net pension liability	—	—	—	—	—
District's proportionate share of the net pension liability	—	—	—	—	—
Commonwealth's proportion of the net pension liability associated with the District	18.95 %	18.59 %	18.38 %	18.48 %	17.89 %
Commonwealth's proportionate share of the net pension liability associated with the District	\$2,481,543,345	\$5,016,422,679	\$5,422,750,549	\$4,301,069,425	\$3,675,381,169
<b>Total</b>	<b>\$2,481,543,345</b>	<b>\$5,016,422,679</b>	<b>\$5,422,750,549</b>	<b>\$4,301,069,425</b>	<b>\$3,675,381,169</b>
District's covered payroll*	\$ 622,457,214	\$ 600,769,995	\$ 588,915,332	\$ 575,283,426	\$ 560,665,934
District's proportionate share of the net pension liability	—	—	—	—	—
Commonwealth's proportionate share of the net pension liability as a percentage of District's covered payroll	398.67 %	835.00 %	902.63 %	730.34 %	638.88 %
Plan fiduciary net position as a percentage of the total pension liability	59.30 %	39.83 %	35.22 %	78.53 %	45.59 %

\* The amounts presented for each fiscal year were determined as of the measurement date of the net pension liability, which is as of the District's prior fiscal year end.

See Independent Auditor's Report

Schedule of the District's Proportionate Share of the Net OPEB Asset/Liability  
 – County Employees Retirement System Non-Hazardous  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	2023-24	2022-23	2021-22	2020-21	2019-20
District's proportion of the net OPEB (asset) liability	6.10 %	7.78 %	6.95 %	7.31 %	7.60 %
District's proportionate share of the net OPEB (asset) liability	\$ (8,419,071)	\$153,601,327	\$133,043,933	\$176,415,272	\$127,756,181
District's covered-employee payroll*	198,517,980	219,184,480	180,625,616	190,153,756	194,138,549
District's proportionate share of the net OPEB (asset) liability as a percentage of its covered-employee payroll	(4.24)%	70.08 %	73.66 %	97.67 %	65.81 %
Plan fiduciary net position as a percentage of the total OPEB (asset) liability	104.23 %	60.95 %	62.91 %	51.67 %	60.44 %
	2018-19	2017-18	2016-17	2015-16	2014-15
District's proportion of the net OPEB (asset) liability	7.74 %	7.75 %	N/A	N/A	N/A
District's proportionate share of the net OPEB (asset) liability	\$137,485,575	\$155,775,355	\$122,185,342		
District's covered-employee payroll*	194,383,907	191,038,985	188,718,277		
District's proportionate share of the net OPEB (asset) liability as a percentage of its covered-employee payroll	70.73 %	81.54 %	64.74 %		
Plan fiduciary net position as a percentage of the total OPEB (asset) liability	57.62 %	52.40 %	52.40 %		

\* The amounts presented for each fiscal year were determined as of the measurement date of the net pension liability, which is as of the District's prior fiscal year end.

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available. will be displayed as they become available.

See Independent Auditor's Report

Schedule of the District's Proportionate Share of the Net OPEB Liability  
 – Kentucky Teachers Retirement System – Medical Insurance  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	2023-24	2022-23	2021-22	2020-21	2019-20
District's proportion of the net OPEB (asset) liability	10.28 %	13.87 %	10.39 %	10.47 %	10.36 %
District's proportionate share of the net OPEB (asset) liability	\$ 250,273,000	\$ 344,333,000	\$ 222,871,000	\$ 264,226,000	\$ 303,280,000
Commonwealth's proportion of the net OPEB (asset) liability associated with the District	8.66 %	4.56 %	8.44 %	8.39 %	8.37 %
Commonwealth's proportionate share of the net OPEB (asset) liability associated with the District	210,940,000	113,112,000	180,997,000	211,644,000	244,916,000
<b>Total</b>	<b>\$ 461,213,000</b>	<b>\$ 457,445,000</b>	<b>\$ 403,868,000</b>	<b>\$ 475,870,000</b>	<b>\$ 548,196,000</b>
District's covered-employee payroll*	\$ 743,542,273	\$ 752,953,376	\$ 673,774,895	\$ 656,440,928	\$ 639,689,235
District's proportionate share of the net OPEB (asset) liability as a percentage of its covered-employee payroll	33.66 %	45.73 %	33.08 %	39.22 %	47.41 %
Plan fiduciary net position as a percentage of the total OPEB (asset) liability	52.97 %	47.75 %	51.74 %	39.05 %	32.58 %
	2018-19	2017-18	2016-17	2015-16	2014-15
District's proportion of the net OPEB liability	9.74 %	9.78 %	N/A	N/A	N/A
District's proportionate share of the net OPEB liability	\$ 338,031,000	\$ 348,684,000			
Commonwealth's proportion of the net OPEB liability associated with the District	8.40 %	7.99 %			
Commonwealth's proportionate share of the net OPEB liability associated with the District	291,312,000	284,824,000			
<b>Total</b>	<b>\$ 629,343,000</b>	<b>\$ 633,508,000</b>			
District's covered-employee payroll*	\$ 622,457,214	\$ 600,769,995			
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	54.31 %	56.02 %			
Plan fiduciary net position as a percentage of the total OPEB liability	25.50 %	21.18 %			

\* The amounts presented for each fiscal year were determined as of the measurement date of the net pension liability, which is as of the District's prior fiscal year end.

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available. will be displayed as they become available.

See Independent Auditor's Report

Schedule of the District's Proportionate Share of the Net OPEB Liability  
 – Kentucky Teachers Retirement System – Life Insurance  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	2023-24	2022-23	2021-22	2020-21	2019-20
District's proportion of the net OPEB (asset) liability	—	—	—	—	—
District's proportionate share of the net OPEB (asset) liability	—	—	—	—	—
Commonwealth's proportion of the net OPEB (asset) liability associated with the District	18.51 %	18.09 %	18.40 %	18.44 %	18.31 %
Commonwealth's proportionate share of the net OPEB (asset) liability associated with the District	5,221,000	5,622,000	2,410,000	6,402,000	5,688,000
<b>Total</b>	<b>\$ 5,221,000</b>	<b>\$ 5,622,000</b>	<b>\$ 2,410,000</b>	<b>\$ 6,402,000</b>	<b>\$ 5,688,000</b>
District's covered-employee payroll*	\$ 743,542,273	\$ 752,953,376	\$ 673,774,895	\$ 656,440,928	\$ 639,689,235
District's proportionate share of the net OPEB (asset) liability as a percentage of its covered-employee payroll	—	—	—	—	—
Plan fiduciary net position as a percentage of the total OPEB (asset) liability	76.91 %	73.97 %	89.15 %	71.57 %	73.40 %
	2018-19	2017-18	2016-17	2015-16	2014-15
District's proportion of the net OPEB liability	—	—			
District's proportionate share of the net OPEB liability	—	—			
Commonwealth's proportion of the net OPEB liability associated with the District	17.73 %	17.36 %			
Commonwealth's proportionate share of the net OPEB liability associated with the District	5,001,000	3,805,000			
<b>Total</b>	<b>\$ 5,001,000</b>	<b>\$ 3,805,000</b>			
District's covered-employee payroll*	\$ 622,457,214	\$ 600,769,995			
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	—	—			
Plan fiduciary net position as a percentage of the total OPEB liability	75.00 %	79.99 %			

\* The amounts presented for each fiscal year were determined as of the measurement date of the net pension liability, which is as of the District's prior fiscal year end.

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See Independent Auditor's Report

Schedule of District Contributions

– Pension: County Employees Retirement System Non-Hazardous

**Board of Education of Jefferson County, Kentucky**

June 30, 2024

	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Contractually required contribution	\$ 50,640,861	\$ 46,397,009	\$ 46,332,246	\$ 34,730,614	\$ 36,514,460
Contributions in relation to the contractually required contribution	50,640,861	46,397,009	46,332,246	34,730,614	36,514,460
Contribution deficiency (excess)	<u>\$ —</u>				
District's covered payroll	\$ 216,978,928	\$ 198,517,980	\$ 219,184,480	\$ 180,625,616	\$ 190,153,786
Contributions as a percentage of covered payroll	23.34 %	23.37 %	21.14 %	19.23 %	19.20 %
	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
Contractually required contribution	\$ 31,349,330	\$ 22,849,672	\$ 26,605,500	\$ 23,316,728	\$ 33,301,465
Contributions in relation to the contractually required contribution	31,349,330	22,849,672	26,605,500	23,316,728	33,301,465
Contribution deficiency (excess)	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
District's covered payroll	\$ 194,138,549	\$ 194,383,907	\$ 191,038,985	\$ 188,718,277	\$ 189,329,298
Contributions as a percentage of covered payroll	16.15 %	11.75 %	13.93 %	12.36 %	17.59 %

See Independent Auditor's Report

Schedule of District Contributions  
 – Pension: Kentucky Teachers Retirement System  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	2023-24	2022-23	2021-22	2020-21	2019-20
Contractually required contribution	—	—	—	—	—
Contributions in relation to the contractually required contribution	—	—	—	—	—
Contribution deficiency (excess)	—	—	—	—	—
District's covered payroll	\$ 798,751,870	\$ 743,542,273	\$ 752,953,376	\$ 673,774,895	\$ 656,440,928
Contributions as a percentage of covered payroll	—	—	—	—	—

	2018-19	2017-18	2016-17	2015-16	2014-15
Contractually required contribution	—	—	—	—	—
Contributions in relation to the contractually required contribution	—	—	—	—	—
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
District's covered payroll	\$ 639,689,235	\$ 622,457,214	\$ 600,769,995	\$ 588,915,332	\$ 575,283,426
Contributions as a percentage of covered payroll	—	—	—	—	—

See Independent Auditor's Report

Schedule of District Contributions

– OPEB: County Employees Retirement System Non-Hazardous

**Board of Education of Jefferson County, Kentucky**

June 30, 2024

	2023-24	2022-23	2021-22	2020-21	2019-20
Contractually required contribution	\$ —	\$ 6,721,618	\$ 12,649,994	\$ 8,565,685	\$ 9,005,639
Contributions in relation to the contractually required contribution	—	6,721,618	12,649,994	8,565,685	9,005,639
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
District's covered-employee payroll	\$ 216,978,928	\$ 198,517,980	\$ 219,184,480	\$ 180,625,616	\$ 190,153,786
Contributions as a percentage of covered-employee payroll	— %	3.39 %	5.77 %	4.74 %	4.74 %

	2018-19	2017-18	2016-17	2015-16	2014-15
Contractually required contribution	\$ 10,166,306	\$ 7,616,557	\$ 8,868,500	N/A	N/A
Contributions in relation to the contractually required contribution	10,166,306	7,616,557	8,868,500		
Contribution deficiency (excess)	\$ —	\$ —	\$ —		
District's covered-employee payroll	\$ 194,138,549	\$ 194,383,907	\$ 191,038,985		
Contributions as a percentage of covered-employee payroll	5.24 %	3.92 %	4.64 %		

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See Independent Auditor's Report

Schedule of District Contributions  
 – OPEB: Kentucky Teachers Retirement System – Medical Insurance  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
Contractually required contribution	\$ 19,469,728	\$ 18,403,950	\$ 18,436,483	\$ 18,489,424	\$ 18,043,085
Contributions in relation to the contractually required contribution	19,469,728	18,403,950	18,436,483	18,489,424	18,043,085
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
District's covered-employee payroll	\$ 798,751,870	\$ 743,542,273	\$ 752,953,376	\$ 673,774,895	\$ 656,440,928
Contributions as a percentage of covered-employee payroll	2.44 %	2.48 %	2.45 %	2.46 %	2.75 %

	<b>2018-19</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2014-15</b>
Contractually required contribution	\$ 17,354,459	\$ 16,753,572	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	17,354,459	16,753,572			
Contribution deficiency (excess)	—	—			
District's covered-employee payroll	\$ 639,689,235	\$ 622,457,214			
Contributions as a percentage of covered-employee payroll	2.71 %	2.6915 %			

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See Independent Auditor's Report

Schedule of District Contributions  
 – OPEB: Kentucky Teachers Retirement System – Life Insurance  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	2023-24	2022-23	2021-22	2020-21	2019-20
Contractually required contribution	—	—	—	—	—
Contributions in relation to the contractually required contribution	—	—	—	—	—
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —
District's covered-employee payroll	\$ 798,751,870	\$ 743,542,273	\$ 752,953,376	\$ 673,774,895	\$ 656,440,928
Contributions as a percentage of covered-employee payroll	—	—	—	—	—

	2018-19	2017-18	2016-17	2015-16	2014-15
Contractually required contribution	— \$	—	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	—	—			
Contribution deficiency (excess)	\$ —	—			
District's covered-employee payroll	\$ 622,457,214	\$ 622,457,214			
Contributions as a percentage of covered-employee payroll	—	—			

\*\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See Independent Auditor's Report

**Board of Education of Jefferson County, Kentucky**

June 30, 2024

**CERS Changes of Benefit Terms and Assumptions:**

**2024 (CERS plan year ended June 30, 2023)**

House Bill 506 passed during the 2023 legislative session and reinstated the Partial Lump Sum Option form of payment for members who retire on and after January 1, 2024, with the lump sum options expanded to include 48 or 60 times the member's monthly retirement allowance. House Bill 506 also adjusted the minimum required separation period before a retiree may become reemployed and continue to receive their retirement allowance to one month under all circumstances.

The discount rate used to calculate the total OPEB liability changed from 6.25% to 6.5% for the non-hazardous plan.

**2023 (CERS plan year ended June 30, 2022)**

Since the prior measurement date, there have been no significant assumption changes. However, Senate Bill 209, passed during the 2022 Legislative Session, increased the insurance dollar contribution for members hired on or after July 1, 2003 and was first payable January 1, 2023.

The discount rate used to calculate the total OPEB liability changed from 5.20% to 6.25% for the non-hazardous plan.

**2022 (CERS plan year ended June 30, 2021)**

Senate Bill 169 passed during the 2021 legislative session increased the disability benefits for certain qualifying members who become "totally and permanently disabled" in the line of duty or as a result of a duty related disability.

The discount rate used to calculate the total OPEB liability changed from 5.34% to 5.20% for the non-hazardous plan.

**2021 (CERS plan year ended June 30, 2020)**

Senate Bill 249 passed during the 2020 Legislative Session changed the funding period for the amortization of the unfunded liability to 30 years as of June 30, 2019. Gains and losses incurring in future years will be amortized over separate 20-year amortization bases. House Bill 271 passed during the 2020 Legislative Session removed provisions that reduce the monthly payment to a surviving spouse of a member whose death was due to a duty-related injury upon remarriage of the spouse. It also increased benefits for a very small number of beneficiaries.

The assumed increase in future health care costs, or trend assumption, was reviewed during the June 30, 2019 valuation process and was updated to better reflect more current expectations relating to anticipated future increases in the medical costs. The actuarial information was also updated to reflect the anticipated savings from the repeal of the "Cadillac Tax" and "Health Insurer Fee", which occurred in December of 2019. The assumed load on pre-Medicare premiums to reflect the cost of the Cadillac Tax was removed and the Medicare premiums were reduced by 11% to reflect the repeal of the Health Insurer Fee.

The discount rate used to calculate the total OPEB liability changed from 5.68% to 5.34% for the non-hazardous plan.

**2020 (CERS plan year ended June 30, 2019)**

Annual salary increases were updated based on the 2018 Experience Study; annual rates of retirement, disability, withdrawal, and mortality were updated based on the 2018 Experience Study; the percent of disabilities assumed to occur in the line of duty was updated from 0% to 2% for non-hazardous members; the assumed increase in future health care costs, or trend assumption, was increased to better reflect more current expectations relating to anticipated future increases in the medical costs for post-age 65 retirees; and the assumed impact of the Cadillac Tax was changed from a 3.6% to a 0.9% load on employer paid premiums for Non-Medicare retirees who became participants prior to July 1, 2003.

The mortality table used for active members was a Pub-2010 General Mortality table, for the non-hazardous plan, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

The mortality table used for healthy retired members was a system-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019. The mortality table used for the disabled members was Pub-2010 Disabled Mortality table, with a 4-year set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

The salary increase assumption changed from 3.30% - 11.55% to 3.30% - 10.30% for the non-hazardous plan. The discount rate used to calculate the total OPEB liability changed from 5.85% to 5.68% for the non-hazardous plan.

**2019 (CERS plan year ended June 30, 2018)**

During the 2018 legislative session, House Bill 185 was enacted, which updated the benefit provisions for active members who die in the line of duty. Benefits paid to the spouses of deceased members have been increased from 25% of the member's final rate of pay to 75% of the member's average pay. If the member does not have a surviving spouse, benefits paid to surviving dependent children have been increased from 10% of the member's final pay rate to 50% of average pay for one child, 65% of average pay for two children, or 75% of average pay for three children.

The payroll growth assumption was changed from 4.00% to 2.00%.

The salary increase assumption changed from 3.05% to 3.30% - 11.55% for the non-hazardous plan.

The discount rate used to calculate the total OPEB liability changed from 5.84% to 5.85% for the non-hazardous plan.

**2018 (CERS plan year ended June 30, 2017)**

The salary increases assumption was changed from 2.00% to 3.05%.

The assumed investment return was changed from 7.50% to 6.25%.

The price inflation assumption was changed from 3.25% to 2.3%, which also resulted in a 0.95% decrease in the salary increase assumption at all years of service.

The discount rate used to calculate the total OPEB liability changed from 6.89% to 5.84% for the non-hazardous plan.

**2017 (CERS plan year ended June 30, 2016)**

None

**2016 (CERS plan year ended June 30, 2015)**

The assumed investment rate of return was decreased from 7.75% to 7.50%. The assumed rate of inflation was reduced from 3.50% to 3.25%. The assumed rate of wage inflation was reduced from 1.00% to 0.75%. The payroll growth assumption was reduced from 4.50% to 4.00%.

The mortality table used for active members was the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females).

For healthy retired members and beneficiaries, the mortality table used was the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set back 1 year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back 4 years for males) was used for the period after disability retirement.

The assumed rates of retirement, withdrawal, and disability were updated to more accurately reflect experience.

**KTRS Changes of Benefit Terms and Assumptions:**

**Pension**

**2024**

The municipal bond index rate increased from 2.13% to 3.66%.

**2023**

The municipal bond index rate remained the same at 2.13%.

**2022**

The municipal bond index rate decreased from 2.19% to 2.13%.

**2021**

The municipal bond index rate decreased from 3.50% to 2.19%.

**2020**

The municipal bond index rate decreased from 3.89% to 3.50%.

**2019**

The municipal bond index rate increased from 3.56% to 3.89%.

The discount rate increased from 4.49% to 7.5%.

Notes to Required Supplementary Information  
– Pension and OPEB Plans - continued  
**Board of Education of Jefferson County, Kentucky**  
June 30, 2024

**2018**

The municipal bond index rate increased from 3.01% to 3.56%.

The discount rate increased from 4.20% to 4.49%.

**2017**

The municipal bond index rate decreased from 3.82% to 3.01%.

The discount rate decreased from 4.88% to 4.20%.

**2016**

The municipal bond index rate decreased from 4.35% to 3.82%.

## Other Supplementary Information

Schedule of Revenues and Expenditures – Budget and Actual  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

<b>Construction Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Interest			\$ 1,876,921	\$ 1,876,921
Premiums on refunding bonds issued	\$ 98,000,000	\$ 101,813,444	5,604,650	(96,208,794)
Transfers from other funds	42,000,000	30,929,000	4,350,975	(26,578,025)
<b>Total Revenues</b>	<b>140,000,000</b>	<b>132,742,444</b>	<b>11,832,546</b>	<b>(120,909,898)</b>
<b>Expenditures</b>				
Building renovations	89,381,244	140,238,500	89,646,447	50,592,053
Transfers to other funds			4,403,537	(4,403,537)
<b>Total Expenditures</b>	<b>89,381,244</b>	<b>140,238,500</b>	<b>94,049,984</b>	<b>46,188,516</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ 50,618,756</b>	<b>\$ (7,496,056)</b>	<b>\$ (82,217,438)</b>	<b>\$ (74,721,382)</b>
<b>Fund Balance, End of Year</b>	<b>\$ 184,371,388</b>	<b>\$ 126,256,576</b>	<b>\$ 51,535,194</b>	

<b>School Food Services Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Lunchroom sales	\$ 3,360,015	\$ 3,360,015	\$ 1,633,754	(1,726,261)
Federal grants	78,665,000	81,303,944	65,744,071	(15,559,873)
State revenues	100,000	100,000	5,614,022	5,514,022
Donated commodities			4,000,443	4,000,443
District support			2,963,486	2,963,486
Interest	100,000	100,000	857,629	757,629
Other local revenue	104,000	104,000	72,328	(31,672)
<b>Total Revenues</b>	<b>82,329,015</b>	<b>84,967,959</b>	<b>80,885,733</b>	<b>(4,082,226)</b>
<b>Expenses</b>				
Food service operations	90,963,136	94,264,512	67,808,049	26,456,463
Transfers to other funds			4,341,391	(4,341,391)
<b>Total Expenses</b>	<b>90,963,136</b>	<b>94,264,512</b>	<b>72,149,440</b>	<b>22,115,072</b>
<b>Revenues in Excess of (Less Than) Expenses</b>	<b>\$ (8,634,121)</b>	<b>\$ (9,296,553)</b>	<b>\$ 8,736,293</b>	<b>\$ 18,032,846</b>
<b>Net Position, End of Year</b>	<b>\$ (55,371,826)</b>	<b>\$ (56,034,258)</b>	<b>\$ (38,001,412)</b>	

**Basis of budgeting** – The Board accounts for and budgets operations according to Generally Accepted Accounting Principles.

See page 88 for explanation of significant budget variances  
See Independent Auditor's Report

Schedule of Revenues and Expenditures - Budget and Actual Nonmajor Funds-continued  
**Board of Education of Jefferson County, Kentucky**  
 Year Ended June 30, 2024

<b>SEEK Capital Outlay Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
State SEEK program	\$ 8,358,695	\$ 8,775,318	\$ 8,431,845	\$ (343,473)
<b>Expenditures</b>				
Transfers to other funds	8,358,695	8,775,318	8,431,845	(343,473)
<b>Revenues in Excess of (Less Than) Expenditures</b>				
<b>Fund Balance, End of Year</b>				
<b>Building Tax Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Property taxes	\$ 50,523,204	\$ 47,543,279	\$ 50,523,205	\$ 2,979,926
<b>Expenditures</b>				
Transfers to other funds	50,523,204	47,543,279	40,670,099	6,873,180
<b>Revenues in Excess of (Less Than) Expenditures</b>			\$ 9,853,106	\$ 9,853,106
<b>Fund Balance, End of Year</b>	\$ 4,299	\$ 4,299	\$ 9,857,405	

See page 88 for explanation of significant budget variances  
 See Independent Auditor's Report

Schedule of Revenues and Expenditures - Budget and Actual Nonmajor Funds-continued  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

<b>Debt Service Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
KSFCC allocation	\$	\$ 10,000,000	\$ 10,495,459	\$ 495,459
Other sources	2,600,000	2,600,000	2,718,454	118,454
Transfers from other funds	58,881,899	56,318,597	49,154,506	(7,164,091)
<b>Total Revenues</b>	<b>61,481,899</b>	<b>68,918,597</b>	<b>62,368,419</b>	<b>(6,550,178)</b>
<b>Expenditures</b>				
Debt service	\$ 61,481,899	\$ 68,918,597	\$ 62,368,419	\$ (6,550,178)
<b>Revenues in Excess of (Less Than) Expenditures</b>				
<b>Fund Balance, End of Year</b>				
<b>Day Care Operations Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Tuition and fees		\$ 14,921	\$ 1,260	\$ (13,661)
Other local, state and federal revenues		187,514	209,010	21,496
<b>Total Revenues</b>		<b>202,435</b>	<b>210,270</b>	<b>7,835</b>
<b>Expenses</b>				
Day care operations	\$ 828,358	876,557	64,920	(811,637)
<b>Revenues in Excess of (Less Than) Expenses</b>				
<b>Net Position, End of Year</b>	<b>\$ (8,002)</b>	<b>\$ 146,234</b>	<b>\$ 965,706</b>	

See page 88 for explanation of significant budget variances  
See Independent Auditor's Report

Schedule of Revenues and Expenditures - Budget and Actual Nonmajor Funds-continued  
**Board of Education of Jefferson County, Kentucky**  
 Year Ended June 30, 2024

<b>Adult Education Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Adult education tuition	\$ 298,839	\$ 104,590	\$ 88,422	\$ (16,168)
Interest		655	16,271	15,616
Other state revenues			75,906	75,906
<b>Total Revenues</b>	<b>298,839</b>	<b>105,245</b>	<b>180,599</b>	<b>75,354</b>
<b>Expenses</b>				
Instructional staff support services	298,839	393,323	231,636	161,687
Transfers to other funds		5,000		5,000
<b>Total Expenditures</b>	<b>298,839</b>	<b>398,323</b>	<b>231,636</b>	<b>166,687</b>
<b>Revenues in Excess of (Less Than) Expenses</b>	<b>\$</b>	<b>\$ (293,078)</b>	<b>\$ (51,037)</b>	<b>\$ 242,041</b>
<b>Net Position, End of Year</b>	<b>\$ 225,737</b>	<b>\$ (67,341)</b>	<b>\$ 174,700</b>	

<b>Tuition Preschool Fund</b>				
	<b>Working Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues</b>				
Pre-School Tuition	\$ 377,649	\$ 243,453	\$ 88,979	\$ (154,474)
<b>Total Revenues</b>	<b>377,649</b>	<b>243,453</b>	<b>88,979</b>	<b>(154,474)</b>
<b>Expenses</b>				
Instruction	370,680	565,331	18,612	546,719
<b>Revenues in Excess of (Less Than) Expenses</b>	<b>\$ 6,969</b>	<b>\$ (321,878)</b>	<b>\$ 70,367</b>	<b>\$ 392,245</b>
<b>Net Position, End of Year</b>	<b>\$ 750,900</b>	<b>\$ 422,053</b>	<b>\$ 814,298</b>	

See page 88 for explanation of significant budget variances  
 See Independent Auditor's Report

Schedule of Revenues and Expenditures - Budget and Actual Nonmajor Funds-continued  
**Board of Education of Jefferson County, Kentucky**  
 Year Ended June 30, 2024

	Enterprise Programs			Variance with Final Budget Positive (Negative)
	Working Budget	Final Budget	Actual	
<b>Revenues</b>				
State revenues			\$ 1,628	\$ 1,628
Donations		\$ 13,802	25,475	11,673
Transfers from other funds		95,000		(95,000)
<b>Total Revenues</b>		108,802	27,103	(81,699)
<b>Expenses</b>				
Instruction	\$ 34	113,455	33,671	79,784
Instructional staff support		51,099		51,099
Community services		1,555		1,555
<b>Total Expenditures</b>	34	166,109	33,671	132,438
<b>Revenues in Excess of (Less Than) Expenses</b>	\$ (34)	\$ (57,307)	\$ (6,568)	\$ 50,739
<b>Net Position, End of Year</b>	\$ 56,651	\$ (622)	\$ 50,117	

**Explanation of significant budget variances:**

**Construction Fund**

Construction revenues are lower than the final budget due to the timing of construction bond issuance, which skipped the 2023-24 fiscal year, as noted in Note N. Expenses are lower than budget due to the construction fund being a multi-year fund where project costs are expensed over several years, and the Working Budget is programmed to show only single-year budgeted activity. In addition, two large new school building projects have been delayed until property could be acquired, which was completed in the spring of 2024.

**Food Services**

State revenues were up significantly as Kentucky districts received a stimulus that the state intended as a rescue of school lunch programs hurt by the COVID-19 pandemic. Federal grant revenues were lower due to continued lower numbers of meals served partially a result of lower attendance rates.

**Building Tax Fund**

Transfers to other funds were \$7 million under budget as the District reserved funds for renovation projects to be performed in future fiscal years.

**Nonmajor proprietary funds**

Prior year accumulated net position is carried forward with the budget, which is why there is a large swing in these funds' budget to actual variances.

See Independent Auditor's Report

Combining Balance Sheet – Nonmajor Governmental Funds  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	Building Tax Fund	District Activity Funds	Student Activity Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents			\$ 6,790,072	\$ 6,790,072
Investments			439,569	439,569
Accounts receivable		\$ 129,261	9,435	138,696
Inventories			432,277	432,277
Due from other funds	\$ 9,857,405	6,387,484		16,244,889
<b>Total Assets</b>	<b>\$ 9,857,405</b>	<b>\$ 6,516,745</b>	<b>\$ 7,671,353</b>	<b>\$ 24,045,503</b>
<b>Liabilities</b>				
Accrued liabilities		\$ 608,218	\$ 79,616	\$ 687,834
<b>Fund Balances</b>				
Nonspendable			432,277	432,277
Restricted	\$ 9,857,405	5,908,527	7,159,460	22,925,392
<b>Total Fund Balances</b>	<b>9,857,405</b>	<b>5,908,527</b>	<b>7,591,737</b>	<b>23,357,669</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 9,857,405</b>	<b>\$ 6,516,745</b>	<b>\$ 7,671,353</b>	<b>\$ 24,045,503</b>

See Independent Auditor's Report

Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances – Nonmajor Governmental Funds  
**Board of Education of Jefferson County, Kentucky**  
 Year Ended June 30, 2024

	Building Tax Fund	SEEK Capital Outlay Fund	Debt Service Fund	District Activity Funds	Student Activity Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>						
Local sources						
Property taxes	\$ 50,523,205					\$ 50,523,205
State sources						
SEEK program		\$ 8,431,845				8,431,845
KSFCC allocation			\$ 10,495,459			10,495,459
US government sources			2,718,454			2,718,454
Other Sources				\$ 4,683,449	\$ 13,398,263	18,081,712
<b>Total Revenues</b>	50,523,205	8,431,845	13,213,913	4,683,449	13,398,263	90,250,675
<b>Expenditures</b>						
Instruction				4,306,067	15,039,849	19,345,916
Plant operations and maintenance				27,690		27,690
Debt service						
Principal			39,311,830			39,311,830
Interest			23,056,589			23,056,589
<b>Total Expenditures</b>			62,368,419	4,333,757	15,039,849	81,742,025
<b>Revenues in Excess of (Less Than) Expenditures</b>	50,523,205	8,431,845	(49,154,506)	349,692	(1,641,586)	8,508,650
<b>Other Financing Sources (Uses)</b>						
Transfers in			49,154,506		1,780,556	50,935,062
Transfers out	(40,670,099)	(8,431,845)				(49,101,944)
<b>Total Other Financing Sources (Uses)</b>	(40,670,099)	(8,431,845)	49,154,506		1,780,556	1,833,118
<b>Net Change in Fund Balances</b>	9,853,106			349,692	138,970	10,341,768
Fund Balances, Beginning of Year	4,299			5,558,835	7,452,767	13,015,901
<b>Fund Balances, End of Year</b>	<b>\$ 9,857,405</b>	<b>\$</b>	<b>\$</b>	<b>\$ 5,908,527</b>	<b>\$ 7,591,737</b>	<b>\$ 23,357,669</b>

See Independent Auditor's Report

Combining Statement of Net Position – Nonmajor Proprietary Funds  
**Board of Education of Jefferson County, Kentucky**  
 June 30, 2024

	Enterprise Funds				Total Nonmajor Enterprise Funds
	Adult Education	Enterprise Programs	Tuition Preschool	Day Care Operations	
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 324,831				\$ 324,831
Accounts receivable			\$ 9,117		9,117
Due from other funds		\$ 51,788	810,181	\$ 979,388	1,841,357
Net OPEB pension asset	808			8	816
<b>Total Current Assets</b>	<b>325,639</b>	<b>51,788</b>	<b>819,298</b>	<b>979,396</b>	<b>2,176,121</b>
<b>Deferred Outflows of Resources</b>					
Difference between actual and expected experience	2,507			24	2,531
Changes in assumptions	13,075	206		60	13,341
Difference between projected and actual earnings on plan investments	946	17		4	967
Changes in proportionate share	19,176	296		90	19,562
Pension and OPEB contributions after measurement date	8,790	71		61	8,922
<b>Total Deferred Outflows of Resources</b>	<b>44,494</b>	<b>590</b>		<b>239</b>	<b>45,323</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accrued liabilities	2,627	720	5,000	12,981	21,328
Due to other funds	41,897				41,897
<b>Total Current Liabilities</b>	<b>44,524</b>	<b>720</b>	<b>5,000</b>	<b>12,981</b>	<b>63,225</b>
<b>Noncurrent Liabilities</b>					
Unfunded pension liabilities	37,541			354	37,895
Unfunded post-employment benefits liabilities	50,536	907		197	51,640
<b>Total Noncurrent Liabilities</b>	<b>88,077</b>	<b>907</b>		<b>551</b>	<b>89,535</b>
<b>Total Liabilities</b>	<b>132,601</b>	<b>1,627</b>	<b>5,000</b>	<b>13,532</b>	<b>152,760</b>
<b>Deferred Inflows of Resources</b>					
Differences between actual and expected experience	28,700	308		175	29,183
Changes in assumptions	4,548			43	4,591
Net differences between projected and actual earnings on plan investments	700			7	707
Changes in proportionate share	28,884	326		172	29,382
<b>Total Deferred Inflows of Resources</b>	<b>62,832</b>	<b>634</b>		<b>397</b>	<b>63,863</b>
<b>Net Position</b>					
Unrestricted	174,700	50,117	814,298	965,706	2,004,821
<b>Total Net Position</b>	<b>\$ 174,700</b>	<b>\$ 50,117</b>	<b>\$ 814,298</b>	<b>\$ 965,706</b>	<b>\$ 2,004,821</b>

See Independent Auditor's Report

Combining Statement of Revenues, Expenses and Changes in  
Net Position – Nonmajor Proprietary Funds  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	Enterprise Funds				Total Nonmajor Enterprise Funds
	Adult Education	Enterprise Programs	Tuition Preschool	Day Care Operations	
<b>Operating Revenues</b>					
Tuition and fees	\$ 88,422		\$ 88,979	\$ 1,260	\$ 178,661
<b>Operating Expenses</b>					
Salaries and personnel services	100,507	\$ 3,702		\$ 1,012	105,221
Employee benefits	125,158	2,767		(80)	127,845
Purchased professional services	5,707	16,711		27,693	50,111
Purchased property and maintenance services				3,579	3,579
Other purchased services	457	584		4,686	5,727
Supplies and materials	(655)	9,907	12,648	23,265	45,165
Property	383			2,424	2,807
Miscellaneous	80		5,964	2,340	8,384
<b>Total Operating Expenses</b>	<b>231,636</b>	<b>33,671</b>	<b>18,612</b>	<b>64,920</b>	<b>348,839</b>
<b>Income (Loss) From Operations</b>	<b>(143,214)</b>	<b>(33,671)</b>	<b>70,367</b>	<b>(63,660)</b>	<b>(170,178)</b>
<b>Non-Operating Revenues (Expenses)</b>					
State revenues	75,906	1,628		209,010	286,544
Other revenues		25,475			25,475
Interest income	16,271				16,271
<b>Total Non-Operating Revenues (Expenses)</b>	<b>92,177</b>	<b>27,103</b>		<b>209,010</b>	<b>328,290</b>
<b>Change in Net Position</b>	<b>(51,037)</b>	<b>(6,568)</b>	<b>70,367</b>	<b>145,350</b>	<b>158,112</b>
Net Position, Beginning of Year	225,737	56,685	743,931	820,356	1,846,709
<b>Net Position, End of Year</b>	<b>\$ 174,700</b>	<b>\$ 50,117</b>	<b>\$ 814,298</b>	<b>\$ 965,706</b>	<b>\$ 2,004,821</b>

See Independent Auditor's Report

Combining Statement of Cash Flows – Nonmajor Proprietary Funds  
**Board of Education of Jefferson County, Kentucky**  
Year Ended June 30, 2024

	Enterprise Funds				Total Nonmajor Enterprise Funds
	Adult Education	Enterprise Programs	Tuition Preschool	Day Care Operations	
<b>Cash Flows From Operating Activities</b>					
Cash received from customers	\$ 88,422	\$ 4,897	\$ 13,612	\$ 1,260	\$ 108,191
Cash paid to suppliers	27,253	(9,771)	(7,648)	(35,423)	(25,589)
Cash paid to employees	(196,118)	(5,518)		(1,625)	(203,261)
Cash paid for other expenses	(5,787)	(16,711)	(5,964)	(30,033)	(58,495)
<b>Net Cash Provided by (Used in) Operating Activities</b>	(86,230)	(27,103)		(65,821)	(179,154)
<b>Cash Flows From Investing Activities</b>					
Interest earned	16,271				16,271
<b>Cash Flows From Capital and Related Financing Activities</b>					
Funded OPEB asset	(808)			(8)	(816)
<b>Net Cash Provided by (Used In) Capital and Related Financing Activities</b>	(808)			(8)	(816)
<b>Cash Flows from Noncapital Financing Activities</b>					
Cash received for operational grants	75,906	27,103		65,829	168,838
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	5,139				5,139
Cash and Cash Equivalents, Beginning of Year	319,692				319,692
<b>Cash and Cash Equivalents, End of Year</b>	\$ 324,831				\$ 324,831
<b>Reconciliation of Income (loss) from Operations to Net Cash Provided by (Used in) Operating Activities</b>					
Income (loss) from operations	\$ (143,214)	\$ (33,671)	\$ 70,367	\$ (63,660)	\$ (170,178)
Adjustments to reconcile income (loss) from operations to cash provided by (used in) operating activities:					
Change in accounts receivable			1,143		1,143
Change in amounts due from other funds		4,897	(76,510)		(71,613)
Change in deferred outflows	(20,959)	(590)		174	(21,375)
Change in amounts due to other funds	24,811				24,811
Change in accrued liabilities	2,627	720	5,000	(1,469)	6,878
Change in deferred inflows	50,792	634		191	51,617
Change in unfunded pension liabilities	(25,654)			(828)	(26,482)
Change in unfunded post-employment benefits liabilities	25,367	907		(229)	26,045
<b>Net Cash Provided by (Used in) Operating Activities</b>	\$ (86,230)	\$ (27,103)		\$ (65,821)	\$ (179,154)

See Independent Auditor's Report

# STATISTICAL SECTION



Board of Education of Jefferson County, Kentucky

**Statement of Net Position - Total Primary Government**

Ten Years' Trend Data

	2024	2023	2022	2021	2020
<b>Net Position—Governmental</b>					
Net investment in capital assets	\$ 540,960,250	\$ 430,126,787	\$ 453,726,798	\$ 390,804,563	\$ 391,290,718
Restricted	17,255,306	84,679,016	9,236,656	37,931,143	49,382,505
Unrestricted	(473,732,573)	(476,534,599)	(538,918,507)	(789,321,833)	(815,433,064)
<b>Total Net Position—Governmental</b>	107,408,375	38,271,204	(75,955,053)	(360,586,127)	(374,759,841)
<b>Net Position—Proprietary</b>					
Net investment in capital assets	15,402,366	15,735,059	16,520,839	17,880,919	18,766,848
Restricted					
Unrestricted	(51,398,957)	(60,626,055)	(56,142,218)	(70,020,515)	(58,942,282)
<b>Total Net Position—Proprietary</b>	(35,996,591)	(44,890,996)	(39,621,379)	(52,139,596)	(40,175,434)
<b>Net Position—Total Primary Government</b>	<b>\$ 71,411,784</b>	<b>\$ (6,619,792)</b>	<b>\$ (115,576,432)</b>	<b>\$ (412,725,723)</b>	<b>\$ (414,935,275)</b>

Continued

**Statement of Net Position - Total Primary Government – Continued**

Ten Years' Trend Data

	2019	2018	2017	2016	2015
<b>Net Position—Governmental</b>					
Net investment in capital assets	\$ 317,513,387	\$ 332,102,798	\$ 257,181,853	\$ 220,528,391	\$ 238,955,851
Restricted	108,849,948	7,214,591	98,476,559	47,703,418	12,434,324
Unrestricted	(798,527,587)	(638,516,160)	(613,519,116)	(570,364,032)	(538,173,679)
<b>Total Net Position—Governmental</b>	(372,164,252)	(299,198,771)	(257,860,704)	(302,132,223)	(286,783,504)
<b>Net Position—Proprietary</b>					
Net investment in capital assets	19,426,763	18,613,750	18,266,563	17,407,358	16,825,680
Restricted					
Unrestricted	(43,776,173)	(40,830,969)	(33,574,071)	(10,804,307)	(9,815,795)
<b>Total Net Position—Proprietary</b>	(24,349,410)	(22,217,219)	(15,307,508)	6,603,051	7,009,885
<b>Net Position—Total Primary Government</b>	<b>\$ (396,513,662)</b>	<b>\$ (321,415,990)</b>	<b>\$ (273,168,212)</b>	<b>\$ (295,529,172)</b>	<b>\$ (279,773,619)</b>

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Governmental Activities**

Ten Years' Trend Data

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Governmental activities					
Instruction	\$ 1,077,574,900	\$ 909,760,084	\$ 1,023,426,169	\$ 944,387,244	\$ 842,004,783
Student support services	127,019,467	101,932,070	107,196,262	88,749,846	77,156,556
Instructional staff support services	172,501,926	161,840,162	193,879,118	180,993,573	158,415,899
District administrative support services	14,700,109	11,536,587	11,805,819	10,222,935	9,945,307
School administrative support services	143,362,931	120,050,420	136,540,514	123,139,817	117,806,382
Business support services	106,826,198	71,287,990	67,673,427	50,311,515	58,354,230
Community services	14,043,405	12,115,172	12,995,156	18,342,055	14,013,430
Transportation	123,071,756	84,268,468	95,234,280	85,005,627	99,810,412
Plant operations and maintenance	192,149,315	144,355,232	158,273,844	111,513,734	116,274,445
Other instructional support services			21,637	22,631	20,340
Transfers	(1,377,905)	(1,234,936)	(1,529,187)	(811,842)	3,057,374
Miscellaneous	1,421,062	1,538,308	5,742,411	15,672,270	468,918
Interest expense	23,102,765	22,959,925	20,268,424	18,860,600	18,418,910
<b>Total governmental activities</b>	<b>1,994,395,929</b>	<b>1,640,409,482</b>	<b>1,831,527,874</b>	<b>1,646,410,005</b>	<b>1,515,746,986</b>
Program Revenues					
Tuition	366,248	508,243	518,928	483,205	494,442
Operating grants	250,110,236	302,192,996	381,798,766	167,393,988	87,494,202
Facility grants	10,495,459	16,429,677	9,617,566	9,878,203	10,257,913
<b>Total program revenues</b>	<b>260,971,943</b>	<b>319,130,916</b>	<b>391,935,260</b>	<b>177,755,396</b>	<b>98,246,557</b>
Net expense	<u>\$ (1,733,423,986)</u>	<u>\$ (1,321,278,566)</u>	<u>\$ (1,439,592,614)</u>	<u>\$ (1,468,654,609)</u>	<u>\$ (1,417,500,429)</u>

Continued

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Governmental Activities – Continued**

Ten Years' Trend Data

	2019	2018	2017	2016	2015
Governmental activities					
Instruction	\$ 864,509,475	\$ 848,894,722	\$ 781,439,409	\$ 742,294,075	\$ 729,319,975
Student support services	69,122,283	66,627,124	63,459,349	58,812,027	60,064,328
Instructional staff support services	184,473,830	191,939,436	241,610,652	187,114,423	133,254,466
District administrative support services	9,417,079	8,792,408	8,409,278	7,872,803	7,711,286
School administrative support services	127,163,050	108,309,775	107,624,194	99,473,707	94,277,648
Business support services	65,847,780	70,521,907	90,097,373	81,828,482	33,236,652
Community services	28,399,457	26,377,760	33,835,506	25,466,326	16,012,870
Transportation	124,412,708	158,063,796	131,587,727	89,762,735	87,973,527
Plant operations and maintenance	118,239,225	118,322,852	109,198,091	110,347,315	108,222,195
Other instructional support services	64,987	60,065	32,859	31,660	34,945
Transfers	3,067,836	3,054,027	3,099,486	3,099,316	3,116,640
Miscellaneous	539,714	21,617	282,916	349,122	466,078
Interest expense	16,106,729	17,204,330	16,139,220	16,116,139	16,244,178
<b>Total governmental activities</b>	<b>1,611,364,153</b>	<b>1,618,189,819</b>	<b>1,586,816,060</b>	<b>1,422,568,130</b>	<b>1,289,934,788</b>
Program Revenues					
Tuition	508,252	479,270	393,452	647,118	586,509
Operating grants	83,432,587	103,181,009	105,014,680	105,081,380	99,577,458
Facility grants	10,982,285	10,808,651	9,709,125	9,449,764	8,171,637
<b>Total program revenues</b>	<b>94,923,124</b>	<b>114,468,930</b>	<b>115,117,257</b>	<b>115,178,262</b>	<b>108,335,604</b>
Net expense	<u>\$ (1,516,441,029)</u>	<u>\$ (1,503,720,889)</u>	<u>\$ (1,471,698,803)</u>	<u>\$ (1,307,389,868)</u>	<u>\$ (1,181,599,184)</u>

Continued

## Board of Education of Jefferson County, Kentucky

**Statement of Activities – Governmental Activities – Continued**

## Ten Years' Trend Data

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Net expense	\$ (1,733,423,986)	\$ (1,321,278,566)	\$ (1,439,592,614)	\$ (1,468,654,609)	\$ (1,417,500,429)
General revenues					
Taxes					
Property taxes	660,469,578	627,463,151	594,308,658	530,248,112	502,604,410
Occupational taxes	212,522,322	206,342,623	206,474,525	176,787,809	156,348,315
Other taxes	81,422,945	74,667,834	106,915,232	63,516,855	54,014,453
State sources					
SEEK program	203,474,758	233,759,766	233,088,270	231,277,657	234,116,356
Other state revenues and grants	586,921,293	235,927,391	555,341,767	466,477,021	434,461,333
Interest and investment earnings	30,301,474	21,214,511	833,179	330,027	4,786,365
Miscellaneous	27,448,787	36,129,547	27,262,057	14,190,842	28,573,608
<b>Total general revenues</b>	<b>1,802,561,157</b>	<b>1,435,504,823</b>	<b>1,724,223,688</b>	<b>1,482,828,323</b>	<b>1,414,904,840</b>
Change in net position	69,137,171	114,226,257	284,631,074	14,173,714	(2,595,589)
Net position, beginning of year	38,271,204	(75,955,053)	(360,586,127)	(374,759,841)	(372,164,252)
Net position, end of year	<b>\$ 107,408,375</b>	<b>\$ 38,271,204</b>	<b>\$ (75,955,053)</b>	<b>\$ (360,586,127)</b>	<b>\$ (374,759,841)</b>

Continued

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Governmental Activities – Continued**

Ten Years' Trend Data

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Net expense	\$ (1,516,441,029)	\$ (1,503,720,889)	\$ (1,471,698,803)	\$ (1,307,389,868)	\$ (1,181,599,184)
General revenues					
Taxes					
Property taxes	480,070,360	456,911,397	432,706,453	416,365,932	397,722,644
Occupational taxes	165,754,818	162,374,610	156,387,646	151,821,629	139,825,242
Other taxes	56,671,549	53,658,834	51,729,620	47,796,163	49,482,553
State sources					
SEEK program	256,564,394	256,709,740	269,121,859	274,943,838	277,043,057
Other state revenues and grants	455,839,757	512,980,545	583,777,579	383,488,212	311,578,993
Interest and investment earnings	7,473,913	3,284,271	2,347,241	1,677,255	1,389,755
Miscellaneous	21,100,757	16,463,425	19,899,924	15,948,120	10,240,231
<b>Total general revenues</b>	<b>1,443,475,548</b>	<b>1,462,382,822</b>	<b>1,515,970,322</b>	<b>1,292,041,149</b>	<b>1,187,282,475</b>
Change in net position	(72,965,481)	(41,338,067)	44,271,519	(15,348,719)	5,683,291
Net position, beginning of year	(299,198,771)	(257,860,704)	(302,132,223)	(286,783,504)	(292,466,795)
Net position, end of year	<b>\$ (372,164,252)</b>	<b>\$ (299,198,771)</b>	<b>\$ (257,860,704)</b>	<b>\$ (302,132,223)</b>	<b>\$ (286,783,504)</b>

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Business-Type Activities**

Ten Years' Trend Data

	2024	2023	2022	2021	2020
Business-type activities					
School food services	\$ 67,808,049	\$ 84,104,750	\$ 58,259,707	\$ 45,091,851	\$ 77,606,712
Adult education	231,636	92,594	65,346	170,977	204,046
Enterprise programs	33,671	14,459	11,674	75,949	157,228
Tuition-based pre-school	18,612	32,055	(1,364)	(648,751)	451,880
Day care operations	64,920	54,577	74,925	(39,664)	130,385
<b>Total business-type activities</b>	<b>68,156,888</b>	<b>84,298,435</b>	<b>58,410,288</b>	<b>44,650,362</b>	<b>78,550,251</b>
Program Revenues					
Lunchroom sales	1,633,754	2,175,391	697,576	29,248	2,325,026
Tuition and fees	178,661	338,468	278,855	156,180	714,674
Grants	75,742,883	77,514,086	71,470,824	33,311,123	56,531,963
Transfers	(1,377,905)	(1,234,936)	(1,529,187)	(811,842)	3,057,374
<b>Total program revenues</b>	<b>76,177,393</b>	<b>78,793,009</b>	<b>70,918,068</b>	<b>32,684,709</b>	<b>62,629,037</b>
Net expense	8,020,505	(5,505,426)	12,507,780	(11,965,653)	(15,921,214)
General revenues					
Interest	873,900	235,809	10,437	1,491	95,190
<b>Total general revenues</b>	<b>873,900</b>	<b>235,809</b>	<b>10,437</b>	<b>1,491</b>	<b>95,190</b>
Change in net position	8,894,405	(5,269,617)	12,518,217	(11,964,162)	(15,826,024)
Net position, beginning of year	(44,890,996)	(39,621,379)	(52,139,596)	(40,175,434)	(24,349,410)
Net position, end of year	<b>\$ (35,996,591)</b>	<b>\$ (44,890,996)</b>	<b>\$ (39,621,379)</b>	<b>\$ (52,139,596)</b>	<b>\$ (40,175,434)</b>

Continued

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Business-Type Activities – Continued**

Ten Years' Trend Data

	2019	2018	2017	2016	2015
Business-type activities					
School food services	\$ 72,200,866	\$ 76,915,589	\$ 90,450,953	\$ 68,262,191	\$ 62,724,047
Adult education	171,152	168,158	193,589	260,184	568,257
Enterprise programs	141,308	157,129	142,516	156,576	97,329
Tuition-based pre-school	707,730	1,097,840	1,317,912	885,771	785,927
Day care operations	(435,894)	237,015	652,491	428,715	480,892
<b>Total business-type activities</b>	<b>72,785,162</b>	<b>78,575,731</b>	<b>92,757,461</b>	<b>69,993,437</b>	<b>64,656,452</b>
Program Revenues					
Lunchroom sales	3,023,797	3,004,729	3,685,798	4,031,184	5,929,215
Tuition and fees	990,066	1,167,663	1,250,197	1,130,336	1,191,051
Grants	63,395,302	64,335,594	62,744,604	61,296,869	53,716,102
Transfers	3,067,836	3,054,027	3,099,486	3,099,316	3,116,640
<b>Total program revenues</b>	<b>70,477,001</b>	<b>71,562,013</b>	<b>70,780,085</b>	<b>69,557,705</b>	<b>63,953,008</b>
Net expense	(2,308,161)	(7,013,718)	(21,977,376)	(435,732)	(703,444)
General revenues					
Interest	175,970	104,007	66,817	28,898	15,502
<b>Total general revenues</b>	<b>175,970</b>	<b>104,007</b>	<b>66,817</b>	<b>28,898</b>	<b>15,502</b>
Change in net position	(2,132,191)	(6,909,711)	(21,910,559)	(406,834)	(687,942)
Net position, beginning of year	(22,217,219)	(15,307,508)	6,603,051	7,009,885	7,697,827
Net position, end of year	<b>\$ (24,349,410)</b>	<b>\$ (22,217,219)</b>	<b>\$ (15,307,508)</b>	<b>\$ 6,603,051</b>	<b>\$ 7,009,885</b>

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Total Primary Government**

Ten Years' Trend Data

	2024	2023	2022	2021	2020
Primary government activities					
Instruction	\$ 1,077,574,900	\$ 909,760,084	\$ 1,023,426,169	\$ 944,387,244	\$ 842,004,783
Student support services	127,019,467	101,932,070	107,196,262	88,749,846	77,156,556
Instructional staff support services	172,501,926	161,840,162	193,879,118	180,993,573	158,415,899
District administrative support services	14,700,109	11,536,587	11,805,819	10,222,935	9,945,307
School administrative support services	143,362,931	120,050,420	136,540,514	123,139,817	117,806,382
Business support services	106,826,198	71,287,990	67,673,427	50,311,515	58,354,230
Community services	14,043,405	12,115,172	12,995,156	18,342,055	14,013,430
Transportation	123,071,756	84,268,468	95,234,280	85,005,627	99,810,412
Plant operations and maintenance	192,149,315	144,355,232	158,273,844	111,513,734	116,274,445
Other	724,877	842,123	1,102,962	356,108	489,258
School food services	68,504,234	84,800,935	62,920,793	60,430,645	77,606,712
Adult education	231,636	92,594	65,346	170,977	204,046
Enterprise programs	33,671	14,459	11,674	75,950	157,228
Tuition-based pre-school	18,612	32,055	(1,364)	(648,751)	451,880
Day care operations	64,920	54,577	74,925	(39,665)	130,385
Interest expense	23,102,765	22,959,925	20,268,424	18,860,600	18,418,910
<b>Total primary activities</b>	<b>2,063,930,722</b>	<b>1,725,942,853</b>	<b>1,891,467,349</b>	<b>1,691,872,210</b>	<b>1,591,239,863</b>
Program revenues					
Lunchroom sales	1,633,754	2,175,391	697,576	29,248	2,325,026
Tuition and fees	544,909	846,711	797,783	639,385	1,209,116
Grants	336,348,578	396,136,759	462,887,156	210,583,315	154,284,078
<b>Total program revenues</b>	<b>338,527,241</b>	<b>399,158,861</b>	<b>464,382,515</b>	<b>211,251,948</b>	<b>157,818,220</b>
Net expense	<b>\$ (1,725,403,481)</b>	<b>\$ (1,326,783,992)</b>	<b>\$ (1,427,084,834)</b>	<b>\$ (1,480,620,262)</b>	<b>\$ (1,433,421,643)</b>

Continued

## Board of Education of Jefferson County, Kentucky

**Statement of Activities – Total Primary Government – Continued**

## Ten Years' Trend Data

	2019	2018	2017	2016	2015
Primary government activities					
Instruction	\$ 864,509,475	\$ 848,894,722	\$ 781,439,409	\$ 742,294,075	\$ 729,319,975
Student support services	69,122,283	66,627,124	63,459,349	58,812,027	60,064,328
Instructional staff support services	184,473,830	191,939,436	241,610,652	187,114,423	133,254,466
District administrative support services	9,417,079	8,792,408	8,409,278	7,872,803	7,711,286
School administrative support services	127,163,050	108,309,775	107,624,194	99,473,707	94,277,648
Business support services	65,847,780	70,521,907	90,097,373	81,828,482	33,236,652
Community services	28,399,457	26,377,760	33,835,506	25,466,326	16,012,870
Transportation	124,412,708	158,063,796	131,587,727	89,762,735	87,973,527
Plant operations and maintenance	118,239,225	118,322,852	109,198,091	110,347,315	108,222,195
Other	604,701	81,682	315,775	380,782	501,023
School food services	72,200,866	76,915,589	90,450,953	68,262,191	62,724,047
Adult education	171,152	168,158	193,589	260,184	568,257
Enterprise programs	141,308	157,129	142,516	156,576	97,329
Tuition-based pre-school	707,730	1,097,840	1,317,912	885,771	785,927
Day care operations	(435,894)	237,015	652,491	428,715	480,892
Interest expense	16,106,729	17,204,330	16,139,220	16,116,139	16,244,178
<b>Total primary activities</b>	<b>1,681,081,479</b>	<b>1,693,711,523</b>	<b>1,676,474,035</b>	<b>1,489,462,251</b>	<b>1,351,474,600</b>
Program revenues					
Lunchroom sales	3,023,797	3,004,729	3,685,798	4,031,184	5,929,215
Tuition and fees	1,498,318	1,646,933	1,643,649	1,777,454	1,777,560
Grants	157,810,174	178,325,254	177,468,409	175,828,013	161,465,197
<b>Total program revenues</b>	<b>162,332,289</b>	<b>182,976,916</b>	<b>182,797,856</b>	<b>181,636,651</b>	<b>169,171,972</b>
Net expense	<b>\$ (1,518,749,190)</b>	<b>\$ (1,510,734,607)</b>	<b>\$ (1,493,676,179)</b>	<b>\$ (1,307,825,600)</b>	<b>\$ (1,182,302,628)</b>

Continued

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Total Primary Government – Continued**

Ten Years' Trend Data

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Net expense	\$ (1,725,403,481)	\$ (1,326,783,992)	\$ (1,427,084,834)	\$ (1,480,620,262)	\$ (1,433,421,643)
General revenues					
Taxes					
Property taxes	660,469,578	627,463,151	594,308,658	530,248,112	502,604,410
Occupational taxes	212,522,322	206,342,623	206,474,525	176,787,809	156,348,315
Other taxes	81,422,945	74,667,834	106,915,232	63,516,855	54,014,453
State sources					
SEEK program	203,474,758	233,759,766	233,088,270	231,277,657	234,116,356
Other state revenues	586,921,293	235,927,391	555,341,767	466,477,021	434,461,333
Interest and investment earnings	31,175,374	21,450,320	843,616	331,518	4,881,555
Miscellaneous	27,448,787	36,129,547	27,262,057	14,190,842	28,573,608
<b>Total general revenues</b>	<b>1,803,435,057</b>	<b>1,435,740,632</b>	<b>1,724,234,125</b>	<b>1,482,829,814</b>	<b>1,415,000,030</b>
Change in net position	78,031,576	108,956,640	297,149,291	2,209,552	(18,421,613)
Net position, beginning of year	(6,619,792)	(115,576,432)	(412,725,723)	(414,935,275)	(396,513,662)
Net position, end of year	<u>\$ 71,411,784</u>	<u>\$ (6,619,792)</u>	<u>\$ (115,576,432)</u>	<u>\$ (412,725,723)</u>	<u>\$ (414,935,275)</u>

Continued

Board of Education of Jefferson County, Kentucky

**Statement of Activities – Total Primary Government – Continued**

Ten Years' Trend Data

	2019	2018	2017	2016	2015
Net expense	\$ (1,518,749,190)	\$ (1,510,734,607)	\$ (1,493,676,179)	\$ (1,307,825,600)	\$ (1,182,302,628)
General revenues					
Taxes					
Property taxes	480,070,360	456,911,397	432,706,453	416,365,932	397,722,644
Occupational taxes	165,754,818	162,374,610	156,387,646	151,821,629	139,825,242
Other taxes	56,671,549	53,658,834	51,729,620	47,796,163	49,482,553
State sources					
SEEK program	256,564,394	256,709,740	269,121,859	274,943,838	277,043,057
Other state revenues	455,839,757	512,980,545	583,777,579	383,488,212	311,578,993
Interest and investment earnings	7,649,883	3,388,278	2,414,058	1,706,153	1,405,257
Miscellaneous	21,100,757	16,463,425	19,899,924	15,948,120	10,240,231
<b>Total general revenues</b>	<b>1,443,651,518</b>	<b>1,462,486,829</b>	<b>1,516,037,139</b>	<b>1,292,070,047</b>	<b>1,187,297,977</b>
Change in net position	(75,097,672)	(48,247,778)	22,360,960	(15,755,553)	4,995,349
Net position, beginning of year	(321,415,990)	(273,168,212)	(295,529,172)	(279,773,619)	(284,768,968)
Net position, end of year	<u>\$ (396,513,662)</u>	<u>\$ (321,415,990)</u>	<u>\$ (273,168,212)</u>	<u>\$ (295,529,172)</u>	<u>\$ (279,773,619)</u>

Board of Education of Jefferson County, Kentucky

**Balance Sheets – Governmental Funds**

Ten Years' Trend Data

	2024	2023	2022	2021	2020
<b>Assets</b>					
Cash and investments	\$ 499,712,695	\$ 650,589,513	\$ 531,341,486	\$ 319,947,620	\$ 309,534,145
Accounts and grants receivable	59,649,039	88,341,507	61,057,760	53,850,968	32,124,286
Prepaid expenditures			—	1,200,000	
Inventories	4,369,473	5,486,277	3,845,950	4,972,608	3,613,216
Due from other funds	131,125,360	202,876,769	159,186,531	124,072,584	111,823,383
<b>Total Assets</b>	<b>\$ 694,856,567</b>	<b>\$ 947,294,066</b>	<b>\$ 755,431,727</b>	<b>\$ 504,043,780</b>	<b>\$ 457,095,030</b>
<b>Liabilities</b>					
Accrued liabilities	\$ 124,156,784	\$ 169,848,847	\$ 150,324,873	\$ 144,857,329	\$ 124,595,791
Due to other funds	125,986,605	202,761,438	150,885,786	113,609,966	104,624,399
<b>Total Liabilities</b>	<b>250,143,389</b>	<b>372,610,285</b>	<b>301,210,659</b>	<b>258,467,295</b>	<b>229,220,190</b>
<b>Fund Balances</b>					
Nonspendable	4,369,473	5,486,277	3,845,950	6,172,608	3,613,216
Restricted					
Capital Projects & Special Revenue Fund	51,535,194	136,041,768	93,179,006	83,202,728	103,870,057
Nonmajor Governmental Funds	22,925,392	12,627,222	18,092,307	10,379,429	29,047,895
Committed, General Fund	36,000,000	57,647,612	36,000,000	36,000,000	36,000,000
Assigned, General Fund	68,465,315	36,000,000	25,081,718	27,039,251	32,748,001
Unassigned, General Fund	261,417,804	326,880,902	278,022,087	82,782,469	22,595,671
<b>Total Fund Balances</b>	<b>444,713,178</b>	<b>574,683,781</b>	<b>454,221,068</b>	<b>245,576,485</b>	<b>227,874,840</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 694,856,567</b>	<b>\$ 947,294,066</b>	<b>\$ 755,431,727</b>	<b>\$ 504,043,780</b>	<b>\$ 457,095,030</b>

Continued

Board of Education of Jefferson County, Kentucky

**Balance Sheets – Governmental Funds – Continued**

Ten Years' Trend Data

	2019	2018	2017	2016	2015
<b>Assets</b>					
Cash and investments	\$ 327,791,345	\$ 308,987,719	\$ 363,476,682	\$ 284,375,743	\$ 276,582,060
Accounts and grants receivable	41,527,426	35,188,994	33,293,705	73,660,969	37,762,695
Prepaid expenditures	2,423,932	3,202,317	3,048,750	3,149,580	4,203,103
Inventories	3,324,186	3,197,796	3,221,436	3,462,986	3,992,197
Due from other funds	121,012,589	133,328,815	134,756,547	128,054,736	129,948,408
<b>Total Assets</b>	<b>\$ 496,079,478</b>	<b>\$ 483,905,641</b>	<b>\$ 537,797,120</b>	<b>\$ 492,704,014</b>	<b>\$ 452,488,463</b>
<b>Liabilities</b>					
Accrued liabilities	\$ 136,245,944	\$ 138,516,380	\$ 134,584,582	\$ 114,393,488	\$ 104,691,277
Due to other funds	107,049,722	127,964,466	129,600,827	123,038,113	124,267,169
<b>Total Liabilities</b>	<b>243,295,666</b>	<b>266,480,846</b>	<b>264,185,409</b>	<b>237,431,601</b>	<b>228,958,446</b>
<b>Fund Balances</b>					
Nonspendable	5,460,600	6,113,779	5,982,668	6,325,049	7,907,782
Restricted					
Capital Projects & Special Revenue Fund	97,624,465	46,860,175	97,632,001	92,548,558	86,087,451
Nonmajor Governmental Funds	23,368,618	29,017,136	22,163,113	29,748,282	18,234,685
Committed, General Fund	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000
Assigned, General Fund	16,244,256	15,843,169	17,338,950	18,887,348	17,456,000
Unassigned, General Fund	74,085,873	83,590,536	94,494,979	71,763,176	57,844,099
<b>Total Fund Balances</b>	<b>252,783,812</b>	<b>217,424,795</b>	<b>273,611,711</b>	<b>255,272,413</b>	<b>223,530,017</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 496,079,478</b>	<b>\$ 483,905,641</b>	<b>\$ 537,797,120</b>	<b>\$ 492,704,014</b>	<b>\$ 452,488,463</b>

**Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds**

Ten Years' Trend Data

	2024	2023	2022	2021	2020
<b>Revenues</b>					
Local sources					
Property taxes	\$ 660,469,578	\$ 627,463,151	\$ 594,308,658	\$ 530,248,112	\$ 502,604,410
Occupational taxes	212,522,322	206,342,623	206,474,525	176,787,809	156,348,315
Other taxes	81,422,945	74,667,834	106,915,232	63,516,855	54,014,453
Grants from local agencies and donors	6,539,974	13,365,388	5,217,631	3,496,477	3,429,761
State sources					
SEEK program	203,474,758	233,759,766	233,088,270	231,277,657	234,116,356
Other state resources	398,688,813	472,560,738	371,572,407	369,100,158	366,710,242
Grants	200,225,093	247,411,258	376,581,135	163,897,511	84,064,441
Interest	30,301,474	21,214,511	833,179	330,027	4,786,365
Other sources	27,815,037	23,353,200	19,770,433	25,035,352	28,672,444
<b>Total Revenues</b>	<b>1,821,459,994</b>	<b>1,920,138,469</b>	<b>1,914,761,470</b>	<b>1,563,689,958</b>	<b>1,434,746,787</b>
<b>Expenditures</b>					
Instruction	964,029,961	966,975,857	909,687,365	829,625,034	785,031,827
Student support services	120,307,009	115,454,042	100,581,583	87,150,824	76,482,424
Instructional staff support services	163,385,894	183,309,965	181,917,323	149,690,833	150,231,095
District administrative support services	10,675,144	9,888,305	8,775,830	7,417,507	7,508,254
School administrative support services	135,786,858	135,976,373	128,116,349	118,604,248	115,548,045
Business support services	101,159,176	80,709,961	63,469,064	46,446,098	52,741,427
services	13,342,138	14,450,537	17,057,896	26,169,664	10,643,474
Transportation	111,367,669	89,611,027	83,808,103	68,093,453	85,493,451

Continued

## Board of Education of Jefferson County, Kentucky

**Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
– Continued**

## Ten Years' Trend Data

	2024	2023	2022	2021	2020
Expenditures—continued					
Plant operations and maintenance	\$ 181,012,496	\$ 162,311,198	\$ 147,494,935	\$ 110,961,638	\$ 116,158,197
Other instructional support services	41,448	33,063	20,302	22,631	20,340
Building renovations	89,332,290	103,907,406	104,094,794	73,247,112	63,116,051
Other	1,214,760	920,807	471,030	8,868,088	2,944,210
Debt service					
Principal	43,701,721	60,146,721	36,338,627	36,235,188	33,245,188
Interest	23,056,589	22,900,022	20,268,424	18,791,141	18,100,298
<b>Total Expenditures</b>	<b>1,958,413,153</b>	<b>1,946,595,284</b>	<b>1,802,101,625</b>	<b>1,581,323,459</b>	<b>1,517,264,281</b>
<b>Other Financing Sources (Uses)</b>					
Bond proceeds net of discounts and refunding issues	5,604,650	145,684,592	94,455,551	38,324,988	57,608,522
Transfers to Proprietary Funds	(2,963,486)	(2,965,253)	(3,002,495)	(2,989,842)	
Transfers from Proprietary Funds	4,341,391	4,200,189	4,531,682		
Transfers in	69,830,062	125,078,268	86,205,468	62,140,257	52,169,348
Transfers out	(69,830,062)	(125,078,268)	(86,205,468)	(62,140,257)	(52,169,348)
<b>Total Other Financing Sources (Uses)</b>	<b>6,982,555</b>	<b>146,919,528</b>	<b>95,984,738</b>	<b>35,335,146</b>	<b>57,608,522</b>
Net Change in Fund Balances	(129,970,604)	120,462,713	208,644,583	17,701,645	(24,908,972)
Fund Balances, Beginning of Year	574,683,781	454,221,068	245,576,485	227,874,840	252,783,812
Fund Balances, End of Year	<b>\$ 444,713,177</b>	<b>\$ 574,683,781</b>	<b>\$ 454,221,068</b>	<b>\$ 245,576,485</b>	<b>\$ 227,874,840</b>
Ratio of total debt service expenditures to total noncapital expenditures	3.72 %	4.65 %	3.50 %	3.95 %	3.87 %

Continued

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – Continued

### Ten Years' Trend Data

	2019	2018	2017	2016	2015
<b>Revenues</b>					
Local sources					
Property taxes	\$ 480,070,360	\$ 456,911,397	\$ 432,706,453	\$ 416,365,932	\$ 397,722,644
Occupational taxes	165,754,818	162,374,610	156,387,646	151,821,629	139,825,242
Other taxes	56,671,549	53,658,834	51,729,620	47,796,163	49,482,553
Grants from local agencies and donors	4,216,634	12,003,218	10,059,989	9,339,816	8,435,955
State sources					
SEEK program	256,564,394	256,709,740	269,121,859	274,943,838	277,043,057
Other state resources	346,822,857	344,927,246	240,938,705	237,803,654	229,841,535
Grants	79,215,953	91,177,791	94,954,691	95,633,844	91,141,503
Interest	7,473,913	3,284,271	2,347,241	1,677,255	1,389,755
Other sources	18,036,912	19,512,719	16,260,224	16,611,172	11,654,931
<b>Total Revenues</b>	<b>1,414,827,390</b>	<b>1,400,559,826</b>	<b>1,274,506,428</b>	<b>1,251,993,303</b>	<b>1,206,537,175</b>
<b>Expenditures</b>					
Instruction	763,641,366	754,517,489	659,163,029	651,704,411	626,202,625
Student support services	68,161,539	66,023,129	59,507,080	56,468,739	53,898,592
Instructional staff support services	140,842,072	155,224,231	137,792,548	133,813,433	136,595,787
District administrative support services	6,814,225	5,881,645	5,205,114	4,621,076	4,074,121
School administrative support services	115,027,172	98,562,871	87,953,654	86,072,917	86,706,811
Business support services	45,822,235	49,830,447	43,508,006	41,900,407	40,124,691
Community and food services	11,083,836	10,176,026	9,673,052	9,705,648	9,785,799
Transportation	89,192,089	89,313,077	80,102,175	76,843,087	80,815,562

Continued

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – Continued

### Ten Years' Trend Data

	2019	2018	2017	2016	2015
Expenditures—continued					
Plant operations and maintenance	\$ 117,438,367	\$ 118,046,299	\$ 108,680,821	\$ 109,856,870	\$ 107,834,439
Other instructional support services	64,987	60,065	32,859	31,660	27,404
Building renovations	54,170,060	52,752,999	49,013,775	54,066,235	47,130,013
Other	2,785,186	2,606,701	2,771,607	3,276,200	3,475,119
Debt service					
Principal	35,151,226	34,001,290	31,116,591	30,255,122	29,914,485
Interest	16,569,151	16,696,446	16,323,732	16,461,930	16,034,197
<b>Total Expenditures</b>	<b>1,466,763,511</b>	<b>1,453,692,715</b>	<b>1,290,844,043</b>	<b>1,275,077,735</b>	<b>1,242,619,645</b>
<b>Other Financing Sources (Uses)</b>					
Bond proceeds net of discounts and refunding issues	90,362,974		37,776,399	57,926,144	18,645,850
Transfers to Proprietary Funds					
Transfers from Proprietary Funds					
Transfers in	56,942,430	43,815,290	55,738,987	41,506,086	53,480,763
Transfers out	(60,010,266)	(46,869,317)	(58,838,473)	(44,605,402)	(56,597,403)
<b>Total Other Financing Sources (Uses)</b>	<b>87,295,138</b>	<b>(3,054,027)</b>	<b>34,676,913</b>	<b>54,826,828</b>	<b>15,529,210</b>
Net Change in Fund Balances	35,359,017	(56,186,916)	18,339,298	31,742,396	(20,553,260)
Fund Balances, Beginning of Year	217,424,795	273,611,711	255,272,413	223,530,017	244,083,277
Fund Balances, End of Year	\$ 252,783,812	\$ 217,424,795	\$ 273,611,711	\$ 255,272,413	\$ 223,530,017
Ratio of total debt service expenditures to total noncapital expenditures	3.80 %	4.00 %	3.90 %	4.10 %	3.90 %

Board of Education of Jefferson County, Kentucky

**General Government Expenses by Function<sup>1</sup>**

Ten Years' Trend Data

	Instruction	Student Support Services	Instructional Staff Support Services	District Administrative Support Services	School Administrative Support Services	Business Support Services	Community Services	Transportation	Plant Operations and Maintenance
2024	\$1,077,574,900	\$ 127,019,467	\$ 172,501,926	\$ 14,700,109	\$ 143,362,931	\$ 106,826,198	\$ 14,043,405	\$ 123,071,756	\$ 192,149,315
2023	909,760,084	101,932,070	161,840,162	11,536,587	120,050,420	71,287,990	12,115,172	84,268,468	144,355,232
2022	1,023,426,169	107,196,262	193,879,118	11,805,819	136,540,514	67,673,427	12,995,156	95,234,280	158,273,844
2021	944,387,244	88,749,846	180,993,573	10,222,935	123,139,817	50,311,515	18,342,055	85,005,627	111,513,734
2020	842,004,783	77,156,556	158,415,899	9,945,307	117,806,382	58,354,230	14,013,430	99,810,412	116,274,445
2019	864,509,475	69,122,283	184,473,830	9,417,079	127,163,050	65,847,780	28,399,457	124,412,708	118,239,225
2018	848,894,722	66,627,124	191,939,436	8,792,408	108,309,775	70,521,907	26,377,760	158,063,796	118,322,852
2017	781,439,409	63,459,349	241,610,652	8,409,278	107,624,194	90,097,373	33,835,506	131,587,727	109,198,091
2016	742,294,075	58,812,027	187,114,423	7,872,803	99,473,707	81,828,482	25,466,326	89,762,735	110,347,315
2015	729,319,975	60,064,328	133,254,466	7,711,286	94,277,648	33,236,652	16,012,870	87,973,527	108,222,195

	Other	Interest	School Food Services	Adult Education	Enterprise Programs	Tuition-based Pre-school	Daycare Operations	Total
2024	\$ 724,877	\$ 23,102,765	\$ 68,504,234	\$ 231,636	\$ 33,671	\$ 18,612	\$ 64,920	\$2,063,930,722
2023	842,123	22,959,925	84,800,935	92,594	14,459	32,055	54,577	1,725,942,853
2022	1,102,962	20,268,424	62,920,793	65,346	11,674	(1,364)	74,925	1,891,467,349
2021	15,694,901	18,860,600	45,091,852	170,977	75,950	(648,751)	(39,665)	1,691,872,210
2020	489,258	18,418,910	77,606,712	204,046	157,228	451,880	130,385	1,591,239,863
2019	604,701	16,106,729	72,200,866	171,152	141,308	707,730	(435,894)	1,681,081,479
2018	81,682	17,204,330	76,915,589	168,158	157,129	1,097,840	237,015	1,693,711,523
2017	315,775	16,139,220	90,450,953	193,589	142,516	1,317,912	652,491	1,676,474,035
2016	380,782	16,116,139	68,262,191	260,184	156,576	885,771	428,715	1,489,462,251
2015	501,023	16,244,178	62,724,047	568,257	97,329	785,927	480,892	1,351,474,600

<sup>1</sup> General government includes all governmental and enterprise funds.

Board of Education of Jefferson County, Kentucky

**General Government Revenues by Type<sup>1</sup>**

Ten Years' Trend Data

	<b>Charges for Service</b>	<b>Grants &amp; Contributions</b>	<b>Property Taxes</b>	<b>Occupational Taxes</b>	<b>Other Taxes</b>
2024	\$ 2,178,663	\$ 336,348,578	\$ 660,469,578	\$ 212,522,322	\$ 81,422,945
2023	3,022,102	396,136,759	627,463,151	206,342,623	74,667,834
2022	1,495,359	462,887,156	594,308,658	206,474,525	106,915,232
2021	668,633	210,583,315	530,248,112	176,787,809	63,516,855
2020	3,534,142	154,284,078	502,604,410	156,348,315	54,014,453
2019	4,522,115	157,810,174	480,070,360	165,754,818	56,671,549
2018	4,651,662	178,325,254	456,911,397	162,374,610	53,658,834
2017	5,329,447	177,468,409	432,706,453	156,387,646	51,729,620
2016	5,808,638	175,828,013	416,365,932	151,821,629	47,796,163
2015	7,706,775	161,465,197	397,722,644	139,825,242	49,482,553

	<b>SEEK State Revenues</b>	<b>Other State Revenues</b>	<b>Interest Income</b>	<b>Other Revenues</b>	<b>Total</b>
2024	\$ 203,474,758	\$ 586,921,293	\$ 31,175,374	\$ 27,448,787	\$ 2,141,962,298
2023	233,759,766	235,927,391	21,450,320	36,129,547	1,834,899,493
2022	233,088,270	555,341,767	843,616	27,262,057	2,188,616,640
2021	231,277,657	466,477,021	331,518	14,190,842	1,694,081,762
2020	234,116,356	434,461,333	4,881,555	28,573,608	1,572,818,250
2019	256,564,394	455,839,757	7,649,883	21,100,757	1,605,983,807
2018	256,709,740	512,980,545	3,388,278	16,463,425	1,645,463,745
2017	269,121,859	583,777,579	2,414,058	19,899,924	1,698,834,995
2016	274,943,838	383,488,212	1,706,153	15,948,120	1,473,706,698
2015	277,043,057	311,578,993	1,405,257	10,240,231	1,356,469,949

<sup>1</sup> General government includes all governmental and enterprise funds.

## Property Tax Rates

### Ten Years' Trend Data

	<b>Real Estate<sup>1</sup></b>	<b>Tangible Property<sup>1</sup></b>	<b>Motor Vehicle<sup>1</sup></b>	<b>Weighted Average Tax Rates<sup>1</sup></b>
2024	76.0	76.8	58.5	68.9
2023	76.3	76.8	58.5	74.8
2022	79.6	79.6	58.5	78.2
2021	80.6	80.6	58.5	79.0
2020	73.6	73.6	58.5	70.7
2019	72.5	72.5	58.5	71.5
2018	70.4	70.4	58.5	70.0
2017	70.8	71.0	58.5	69.9
2016	71.0	71.0	58.5	70.1
2015	71.0	71.0	58.5	69.2

Real estate & personal property taxes are the District's largest revenue source. Each year's tax rates are approved in September by vote of the elected Board of Education. Statutorily, rates may not be raised to an extent that total revenues are increased by 4% or the tax is subject to referendum.

<sup>1</sup> Cents per \$100 assessment

Board of Education of Jefferson County, Kentucky

**Real Estate and Personal Property Tax Revenues**

Ten Years' Trend Data

	<b>Amount Levied</b>	<b>Collections as of the End of the Levy Year</b>	<b>Levy Year Percent</b>	<b>Omitted and Delinquent Tax Revenue</b>	<b>Total Tax Revenue Received During Fiscal Year</b>	<b>Total Percent</b>
2024	\$ 712,923,155	\$ 678,873,032	95.2 %	\$ 19,026,976	\$ 697,900,008	97.9 %
2023	679,274,397	645,624,845	95.0 %	13,328,286	658,953,131	97.0 %
2022	643,990,091	611,503,351	95.0 %	48,964,773	660,468,124	102.6 %
2021	571,206,069	544,761,795	95.4 %	12,040,502	556,802,297	97.5 %
2020	543,290,378	515,985,211	95.0 %	9,183,568	525,168,779	96.7 %
2019	516,657,825	492,745,653	95.4 %	12,269,041	505,014,694	97.7 %
2018	495,210,128	468,396,336	94.6 %	10,892,385	479,288,721	96.8 %
2017	464,203,005	443,500,395	95.5 %	9,968,631	453,469,026	97.7 %
2016	447,424,580	425,810,369	95.2 %	9,753,569	435,563,938	97.3 %
2015	427,603,120	406,858,768	95.1 %	11,523,771	418,382,539	97.8 %

Tax collections consist of property taxes and franchise taxes. These revenues are split between General Fund and Building Tax Fund in the Financial Section, where franchise taxes are included with Other Taxes.

Omitted and delinquent taxes are remitted to the District when collected by our tax collection agencies. These collections are not identified by year, occasionally resulting in the percent of collections exceeding 100%.

Board of Education of Jefferson County, Kentucky

**Property Tax Assessments**

Ten Years' Trend Data

	<b>Real Estate</b>	<b>Tangible Property</b>	<b>Franchise</b>	<b>Motor Vehicle</b>	<b>Distilled Spirits</b>	<b>Total Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Weighted Average Tax Rate Applied to Assessments (cents per \$100 assessment)</b>
2024	\$ 83,113,100,488	\$ 6,226,529,696	\$ 3,796,855,976	\$ 7,586,718,275	\$ 323,203,025	\$ 101,046,407,460	\$ 101,046,407,460	74.77
2023	78,479,612,653	6,086,224,037	3,485,307,658	6,583,773,575	252,912,572	94,887,830,495	94,887,830,495	75.12
2022	71,098,214,497	5,458,828,137	3,172,778,255	5,789,431,042	256,182,196	85,775,434,127	85,775,434,127	79.02
2021	66,800,455,676	5,118,571,261	2,892,140,795	5,797,471,887	259,276,546	80,867,916,165	80,867,916,165	72.51
2020	65,141,054,707	5,403,545,336	2,868,841,228	5,720,667,808	283,410,346	79,417,519,425	79,417,519,425	71.49
2019	62,682,776,578	4,798,195,140	2,655,839,191	5,478,733,432	270,677,922	75,886,222,263	75,886,222,263	69.56
2018	61,046,926,653	5,307,565,850	2,568,249,146	5,272,908,093	270,677,922	74,466,327,664	74,466,327,664	69.93
2017	57,871,202,283	4,980,355,366	2,296,268,627	5,109,701,374	291,093,494	70,548,621,144	70,548,621,144	70.09
2016	54,932,805,754	5,042,138,245	2,250,950,826	4,907,345,575	274,684,465	67,407,924,865	67,407,924,865	70.08
2015	52,476,956,219	4,711,452,019	2,096,989,899	4,729,846,285	280,681,766	64,295,926,188	64,295,926,188	70.10

Source: Jefferson County Property Valuation Administration

Board of Education of Jefferson County, Kentucky

**Property Taxes, As Assessed**

Ten Years' Trend Data

	<b>Real Estate</b>	<b>Tangible Property</b>	<b>Franchise</b>	<b>Motor Vehicle</b>	<b>Distilled Spirits</b>	<b>Total Property Taxes as Assessed</b>	<b>Estimated Actual Tax Value</b>
2024	\$ 631,659,564	\$ 47,944,279	\$ 29,235,791	\$ 44,382,302	\$ 2,488,663	\$ 755,710,599	\$ 755,710,599
2023	596,445,056	46,255,303	26,488,338	38,515,075	1,922,136	709,625,908	709,625,908
2022	565,941,787	43,452,272	25,255,315	33,868,172	2,039,210	670,556,756	670,556,756
2021	538,411,673	41,255,684	23,310,655	33,915,211	2,089,769	638,982,992	638,982,992
2020	479,438,163	39,770,094	21,659,751	33,465,907	2,085,900	576,419,815	576,419,815
2019	454,450,130	34,786,915	19,254,834	32,050,591	1,962,415	542,504,885	542,504,885
2018	432,212,241	37,683,718	18,234,569	30,846,512	1,921,813	520,898,853	520,898,853
2017	409,728,112	35,360,523	16,303,507	29,891,753	2,066,764	493,350,659	493,350,659
2016	390,022,921	35,799,182	15,981,751	28,707,972	1,950,260	472,462,086	472,462,086
2015	367,338,694	32,980,164	14,678,929	27,669,601	1,964,772	444,632,160	444,632,160

Source: Assessments from Jefferson County Property Valuation Administration multiplied by tax rates

Board of Education of Jefferson County, Kentucky

**Principal Real Estate Taxpayers**

For the fiscal year ended June 30, 2024 and nine comparison years

Company	2023-24 School Tax Paid	% Total Rev	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
LOUISVILLE GAS & ELECTRIC	\$18,159,999	2.4 %	\$17,466,220	\$16,716,985	\$14,097,643	\$12,391,757	\$12,246,131	\$10,556,090	\$ 9,852,494	\$ 8,576,005	\$ 7,425,245
MSM PROPERTY LLC	\$ 3,244,915	0.4 %	\$ 823,423								
W W GRAINGER INC #009	\$ 2,687,147	0.4 %	\$ 3,273,219	\$ 4,381,401	\$ 1,270,929						
SAWYER TIC 1 LLC	\$ 4,020,528	0.5 %	\$ 2,372,432	\$ 2,331,349	\$ 2,279,316	\$ 2,094,564	\$ 1,778,260	\$ 1,308,112	\$ 1,305,761	\$ 1,280,785	\$ 931,639
HUMANA INC	\$ 2,466,211	0.3 %	\$ 2,233,575	\$ 1,878,279	\$ 1,820,080	\$ 1,696,056	\$ 1,260,698	\$ 2,583,952	**	\$ 1,294,204	\$ 1,270,617
BT PROPERTY LLC	\$ 2,319,985	0.3 %	\$ 2,372,432	\$ 2,331,349	\$ 2,279,316	\$ 2,094,564	\$ 1,778,260	\$ 1,308,112	\$ 1,305,761	\$ 1,280,785	\$ 931,639
BELLSOUTH TELECOMMUNI CATIONS	\$ 2,304,443	0.3 %	\$ 2,576,179	\$ 2,452,842	\$ 2,051,701	\$ 1,444,283	\$ 1,396,092	\$ 1,276,264	\$ 910,013	\$ 889,611	\$ 897,653
PC ROLLING HILLS LOUISVILLE LLC	\$ 2,073,280	0.3 %	\$ 2,079,019	\$ 1,684,166	\$ 1,948,116	\$ 1,585,336					
SCHNEIDER GROUND CO LLC	\$ 1,868,853	0.3 %	\$ 1,715,508	\$ 1,318,145	\$ 1,253,928						
WMB 2 LLC	\$ 1,573,489	0.2 %	\$ 955,610								

\*\* For years marked, taxpayer was not one of the principal taxpayers to the Board.

Source: Jefferson County Sheriff

Percent of total revenues is based on percent of total real estate and other property taxes as follows:

Property taxes	\$	660,469,578
Other taxes		81,422,945
	\$	<u>741,892,523</u>

Board of Education of Jefferson County, Kentucky

**Overlapping Tax Rates**

For Tax Year 2023

	<u>Real Estate<sup>1</sup></u>	<u>Tangible Property<sup>1</sup></u>	<u>Motor Vehicle<sup>1</sup></u>		<u>Real Estate<sup>1</sup></u>	<u>Tangible Property<sup>1</sup></u>	<u>Motor Vehicle<sup>1</sup></u>
<b>Jefferson County Board of Education - total direct rate of largest own source revenue (cents per \$100 property assessment)</b>					<b>76.30</b>	<b>76.80</b>	<b>79.60</b>
Metro Louisville				Glenview	11.00		
Government	12.40	16.60	16.60	Glenview Hills	11.00		
Anchorage	32.90	32.00	32.90	Glenview Manor	13.45		
Audubon Park	28.00		28.00	Goose Creek	13.70		
Bancroft	28.60			Graymoor-Devondale	20.00		
Barbourmeade	16.80			Green Spring	14.50	14.50	
Beechwood Village	10.00			Heritage Creek	19.20		
Bellemeade	6.60			Hickory Hill	19.20		
Bellewood	19.00			Hills and Dales	19.50		
Blue Ridge Manor	20.00			Hollow Creek	34.00		
Briarwood	29.00			Houston Acres	14.70		
Broeck Pointe	16.90			Hurstbourne	16.90		
Brownsboro Farm	22.43			Hurstbourne Acres	14.00		
Brownsboro Village	21.62			Indian Hills	19.10		
Cambridge	17.00			Jeffersontown	13.09		
Coldstream	10.00			Kingsley	27.80		
Creekside	22.00			Langdon Place	23.30		
Crossgate	22.50			Lincolnshire	22.00		
Douglas Hills	17.60			Lyndon	13.00		
Druid Hills	10.00			Lynnview	10.00		11.90
Fincastle	20.00			Manor Creek	24.00		
Forest Hills	12.00		2.00				

<sup>1</sup> Cents per \$100 assessment

Continued

Board of Education of Jefferson County, Kentucky

**Overlapping Tax Rates – Continued**

For Tax Year 2023

	<u>Real Estate<sup>1</sup></u>	<u>Tangible Property<sup>1</sup></u>	<u>Motor Vehicle<sup>1</sup></u>		<u>Real Estate<sup>1</sup></u>	<u>Tangible Property<sup>1</sup></u>	<u>Motor Vehicle<sup>1</sup></u>
Maryhill Estates	13.00			Saint Regis Park	9.60		
Meadow Vale	10.60			Seneca Gardens	21.31		
Meadowbrook Farm	5.60			Shively	35.40	37.70	37.70
Meadowview Estates	10.50			Spring Mill	20.00		
Middletown	13.40			Spring Valley	17.00		
Mockingbird Valley	10.00			Strathmoor Manor	30.00		
Moorland	20.00			Strathmoor Village	21.00		
Murray Hill	15.60			Ten Broeck	8.05		
Norbourne Estates	17.30			Thornhill	12.00		
Nothfield	14.40			Watterson Park	5.70	5.00	7.00
Norwood	14.10			Wellington	13.74		
Old Brownsboro Place	34.00			West Buechel	18.90		
Parkway Village	14.60			Westwood	11.00		
Plantation	26.00			Wildwood	13.90		
Prospect	17.10			Windy Hills	17.00		
Richlawn	11.40			Woodland Hills	9.50		
Riverwood	18.62			Woodlawn Park	14.70		
Rolling Fields	18.00			Worthington Hills	16.88		
Rolling Hills	18.00						
Saint Matthews	20.00						

<sup>1</sup> Cents per \$100 assessment

Continued

Board of Education of Jefferson County, Kentucky

**Overlapping Tax Rates – Continued**

For Tax Year 2023

	<b>Real Estate<sup>1</sup></b>	<b>Tangible Property<sup>1</sup></b>	<b>Motor Vehicle<sup>1</sup></b>
Anchorage/Middletown Fire & EMS	16.00	16.00	16.60
Buechel Fire District	18.00	18.00	
Fairdale Fire District	10.00	10.00	10.00
Fern Creek Fire District	18.00	18.00	18.00
Highview Fire District	18.00	18.00	18.00
Jeffersontown/McMahan Fire District	17.00	17.00	15.00
Louisville Downtown Management District	8.31		
Lynnview Garbage Fund	10.00		10.00
Okolona Fire District	17.00	17.00	10.00
Pleasure Ridge Park Fire District	20.00	20.00	20.00
St Matthews/Lyndon Fire District	15.00	15.00	15.00
Urban Services District/Louisville	34.40	56.00	

<sup>1</sup> Cents per \$100 assessment

Board of Education of Jefferson County, Kentucky

**Principal Employers by Number of Employees**

For Tax Year December 31, 2023 and Nine Comparison Years

	2023	Percent of Jefferson County's Employees	2022	2021	2020	2019	2018	2017	2016	2015	2014
United Parcel Service	26,328		25,169	24,110	25,090	23,533	23,533	21,233	22,354	22,189	20,931
Norton Healthcare Inc.	15,044		14,413	14,403	13,828	12,579	12,579	12,247	11,944	10,739	10,245
Jefferson County Public Schools	14,000		13,596	14,056	14,484	14,250	14,250	14,476	14,553	14,719	14,676
UofL Health Inc.	13,136										
Ford Motor Co.	13,020		13,020	13,020	13,020	13,042	13,042	12,600	12,600	9,028	8,987
Humana Inc.	11,000		11,243	12,526	12,360	12,000	12,000	12,000	12,500	12,900	12,371
Baptist Healthcare System	8,657		9,030	9,666	7,346	8,143	8,143	6,159	6,786	5,116	5,339
Walmart, Inc.	8,550		8,600	7,500							
GE Appliances. a Haier company	8,500		8,100	7,100	6,000	6,000	6,000	6,000	6,000	6,000	6,230
University of Louisville	6,339		6,585	6,574	6,620	6,394	6,394	6,933	7,065	6,264	6,161
Louisville/Jeff Co. Metro Government	5,705		5,702	5,628	5,646	5,987	5,987	6,226	6,192	5,584	5,654
Amazon.com LLC	5,700		5,700	5,700	5,700	5,700	5,700				
The Kroger Co	7,000		5,000	7,421	9,300	9,235	9,235	3,079	3,079		5,417
Manna Inc.	2,300		2,300	2,325	2,300	2,300	2,300	2,300	2,600		
Archdiocese of Louisville	2,206		2,193	2,202	2,202	2,202	2,202	2,252	2,660	2,237	2,260
LG&E and KU Energy LLC	1,809		2,084	2,209	2,240	2,208	2,208	2,162	2,201	1,993	2,178
Robley Rex VA Medical Center	2,330		2,084	2,002	1,922						
Bullitt County Public Schools	1,691		1,716								
Oldham County Public Schools	1,691		1,704								
Churchhill Downs Inc.	1,745										

Source: Business First magazine

Board of Education of Jefferson County, Kentucky

**Occupational Tax Revenues**

Ten Years' Trend Data

2024	\$	212,522,322
2023		206,342,623
2022		206,474,525
2021		176,787,809
2020		156,348,315
2019		165,754,818
2018		162,374,610
2017		156,387,646
2016		151,821,629
2015		139,825,242

Occupational tax rates have been 0.75% of salaries & wages of Jefferson County workers for the entire period.

Board of Education of Jefferson County, Kentucky

**Total Bonded Debt by Responsible Party**

Presented for Life of Bonds

<b>Jefferson County Board of Education</b>			
<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Repayments</b>
2025	\$ 29,478,801	\$ 17,413,398	\$ 46,892,199
2026	31,237,376	17,580,840	48,818,216
2027	32,577,686	14,855,755	47,433,441
2028	33,737,865	13,690,200	47,428,065
2029	41,392,118	18,474,269	59,866,387
2030-2034	186,224,190	38,004,942	224,229,132
2035-2039	118,465,579	9,724,426	128,190,005
2040-2044	6,339,965	153,995	6,493,960
	<u>\$479,453,580</u>	<u>\$129,897,825</u>	<u>\$609,351,405</u>

<b>Kentucky School Facilities Construction Commission</b>			
<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Repayments</b>
2025	\$ 5,951,199	\$ 2,687,818	\$ 8,639,017
2026	6,136,981	2,468,288	8,605,269
2027	6,112,314	2,232,024	8,344,338
2028	5,552,135	2,008,954	7,561,089
2029	5,608,211	1,799,846	7,408,057
2030-2034	26,290,810	6,169,203	32,460,013
2035-2039	15,729,421	2,260,022	17,989,443
2040-2044	4,645,035	465,026	5,110,061
	<u>\$ 76,026,106</u>	<u>\$ 20,091,181</u>	<u>\$ 96,117,287</u>

Total Principal payments	\$555,479,686
Total Interest payments	149,989,006
<b>Total Repayments</b>	<u><u>\$705,468,692</u></u>

These schedules present the total debt service payable over the life of each bond issue. The Kentucky School Facilities Construction Commission and the Metro Louisville government have pledged to pay the debt service on certain issues as documented by a Memorandum of Agreement or a legislative pronouncement; however, all debt was issued in the Board's name and the full liability is reflected in the Financial Section of this ACFR.

Board of Education of Jefferson County, Kentucky

**Detail of Bonds by Responsible Party**

Presented for Life of Bonds

<b>Bond Issue</b>	<b>Jefferson County Board of Education</b>	<b>Kentucky School Facilities Construction Commission</b>	<b>Net Bond Premiums/ (Discounts)</b>	<b>Total</b>
2010C QSCB	\$ 6,100,329		\$ (41,705)	\$ 6,058,624
2011A QSCB	29,357		(75,366)	(46,009)
2012A		\$ 6,415,000	(101,875)	6,313,125
2012C	1,920,000		(866)	1,919,134
2012D	20,610,000		(95,954)	20,514,046
2013A	3,621,188	28,812	(21,347)	3,628,653
2013B	10,786,014	2,738,986	141,462	13,666,462
2013C			183,873	183,873
2014A			1,246,590	1,246,590
2015A		10,900,000	466,471	11,366,471
2015B	21,555,000		901,335	22,456,335
2015C	11,755,000		643,300	12,398,300
2016A	14,722,386	14,787,614	1,100,057	30,610,057
2016B		3,090,000	20,689	3,110,689
2017A	24,430,000		2,703,211	27,133,211
2018A	14,684,636	10,980,364	398,365	26,063,365
2019A	45,040,000		3,817,677	48,857,677
2020A	54,785,000		2,180,303	56,965,303
2021A	22,701,511	10,633,489	1,644,346	34,979,346
2021B	83,285,000		6,997,855	90,282,855
2022A	47,890,000		5,953,901	53,843,901
2023A	45,016,033	11,103,967	5,230,945	61,350,945
2024A	50,522,126	5,347,874	5,052,920	60,922,920
	<b>\$ 479,453,580</b>	<b>\$ 76,026,106</b>	<b>\$ 38,346,187</b>	<b>\$ 593,825,873</b>

Board of Education of Jefferson County, Kentucky  
**Overlapping/Direct Debt and Bond Analysis Ratios**

As of June 30, 2024

<b>Governmental Unit</b>	<b>Gross Debt Outstanding</b>	<b>Percentage Applicable to Jefferson County Taxpayers</b>	<b>Jefferson County Taxpayers Share of Debt</b>
Direct Debt:			
Jefferson County Public Schools	\$ 591,118,496	100%	\$ 591,118,496
Overlapping Debt <sup>1</sup> :			
Louisville/Jefferson County Metro Government			
Revenue Bonds	15,555,000	100%	15,555,000
General Obligation Debt	651,190,000	100%	651,190,000
	<u>666,745,000</u>		<u>666,745,000</u>
<b>Total Overlapping and Direct Debt</b>	<b><u>\$ 1,257,863,496</u></b>		<b><u>\$ 1,257,863,496</u></b>
Total Overlapping and Direct Debt Per Capita	0.0254	Total Overlapping and Direct to Total Personal Income	0.025382720
Direct Debt Per Capita			
Net Bonded Debt to Assessed Value	0.0119	Total Direct Debt to Total Personal Income	0.01192832
Debt Service Expenditures to Total Governmental Expenditures	0.0323	<sup>1</sup> Percent of overlapping debt applicable to Jefferson County taxpayers calculated as 100% due to coterminus boundaries	
Governmental Revenues Coverage (Divided by Debt Service Expenditures)	32.0853		

Board of Education of Jefferson County, Kentucky

**Ratios of Debt Outstanding**

Ten Year Trend

Fiscal Year	Jefferson Co. Board of Education Government	Jefferson Co. Board of Education Proprietary	Kentucky School Facilities Construction Commission	School Based Neighborhood Places funded by Metro Louisville	Net Bond Premiums/ (Discounts)	Lease Liabilities	Subscription Agreements Liabilities	Total	Debt Service Coverage <sup>1</sup>	% of Personal Income	Debt Per Capita
2024	\$479,453,580		\$ 76,026,106		\$ 33,293,267	\$ 1,694,905	\$ 650,638	\$ 591,118,496	0.58	1.19 %	\$ 763
2023	515,318,505		83,762,517	\$ 100,385	36,746,969	1,126,667	1,488,913	638,543,956	0.79	1.34 %	821
2022	447,492,339		79,237,470	198,320	26,916,078	1,316,806		555,161,013	1.13	1.25 %	708
2021	390,495,488		86,032,214	294,054	20,979,847			497,801,603	1.12	1.15 %	615
2020	395,097,655		81,221,655	387,635	20,819,807			497,526,752	1.19	1.19 %	615
2019	363,089,854		88,588,121	479,158	20,174,605			472,331,738	1.15	1.24 %	583
2018	359,092,880	\$ 1,113,962	83,177,234	568,886	N/A			443,952,962	1.17	1.36 %	573
2017	380,821,200	2,237,862	91,111,285	753,653	N/A			474,924,000	1.19	1.45 %	621
2016	371,614,934	3,339,736	97,532,246	932,084	N/A			473,419,000	1.17	1.45 %	623
2015	358,747,835	4,378,081	83,443,649	1,104,435	N/A			447,674,000	1.14	1.37 %	589

<sup>1</sup> Statutorily, revenues in two funds are used for debt service, with any remainder paid by General Fund. Coverage ratio is the total revenues in Capital Outlay and Building Fund divided by debt service expenses for the year.

**Jefferson County Demographics**

Updated as of 2024

Population by Selected Age Groups	Jefferson County	Number Percentage
0-4	46,025	5.9 %
5-9	46,380	6.0 %
10-19	93,071	12.0 %
20-29	101,630	13.1 %
30-39	109,710	14.2 %
40-49	94,707	12.2 %
50-59	92,804	12.0 %
60-64	50,765	6.6 %
65+	139,299	18.1 %
<b>Total Population</b>	<b>774,391</b>	<b>100.0 %</b>

Population by Race and Hispanic Origin	Jefferson County	Number Percentage
Caucasian	497,598	64.2 %
African-American	177,132	22.9 %
American Indian	837	0.1 %
Asian	26,098	3.4 %
Native Hawaiian / Pacific Islander	322	
Other / Multirace	20,830	2.7 %
Hispanic Origin	51,574	6.7 %
Population Estimates <sup>1</sup>	<b>774,391</b>	<b>100.00 %</b>

Source: US Department of Commerce, Bureau of the Census

Source: US Department of Commerce, Bureau of the Census

<sup>1</sup> The groupings in this chart allow for some individuals to be counted twice, such as the Hispanic Origin. For this reason, totals are slightly different from the chart on the left. Chart also includes rounding adjustment.

**Economic Statistics**

Ten Years' Trend Data

	<b>Total Personal Wages</b>	<b>Per Capita Income</b>	<b>Average Weekly Wage</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
2024	\$ 49,555,898,000	\$ 64,075	\$ 1,284	383,148	20,806	5.1 %
2023	47,818,804,000	61,474	1,293	394,404	19,402	4.7 %
2022	44,407,286,000	57,863	1,293	377,469	22,741	5.7 %
2021	41,523,531,000	54,155	1,215	394,405	22,372	5.7 %
2020	40,017,970,000	51,937	1,172	393,650	15,933	3.9 %
2019	36,522,814,038	47,361	1,004	384,318	16,269	4.1 %
2018	36,522,814,038	47,361	1,004	376,784	17,464	4.4 %
2017	36,522,814,038	47,361	988	363,746	16,621	4.4 %
2016	N/A	N/A	1,013	352,193	18,173	4.9 %
2015	N/A	N/A	1,017	356,765	20,345	5.4 %

Source: US Department of Labor, Bureau of Labor Statistics

Board of Education of Jefferson County, Kentucky

**Number of Employees by Functional Duties**

<b>Function</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Instruction	4,820	4,567	4,638	4,726	4,802
Home and Hospital Instruction	12	11	12	8	8
Other Instructional Programs	2,851	2,981	3,274	3,294	3,201
Student Support Services	820	754	715	702	650
Instructional Staff Support Services	989	1,102	1,077	1,095	1,151
District Administrative Support Services	53	47	44	43	41
School Administrative Support Services	1,158	1,108	1,100	1,122	1,148
Business Support Services	323	314	300	307	317
Plant Operations and Maintenance	1,199	1,084	1,046	1,048	1,095
Student Transportation	504	862	959	1,014	1,175
Food Service Operations	800	839	869	850	914
Day Care Operations	1	1	124		1
Community Service Operations	130	126	9	116	119
Architectural and Engineering Services	10	10		9	9
	<b>13,670</b>	<b>13,806</b>	<b>14,167</b>	<b>14,334</b>	<b>14,631</b>

Board of Education of Jefferson County, Kentucky

**Enrollment by Level**

Ten Years' Trend Data

	<b>Elementary</b>	<b>Middle</b>	<b>High</b>	<b>Kindergarten</b>	<b>E.C.E.</b>	<b>Preschool</b>	<b>Total Enrollment</b>
2024	35,039	20,254	29,224	6,820	2,423	2,474	96,234
2023	34,596	20,749	28,988	7,001	2,119	3,080	96,533
2022	33,589	20,965	28,811	6,993	2,269	1,539	94,166
2021	35,763	21,233	28,358	7,183	2,420	2,899	97,856
2020	35,763	21,233	28,358	7,183	2,420	2,899	97,856
2019	35,763	21,233	28,358	7,183	2,420	2,899	97,856
2018	37,428	20,717	28,757	6,294	2,316	3,386	98,898
2017	37,660	20,599	28,689	7,431	2,297	3,203	99,879
2016	37,740	20,703	28,603	7,480	2,305	3,864	100,695
2015	37,514	21,093	28,331	7,659	2,315	3,590	100,502

Reflects First Month Enrollment

Due to differences in tracking enrollment due to COVID-19, the Kentucky Department of Education used the 2019 enrollment data through 2021.

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data**

Ten Years' Trend Data

School Name	Square Footage	2023-24		2022-23		2021-22		2020-21		2019-20	
		Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Alex R. Kennedy Elementary (2015-16)	45,627	374	389	357	342	357	323	357	361	350	361
Atherton High	204,019	1,262	1,467	1,262	1,460	1,218	1,486	1,218	1,411	1,490	1,411
Atkinson Elementary	73,902	544	314	680	324	680	324	680	335	720	335
Auburndale Elementary	59,966	608	612	608	613	608	599	608	603	624	603
Audubon Traditional Elem.	51,227	665	616	665	616	665	600	665	621	628	621
Ballard High	278,137	2,110	2,026	2,110	2,021	2,110	1,982	2,110	1,969	2,050	1,969
Barret Traditional Middle	107,195	631	634	631	633	631	637	631	635	654	635
Bates Elementary	48,508	546	565	546	564	546	550	546	572	571	572
Blake Elementary	60,916	540	547	540	523	540	465	540	508	548	508
Bloom Elementary	61,676	475	523	475	526	475	515	475	552	560	552
Blue Lick Elementary	55,333	523	499	519	487	519	423	519	523	560	523
Bowen Elementary	63,960	784	695	784	695	784	687	784	731	752	731
Brandeis Elementary	55,400	665	470	660	469	660	455	660	529	594	529
Breckinridge Metropolitan High	61,737	154	60	154	68	154	50	154	97	149	97
Breckinridge/Franklin Elementary	78,293	476	269	595	271	595	301	595	447	578	447
Brown School	157,340	1,562	797	1,562	739	1,562	736	1,562	749	860	749
Buechel Metropolitan High	53,221										
Butler Traditional High	210,238	1,624	1,432	1,740	1,428	1,740	1,486	1,740	1,652	1,680	1,652
Byck Elementary	72,698	425	285	531	286	531	314	531	366	640	366
Camp Taylor Elementary	58,936	553	447	553	454	553	411	553	463	568	463
Cane Run Elementary	60,107	476	391	587	377	587	330	587	394	536	394
Carrithers Middle	92,976	690	586	690	588	690	601	690	681	800	681
Carter Elementary	96,030	616	559	689	552	689	559	689	613	612	613

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2018-19		2017-18		2016-17		2015-16		2014-15	
	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Alex R. Kennedy Elementary (2015-16)	350	353	450	335						
Atherton High	1,490	1,462	1,490	1,471	1,350	1,473	1,350	1,365	1,350	1,353
Atkinson Elementary	720	360	720	444	720	461	720	461	720	436
Auburndale Elementary	624	617	624	609	620	606	620	603	620	624
Audubon Traditional Elem.	628	622	628	618	612	622	612	621	612	616
Ballard High	2,050	1,920	2,050	1,895	2,050	1,943	2,050	1,958	2,050	1,978
Barret Traditional Middle	654	641	654	645	654	647	654	645	654	646
Bates Elementary	571	560	571	553	609	541	609	553	609	550
Blake Elementary	548	506	548	526	548	515	548	506	548	496
Bloom Elementary	535	556	535	549	535	548	535	532	535	521
Blue Lick Elementary	560	530	560	513	560	522	560	513	560	706
Bowen Elementary	752	729	752	712	752	726	752	727	752	706
Brandeis Elementary	594	547	594	561	570	578	570	599	570	586
Breckinridge Metropolitan High	149	124	149	110	106	137	106	140	106	124
Breckinridge/Franklin Elementary	578	470	578	467	578	483	578	479	578	493
Brown School	720	731	720	720	720	701	720	700	720	692
Buechel Metropolitan High							181		181	153
Butler Traditional High	1,680	1,681	1,680	1,686	1,650	1,688	1,650	1,680	1,650	1,695
Byck Elementary	640	383	640	489	624	532	624	568	624	579
Camp Taylor Elementary	568	398	568	441	598	447	598	449	598	482
Cane Run Elementary	536	455	536	412	574	437	574	424	574	406
Carrithers Middle	800	691	800	712	800	680	800	703	800	559
Carter Elementary	612	600	612	593	612	608	612	617	612	596

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	Square Footage	2023-24		2022-23		2021-22		2020-21		2019-20	
		Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month
Central High	233,564	1,380	1,233	1,380	1,228	1,380	1,260	1,380	1,249	1,400	1,249
Chancey Elementary	76,000	616	553	616	559	616	537	616	582	750	582
Chenoweth Elementary	55,842	641	474	632	462	632	461	632	522	640	522
Churchill Park School	82,200	134	94	134	88	134	72	134	104	120	104
Cochran Elementary	56,645	476	373	595	317	595	304	595	330	514	330
Cochrane Elementary	61,325	540	484	544	469	544	458	544	477	520	477
Coleridge Taylor Elementary	73,437	723	403	723	402	723	391	723	481	750	481
Conway Middle	101,137	832	732	832	729	832	791	832	804	950	804
Coral Ridge Elementary	53,751	723	556	527	548	527	527	527	566	562	566
Crosby Middle	98,894	1,022	1,025	1,022	1,019	1,022	1,015	1,022	1,060	1,290	1,060
Crums Lane Elementary	61,350	476	374	595	372	595	384	595	414	542	414
Dixie Elementary	44,573	459	337	459	328	459	316	459	370	500	370
Doss High	237,309	1,705	945	1,705	938	1,705	987	1,705	973	1,600	973
Dunn Elementary	51,816	641	472	641	474	641	479	641	536	615	536
DuPont Maunal High	249,048	2,066	1,933	2,066	1,930	2,066	1,912	2,066	1,894	1,920	1,894
Eastern High	299,962	2,262	2,051	2,262	2,050	2,262	2,067	2,262	2,128	2,090	2,128
Eisenhower Elementary	59,511	595	590	665	591	665	563	665	601	672	601
Engelhard Elementary	56,137	425	266	531	273	531	253	531	350	500	350
MLS Newcomer Academy (2016-17)	97,880	700	642	700	648	700	483	700	537	700	537
Fairdale Elementary	64,726	638	593	1,746	595	1,746	1,398	1,746	1,362	669	1,362
Fairdale High Magnet Career Academy	270,295	1,746	1,406	638	1,391	638	587	638	602	1,600	602
Farmer Elementary	79,550	703	772	703	760	703	735	703	776	790	776
Farnsley Middle	129,979	873	1,041	873	1,043	873	1,026	873	1,134	1,150	1,134
Fern Creek Elementary	62,617	659	723	659	715	659	664	659	676	727	676
Fern Creek Traditional High	247,769	1,604	1,709	1,604	1,699	1,604	1,746	1,604	1,752	1,775	1,752
Field Elementary	55,945	451	388	451	390	451	384	451	421	446	421
Foster Traditional Academy	79,800	574	573	574	575	574	564	574	563	660	563

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2018-19		2017-18		2016-17		2015-16		2014-15	
	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month
Central High	1,400	1,259	1,400	1,183	1,400	1,110	1,400	1,120	1,400	1,107
Chancey Elementary	750	624	750	653	765	665	765	730	765	710
Chenoweth Elementary	640	525	640	556	640	543	640	513	640	514
Churchill Park School	80	120	80	151	89	136	89	138	89	159
Cochran Elementary	514	324	514	408	514	368	514	267	514	347
Cochrane Elementary	520	476	520	456	520	430	520	438	520	373
Coleridge Taylor Elementary	750	517	750	615	750	649	750	619	750	644
Conway Middle	950	814	950	816	950	833	950	840	950	889
Coral Ridge Elementary	562	548	562	553	562	527	562	524	562	502
Crosby Middle	1,290	1,090	1,290	1,131	1,405	1,296	1,405	1,315	1,405	1,417
Crums Lane Elementary	542	432	542	465	550	481	550	529	550	503
Dixie Elementary	500	436	500	451	480	471	480	469	480	444
Doss High	1,600	1,013	1,600	1,102	1,600	1,072	1,600	1,087	1,600	1,049
Dunn Elementary	615	534	615	528	610	570	610	563	610	580
DuPont Maunal High	1,880	1,921	1,880	1,919	1,850	1,901	1,850	1,896	1,850	1,896
Eastern High	2,090	2,065	2,090	2,088	2,090	2,024	2,090	2,073	2,090	2,069
Eisenhower Elementary	672	582	672	572	584	602	584	612	584	617
Engelhard Elementary	500	377	500	366	530	409	530	435	530	435
MLS Newcomer Academy (2016-17)	700	395								
Fairdale Elementary	669	578	669	569	669	606	669	621	669	576
Fairdale High Magnet Career Academy	1,600	1,279	1,600	1,204	1,600	1,173	1,600	1,164	1,600	1,080
Farmer Elementary	760	769	760	747	788	765	788	760	788	774
Farnsley Middle	1,150	1,095	1,150	1,059	1,150	1,048	1,150	1,067	1,150	1,151
Fern Creek Elementary	727	634	727	594	788	644	788	669	788	781
Fern Creek Traditional High	1,650	1,778	1,650	1,685	1,575	1,599	1,575	1,595	1,575	1,463
Field Elementary	446	407	446	413	446	405	446	414	446	427
Foster Traditional Academy	660	525	660	584	650	592	650	655	650	632

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	Square Footage	2023-24		2022-23		2021-22		2020-21		2019-20	
		Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Frayser Elementary	68,142	408	320	510	319	510	289	510	331	522	331
Robert Frost Middle	77,553			N/A		761	389	761	449	700	449
Gilmore Lane Elementary	39,483									412	
Goldsmith Elementary	50,464	638	609	638	605	638	602	638	597	683	597
Grace James Academy	62,566	473	362	711	362	711	247				
Greathouse/Shryock Elementary	61,555	641	602	641	603	641	609	641	619	620	619
Greenwood Elementary	50,667	468	457	468	458	468	429	468	474	570	474
Gutermuth Elementary	53,378	489	369	489	371	489	352	489	394	541	394
Hartstern Elementary	53,718	553	537	553	529	553	452	553	463	592	463
Hawthorne Elementary	62,659	466	454	461	447	461	412	461	457	507	457
Hazelwood Elementary	104,673	497	546	497	459	497	418	497	510	620	510
Highland Middle	120,249	954	799	954	795	954	824	954	928	1,200	928
Hite Elementary	45,720	499	452	499	454	499	448	499	486	526	486
Indian Trail Elementary	45,660	574	534	468	533	468	489	468	509	537	509
Iroquois High	293,374	1,786	1,092	1,786	1,088	1,786	1,058	1,786	1,182	1,450	1,182
Jacob Elementary	64,800	646	494	646	484	646	392	646	498	700	498
Jefferson County Trad. Middle	120,513	935	883	935	879	935	879	935	928	929	928
Jefferson, Thomas Middle	206,213	1,523		1,644	898	1,644	964	1,644	1,077	1,425	1,077
Jeffersontown Elementary	69,309	638	678	638	680	638	624	638	705	766	705
Jeffersontown High Magnet Career	332,591	1,523	953	1,631	949	1,631	937	1,631	920	1,600	920
Johnson Traditional Middle	136,185	954	752	1,022	747	1,022	837	1,022	897	980	897
Johnsontown Road Elementary	46,556	404	338	446	330	446	250	446	322	487	322
Kammerer Middle	127,480	1,066	721	1,066	721	1,066	811	1,066	940	1,120	940
Kennedy Metropolitan	45,627										
Kennedy Montessori Elementary	58,592	476	432	595	434	595	447	595	558	640	558
Kenwood Elementary	46,843	531	578	531	577	531	563	531	587	600	587

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2018-19		2017-18		2016-17		2015-16		2014-15	
	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month	Program Capacity	Student Enrollment 1st Pupil Month
Frayser Elementary	522	354	522	363	522	380	522	380	522	352
Robert Frost Middle	700	423	700	470	700	435	700	169	700	494
Gilmore Lane Elementary	412	258	412	276	412	289	412	293	412	312
Goldsmith Elementary	683	599	683	584	683	611	683	631	683	619
Greathouse/Shryock Elementary	620	615	620	616	612	618	612	612	612	609
Greenwood Elementary	570	488	570	506	565	540	565	535	565	564
Gutermuth Elementary	541	385	541	402	563	414	563	444	563	410
Hartstern Elementary	592	463	592	464	592	469	592	469	592	470
Hawthorne Elementary	507	466	507	467	507	472	507	487	507	496
Hazelwood Elementary	620	529	620	477	696	492	696	471	696	460
Highland Middle	1,200	900	1,200	919	1,227	929	1,227	1,035	1,227	1,156
Hite Elementary	526	473	526	491	526	495	526	507	526	500
Indian Trail Elementary	537	436	537	446	537	472	537	447	537	453
Iroquois High	1,450	1,204	1,450	1,283	1,450	1,269	1,450	1,173	1,450	1,100
Jacob Elementary	700	584	700	623	698	656	698	687	698	707
Jefferson County Trad. Middle	929	921	929	930	929	918	929	918	929	922
Jefferson, Thomas Middle	1,425	1,082	1,425	998	1,425	901	1,425	858	1,425	896
Jeffersontown Elementary	766	684	766	720	819	754	819	766	819	780
Jeffersontown High Magnet Career	1,600	986	1,600	1,107	1,600	1,158	1,600	1,297	1,600	1,434
Johnson Traditional Middle	980	897	980	869	980	887	980	904	980	912
Johnsontown Road Elementary	487	321	487	352	487	417	487	416	487	404
Kammerer Middle	1,120	969	1,120	930	1,120	890	1,120	904	1,120	1,064
Kennedy Metropolitan							84		84	71
Kennedy Montessori Elementary	640	586	640	599	620	574	620	559	620	619
Kenwood Elementary	600	580	600	571	615	607	615	588	615	584

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	Square Footage	2023-24		2022-23		2021-22		2020-21		2019-20	
		Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Kerrick Elementary	46,870	531	390	531	390	531	370	531	410	582	410
King Elementary	67,295	425	305	531	301	531	300	531	374	550	374
Klondike Lane Elementary	57,300	595	461	587	454	587	434	587	453	650	453
Knight Middle	101,218	812	448	812	453	812	436	812	471	700	471
Lassiter Middle	103,834	893	1,015	893	1,012	893	954	893	1,021	1,100	1,021
Laukhuf Elementary	61,426	618	617	608	609	608	576	608	521	600	521
Layne Elementary	50,740	468	403	510	392	510	339	510	378	518	378
Liberty High	100,329	403	112	403	116	403	75	403	170	281	170
Lincoln Elementary Performing Arts	96,825	713	579	713	577	713	570	713	574	560	574
Louisville Male High	187,678	1,980	1,999	1,588	1,994	1,588	1,984	1,588	2,030	2,050	2,030
Lowe Elementary	59,560	546	565	546	565	546	565	546	588	620	588
Luhr Elementary	46,943	468	515	446	517	446	501	446	473	524	473
Maupin Elementary	74,000	527	298	638	284	638	293	638	296	675	296
McFerran Preparatory Academy	160,000	1,071	705	1,288	648	1,288	672	1,288	808	1,020	808
Medora Elementary	39,537	425	462	475	464	475	442	475	464	463	464
Meyzeek Middle	134,645	1,218	944	1,218	939	1,218	994	1,218	1,077	1,200	1,077
Middletown Elementary	58,553	570	536	570	537	570	527	570	544	645	544
Mill Creek Elementary	48,611	523	464	523	465	523	457	523	513	564	513
Minor Daniels	46,759	259	112	259	175	259	39	259	222		222
Minors Lane Elementary	51,721	476	343	480	337	480	297	480	364	529	364
Moore Middle/High	267,550	2,050	2,350	2,050	2,339	2,050	2,375	2,050	2,307	2,300	2,307
Myers Middle	97,164										
Newburg Middle	119,000	893	943	893	943	893	972	893	1,126	1,100	1,126
Noe Middle	151,960	1,196	1,340	1,196	1,345	1,196	1,293	1,196	1,326	1,350	1,326
Norton Commons Elementary (2016-17)	86,235	812	617	808	609	713	573	713	730	784	730
Norton Elementary	62,025	713	728	713	729	808	698	808	574	768	574

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2018-19		2017-18		2016-17		2015-16		2014-15	
	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Kerrick Elementary	582	424	582	479	540	455	540	459	540	444
King Elementary	550	394	550	400	550	423	550	470	550	457
Klondike Lane Elementary	650	418	650	438	732	476	732	516	732	617
Knight Middle	700	438	700	419	700	406	700	407	700	435
Lassiter Middle	950	1,071	950	1,002	900	900	900	913	900	855
Laukhuf Elementary	600	484	600	457	600	443	600	446	600	464
Layne Elementary	518	355	518	417	541	447	541	463	541	472
Liberty High	222	280	222	269	270	275	270	404	270	366
Lincoln Elementary Performing Arts	566	569	566	564	500	562	500	556	500	493
Louisville Male High	1,915	1,958	1,915	1,961	1,763	1,891	1,763	1,806	1,763	1,755
Lowe Elementary	620	584	620	600	620	602	620	606	620	620
Luhr Elementary	524	478	524	503	524	482	524	483	524	486
Maupin Elementary	675	328	675	313	675	367	675	473	675	496
McFerran Preparatory Academy	1,020	909	1,020	907	1,020	901	1,020	971	1,020	917
Medora Elementary	463	454	463	459	463	454	463	455	463	444
Meyzeek Middle	1,200	1,112	1,200	1,107	1,200	1,138	1,200	1,101	1,200	1,140
Middletown Elementary	645	562	645	562	645	595	645	611	645	603
Mill Creek Elementary	564	486	564	503	564	508	564	490	564	475
Minor Daniels		188		212						
Minors Lane Elementary	529	395	529	431	600	454	600	447	600	384
Moore Middle/High	2,190	2,300	2,190	2,142	2,190	2,014	2,070	2,004	2,070	1,860
Myers Middle						1,010		129	1,010	785
Newburg Middle	1,100	1,040	1,100	1,077	1,112	1,040	1,112	1,061	1,112	1,015
Noe Middle	1,350	1,351	1,350	1,336	1,332	1,360	1,332	1,327	1,332	1,330
Norton Commons Elementary (2016-17)	784	552								
Norton Elementary	768	710	768	722	768	724	768	736	768	726

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2023-24			2022-23		2021-22		2020-21		2019-20	
	Square Footage	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Okolona Elementary	50,950	442	353	434	342	434	305	434	354	501	354
Olmsted Academy North Middle	152,553	644	507	934	510	934	544	934	646	773	646
Olmsted Academy South Middle	101,082	602	579	873	575	873	637	873	771	810	771
Phoenix School of Discovery (2018-19)	50,063	368	163	368	383	368	373		358		
Pleasure Ridge Park High	284,117	2,091	1,535	2,091	1,526	2,091	1,558	2,091	1,622	1,885	1,622
Portland Elementary	53,599	459	249	340	250	340	241	340	263	400	263
Price Elementary	53,339	531	418	531	418	531	399	531	417	590	417
Ramsey Middle	129,000	974	1,018	1,044	1,013	1,044	997	1,044	1,051	1,075	1,051
Rangeland Elementary	54,840	616	439	616	438	616	405	616	437	620	437
Roosevelt Perry Elementary	62,566	442				574		574	198	451	198
Rutherford Elementary	87,876	587	446	587	448	587	468	587	492	630	492
Sanders Elementary	44,376	446	434	446	432	446	372	446	410	517	410
Schaffner Traditional Elementary	41,156	546	601	546	599	546	601	546	593	612	593
Semple Elementary	73,440	595	570	595	570	595	535	595	556	629	556
Seneca High	226,306	1,401	1,345	1,726	1,341	1,726	1,243	1,726	1,218	1,685	1,218
Shacklette Elementary	55,786	544	430	557	387	557	350	557	1,218	616	1,218
The Academy@Shawnee	333,804	1,455	1,241	1,705	534	1,441	475	1,441	540	1,175	540
Shelby Elementary	76,343	638	452	638	445	638	526	638	757	760	757
Slaughter Elementary	63,380	374	381	468	378	468	399	468	427	475	427
Smyrna Traditional Elementary	52,176	531	515	519	503	519	459	519	500	585	500
Georgia Chaffee TAPP	42,440	147	99	147	38	147		147	95	191	95
Southern High	321,288	1,604	1,397	1,604	1,396	1,604	1,329	1,604	1,289	1,700	1,289
St. Matthews Elementary	44,888	523	563	523	561	523	534	523	553	585	553
Stonestreet Elementary	48,282	485	459	485	451	485	432	485	450	500	450
Stopher Elementary	79,550	736	786	727	778	727	745	727	817	820	817
Stuart Middle	214,706	979	1,117	979	1,106	979	825	979	825	900	825

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2018-19		2017-18		2016-17		2015-16		2014-15	
	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Okolona Elementary	501	326	501	324	501	313	501	310	501	329
Olmsted Academy North Middle	773	618	773	587	773	581	773	577	773	653
Olmsted Academy South Middle	810	735	810	692	810	690	810	665	810	721
Phoenix School of Discovery (2018-19)										
Pleasure Ridge Park High	1,885	1,582	1,885	1,697	1,850	1,796	1,850	1,895	1,850	1,837
Portland Elementary	400	276	400	294	400	292	400	294	400	288
Price Elementary	590	394	590	404	590	435	590	501	590	544
Ramsey Middle	1,070	1,083	1,070	1,054	950	1,056	950	1,013	950	947
Rangeland Elementary	620	431	620	423	620	461	620	464	620	529
Roosevelt Perry Elementary	451	248	451	278	451	350	451	415	451	413
Rutherford Elementary	630	452	630	482	630	551	630	598	630	608
Sanders Elementary	517	420	517	454	560	480	560	485	560	501
Schaffner Traditional Elementary	612	60	612	596	612	607	612	611	612	610
Semple Elementary	629	557	629	600	629	620	629	581	629	535
Seneca High	1,685	1,209	1,685	1,286	1,685	1,369	1,685	1,417	1,685	1,502
Shacklette Elementary	616	415	616	413	616	418	616	426	616	437
The Academy@Shawnee	1,400	582	1,400	697	1,449	770	1,449	770	1,449	595
Shelby Elementary	760	722	760	728	700	736	700	756	700	704
Slaughter Elementary	475	392	475	390	526	436	526	438	526	439
Smyrna Traditional Elementary	585	502	585	476	585	514	585	559	585	562
Georgia Chaffee TAPP	191	40	191	40	191	93	191	105	191	157
Southern High	1,700	1,334	1,700	1,360	1,700	1,254	1,700	1,213	1,700	1,124
St. Matthews Elementary	585	541	585	557	597	563	597	567	597	568
Stonestreet Elementary	500	450	500	435	578	452	578	439	578	482
Stopher Elementary	800	807	800	776	832	803	832	822	832	803
Stuart Middle	800	829	800	779	1,500	647	1,500	806	1,500	829

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	Square Footage	2023-24		2022-23		2021-22		2020-21		2019-20	
		Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Trunnel Elementary	54,086	540	469	540	469	540	451	540	450	642	450
Tully Elementary	105,648	931	793	931	766	931	766	931	789	828	789
Valley Traditional High	275,670	1,320	978	1,320	972	1,320	918	1,320	863	1,600	863
Waggener High	185,446	1,482	864	1,482	846	1,482	854	1,482	905	1,300	905
Waller Williams Environmental <sup>1</sup>	54,619		89	365	87	365	89	365	131	123	131
Watson Lane Elementary	68,925					663	258	663	297	661	297
Watterson Elementary	52,105	482	493	489	501	489	459	489	507	600	507
W.E.B. Dubois Academy Middle (2018-19)	100,460	751	422	934	421	934	430	934	290		290
W.E.B. Dubois Academy High	44,332	751	172	934	169						
Wellington Traditional Elementary	56,924	531	399	531	410	531	371	531	409	547	409
Western High	202,622	1,441	863	1,441	859	1,441	810	1,441	673	1,300	673
Western Middle	133,525	1,035	654	1,035	1,178	1,035	674	1,035	665	825	665
Westport ECH (combined 2018-19)	78,043		217	374	162	374	96	374	153	148	153
Westport Traditional Middle	169,768	1,340	1,185	1,340	1,178	1,421	1,128	1,421	1,344	1,310	1,344
Wheeler Elementary	53,443	618	611	618	611	618	616	618	651	688	651
Wilder Elementary	49,424	594	560	594	561	594	522	594	533	613	533
Wilkerson Traditional Elementary	43,795	565	572	565	562	565	442	565	483	534	483
Wilt Elementary	50,481	480	518	537	518	537	471	537	518	566	518
Young Elementary	73,437	723	210	723	210	723	227	723	340	650	340
Zachary Taylor Elementary	60,043	531	308	531	308	531	312	531	377	585	377

<sup>1</sup> Students at these alternative schools are counted in the enrollment at their home school for years prior to 2011-12.

Continued

Board of Education of Jefferson County, Kentucky

**School Building Capacity Data – Continued**

Ten Years' Trend Data

School Name	2018-19		2017-18		2016-17		2015-16		2014-15	
	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month	Program Capacity	Student Enrollment 1 <sup>st</sup> Pupil Month
Trunnel Elementary	642	462	642	530	662	562	662	561	662	485
Tully Elementary	828	758	828	747	828	733	828	708	828	738
Valley Traditional High	1,600	1,011	1,600	1,038	1,600	1,271	827	1,481	827	1,481
Waggener High	1,300	918	1,300	908	1,300	868	1,300	827	1,300	763
Waller Williams Environmental <sup>1</sup>	98	123	98	98	98	87	98	94		
Watson Lane Elementary	661	303	661	315	661	364	661	364	661	395
Watterson Elementary	600	499	600	532	615	564	615	555	615	593
W.E.B. Dubois Academy Middle (2018-19)		153								
W.E.B. Dubois Academy High	934	169								
Wellington Traditional Elementary	547	425	547	484	547	484	547	492	547	457
Western High	1,300	683	1,300	731	1,300	789	1,300	825	1,300	806
Western Middle	825	616	825	629	825	603	825	575	825	555
Westport ECH (combined 2018-19)	148	74	148	76	148	76	148	147	148	158
Westport Traditional Middle	1,300	1,281	1,300	1,251	1,300	1,244	1,300	1,205	1,300	1,124
Wheeler Elementary	688	644	688	660	680	667	680	679	680	681
Wilder Elementary	613	532	613	563	613	548	613	544	613	572
Wilkerson Traditional Elementary	534	474	534	468	534	470	534	448	534	479
Wilt Elementary	566	511	566	519	566	507	566	498	566	485
Young Elementary	650	397	650	514	650	525	650	553	650	535
Zachary Taylor Elementary	585	417	585	463	585	444	585	464	585	525

<sup>1</sup> Students at these alternative schools are counted in the enrollment at their home school for years prior to 2011-12.

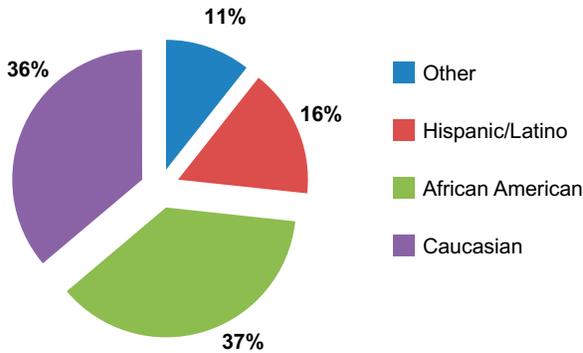
Enrollment presented is as of the end of the first pupil month. This is not typically our highest enrollment month during the school year, but this is when the program budget is set and students are assigned to each school within program capacity guidelines.

Due to differences in tracking enrollment due to COVID-19, the Kentucky Department of Education used 2019 enrollment data through 2021

**Miscellaneous Statistics**

For the Year Ended June 30, 2024

**Student Demographics**



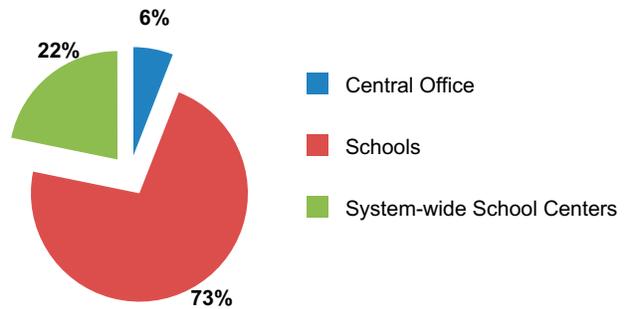
**Number of Students**

Multilingual Learner	19,489
English Language Development Languages	18,789
Exceptional Children	153
Free and Reduced Price Meals	13,311
Advanced Placement Tests Taken	68.57%
	8,443

**Student Transportation**

Number of Buses	568
Number of Bus Compounds	13
Miles Driven per Day (Average)	89,285
Number of Students Transported Daily	63,093

**Funding Allocation**



**APPENDIX E**

**SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION;  
CONTINUING DISCLOSURE CERTIFICATE; DEFINITIONS**

## APPENDIX E

### SUMMARY OF CERTAIN PROVISIONS OF THE GENERAL BOND RESOLUTION AND THE BASIC LEASE; CONTINUING DISCLOSURE CERTIFICATE; DEFINITIONS

The following is a brief summary of certain provisions of the Bond Resolution and the Continuing Disclosure Certificate together with definitions of terms used in this Official Statement. The summary and the definitions do not purport to be comprehensive or definitive. All references herein to the Bond Resolution and the Continuing Disclosure Certificate are qualified in their entirety by reference to such documents, copies of which are available for review, prior to the issuance and delivery of the Bonds offered hereby, at the offices of the District and thereafter at the offices of the Registrar and Paying Agent. All references to Bonds are qualified in their entirety by reference to the definitive form thereof and the information with respect thereto included in the Bond Resolution.

#### BOND RESOLUTION

##### The Bonds

*General Obligation and Liability of District; Tax Levy and Pledge.* The Bonds are general obligations of the District and the full faith, credit, and taxing power of the District are irrevocably pledged to the prompt payment of the Debt Charges on the Bonds when due.

Except as otherwise provided therein and in the Bond Resolution, each Series of Bonds issued under the Bond Resolution shall be on a parity as to source of payment and security with each other Series of Bonds issued thereunder.

As general obligations of the District, the Bonds shall be payable in accordance with the Act from all lawfully available Pledged Receipts (including, but not by way of limitation, any moneys attributable to Bond proceeds or the income from the temporary investment thereof, moneys held in the Funds and Accounts and any other moneys held by the Bond Registrar for the benefit of Owners of the Bonds); provided there shall be no impairment of the express contract rights, if any, of the holders of other outstanding bonds of the District. No liability shall attach to the elected officials, officers, agents, employees, or representatives of the District for the payment of the Debt Charges on the Bonds.

For the purpose of providing funds required to pay the interest on the Bonds (as well as all other General Obligation Debt, if any) as and when the interest becomes due and in order to create a sinking fund to pay and discharge the principal thereof (and premium, if any) as the Bonds and any other General Obligation Debt become due, and pursuant to and in compliance with (i) Section 159 of the Constitution of the Commonwealth and (ii) the Act, there shall be levied on all of the taxable property within the District, beginning as of the date of issuance of the Bonds and continuing in each year as long as any of the Bonds are Outstanding or any other General Obligation Debt is outstanding, a special annual tax sufficient, to the extent other lawfully available moneys of the District are not provided for that purpose, which special annual tax shall be unlimited as to rate or amount. The District covenants and pledges to levy, charge, collect, deposit, and apply the proceeds of such special annual tax to the payment of such Debt Charges on the Bonds and any other General Obligation Debt.

Any and all proceeds derived from the special annual tax levied from time to time, together with other lawfully available moneys of the District provided for the purpose, shall be deposited and held in a separate and special account of the District (specifically, the Bond Fund), held apart from all

other funds of the District, and shall be applied only for the purpose of paying the Debt Charges on the Bonds and on any other General Obligation Debt. The proceeds of the special annual tax and the balances accumulated from time to time in the Bond Fund are irrevocably pledged for the purpose of paying the Debt Charges on the Bonds and General Obligation Debt, if any, and shall never be used for any other purpose. The District covenants and pledges with the Bondholders that the District will levy the special annual tax in each year at whatever rates may be necessary from time to time in order to produce the amounts required in each year, to the extent funds are not otherwise provided, to pay the Debt Charges on the Bonds and General Obligation Debt, if any, when due.

If Debt Charges on the Bonds or any other General Obligation Debt should fall due in any year at a time when there are insufficient funds on hand, collected by reason of the special tax levy, such Debt Charges shall be paid from other available funds of the District and reimbursement therefor shall be made out of the special tax, when the same shall have been collected.

The Bond Resolution constitutes a continuing appropriation from such taxes and all other lawfully available Pledged Receipts, of the sum annually necessary to pay the Debt Charges on the Bonds and such other General Obligation Debt when due. The Chief Financial Officer is authorized to collect occupational license fees and any other amounts received by or on behalf of the District, and to apply the same to the payment of debt charges on the Bonds and such other General Obligation Debt and all other obligations due or coming due under the Bond Resolution or otherwise with respect to such General Obligation Debt.

Payment of the Debt Charges on the Bonds and such other General Obligation Debt when due in accordance with the foregoing provisions is subject only to the prior application of the Pledged Receipts in accordance with the express contract rights, if any, of the holders of outstanding bonds of the District.

***Procedures in Respect of Registration and Transfer of Bonds; Payment of Principal and Interest.*** The Bond Registrar may treat for all purposes the person in whose name any Bond is registered on the Record Date, on the registration books kept by the Bond Registrar, as the absolute owner thereof.

Interest on each Bond not registered in Book-Entry Form to a Securities Depository shall be payable by check mailed by the Bond Registrar to the Holder thereof as of the Record Date, at the address shown on the registration books maintained by the Bond Registrar or at such other address as is furnished to the Bond Registrar in writing by such Holder. The principal of and premium, if any, on the Bonds not registered in Book-Entry Form to a Securities Depository shall be payable, without exchange or collection charges, in lawful money of the United States of America on their presentation and surrender as they respectively become due and payable, whether at maturity or by prior redemption or acceleration, at the designated corporate trust office of the Bond Registrar. On request of a Holder of at least \$1,000,000 in aggregate principal amount of the Bonds, all payments of principal of, premium, if any, or interest on the Bonds shall be paid by wire transfer in immediately available funds to an account designated by such Holder.

Principal of, premium, if any, and interest on Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee shall be payable by wire transfer from the Bond Registrar to the Securities Depository or its nominee. So long as any Bonds remain Outstanding, the Bond Registrar shall keep and maintain at its principal corporate trust office complete registration records in respect of the Bonds and shall provide for the registration of transfer and exchange of the Bonds in accordance with the terms of the Bond Resolution, subject to such reasonable procedures and regulations as the Bond Registrar may prescribe.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, each Bond shall be transferable or exchangeable only on the presentation and surrender thereof at the principal corporate trust office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Holder or his authorized representative.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, Bonds shall be exchangeable for a Bond or Bonds of the same maturity, and interest rate and in Authorized Denominations, within a single maturity, in an aggregate principal amount or amounts equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Bond Registrar is authorized to authenticate, deliver, and exchange Bonds. Each Bond delivered in exchange for a surrendered Bond shall constitute an original contractual obligation of the District and shall be entitled to the benefits and security of the Bond Resolution to the same extent as the Bond or Bonds in lieu of which any Bond is delivered in exchange. Any Bonds surrendered for exchange shall be cancelled by the Bond Registrar and the Bond Registrar shall maintain a complete record of all exchanges, transfers, and cancellations of Bonds and shall make a report thereof to the District on request.

Except as may be otherwise provided for Bonds registered in Book-Entry Form in the name of the Securities Depository or the Securities Depository Nominee, no service charge or other transfer fee shall be charged in connection with any transfer or exchange of a Bond. However, the registered owner of any Bond may be required to pay an amount equal to any tax or other governmental charge, if any, that may be imposed in connection with the transfer or exchange of any Bond.

The Bond Registrar shall not be required to transfer or exchange any Bond for the period beginning 15 days prior to the selection by the Bond Registrar of Bonds to be redeemed prior to maturity and ending on the date of mailing of notice of any such redemption.

***Authentication of Bonds.*** No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under the Bond Resolution unless and until a certificate of authentication on such Bond shall have been duly executed by the Bond Registrar, and such executed certificate of the Bond Registrar on any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under the Bond Resolution. The Bond Registrar's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued under the Bond Resolution.

***Loss, Theft, Destruction or Mutilation of Bonds.*** On the receipt by the District and the Bond Registrar of evidence satisfactory to them of the loss, theft, destruction or mutilation of any Outstanding Bonds, and of indemnity satisfactory to them, and on surrender and cancellation of such Bond if mutilated, the District may execute and the Bond Registrar may authenticate and deliver, on the lapse of such period of time as they may deem advisable, a new Bond of like series, tenor, and maturity bearing the same or different serial number, to be issued in lieu of such lost, stolen, destroyed, or mutilated Bond. The District and the Bond Registrar may require the payment of costs for each new Bond issued, and the furnishing of indemnity satisfactory to the District and the Bond Registrar. The Bond Registrar shall incur no liability for anything done by it in the absence of gross negligence or fault.

#### **Application of Bond Proceeds; Security for the Bonds; Funds and Accounts**

***Deposit and Application of Bond Proceeds.*** The proceeds received by the District from the sale of the Bonds shall be applied as follows:

- i. there shall be deposited from each series of Bonds to the credit of the Cost of Issuance Account in the Project Fund sufficient proceeds as necessary for payment of the costs incurred in connection with the issuance of the series of Bonds;
- ii. there shall be deposited from each series of Bonds to the credit of the Project Fund from the remaining proceeds thereof to pay the costs associated with the acquisition, construction, and equipping of the Project; and
- iii. there shall be deposited from each series of Bonds to the credit of the Bond Fund any remaining proceeds after the deposit and payments made as set forth above.

***Pledge of Proceeds of Bonds on Deposit in Project Fund.*** There is pledged to the payment of the Debt Charges on the Bonds, the proceeds of the sale of the Bonds on deposit in the Project Fund, until expended for the Project, and any income from the investment thereof.

***Pledge and Security Interest.*** To secure the payment of all Bonds issued under the Bond Resolution in accordance with their terms, on a parity and without priority or distinction between any Series of Bonds issued under the Bond Resolution and any other Series of Bonds issued thereunder, the District pledges and grants a lien on and security interest in the Pledged Receipts and all Funds and Accounts established and held under the Bond Resolution, including the investment income, if any, on such Funds and Accounts. The aforesaid pledge, lien, and security interest shall be prior and superior to any lien, pledge, or security interest created by the District to secure (i) any bonds or notes hereafter issued by the District which are not issued under the Bond Resolution and which are payable from any of the Pledged Receipts and (ii) any other claims or obligations of any nature hereafter arising or hereafter incurred by the District which are not issued under the Bond Resolution and which are payable from any of the Pledged Receipts. The District covenants and agrees that the pledge, lien, and security interest created under the Bond Resolution, and all money and securities so pledged shall be subject to the lien of such pledge without any physical delivery thereof or any further action by the District.

***Cost of Issuance Account.*** There is created the Cost of Issuance Account, to be established and maintained at a national bank or Kentucky banking corporation by the Chief Financial Officer as a separate account within the Project Fund under the Bond Resolution. The District will, at the delivery of the Bonds, cause to be deposited with the Chief Financial Officer into the Cost of Issuance Account from Bond proceeds a sum sufficient to pay any and all duly authorized expenses of the issuance of the Bonds, including legal and accounting fees and expenses, financial advisors' fees and expenses, printing costs, fees of bond rating agencies, and initial fees and expenses of the Bond Registrar in connection with the issuance of the Bonds. On the payment or reimbursement of all costs of issuance of the Bonds, any proceeds of such Bonds or any investment earnings thereof remaining in the Cost of Issuance Account shall be transferred pursuant to the direction of the Chief Financial Officer to the Bond Fund.

***Bond Fund.*** There shall be maintained with the Chief Financial Officer, at any time while the Bonds are outstanding, a Bond Fund, which shall constitute a "sinking fund" within the meaning of KRS 66.081(1) that is pledged for the retirement of the General Obligation Debt. The District covenants and agrees that it shall set aside as received and pay into the Bond Fund, not less than ten (10) days prior to each Payment Date, all or such portion of the Pledged Receipts as will be sufficient to pay when due, in immediately available funds, the principal of, premium, if any, and interest on all Bonds Outstanding and all other General Obligation Debt, at or before their maturity or earlier proceedings for redemption. No further payment need be made to the Bond Fund when, and so long as, the aggregate amount therein is sufficient to retire all of the Bonds then Outstanding, plus the amount of interest due

and thereafter to become due on such Bonds on and prior to such retirement, together with redemption premium, if any.

The Bond Fund shall be maintained for and on behalf of the District, at a national bank or Kentucky banking corporation, by the Chief Financial Officer, or shall from time to time be maintained in such other manner by or on behalf of the District as shall be provided for in the proceedings of the District, as a separate and special fund, apart and distinct from all other funds of the District. Separate account statements with respect thereto shall at all times be kept and maintained. There is authorized and directed to be withdrawn and made available out of the Bond Fund, not less than ten (10) days prior to each Payment Date, a sufficient amount to pay the principal of, premium, if any, and interest on the Bonds and any other General Obligation Debt becoming due on such Payment Date, including Bonds redeemed pursuant to the optional or mandatory redemption provisions of the Bond Resolution

***Project Fund.*** There is created and established a Project Fund which shall be established and maintained by the Chief Financial Officer for and on behalf of the District at a national bank or Kentucky banking corporation, or shall from time to time be maintained in such other manner by or on behalf of the District as shall be provided for in the proceedings of the District, as a separate and special fund, apart and distinct from all other funds of the District. Separate account statements with respect thereto shall at all times be kept and maintained. The Project Fund shall be used solely for payment of costs of issuance of the Bonds and for payment of the costs associated with the Project. Upon the payment or reimbursement of all costs of issuance of the Bonds, as certified by the Chief Financial Officer, any proceeds of such Bonds or any investment earnings thereof remaining in the Cost of Issuance Account shall be transferred to the Bond Fund.

***Investment of Funds.*** Moneys from time to time in any Fund or Account, pending disbursement for the purposes of each Fund and Account, shall be invested or reinvested from time to time on order of the District in Investment Obligations. Investments of moneys held in the Project Fund shall be made in such manner as to make cash available in the Project Fund for disbursement as and when required to pay the costs of acquisition, construction, and equipping of the Project. Investments of moneys held in the Bond Fund shall be made in such manner as to make cash available in the Bond Fund for disbursement as and when required to pay the Debt Charges on the Bonds as and when the same become due.

### **Special Covenants**

***Maximum Percentages of Net Indebtedness.*** The District covenants not to incur “net indebtedness” (within the meaning of the Act) to an amount exceeding any applicable limitation based on the value of taxable property within the District’s corporate limits and jurisdiction, as estimated by the last certified assessment previous to the incurring of the indebtedness.

***Use of Bond Proceeds.*** Notwithstanding anything in the Bond Resolution to the contrary, the District may, at its sole discretion, change, substitute, or otherwise modify the use and expenditure of the proceeds of the Bonds to the extent permitted by the Act and any other law or constitutional provision; provided that any such change, substitution or modification shall not cause the District to be in violation of the Tax Covenants summarized below.

### **Tax Covenants**

The District shall at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the District on the Tax Advantaged Bonds shall, for the purposes of federal income taxation, be excludable from gross income of the Holders.

## **Default and Remedies**

***Events of Default.*** Each of the following events is defined as and shall constitute an “Event of Default”:

- (a.) Failure to pay any installment of interest on the Bonds when the same shall become due and payable or within thirty (30) days thereafter (or within such period, shorter than thirty (30) days, if any, as may be provided in the Bonds);
- (b.) Failure to pay the principal of, or premium, if any, on any Bond when due and payable, at maturity or on redemption; and
- (c.) Default by the District in the due or punctual performance or observance of any other covenants, pledges, conditions, provisions or agreements of the District contained in the Bond Resolution or in the Bonds, and the continuance thereof for a period of thirty (30) days; provided that if such default can be corrected but not within such thirty-day period, it shall not constitute an Event of Default if corrective action is instituted by the District within such period and diligently pursued until the default no longer exists.

### ***Enforcement of Remedies.***

- (d.) On the happening and continuance of any Event of Default, then and in every case any Bondholder, either at law or in equity, by suit, action, mandamus or other proceedings, may enforce and compel performance by the District and its officers and agents of all duties imposed under the Act, under other applicable law, if any, under the Bonds, and under this Bond Resolution, including the levying and collection of sufficient taxes and the application thereof to the payment of principal of and interest (and premium, if any) on the Bonds in accordance with the provisions of this Bond Resolution and the Bonds.
- (e.) In addition, if the Board shall fail to make any required deposit into the Bond Fund when due, the Paying Agent shall pursuant to KRS 160.160(5) notify the Department of Education of the Commonwealth, not less than three (3) days prior to the Payment Date, to withhold or intercept any funds then due to the Board, including any such funds due to the Board from the Commission under a Participation Agreement, to the extent of the amount of the required payment on the Bonds, and remit such amount to the Paying Agent to make the required payment on the Bonds. Thereafter, the Department of Education shall resolve the matter with the Board and adjust remittances to the Board to the extent of the amount paid by the Department of Education on the Board's behalf.

***Notice of Default.*** The Bond Registrar shall as promptly as practicable mail, to the District and the Holders of Bonds, written notice of the occurrence of any Event of Default known to the Bond Registrar. The Bond Registrar shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice.

***Delay or Omission.*** No delay or omission of any Holder of the Bonds to exercise any right or power arising on any default shall impair any right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy afforded by the terms of the Bonds to the Holders of the Bonds may be exercised from time to time and as often as may be deemed expedient by the Bondholders.

***Waivers of Events of Default.*** Any Bondholder may on behalf of such Holder waive any past default under the Bond Resolution or under the Bonds and the consequences thereof; and in case of any such waiver, the District, the Bond Registrar, and such Bondholder shall be restored to their former positions and rights hereunder and under the Bonds respectively, but no such waiver shall extend to any subsequent or other default, or impair any right consequent thereon.

***Termination of Proceedings.*** If any Bondholder shall have proceeded to enforce any right due to any Event of Default and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bondholder, then and in every case the District, the Bond Registrar, and the Bondholder shall, subject to any determination in such proceeding, be restored to their former positions and rights, and all rights of such Bondholder shall continue as if no such proceedings had been taken.

***Remedies Not Exclusive.*** No remedy by the terms of the Bond Resolution or the Bonds conferred on or reserved to the Holders of the Bonds is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given under this Bond Resolution as now or hereafter existing at law or in equity or by statute.

### **The Bond Registrar**

***Responsibilities of the Bond Registrar.*** The Bond Registrar shall have no responsibility with respect to the validity of the Bonds or the legal sufficiency of the proceedings for their issuance. The Bond Registrar shall not have any obligation, except as otherwise provided in the Bond Resolution, to assure that any duties herein imposed on the District or covenants or agreements therein contained on behalf of the District are performed. All compensation to the Bond Registrar for services leading up to and including authentication of the Bonds may be paid from the proceeds of the Bonds. Compensation for any service, cost or expense, including reasonable fees of its counsel, thereafter rendered or incurred by the Bond Registrar, in its capacity as Bond Registrar, shall be billed to and paid by the District from time to time as long as such compensation is reasonable and provided the service, cost, or expense is not the result of any negligent act or omission or willful misconduct by the Bond Registrar or its agents, employees, or officers.

No implied covenants shall be read into the Bond Resolution against the Bond Registrar. The Bond Registrar may in good faith buy, sell, own, hold and deal in any of the Bonds, with like effect as if it were not the Bond Registrar. The Bond Registrar may act as depository for, or permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Bond Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds outstanding.

The Bond Registrar shall be protected and shall incur no liability in acting in good faith on any resolution, order, notice, telegram, request, consent, certificate, affidavit, voucher, bond, or other paper or document which it shall believe to be genuine and to have been passed or signed by the proper persons. The Bond Registrar shall not be bound to recognize any person as a holder of any Bond or to take any action at such person's request unless such Bond shall be submitted to the Bond Registrar for inspection, if required, and title thereto established to the satisfaction of the Bond Registrar, if disputed.

The Bond Registrar may in relation to the Bond Resolution act on the opinion or advice of any attorney, accountant, or other expert, whether retained by the District or by the Bond Registrar, and shall not be responsible for anything suffered or done by it in good faith in accordance with any such opinion or advice. On written request of the District, the Bond Registrar, not less than annually, shall

make a written report to the District, which report shall list the then Outstanding Bonds and shall report in detail as to any redemptions in respect of the Bonds. If requested, said written reports shall be furnished not less than thirty (30) days prior to each July 1 so long as any Bonds remain outstanding. The District in its discretion may request the Bond Registrar to furnish other reports.

The Bond Registrar shall be under no obligation to institute any suit, or to take any remedial proceeding under the Bond Resolution, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the enforcement of any rights and powers under the Bond Resolution, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. The Bond Registrar may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as Bond Registrar without indemnity, and in such case the District shall reimburse the Bond Registrar from the Pledged Receipts for all costs and expenses, outlays and reasonable counsel fees and other reasonable disbursements properly incurred in connection therewith.

***No Obligation to Insure.*** The Bond Registrar shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the District, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, if any, or to require any such payment to be made. The Bond Registrar shall have no responsibility in respect of the validity or sufficiency of the Bond Resolution or the due execution or acknowledgment thereof, or in respect of the validity of the Bonds or the due execution or issuance thereof. The Bond Registrar shall be under no obligation to see that any duties herein imposed on the District or any party other than itself, or any covenants on the part of any party other than itself be done or performed, and the Bond Registrar shall be under no obligation for failure to see that any such duties or covenants are done or performed.

The Bond Registrar shall not be liable or responsible because of the failure of the District or any of the employees or agents thereof to make any collections or deposits or to perform any act herein required of the District or because of the loss of any moneys arising through the insolvency or the act, default, or omission of any other depository in which such moneys shall have been deposited under the provisions of the Bond Resolution. The Bond Registrar shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, withdrawn, or transferred under the Bond Resolution, if such application, payment, withdrawal, or transfer shall be made in accordance with the provisions of the Bond Resolution. The immunities and exemptions from liability of the Bond Registrar under the Bond Resolution shall extend to its directors, officers, employees, and agents.

***Compensation of Bond Registrar.*** Subject to the provisions of any contract between the District and the Bond Registrar relating to the compensation of the Bond Registrar, the District shall, from the Pledged Receipts, pay to the Bond Registrar reasonable compensation for all services performed by it under the Bond Resolution and also all of its reasonable expenses, charges and other disbursements and those of its attorneys, agents, and employees incurred in and about the performance of its powers and duties under the Bond Resolution, and, from the Pledged Receipts only, shall indemnify and save the Bond Registrar harmless against any claim, cost, or liability which it may incur in the exercise and performance of its powers and duties under the Bond Resolution provided such claim, cost, or liability is not the product of any negligent act or omission or willful misconduct by the Registrar or its agents, employees, or officers.

***Resignation or Discharge of Bond Registrar; Successor Bond Registrar.*** The Bond Registrar may resign and thereby become discharged from the duties created under the Bond Resolution

by notice in writing given to the District and to all Holders of Bonds, by first class mail at least thirty (30) days prior to the effective date of such resignation, provided that such resignation shall take effect only on the appointment of a successor Bond Registrar, and, provided further, such resignation shall take effect immediately on the appointment of a new Bond Registrar, if such new Bond Registrar be appointed and qualified before the time limit established by such notice. The Bond Registrar may be removed at any time at the written request of the District (provided no Event of Default on the part of the District has occurred and is continuing under the Bond Resolution) or by an instrument in writing signed by the Holders of not less than a majority of the principal amount of the Bonds then outstanding.

If at any time the Bond Registrar shall resign, be removed, be dissolved or otherwise become incapable of acting or the offices of the Bond Registrar shall be taken over by any governmental official or board, or if the position of Bond Registrar shall become vacant for any reason, a successor shall be appointed by the District; and unless such appointment be made within thirty (30) days after the vacancy shall have occurred, the Holders of a majority in principal amount of the Bonds then outstanding may make such appointment by an instrument in writing signed by any such Bondholders and filed with the District, or the Bond Registrar may petition a court of competent jurisdiction for the appointment of a successor. Any Bond Registrar hereafter appointed shall be a trust company or bank in good standing having trust powers and subject to examination by a federal or state authority and have a reported combined surplus and capital aggregating at least \$75,000,000. The District shall provide notice as soon as practicable of any change in the Bond Registrar to all Holders of Bonds and Bonds re-registered or re-issued thereafter shall be altered or shall contain a legend identifying such successor Bond Registrar.

Every successor Bond Registrar appointed under the Bond Resolution shall execute, acknowledge, and deliver to its predecessor and also to the District an instrument in writing accepting such appointment, and thereon such successor Bond Registrar, without any further act shall become fully vested with all the rights, immunities, powers, duties, and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the District, or of its successor, execute and deliver any instrument transferring to such successor Bond Registrar all the rights, powers, and duties of such predecessor, and every predecessor Bond Registrar shall deliver all securities, moneys, documents, and records held by it to its successor; provided, however, that before any such delivery is required or made, all fees and expenses of such predecessor shall be paid in full. Should any instrument in writing from the District be required by any successor Bond Registrar for more fully and certainly vesting in such Bond Registrar the rights, powers, and duties hereby vested or intended to be vested in the predecessor Bond Registrar, any such instrument in writing shall and will on request be executed, acknowledged, and delivered by the District.

#### **Miscellaneous**

***Provisions of the Bond Resolution are Severable.*** If any one or more of the provisions of the Bond Resolution or of the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Bond Resolution or of the Bonds, but the Bond Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. If any court of competent jurisdiction adjudicates that any representation, covenant, or undertaking of the District, as set forth in the Bonds or in the Bond Resolution, would cause the Bonds to be invalid or constitute an unlawful general indebtedness of the District, then such representation, covenant, or undertaking shall be thereby stricken, omitted, and eliminated without thereby otherwise affecting the validity or enforceability of the Bonds.

***Bond Resolution is a Contract; Procedure for Amending.*** In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time after the sale thereof, the provisions of the Bond Resolution shall constitute a contract between the

District and the Holders from time to time of the Bonds, and such provisions are covenants and agreements with such Holders which the District determines to be necessary and desirable for the security and payment thereof. After the issuance of the Bonds, no change, variation, or alteration of any kind in the provisions of the Bond Resolution shall be made in any manner except as provided below until such time as all of the Bonds and the interest thereon have been paid in full. The provisions, covenants, and agreements herein set forth to be performed on behalf of the District shall be for the equal and ratable benefit, protection, and security of the Holders of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction of any of the Bonds over any other thereof.

If it shall appear desirable and to the advantage of both the District and the Holders of the Bonds, the District shall adopt a resolution (a "Supplemental Resolution") altering or amending the Bond Resolution, but providing therein that the Supplemental Resolution shall not become effective unless and until it has received the approval of the Holders of the Bonds as hereinafter set out. Immediately on adoption of a Supplemental Resolution a copy of the Supplemental Resolution (or summary thereof or reference thereto in form approved by the District) together with a request to Bondholders for their consent thereto in form satisfactory to the District, shall be mailed by the Bond Registrar to Bondholders promptly after adoption. A Supplemental Resolution shall not be effective unless and until there shall have been filed with the Bond Registrar the written consents of the Holders of at least two-thirds (66  $\frac{2}{3}$ %) of the principal amount of the Bonds then Outstanding. Any such consent shall be binding on the Holder of the Bonds after giving such consent and on any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Bond Registrar, prior to the time when the written statement of the Bond Registrar to the District is filed, such revocation. At any time after the Holders of the required percentage of Bonds shall have filed their consent to a Supplemental Resolution, the Bond Registrar shall make and file with the District a written statement that the Holders of such required percentage of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the District on a stated date, a copy of which is on file with the Bond Registrar) has been consented to by the Holders of the required percentage of the principal amount of the Outstanding Bonds and will be effective as provided in this Section, shall be given to Bondholders by the District by mailing such notice, not more than ninety (90) days after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Bond Registrar e provided above is filed. The District shall file with the Bond Registrar proof of the mailing of such notice.

Notwithstanding the foregoing, no such modifications, alterations or amendments shall be made which will (a) permit an extension of the time of payment at maturity of the principal of or payment of the interest on any Bond, or a reduction in the amount of principal or the rate of interest thereon without the written consent of the Holder thereof or (b) reduce the percentage of Holders of Bonds required for the taking of any action under this Section.

In addition to the foregoing, the District may, without regard to the provisions hereinabove set forth in this Section, make any amendment or change herein (i) to evidence the succession of an institution as Bond Registrar or Paying Agent, (ii) to cure any ambiguity or to cure, correct or supplement any defective or inconsistent proceedings contained herein or in any resolution or other proceedings pertaining hereto, (iii) to grant to or confer on the Bond Registrar for the benefit of the Holders of the Bonds any additional rights, remedies, powers, authority, or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Bond Resolution as theretofore in effect, (iv) to permit the Bond Registrar to comply with any obligations imposed on it by

law, (v) to achieve compliance of the Bond Resolution with any federal tax law, (vi) to maintain or improve any rating on the Bonds or (vii) for any other purpose not inconsistent with the terms of the Bond Resolution which shall not impair the security of the Bondholders or otherwise materially adversely affect the rights of the Bondholders. The District may adopt Supplemental Resolutions to accomplish the foregoing.

***Discharge of Bond Resolution.*** If the District shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the total principal and interest due or to become due thereon, including premium, if applicable, at the times and in the manner stipulated therein and in the Bond Resolution, then the pledge of the Bond Resolution, and all covenants, agreements and other obligations of the District to the Bondholders, shall thereon cease, terminate and become void and be discharged and satisfied.

Whenever there shall be held in the Bond Fund or an escrow fund established for such purpose, either (a) moneys in an amount which shall be sufficient or (b) Defeasance Obligations the principal of and interest on which when due (without consideration of reinvestment income) will provide moneys which, together with other moneys, if any, then on deposit in the Bond Fund or such escrow fund, shall be sufficient to pay when due the principal of, interest and redemption premium, if applicable, on the Bonds or any part thereof to and including the date on which the Bonds or any of them will be redeemed in accordance with the Bond Resolution, or the maturity date or dates thereof, as the case may be, then and in any of said events all such Bonds shall be deemed to have been paid within the meaning and with the effect expressed above, and the Bond Registrar shall publish notice thereof, such notice to contain a statement that the cash and obligations as provided above are held in the Bond Fund or such escrow fund, that such Bonds are deemed to have been paid, and a statement of the maturities or redemption date or dates on which the moneys are or will become available for the payment of the amounts due. Thereafter the Bondholders shall be entitled only to payment out of the cash and obligations deposited as aforesaid.

Neither such obligations or the moneys held in the Bond Fund pursuant to this Section, nor principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal, interest and redemption premium, if applicable, on the Bonds; provided that any cash received from such principal or interest payment on such investments if not then needed for such purpose, shall, to the extent practicable, be reinvested in the same manner, in investments maturing at times and in amounts sufficient to pay when due the principal, interest and redemption premium, if applicable, on the Bonds to and including such redemption date or maturity date thereof, as the case may be.

## **CONTINUING DISCLOSURE UNDERTAKING**

This Disclosure Certificate is being executed and delivered by the District for the benefit of the Bondholders and in order to assist the Underwriters of the Bonds in complying with SEC Rule 15c2-12(b)(5) and official interpretations thereof (the “Rule”).

The District agrees to provide or to cause to be provided, in a timely manner not in excess of 10 business days after the occurrence of such event, to the Electronic Municipal Market Access system (“EMMA”) at <http://www.emma.msrb.org>, notice of any of the following events with respect to the Bonds;

- A. principal and interest payment delinquencies;
- B. non-payment related defaults, if material;

- C. unscheduled draws on debt service reserves reflecting financial difficulties;
- D. unscheduled draws on credit enhancements reflecting financial difficulties;
- E. substitution of credit or liquidity providers, or their failure to perform;
- F. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds;
- G. modifications to rights of the Bondholders, if material;
- H. Bond calls, if material, and tender offers;
- I. defeasances;
- J. release, substitution, or sale of property securing repayment of the Bonds, if material;
- K. rating changes;
- L. bankruptcy, insolvency, receivership, or similar event of the District;
- M. consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- N. appointment of a successor or additional trustee or the change of name of a trustee, if material;
- O. incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District, any of which affect Bondholders, if material; and/or
- P. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties.

For purposes of the event identified in paragraph 2(o) above, “financial obligation” means (i) a debt obligation, derivative instrument entered into in connection with, or (ii) pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii).

The District may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the District determines that such other event is material with respect to the Bonds, but the District does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The District also agrees to provide to EMMA, as designated by the Securities and Exchange Commission in accordance with the Rule, its Annual Financial Report (the “Annual Report”), which shall contain audited financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) as well as certain financial and operating data of the District as was

contained in its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2024, which was included in the Official Statement for the Bonds. The financial data shall be available on or before 180 days after the end of each fiscal year of the District, beginning with the fiscal year ending June 30, 2025 and each fiscal year thereafter.

If the District is unable to provide to EMMA an Annual Report by the date required in this Certificate, the District shall send a notice to EMMA, notifying it of the inability, at that time, to file the Annual Report.

If the District's fiscal year changes, then the District shall send a notice of such change to EMMA. If such change will result in the District's fiscal year ending on a date later than the ending date prior to such change, the District shall provide notice of such change to EMMA, on or prior to the deadline for filing the Annual Report in effect when the District operated under its prior fiscal year. Such notice may be provided to EMMA, along with the Annual Report, provided that it is filed at or prior to the deadline described above.

The District agrees to provide or to cause to be provided in a timely manner, to EMMA, notice of a failure by the District to provide the required notices set out in Section 2 above.

The obligations of the District described above will remain in effect only for such period that (i) the Bonds are outstanding in accordance with their terms and (ii) that the District remains an "obligated person" with respect to the Bonds within the meaning of the Rule. The District reserves the right to terminate its obligations to provide notices of material events as set forth above, if and when the District no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

The District acknowledges that its undertaking pursuant to the Rule described in this Disclosure Certificate is intended to be for the benefit of the Bondholders (including holders of beneficial interests in the Bonds) and shall be enforceable by any Bondholder, provided that a Bondholder's right to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the District's obligations pursuant to the provisions of this undertaking, and any failure by the District to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds under the Bond Resolution. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Bondholder may take such actions as may be necessary and appropriate to obtain specific performance by court order to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Bond Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel specific performance.

Notwithstanding any other provision of the Bond Resolution, the continuing disclosure requirements herein may be amended, if the District receives an opinion of independent legal counsel to the effect that:

1. such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the types of activities in which the District is engaged;
2. the amendment would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

3. such amendment does not materially impair the interests of the Bondholders.

The District agrees to make publicly available its financial information and operating data. Such information regarding the District can be obtained from the Chief Financial Officer of the District, 3332 Newburg Road, Louisville, KY 40218.

As of the date of this Disclosure Certificate, the District is in compliance with the reporting requirements of the Rule for all undertakings for which it is an “obligated person” as defined in the Rule.

This Disclosure Certificate shall inure solely to the benefit of the District, the Underwriters of the Bonds, and the Bondholders from time to time and shall create no rights in any other person or entity.

### **DEFINITIONS**

Unless the context otherwise requires, the following terms shall have the meanings set forth below for purposes of this Official Statement:

“*Act*” means KRS Chapter 66.

“*Agent Member*” means a member of, or participant in, the Securities Depository.

“*Authorized Denomination*” means the authorized denominations of the Bonds, which shall be, except as otherwise provided in the Bond Resolution, \$5,000 or any integral multiple of \$5,000.

“*Bond Fund*” means the fund created by Section 5.5 of this Bond Resolution.

“*Bondholder*”, or “*Bondowner*”, or “*Holder*”, or “*Owner*” means the person in whose name a Bond is registered on the Bond Register maintained by the Bond Registrar. Notwithstanding this definition, with respect to any Bonds which are registered in Book-Entry Form, the Bond Registrar shall be entitled to rely on written instructions from a majority of the beneficial owners of the Bonds with reference to the consent, if any, required from Bondholders under this Bond Resolution.

“*Bond Registrar*” or “*Registrar*” or “*Paying Agent*” or “*Transfer Agent*” means the bank or trust company which shall act as the Bond Registrar, Paying Agent, and Transfer Agent with respect to the Bonds, which bank or trust company shall have the duties and responsibilities of (a) issuing checks or wire transfers in payment of interest on the Bonds, (b) paying the principal of the Bonds at maturity or applicable mandatory redemption or optional redemption prior to maturity upon surrender of the Bonds, (c) authenticating, issuing, and delivering the Bonds to the original purchasers thereof, (d) maintaining the Bond Register, and (e) processing exchanges, cancellations, reissuance, redemption and all other duties of a bond registrar, paying agent, and transfer agent with respect to the Bonds. The Bond Registrar, Paying Agent, and Transfer Agent will be appointed as provided herein.

“*Bond Register*” means the form or system or document in which the ownership of Bonds is recorded by the Bond Registrar.

“*Bond Resolution*” means this resolution of the District, authorizing the Bonds, as amended or supplemented from time to time in accordance with the provisions hereof.

“*Bonds*” means the bonds or notes, issued in one or more Series from time to time, authorized under the provisions of the Bond Resolution.

“*Book-Entry Form*” means, with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in Bonds may be transferred only through a book entry and (ii) physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as Holder, with the physical bond certificates in the custody of a Securities Depository.

“*Business Day*” means any day other than (i) a Saturday, Sunday, or holiday in the Commonwealth, or (ii) a day on which banks located in the city in which the designated corporate trust office of the Paying Agent is located, are required or authorized to close for banking business or a day on which The New York Stock Exchange is closed.

“*Chief Financial Officer*” means the Chief Financial Officer of the District, or such other official of the District as may from time to time be designated by the District to perform the functions or responsibilities of the Chief Financial Officer hereunder.

“*Code*” means the Internal Revenue Code, as amended to the date of adoption of this Bond Resolution, or as hereafter amended, including valid regulations of the U.S. Department of the Treasury and rulings of the Commissioner of Internal Revenue thereunder.

“*Commission*” means the Kentucky School Facilities Construction Commission, an agency and instrumentality of the Commonwealth, and any successor.

“*Commonwealth*” means the Commonwealth of Kentucky.

“*Cost of Issuance Account*” means the account created by Section 5.4 of this Bond Resolution.

“*Debt Charges*” means the principal, including any mandatory sinking fund deposits, interest, and any redemption premium, payable on Bonds as the payments come due and are payable and any charges related to credit enhancement facilities.

“*Defeasance Obligations*” means the following:

- (a.) direct obligations of (including obligations issued or held in book-entry form) the United States of America; and
- (b.) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality, or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated in the highest rating category of Standard and Poor’s Ratings Services and Moody’s Investors Service or any successors thereto; or (ii) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or obligations described in paragraph (a) above, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions for such redemption, as appropriate.

“*Designated Officers*” means the Chair and Vice Chair of the Board and the Superintendent of Schools (the “Superintendent”) and the Chief Financial Officer of the District.

“*Disclosure Certificate*” means the Continuing Disclosure Certificate of the District substantially in the form which is attached as Exhibit B to this Bond Resolution.

“*District*” means the Jefferson County School District, a county school district organized and existing under KRS 160.010.

“*Financing Costs*” means all costs and expenses relating to the issuance and carrying costs of Bonds including charges related to credit enhancement facilities which are not Debt Charges.

“*Fiscal Year*” means any period of twelve (12) consecutive months commencing July 1 of any year and ending June 30 of the ensuing year, or any other fiscal year adopted by the District by a supplement to this Bond Resolution.

“*Funds and Accounts*” means, collectively, the Bond Fund, the Cost of Issuance Account, and the Project Fund established under this Bond Resolution.

“*General Obligation Debt*” means, collectively, the Bonds as may be Outstanding hereunder from time to time, as well as all other general obligation debt of the District (including bonds, notes, commercial paper, and any other debt instruments in writing, authorized by or issued as general obligations of the District pursuant to or in accordance with the Act) and bond anticipation notes of the District, if any, as may be issued and outstanding from time to time under the Act.

“*Interest Payment Date*” or “*Payment Date*” means, except as may be provided pursuant to the procedures established for public sale in Section 4.1 hereof accepting or ratifying bids for the purchase of each Series of Bonds, (i) any of the respective dates set with respect to a particular Series of Bonds, as provided in the Bond Resolution, for the payment of interest thereon; (ii) any date set for the redemption or maturity of Bonds, as provided in the Bond Resolution; and (iii) with respect to any other General Obligation Debt (if any), the applicable payment dates set forth or approved in the District’s resolution authorizing issuance of such General Obligation Debt.

“*Investment Obligation*” means any investment that the District is authorized to acquire pursuant to the Kentucky Revised Statutes, as amended from time to time, and to the extent, if any, that the funds then proposed for investment are governed by an applicable formal investment policy of the District, which complies with such investment policy.

“*District*” or “*Board*” means the Board of Education of Jefferson County, Kentucky, a body politic and corporate of the Commonwealth, organized and existing under Section 160.160(1) of the Kentucky Revised Statutes to manage and control the District.

“*Kentucky Revised Statutes*” or “*KRS*” means the Kentucky Revised Statutes as in effect at the date of the adoption of this Bond Resolution, and any future amendments thereof to the extent that the same will not unconstitutionally impair the obligations of contracts created under the provisions of this Bond Resolution.

“*Notes*” means Bonds that mature no later than five (5) years from the date they are issued.

“*Official Statement*” means the Official Statement of the District relating to the original issuance of each Series of Bonds.

“*Official Terms and Conditions of Bond Sale*” means the Official Terms and Conditions of Bond Sale prepared for distribution to potential bidders relating to each Series of Bonds.

“*Outstanding*”, when used with reference to any Bonds, means, as of any date, all Bonds theretofore or then being authenticated and delivered under this Bond Resolution, except:

- (a.) any Bonds cancelled by the Bond Registrar at or prior to such date;
- (b.) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered; and
- (c.) Bonds deemed to have been paid as provided in Section 10.3 of this Bond Resolution.

“*Participation Agreement*” means any participation agreement entered into between the Board and the Commission with respect to a Project or Projects or Series of Bonds or Notes, as amended or supplemented from time to time in accordance with its terms and the terms of this Resolution.

“*Pledged Receipts*” means amounts received or receivable by or on behalf of the District (including but not limited to ad valorem property taxes, occupational license fees, insurance premium taxes, excises, utility and service revenues, and any other receipts from taxes, excises, permits, licenses, fines, or other source of revenue of, or of revenue distributions to, the District), including any aid to, or revenues or entitlements of the District duly withheld or intercepted by the Commission in accordance with a Participation Agreement, to the extent permitted by law (provided that such withheld or intercepted amounts shall be security only for the Series of Bonds for which such Participation Agreement was entered into unless otherwise provided therein).

“*Project*” means a “public project” (as defined in the Act) to be financed by a Series of Bonds and/or a “refunding” (as defined in the Act), as applicable.

“*Project Fund*” means the fund created by Section 5.6 of this Bond Resolution.

“*Record Date*” means with respect to the Bonds the fifteenth (15th) day of the month prior to each date established for payment of Debt Charges on the Bonds, whether by maturity, acceleration, or redemption.

“*Sale Certificate*” means a certificate executed by the Chief Financial Officer accepting the successful bid for a Series of Bonds and setting forth the principal amount, maturities, interest rates, and redemption provisions for such Series of the Bonds.

“*Securities Depository*” means any securities depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act, operating and maintaining, with its participants or otherwise, a book-entry system to record ownership of beneficial interests in bonds and bond service charges, and to effect transfers of bonds in Book-Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

“*Securities Depository Nominee*” means any nominee of a Securities Depository and shall initially mean Cede & Co., New York, New York, as nominee of The Depository Trust Company.

“*Series*” means, with respect to Bonds, Bonds issued at the same time to finance the same Project.

“*Taxable Bonds*” means Bonds the interest of which is subject to and included in gross income for federal income tax purposes.

“*Tax Advantaged Bonds*” means Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes.

“*Term Bonds*” means the Bonds, if any, which are required to be mandatorily redeemed in accordance with the provisions hereof and as set forth in the Sale Certificate.

“*Underwriter*” means the successful bidder for the purchase of each Series of the Bonds upon the competitive sale thereof.

**APPENDIX F**  
**FORM OF BOND COUNSEL OPINION**

\_\_\_\_\_, 2025

Jefferson County School District  
3332 Newburg Road  
Louisville, Kentucky 40218

Re: \$ \_\_\_\_\_ Jefferson County School District, Kentucky  
General Obligation Refunding Bonds, Series 2025B

Ladies and Gentlemen:

We have acted as bond counsel and examined the transcript of proceedings (the “Transcript”) relating to the authorization, original issuance, and delivery on the date hereof by the Jefferson County School District (the “District”), a political subdivision of the Commonwealth of Kentucky (the “Commonwealth”), of the District’s General Obligation Refunding Bonds, Series 2025B (the “Bonds”).

The Bonds are issued under (i) the Constitution and laws of the Commonwealth, including particularly Chapters 66, 160, and 162 of the Kentucky Revised Statutes, as amended to and in effect on the date hereof (collectively the “Legislation”) and (ii) a resolution adopted by the District on October 14, 2025 (the “General Obligation Bond Resolution”). The Bonds are dated on original issuance as of the date hereof and bear interest, mature and are subject to redemption prior to maturity, and are payable on such terms as are described in the Transcript.

The proceeds of the Bonds are to be used to refund the Jefferson County School District Finance Corporation School Building Revenue Bonds, Series 2015A Bonds, which were originally issued by the Jefferson County School District Finance Corporation, an agency and instrumentality of the Board of Education of the District, to finance certain improvements to the District’s school facilities.

Principal of and interest on the Bonds, in common with and without priority over all other obligations issued and outstanding from time to time on a parity as to security and source of payment under the General Obligation Bond Resolution, are a general obligation of the District to which are pledged the full faith, credit, and taxing power of the District without limitation as to rate or amount.

As bond counsel we have examined such documents and matters and conducted such research as we deemed necessary to enable us to express the opinions set forth below. As to questions of fact material to the opinions set forth below, we have relied on statements and certifications of certain elected officials, officers, and employees of the District and other public officials. We have assumed the authenticity of all documents submitted to us as originals, the legal capacity of natural persons, and the conformity to the originals of all documents submitted to us as copies. We have also relied on the representations and warranties made in such documents by all parties thereto.

Based on the foregoing, and in reliance thereon, and on the basis of our examination of such other matters of fact and questions of law as we have deemed relevant in the circumstances, it is our opinion that:

1. The issuance and sale of the Bonds have been duly authorized by the District pursuant to the Legislation and the General Obligation Bond Resolution.

2. The Bonds are valid and binding general obligations of the District, are enforceable in accordance with their terms, and are entitled to the benefit and security of the Legislation and the General Obligation Bond Resolution.

3. Under existing laws, regulations, and judicial decisions and as of the date hereof, interest on the Bonds is excluded from gross income for federal income tax purposes.

4. The Bonds are exempt from ad valorem taxation, and the interest thereon is exempt from income taxation, by the Commonwealth and all of its political subdivisions and taxing authorities.

For the purpose of rendering our opinion in Paragraph 3 above, we have assumed compliance by the District with the requirements of the Internal Revenue Code that must be met subsequent to the issuance of the Bonds in order that the interest thereon be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The District has covenanted in the General Obligation Bond Resolution to comply with such requirements.

Our opinion on the enforceability of the Bonds is subject to the qualification that such enforceability may be limited by bankruptcy, reorganization, moratorium, insolvency, or other laws relating to or affecting the enforcement of creditors' rights and by the exercise of judicial discretion in accordance with equitable principles.

We express no opinion on the laws of any jurisdiction other than the Commonwealth and the United States of America. Our opinion relates solely to the questions set out herein and does not consider other questions of law which may be presented by the facts outlined above. We do not express an opinion on the investment quality of the Bonds.

Very truly yours,

WYATT, TARRANT & COMBS, LLP

**APPENDIX G**  
**BOOK ENTRY SYSTEM**

## BOOK ENTRY SYSTEM

**THE INFORMATION PROVIDED BELOW IN THIS APPENDIX G HAS BEEN PROVIDED BY DTC. NO REPRESENTATION IS MADE BY THE BOARD OR THE CORPORATION AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION PROVIDED BY DTC OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.**

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Bonds”). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued in the aggregate principal amount of each maturity of Bonds and will be deposited with DTC.

2. DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, and trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may

be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from District or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Agent, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of District or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to District or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered to DTC.

10. District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that District believes to be reliable, but District takes no responsibility for the accuracy thereof.

Neither the District nor the Bond Registrar shall have any responsibility or obligation to participants or to any beneficial owner with respect to (i) the accuracy of any records maintained by DTC or any participant; (ii) the payment by DTC or any participant of any amount with respect to the principal of or interest or compound accreted value on the Bonds; (iii) the delivery or timeliness of delivery by any participant or any notice to any beneficial owner which is required or permitted under the terms of the resolution or ordinance to be given to Bondholders; or (iv) any consent given or action taken by DTC or Cede & Co., as bondholder.

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