

Board of Education of Jefferson County, Kentucky

Comprehensive Annual Financial Report

June 30, 2006



Prepared By:

Department of Financial Services

Stephen W. Daeschner
Superintendent

J. Cordelia Hardin
Chief Financial Officer/Treasurer

Edward D. Muns
Director of Accounting Services



JEFFERSON COUNTY PUBLIC SCHOOLS
Jefferson County Board of Education
For the Fiscal Year Ended June 30, 2006

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Introductory Section

(unaudited)



Letter of Transmittal

December 20, 2006

The Jefferson County Board of Education Louisville, Kentucky

We hereby submit the Comprehensive Annual Financial Report (CAFR) for Jefferson County Board of Education (the "Board") for the year ended June 30, 2006. The completeness, accuracy, and clarity of these financial statements and data herein are the responsibility of the Board's Chief Financial Officer.

This CAFR 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 Board and our financial condition. Accordingly, we will discuss the Jefferson County economy and tax base, a brief history of the Board and education in Kentucky, and our major accomplishments.

The Financial Section contains the general purpose financial statements. These statements were audited by Strothman & Company PSC, 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 3 – 12 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 Board 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 recommended by the Government Financial 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 Board. All disclosures necessary to enable the reader to gain the maximum understanding of the Board's financial activity have been included.

Economic Outlook

As discussed further on page 12 of the Management's Discussion and Analysis in the Financial Section, Jefferson County remains one of the most resilient economies in America.

The Board receives its revenue largely from two economically-related sources: locally-assessed real estate and property taxes, and locally-assessed occupational taxes. Additionally, the Board 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, local government, 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 of each year. 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 percent 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 Board 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 all 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 Board based on a variety of factors. First, the state of Kentucky is inherently a political entity and 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 Introductory Section.

Jefferson County's economy began as a manufacturing center for durable goods, including appliances, cars and trucks. In recent decades, the economy has diversified and is now the home of three *Fortune* 500 companies, including Yum! Brands, which includes KFC, Taco Bell, Pizza Hut, and A&W restaurants, Kindred Healthcare, and Humana Inc. Additionally, headquartered in Louisville are Hillerich & Bradsby, the makers of "Louisville Slugger" baseball bats, Papa John's International Inc. pizza restaurants, and Brown-Forman, makers of numerous products including beverages such as Jack Daniels Tennessee Whiskey, Fetzer Wines, Hartmann Luggage, and Lenox China. Louisville is also home to the world-famous racetrack Churchill Downs, United Parcel Service's ("UPS") Worldport Facility, employing over 17,500 and expanding an additional 5,000 jobs as discussed on page 12 of the Management's Discussion and Analysis in the Financial Section, two Ford truck plants, and General Electric's Appliance Park.

Overall, the Jefferson County economy has remained strong and stable.

| | 2001 | 2005 |
|--------------------------|--------|--------|
| Median household income | 40,684 | 46,447 |
| Average household income | 53,901 | 60,980 |

Source: Claritas, January 2006

| Total Population | |
|------------------|---------|
| 2001 | 692,910 |
| 2002 | 698,080 |
| 2003 | 699,017 |
| 2004 | 700,030 |
| 2005 | 701,817 |

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

| | Employment | Percent |
|---|----------------|---------------|
| Agriculture, Forestry, Mining, Fishing & Hunting | 323 | 0.0% |
| Construction | 21,022 | 5.1% |
| Manufacturing | 47,723 | 11.5% |
| Trade, Transportation, & Utilities | 75,306 | 18.1% |
| Information | 9,166 | 2.2% |
| Financial Activities | 32,585 | 7.8% |
| Services | 166,660 | 40.0% |
| Public Administration | 12,784 | 3.1% |
| Other | 50,683 | 12.2% |
| | <u>416,252</u> | <u>100.0%</u> |

Source: U.S. Department of Labor, Bureau of Labor Statistics

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 \$1.00 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 Jefferson County were desegregated at a time when the Louisville Public Schools were 26% African American and the Common Schools of Jefferson County were 4% African American. By court order on April 1, 1975, these two school districts merged creating Jefferson County Public Schools 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%. Since that date, there have been numerous legal challenges to these racial diversity limits the latest of which was presented to the United States Supreme Court on December 4, 2006.

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 provided for a state-wide accountability system that mandated all schools meet certain achievement requirements by 2014.

Due to KERA, Kentucky has gained a reputation as a cutting edge educational system focusing on accountability. Jefferson County as well has many years of assessment data and is continuously reviewing its curriculum and initiatives to ensure Jefferson County children are being educated to the height of their ability.

Jefferson County Board of Education Today

The current Board is very different than our beginnings. We continue to strive for excellence in our financial operations and our educational activities.

Financially, we are as strong as ever. We have sufficient fund balances to plan for a bright future. We have a policy of reviewing vacancies, especially central office vacancies, to continuously strive for efficiency. We are implementing a new web-based purchasing system to eliminate some warehouses and the corresponding overhead. We have also consolidated our banking relationships to maximize interest income and liquidity.

We have 97,518 students:

| | |
|---------------|--------|
| High | 26,842 |
| Middle | 19,781 |
| Elementary | 34,717 |
| Kindergarten | 7,242 |
| Preschool | 5,265 |
| Special Needs | 3,671 |

We have 13,272 full-time staff members:

| | |
|-------------------------|-------|
| Teachers | 43.0% |
| Support Staff | 49.5% |
| School Administrators | 4.7% |
| District Administrators | 2.8% |

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 Board has found the need to increase its educational and environmental offerings. While students have the opportunity to attend their neighborhood school 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 Board 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. Providing such educational choices has resulted in a low dropout rate and no student expulsions in more than 20 years.

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 Board 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, 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 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.

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 which 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.

Buechel Metropolitan High: Students with a history of violence are sent to Buechel after a serious violent offense.

The school's goal is to improve the behavior of its students in order for them to experience academic success, improve their attendance, earn a return to their regular school, and eventually receive a diploma from that school.

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.

Jefferson County High School: An open-entry/open-exit program that provides an opportunity for students to obtain a high school diploma by attending classes on a flexible schedule. Students study a curriculum, which is individualized, self-paced and teacher-designed. The Independent Study Program offers students the opportunity to complete a traditional, textbook-based curriculum by correspondence from anywhere in the world. In the past few years, we have added eSchool and Virtual School programs. eSchool is an internet-based curriculum offered to students worldwide. Virtual School is where middle school and high school students can attend school, complete an electronic curriculum with teacher help and academic support.

Kennedy Metro Middle: A middle school whose students have demonstrated behavioral problems at their home school. The primary goals of the school are to affect the behavior of the students so they may experience academic success, improve attendance and return to their home school.



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: Thirteen 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.

South Park and Westport Teen Age Parent Programs: Two schools designed to prevent school dropout due to teen pregnancy and parenting for middle and high school students. These award-winning programs include 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-8th 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 for 2005-06 was 25,000. Of these, 13,998 were enrolled in Adult Basic Education/General Education Development (GED) Program and 863 GED Certificates were earned.

- **GED, Basic Skills & Family Ed:** Free classes to prepare for the GED test and upgrade basic skills.
- **English as a Second Language:** Free classes for adults to improve communications skills.
- **Lifelong Learning:** More than 250 leisure-learning and career-enhancing classes. Online courses are available.
- **Workforce Services:** Training and assessment services for individuals, business, and industry.

Current Initiatives

Every 1 Reads: In partnership with Louisville Metro Government and Greater Louisville Inc. (the Chamber of Commerce), the Board has undertaken an ambitious reading initiative called Every 1 Reads, a community-wide effort to have every child in Jefferson County reading at grade level within four years. To achieve this, we will need approximately 10,000 community members to tutor and mentor children who have fallen behind their grade. As of August 2006 we have 5,347 trained volunteers. Each of these volunteers will work one-on-one with a student helping them improve their reading. In the first two years of this program, the percent of students reading below grade level has fallen from 14.4% to 12.9%.



GE Foundation Math and Science Initiative:

With the help of a \$25 million grant from the GE Foundation, the philanthropic foundation of the General Electric Company, the Board is attempting to raise student achievement in mathematics and science and increase the number of students enrolling in college. The first step in this initiative is to establish world class standards in these subject areas. In this pursuit, the Board and the Jefferson County Teachers Association are revamping and writing curriculum to allow our students to compete in the global environment.

Evidence of Success

The Board's outstanding performance in 2005-06 has been validated by several national, independent organizations and governmental agencies.

Our Schools:

The American Youth Policy Forum's report, *Whatever It Takes: How Twelve Communities are Reconnecting Out-Of-School Youth*, which was published in March 2006, describes the Board as a national leader who embraces traditional and alternative schools that meet students' diverse needs, interests, and learning styles. Providing such educational choices has resulted in a low dropout rate and no student expulsions in more than 20 years.

McFerran Preparatory Academy was recognized by the U.S. Departments of Education and Agriculture as a school that achieved 15 out of 15 No Child Left Behind goals for the last two years. Its students' reading scores increased nearly 31 points.

The USDA also recognized 49 of our elementary schools as Gold Level Team Nutrition Schools for meeting the USDA's *HealthierUS* School Challenge. Only 54 schools nationwide received the Gold Level recognition.

Ballard, Eastern, Male, and Manual made *Newsweek* magazine's 2006 list of the top 1,200 high schools in the US. The list recognizes schools that do the best job of preparing average students for college.

Crosby Middle is one of the nation's top Schools to Watch. The National Forum to Accelerate Middle-Grades Reform named Crosby to its list of 27 superior schools in the nation. Only two other Kentucky schools were cited.

We received the 2006 What Parents Want Award from SchoolMatch, a research company based in Columbus, Ohio. SchoolMatch compiled information from more than 97,000 parent questionnaires and found that only 16 percent of the nation's 15,573 districts deserved the award.

Our Students:

- 57 National Merit Semifinalists
- \$25,000 winner in the Intel International Science and Engineering Fair
- Two finalists and a semifinalist in the Siemens Westinghouse Science Competition
- 116 Students honored in the Duke University Talent Identification Program
- 124 Governor's Scholars
- Kentucky Spelling Bee Winner
- Key Club International Ambassador for UNICEF
- National Girl's JROTC Drill Team Championship (the seventh straight national title for the team)
- Two students in the Class of 2006 earned perfect scores on the ACT
- The Class of 2006 earned more than \$70 million in scholarships



Our Teachers and Staff Members:

- 2006 Kentucky Teacher of the Year
- Milken Family Foundation National Educator Award
- American Civic Education Teacher Award
- Two winners of the Amgen Award for Science Teaching Excellence
- Presidential Award for Excellence in Science and Mathematics Teaching
- National Distinguished Principal Award
- National Special Education Administrator of the Year Award
- Preserve American History Teacher of the Year
- 2006 Outstanding Education/Workforce Development Leadership
- 2006 ProLiteracy American Awards: Model Leadership Program Exemplary Volunteer Program
- 54 National Board certified teachers

Acknowledgements

We would like to thank all of the staff who assisted with closing of the Board's financial records and preparing this report. In addition, we want to thank those at all levels of the Board who do their part to enhance student achievement.

Respectfully submitted,

Stephen W. Daeschner
Stephen W. Daeschner
Superintendent

J. Cordelia Hardin
J. Cordelia Hardin
Chief Financial Officer / Treasurer

Members of the Board of Education



Left to right:

Joseph L. Hardesty
Chair
District 4

Patrick O'Leary
District 3

Stephen P. Imhoff
Vice-Chair
District 2

Larry Hujo
District 7

Linda Duncan
District 5

Ann V. Elmore
District 1

Carol Ann Haddad
District 6

The Louisville Board of Education was established in 1828. Early members established a legacy of commitment to educational leadership, community responsibility, and child advocacy. Today, members of the Jefferson County Board of Education are committed to maintaining and building on that legacy as JCPS grows to meet new needs throughout our communities.

Jefferson County Board of Education has seven elected members, one for each of the county's seven districts. They are elected by their constituents within their district for a period of two years. The overall responsibility is to oversee the development, operation, and improvement of JCPS. Their goals are as follows:

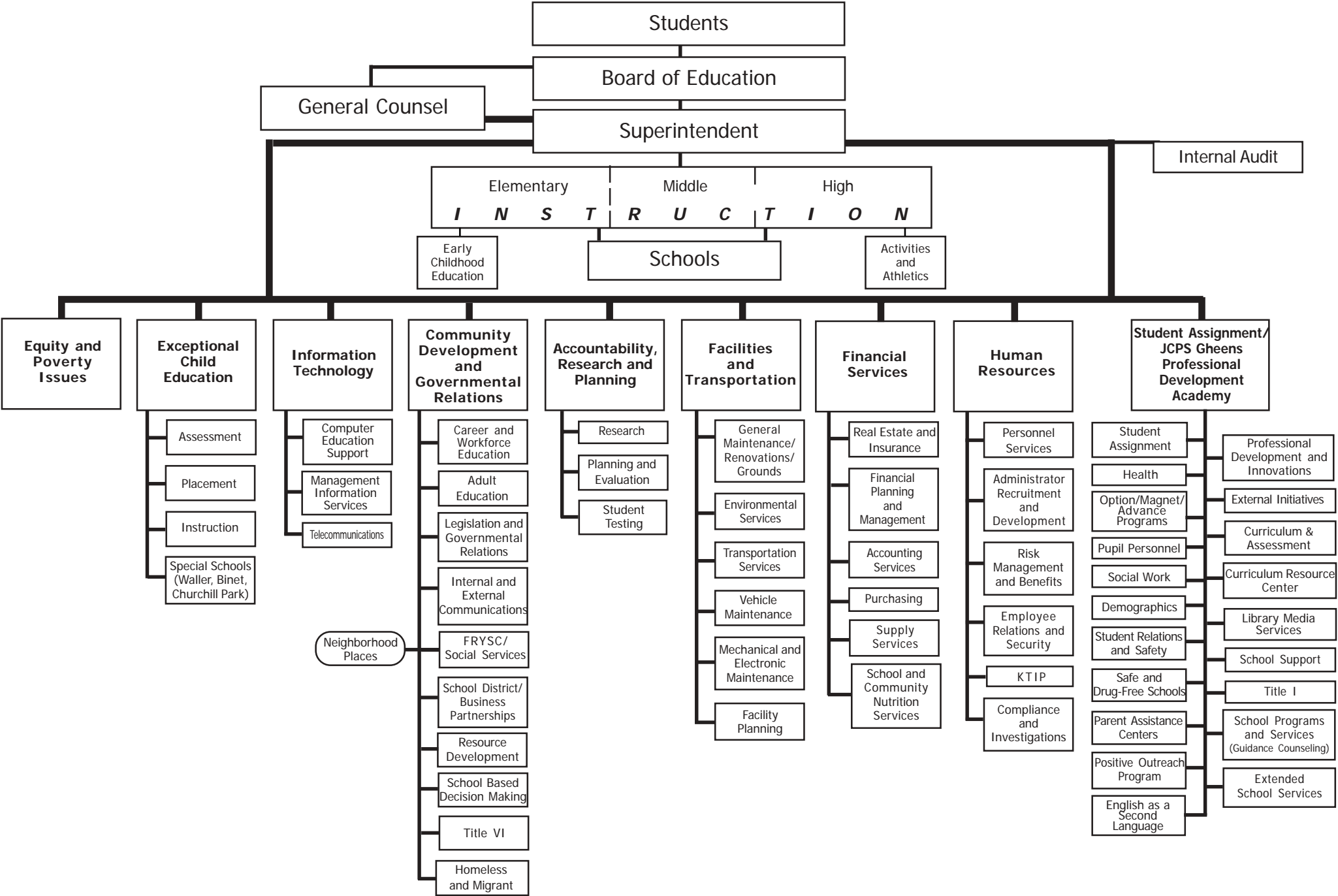
Student Achievement: All JCPS students will become critical thinkers and lifelong learners who are academically prepared in a racially integrated environment to be successful in the postsecondary education programs or careers of their choice.

School Atmosphere: All JCPS students will be safe, supported, respected, and confident in racially integrated schools, classrooms and student activities.

Parent and Community Involvement: All JCPS parents and community members will be urged and welcomed to actively participate in the education of our students.

Employee Performance: All JCPS employees will contribute to and be accountable for the success of our students through higher levels of performance in supportive work environments.

JCPS FUNCTION CHART





Financial Section

Independent Auditors' Report



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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Jefferson County Board of Education (the "Board") as of and for the year ended June 30, 2006, which collectively comprise the Board's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board as of June 30, 2006, and the respective changes in financial position and cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis (Unaudited) on pages 3 through 12 and the Budgetary Comparison Information on pages 43 through 44 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements and schedules, and the statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the Board's basic financial statements taken as a whole. The information presented in the introductory and statistical sections has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 20, 2006 on our consideration of the Board'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in assessing the results of our audit.

Strathmore & Copay PSC

Louisville, Kentucky
December 20, 2006

Management's Discussion and Analysis (Unaudited)

Jefferson County Board of Education

June 30, 2006

Introduction

Our discussion and analysis of the Jefferson County Board of Education (the "Board") financial performance provides an overview of the Board's financial activities for the fiscal year ended June 30, 2006. The intent of this Management's Discussion and Analysis ("MD&A") is to look at the Board's financial performance as a whole. It should be read in conjunction with the Board's financial statements.

Financial Highlights

Serving more than 97,500 students, the Board is the largest in Kentucky and the 31st largest in the United States. We maintain 150 schools and education centers: 87 elementary, 22 middle, 19 high, 9 special education, and 13 others. The overall financial position of the Board remains strong and stable with an operating budget of \$873.5 million.

At every grade level, our scores on the Commonwealth Accountability Testing System have risen. In addition, our Head Start early childhood program received excellent reviews on its annual federal evaluation, and a Kentucky Department of Education audit revealed that the Board met or exceeded 50 of 55 standards for school improvement. Our students and teachers continue to win awards and reach new goals in numerous academic areas. For example, more than 5,400 high school students enrolled in 189 Advanced Placement classes during the 2005-2006 school year, and, in May of 2006, scores on more than 1,909 AP tests were high enough to earn our students college credit. Overall, our class of 2006 earned over \$70 million in college scholarships. Our 5,900 teachers have an average of 12 years of experience; 83% have a master's degree or higher; and 100% are certified for the subject and grade level they teach. The student-teacher ratio is 17 to 1. The student attendance rate for 2005-2006 was 93.9%.

The Board is challenged to implement new student and financial enterprise systems mandated by the Commonwealth of Kentucky. This mandate has resulted in extensive dollars being expended to enhance the new systems to meet the needs of the Board.

On the District-wide financial statements, the assets of the Board exceeded liabilities by \$201.6 million. The Board's total net assets increased by \$35.5 million for the fiscal year ended June 30, 2006. The Board's governmental funds financial statements reported combined ending fund balance of \$131.1 million. Of this total, \$36.8 million is unreserved in the general fund. However, due to an increase in operating costs such as diesel fuel and utilities, along with the needs of specific instructional programs to include preschool and intervention strategies, it is necessary to maintain a fund balance to support these initiatives.

Jefferson County Board of Education

June 30, 2006

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 statements for nonmajor governmental and fiduciary funds

This annual report consists of a series of financial statements. The District-wide statements, the Statement of Net Assets and the Statement of Activities, provide an overview of the Board's finances. The fund financial statements and governmental activities 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 Board's operations in more detail than the District-wide financial statements by providing information about the Board's most significant funds. The remaining statements provide financial information about activities for which the Board acts solely as a trustee or agent for the benefit of those outside of the Board.

Reporting the Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the Board as a whole begins with the District-wide financial statements. One of the most important questions raised about the Board's finances is whether the Board as a whole is better off or worse off as a result of the year's activities. The Statement of Net Assets and the Statement of Activities report information about the Board 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 Board's net assets and changes in them. The Board's net assets, the difference between assets and liabilities, are one way to measure its financial health. Increases or decreases in the Board's net assets are one indicator of whether its financial health is improving or deteriorating. Consideration must also be given to special programs being supported on a non-recurrent basis for start-up costs on preschool program enhancements and new student and financial enterprise systems. To evaluate the Board's overall health, review other non-financial factors, such as changes in the Board's property tax base and the condition of the Board's school buildings and other physical assets.

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

- **Governmental activities:** Most of the Board'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, central office support, 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.

Jefferson County Board of Education

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- **Business-type activities:** School food services and tuition-based preschool are the two activities considered as business-type activities of the Board. A fee is charged for these activities to assist the Board in covering the cost of these services; therefore, they are classified as business-type activities.

Reporting the Board's Most Significant Funds

Fund Financial Statements

Our analysis of the Board's major funds provides detailed information about the most significant funds—not the Board 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 (such as Special Activities Funds) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (for example, grants received from the federal and state governments). The Board's two kinds of funds, governmental and proprietary, use different accounting approaches. The Board also uses fiduciary funds, which are separate funds from the governmental and proprietary funds described above. These funds are not included in the District-wide financial statements, but are described below.

Notes to the Financial Statements

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

Governmental funds: Most of the Board'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 accounting methods 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 Board'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 Board's programs. We describe the relationship (or differences) between the governmental activities (reported in the District-wide Statement of Net Assets and Statement of Activities) and governmental funds in a reconciliation following the fund financial statements.

Proprietary funds: When the Board 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 Assets and Statement of Activities. In fact, the Board's proprietary funds are the same as the business-type activities we reported in the District-wide financial statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the Board. These funds are not reflected in the District-wide financial statements because the resources of these funds are not available to support the Board's own activities or programs. The basis of accounting for fiduciary funds is similar to that of proprietary funds.

Management's Discussion and Analysis (Unaudited)--Continued

Jefferson County Board of Education

June 30, 2006

The Board as a Whole

The following is a summary of the Board's net assets:

| | Governmental Activities | | Business-type Activities | | Total | |
|--|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | 2006 | 2005 (restated) | 2006 | 2005 (restated) | 2006 | 2005 (restated) |
| Current and other assets | \$ 216,024,276 | \$ 193,757,219 | \$ 6,889,556 | \$ 6,483,304 | \$ 222,913,832 | \$ 200,240,523 |
| Capital assets, net of depreciation, and construction in progress | 462,663,047 | 467,791,683 | 37,895,173 | 37,792,785 | 500,558,220 | 505,584,468 |
| Total Assets | 678,687,323 | 661,548,902 | 44,784,729 | 44,276,089 | 723,472,052 | 705,824,991 |
| Short-term liabilities | 101,263,027 | 102,044,163 | 1,851,152 | 1,734,317 | 103,114,179 | 103,778,480 |
| Other liabilities | 389,230,499 | 405,198,904 | 29,548,522 | 30,762,510 | 418,779,021 | 435,961,414 |
| Total Liabilities | 490,493,526 | 507,243,067 | 31,399,674 | 32,496,827 | 521,893,200 | 539,739,894 |
| Net Assets | | | | | | |
| Invested in capital assets, net of related debt | 57,139,759 | 49,623,476 | 6,744,651 | 5,424,275 | 63,884,410 | 55,047,751 |
| Restricted | 80,748,278 | 77,231,257 | | | 80,748,278 | 77,231,257 |
| Unrestricted | 50,305,760 | 27,451,102 | 6,640,404 | 6,354,987 | 56,946,164 | 33,806,089 |
| Total Net Assets | \$ 188,193,797 | \$ 154,305,835 | \$ 13,385,055 | \$ 11,779,262 | \$ 201,578,852 | \$ 166,085,097 |

The following is a summary of the Board's changes in net assets:

| | Governmental Activities | | Business-type Activities | | Total | |
|-------------------------------------|-------------------------|----------------------|--------------------------|-----------------------|----------------------|----------------------|
| | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 |
| Revenues | | | | | | |
| Program revenues | | | | | | |
| Charges for service | \$ 1,576,413 | \$ 2,109,406 | \$ 13,613,324 | \$ 13,142,171 | \$ 15,189,737 | \$ 15,251,577 |
| Operating grants & contributions | 112,356,540 | 99,114,316 | 25,867,544 | 24,345,010 | 138,224,084 | 123,459,326 |
| General revenues | | | | | | |
| Local taxes | 425,131,566 | 381,244,176 | | | 425,131,566 | 381,244,176 |
| State sources | 392,861,162 | 350,894,238 | | | 392,861,162 | 350,894,238 |
| Other | 15,322,310 | 13,479,611 | 3,323,185 | 3,053,239 | 18,645,495 | 16,532,850 |
| Total Revenues | 947,247,991 | 846,841,747 | 42,804,053 | 40,540,420 | 990,052,044 | 887,382,167 |
| Expenses | | | | | | |
| School operation & administration | 898,352,420 | 811,539,513 | | | 898,352,420 | 811,539,513 |
| School food services | | | 36,726,249 | 39,916,643 | 36,726,249 | 39,916,643 |
| Other business-type activities | | | 2,160,659 | 1,791,037 | 2,160,659 | 1,791,037 |
| Interest on debt service | 15,007,609 | 15,689,957 | 2,311,352 | 1,364,244 | 17,318,961 | 17,054,201 |
| Total Expenses | 913,360,029 | 827,229,470 | 41,198,260 | 43,071,924 | 954,558,289 | 870,301,394 |
| Change in net assets | \$ 33,887,962 | \$ 19,612,277 | \$ 1,605,793 | \$ (2,531,504) | \$ 35,493,755 | \$ 17,080,773 |

Management's Discussion and Analysis (Unaudited)--Continued

Jefferson County Board of Education

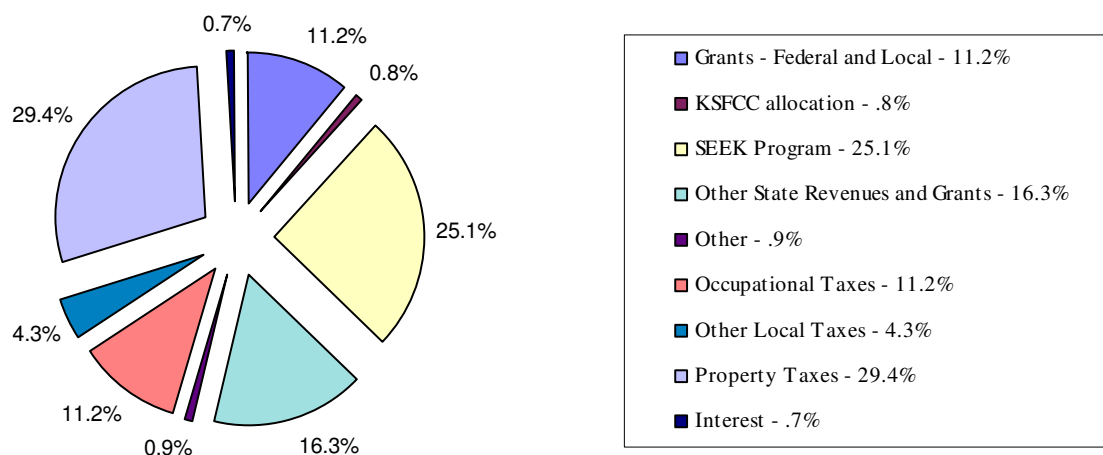
June 30, 2006

Governmental Activities

The following schedules provide a comparison of the revenues and expenditures for the current and previous years based on the fund financial statements:

| Revenues | 2006 | 2005 | Change |
|---------------------------------|-----------------------|----------------------|----------------------|
| Local Sources: | | | |
| Property Taxes | \$ 278,229,137 | \$245,207,965 | \$33,021,172 |
| Occupational Taxes | 106,235,305 | 98,668,074 | 7,567,231 |
| Other Taxes | 40,667,124 | 37,368,137 | 3,298,987 |
| State Sources: | | | |
| SEEK Program | 238,068,370 | 219,920,355 | 18,148,015 |
| Other State Revenues and Grants | 154,792,792 | 130,973,883 | 23,818,909 |
| KSFCC allocation | 8,042,453 | 8,012,992 | 29,461 |
| Grants (federal and local) | 104,314,087 | 93,210,730 | 11,103,357 |
| Interest | 6,860,125 | 2,737,452 | 4,122,673 |
| Other Sources | 10,038,598 | 10,742,159 | (703,561) |
| Total Revenues | \$ 947,247,991 | \$846,841,747 | \$100,406,244 |

Revenue Sources



Management's Discussion and Analysis (Unaudited)--Continued

Jefferson County Board of Education

June 30, 2006

The total taxable property valuation and property tax collections for the Board increased again last fiscal year. A partial countywide reassessment of real property as of January 1, 2006, will result in another increase in total taxable valuations and real property tax collections for the fiscal year ending June 30, 2007. Occupational taxes also show an increase of 7.7% as a result of the strengthening local economy. The revenues in the major governmental funds increased by \$100.4 million. Local tax revenue continued its trend of annual increases from the preceding year, principally in property taxes (\$33 million), a result of higher property valuations. Intergovernmental revenues from the Commonwealth of Kentucky are slightly higher than the previous year, with a SEEK increase of \$18.1 million and a \$23.8 million increase in other state support.

Business-type Activities

Operating revenue of the Board's business-type activities remained stable during the year. School Food Service revenue increased slightly, Adult Education revenue increased \$.3 million, Tuition Preschool revenue increased slightly, and total operating expenses for proprietary funds decreased \$1.7 million.

Management's Discussion and Analysis (Unaudited)--Continued

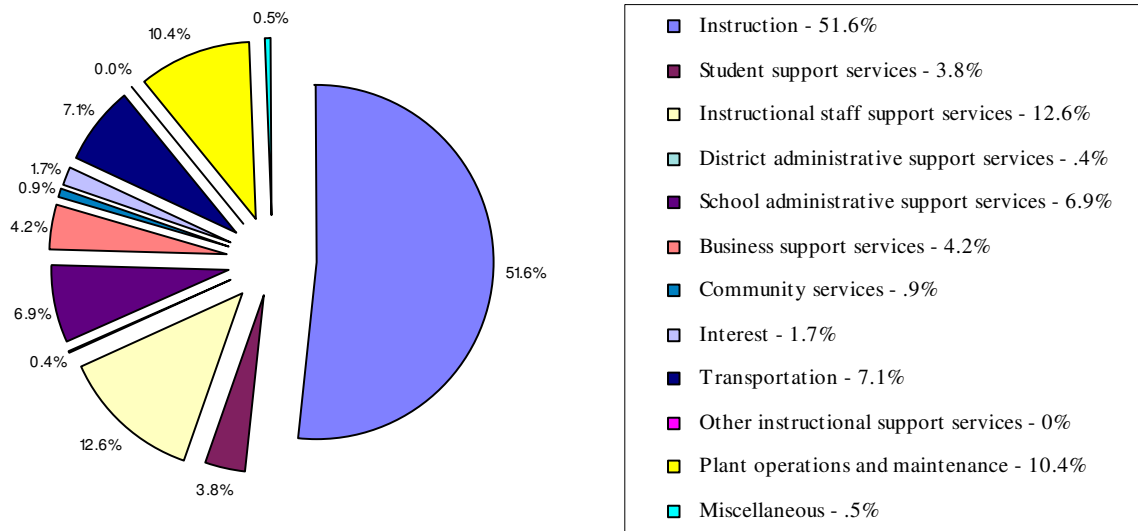
Jefferson County Board of Education

June 30, 2006

The following summary is a comparison of total District-wide expenditures for governmental activities:

| Expenditures | 2006 | 2005 | Change |
|--|----------------------|----------------------|---------------------|
| Instruction | \$493,082,823 | \$438,549,182 | \$54,533,641 |
| Student support services | 34,196,099 | 31,611,802 | 2,584,297 |
| Instructional staff support services | 102,337,492 | 90,658,246 | 11,679,246 |
| District administrative support services | 6,125,608 | 5,455,412 | 670,196 |
| School administrative support services | 62,783,662 | 57,352,788 | 5,430,874 |
| Business support services | 34,929,686 | 30,856,882 | 4,072,804 |
| Community services | 8,056,206 | 7,524,914 | 531,292 |
| Transportation | 62,658,644 | 65,876,930 | (3,218,286) |
| Plant operations and maintenance | 93,156,097 | 82,449,507 | 10,706,590 |
| Other instructional support services | 241,768 | 337,688 | (95,920) |
| Miscellaneous | 784,335 | 866,162 | (81,827) |
| Interest | 15,007,609 | 15,689,957 | (682,348) |
| Total Expenditures | \$913,360,029 | \$827,229,470 | \$86,130,559 |

Expenditure Categories



Jefferson County Board of Education

June 30, 2006

General Fund Budgetary Highlights and Future Budgetary Implications

The Board'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. In the Commonwealth of Kentucky, school districts are required to budget the prior year's fund balances in line items for both revenues and expenditures. General fund revenues exceeded budget by \$111.4 million, and expenditures exceeded budget by \$89.1 million. Both of these variances are due primarily to the receipt of other state revenues related to in-kind contributions and expenditures of said contributions for employee benefits that are not budgeted as mandated by the Kentucky Department of Education. As discussed further in the Local Economic Outlook section on page 12, the Board is located in one of the most resilient regions of the country. We anticipate our revenue stream remaining stable for the foreseeable future as we are on sound financial footing.

Capital Assets and Debt Administration

Capital Assets

At the end of June 30, 2006, the Board's investment in capital assets for its governmental and business-type activities was \$469.5 million, representing a decrease of \$12.8 million (net of depreciation), as shown in the following tables:

Governmental activities:

| | June 30, 2006 | June 30, 2005 | Percent Change |
|---|----------------|----------------|----------------|
| Land and improvements | \$ 53,712,592 | \$ 53,559,030 | 0.3% |
| Buildings and improvements * | 703,216,716 | 693,825,008 | 1.4% |
| Technology | 99,170,770 | 96,344,781 | 2.9% |
| Buses and vehicles * | 59,459,387 | 66,294,607 | -10.3% |
| Furniture, fixtures and other | 23,655,692 | 23,157,447 | 2.2% |
| Total | 939,215,157 | 933,180,873 | 0.6% |
| Less: accumulated depreciation | 507,579,998 | 488,633,412 | 3.9% |
| Governmental assets net of depreciation | \$ 431,635,159 | \$ 444,547,461 | -2.9% |

* Buildings and improvements increase of \$9.4 million can be attributed to Bloom Elementary renovation (\$6.9 million), constructing a new bus compound (\$1.3 million) and various roof replacements (\$1.2 million). Buses and vehicles decrease of \$6.8 million was the result, in part, of selling 182 school buses over 10 years old as part of a multi-year effort to modernize our fleet.

Management's Discussion and Analysis (Unaudited)--Continued

Jefferson County Board of Education

June 30, 2006

| Business-type activities: | <u>June 30, 2006</u> | <u>June 30, 2005</u> | <u>Percent Change</u> |
|---|-----------------------|-----------------------|-----------------------|
| Land and improvements | \$ 1,000,000 | \$ 1,000,000 | |
| Buildings and improvements | 40,813,329 | 40,228,173 | 1.5% |
| Technology | 987,794 | 997,400 | -1.0% |
| Buses and vehicles | 972,468 | 972,468 | |
| Furniture, fixtures and other | 22,616,071 | 21,993,941 | 2.8% |
| Total | 66,389,662 | 65,191,982 | 1.8% |
| Less: accumulated depreciation | 28,494,489 | 27,399,198 | 4.0% |
| Business-type assets net of depreciation | <u>\$ 37,895,173</u> | <u>\$ 37,792,784</u> | 0.3% |
| Total Capital Assets Governmental and Business-type activities | <u>\$ 469,530,332</u> | <u>\$ 482,340,245</u> | -2.7% |

A long-range facility plan is developed by Board facility personnel through evaluation of every building, identification of appropriate renovations and analysis of demographic census to determine future growth needs. All findings are shared with each school for review by staff, SBDM councils and PTA. Adjustments are made to the plan after the reviews.

The long-range facility plan provides a detail of the unmet needs for the Board for the next ten years. The plan is submitted to the Kentucky Department of Education for approval. At June 30, 2006, the unmet needs for the Board totaled an estimated cost of \$298 million.

Funding for these needs is typically provided from the General Fund, Construction Fund or through Bond issues. Bond issues are paid with Building Funds (local 5-cent property tax), State Capital Outlay funds at \$100 per student or the State Facility Construction Commission ("SFCC") 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 Board's capital assets can be found in Note E of this report.

Debt Service Fund

At year-end, the Board had approximately \$390.4 million in outstanding debt, compared to \$410.5 million last year. The Board continues to maintain favorable debt ratings from Moody's and Standard & Poor's.

Jefferson County Board of Education

June 30, 2006

Local Economic Outlook

The Jefferson County economy remains healthy and is generally part of one of the most resilient regional economies in America. Inherent strength can be found in the balance among the educational, health and social services, manufacturing, professional services, retail trade, tourism, insurance, and transportation sectors. Recently, the construction of the Muhammad Ali Center and Churchill Downs' largest expansion ever, were completed. Future economic growth has been announced with a planned expansion to UPS's Worldport Facility, construction of additional housing and condominiums constructed in Louisville's revitalized downtown, construction of a downtown arena, and construction of a high-rise office building, condominium and museum complex. Together, these new investments will bring over \$2.5 billion dollars to the local economy.

Jefferson County's central location, extensive transportation network and quality of life are factors in attracting and maintaining a healthy business community. In the past few years, the County has been declared #1 place to start and grow a business by *Entrepreneur* Magazine, #20 best place for business expansion by *Expansion Management* Magazine, and #15 top place to do business by *Inc.* Magazine. The City's average unemployment rate increased to 6.2 percent in 2005 from 5.2 percent in 2004, according to the US Department of Labor's Bureau of Labor Statistics. Metro Louisville approximates the state average of 6.1% in 2005. While the increasing unemployment is troubling, additional jobs are being created at UPS (5,000 new jobs), Humana, (1,100 new jobs), and the labor needed for the previously mentioned construction projects indicate that this data will improve.

Metro Louisville has many initiatives designed to increase the quality of life and stimulate the business environment. Having declared Louisville "the City of Parks," Metro Louisville has embarked on an initiative to encircle the city with a contiguous loop of hiking trails, and maintain its three Olmstead parks, 85-acre Waterfront Park and Jefferson Memorial Forest, the largest urban forest in the United States. Metro Louisville is also working to hire more police officers, and increase communication systems for its police, fire and emergency medical systems. Metro Louisville is assisting its fastest growing companies through Project High Impact, which assists these companies with various needs such as hiring, real estate, and incentives, and is working on numerous economic development, housing, library expansion, and drainage and maintenance projects.

Overall, with many local and national businesses expanding their footprint in Jefferson County and excellent quality of life, Jefferson County's stable economy is further improving.

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 Assets

Jefferson County Board of Education

June 30, 2006

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|-----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 145,692,633 | \$ 5,121,266 | \$ 150,813,899 |
| Investments | 10,005,220 | | 10,005,220 |
| Accounts and grants receivable from outside sources | 46,765,083 | 2,963,100 | 49,728,183 |
| Prepaid expenses | 2,781,250 | | 2,781,250 |
| Inventories | 6,155,699 | 1,685,783 | 7,841,482 |
| Capital assets, net of accumulated depreciation | 431,635,159 | 37,895,173 | 469,530,332 |
| Construction in progress | 31,027,888 | | 31,027,888 |
| Bond issuance costs | 1,743,798 | | 1,743,798 |
| Internal balances | 2,880,593 | (2,880,593) | - |
| Total Assets | 678,687,323 | 44,784,729 | 723,472,052 |
| Liabilities | | | |
| Accounts payable and accrued liabilities due to outside sources | 57,742,907 | 249,152 | 57,992,059 |
| Deferred revenue | 17,922,923 | | 17,922,923 |
| Accrued interest payable | 6,409,197 | | 6,409,197 |
| Estimated liability for workers' compensation benefits | 12,273,348 | | 12,273,348 |
| Accrued vacation pay | 6,632,673 | | 6,632,673 |
| Accrued sick leave | 30,238,000 | | 30,238,000 |
| School building revenue bonds | | | |
| Due within one year | 19,188,000 | 1,602,000 | 20,790,000 |
| Due in more than one year | 340,086,478 | 29,548,522 | 369,635,000 |
| Total Liabilities | 490,493,526 | 31,399,674 | 521,893,200 |
| Net Assets | | | |
| Invested in capital assets, net of related debt | 57,139,759 | 6,744,651 | 63,884,410 |
| Restricted for | | | |
| Capital projects and construction | 56,755,472 | | 56,755,472 |
| Other purposes | 23,992,806 | | 23,992,806 |
| Unrestricted | 50,305,760 | 6,640,404 | 56,946,164 |
| Total Net Assets | \$ 188,193,797 | \$ 13,385,055 | \$ 201,578,852 |

See Notes to Financial Statements

Statement of Activities

Jefferson County Board of Education

Year Ended June 30, 2006

| Functions/Programs | Total District-wide Expenses | Program Revenues | | Net (Expense) Revenue |
|--|------------------------------------|----------------------------|---------------------------------------|--------------------------|
| | | Charges for Services | Operating Grants and Contributions | |
| Governmental activities | | | | |
| Instruction | \$ 493,082,823 | \$ 1,576,413 | \$ 104,314,087 | \$ (387,192,323) |
| Student support services | 34,196,099 | | | (34,196,099) |
| Instructional staff support services | 102,337,492 | | | (102,337,492) |
| District administrative support services | 6,125,608 | | | (6,125,608) |
| School administrative support services | 62,783,662 | | | (62,783,662) |
| Business support services | 34,929,686 | | | (34,929,686) |
| Community services | 8,056,206 | | | (8,056,206) |
| Transportation | 62,658,644 | | | (62,658,644) |
| Plant operations and maintenance | 93,156,097 | | 8,042,453 | (85,113,644) |
| Other instructional support services | 241,768 | | | (241,768) |
| Other | 784,335 | | | (784,335) |
| Interest | 15,007,609 | | | (15,007,609) |
| Total governmental activities | 913,360,029 | 1,576,413 | 112,356,540 | (799,427,076) |
| Business-type activities | | | | |
| School food services | 39,037,601 | 11,667,458 | 25,867,544 | (1,502,599) |
| Adult education | 1,067,753 | 898,246 | | (169,507) |
| Tuition-based pre-school | 1,092,906 | 1,047,620 | | (45,286) |
| Total business-type activities | 41,198,260 | 13,613,324 | 25,867,544 | (1,717,392) |
| Total Activities | <u>\$ 954,558,289</u> | <u>\$ 15,189,737</u> | <u>\$ 138,224,084</u> | <u>\$ (801,144,468)</u> |
| | | | | |
| | | Governmental Activities | Business-Type Activities | Total |
| Changes in net assets | | | | |
| Net Expense | | \$ (799,427,076) | \$ (1,717,392) | \$ (801,144,468) |
| General revenues | | | | |
| Taxes | | | | |
| Property taxes | | 278,229,137 | | 278,229,137 |
| Occupational taxes | | 106,235,305 | | 106,235,305 |
| Other taxes | | 40,667,124 | | 40,667,124 |
| State sources | | | | |
| SEEK program | | 238,068,370 | | 238,068,370 |
| Other state revenues and grants | | 154,792,792 | | 154,792,792 |
| Interest and investment earnings | | 6,860,125 | 277,522 | 7,137,647 |
| District support | | | 2,980,131 | 2,980,131 |
| Miscellaneous | | 8,462,185 | 65,532 | 8,527,717 |
| Total general revenues | | 833,315,038 | 3,323,185 | 836,638,223 |
| Change in net assets | | 33,887,962 | 1,605,793 | 35,493,755 |
| Net assets, beginning of year, as restated | | 154,305,835 | 11,779,262 | 166,085,097 |
| Net assets, end of year | | <u>\$ 188,193,797</u> | <u>\$ 13,385,055</u> | <u>\$ 201,578,852</u> |

See Notes to Financial Statements

Balance Sheet - Governmental Funds

Jefferson County Board of Education

June 30, 2006

| | General Fund | Grants & Awards Fund | Construction Fund | Total Nonmajor Governmental Funds | Total Governmental Funds |
|---|-----------------------|----------------------------|----------------------|---|--------------------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 135,342,023 | | \$ 10,120,304 | \$ 230,306 | \$ 145,692,633 |
| Investments | 10,042,720 | | | | 10,042,720 |
| Accounts and grants receivable from outside sources | 19,879,475 | \$ 26,415,995 | 469,613 | | 46,765,083 |
| Prepaid expenditures | 2,781,250 | | | | 2,781,250 |
| Inventories | 6,155,699 | | | | 6,155,699 |
| Due from other funds | 35,505,921 | 21,372,532 | 56,315,392 | | 113,193,845 |
| Total Assets | \$ 209,707,088 | \$ 47,788,527 | \$ 66,905,309 | \$ 230,306 | \$ 324,631,230 |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities due to outside sources | \$ 48,269,993 | \$ 3,455,049 | \$ 5,192,725 | | \$ 56,917,767 |
| Due to other funds | 79,770,725 | 26,410,555 | 4,957,112 | | 111,138,392 |
| Deferred revenue | | 17,922,923 | | | 17,922,923 |
| Estimated liability for workers' compensation benefits | 7,560,610 | | | | 7,560,610 |
| Total Liabilities | 135,601,328 | 47,788,527 | 10,149,837 | | 193,539,692 |

Continued

Balance Sheet - Governmental Funds--Continued

Jefferson County Board of Education

June 30, 2006

| | General Fund | Grants & Awards Fund | Construction Fund | Total Nonmajor Governmental Funds | Total Governmental Funds |
|--|-----------------------|-------------------------|----------------------|---|--------------------------------|
| Fund Balances | | | | | |
| Reserved for: | | | | | |
| Encumbrances | 7,392,350 | | 24,923,984 | | 32,316,334 |
| Inventories | 6,155,699 | | | | 6,155,699 |
| State mandated reserve | 23,800,000 | | | | 23,800,000 |
| Unreserved, designated | | | 31,831,488 | \$ 230,306 | 32,061,794 |
| Unreserved | 36,757,711 | | | | 36,757,711 |
| Total Fund Balances | <u>74,105,760</u> | | <u>56,755,472</u> | <u>230,306</u> | <u>131,091,538</u> |
| Total Liabilities and Fund Balances | <u>\$ 209,707,088</u> | <u>\$ 47,788,527</u> | <u>\$ 66,905,309</u> | <u>\$ 230,306</u> | <u>\$ 324,631,230</u> |

Reconciliation of Total Governmental Fund Balance to Net Assets of Governmental Activities

| | |
|----------------------------------|----------------|
| Total Governmental Fund Balances | \$ 131,091,538 |
|----------------------------------|----------------|

Amounts reported for governmental activities in the statement of net assets are different because:

| | |
|---|-------------|
| Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements. | 464,406,845 |
|---|-------------|

| | |
|--|----------|
| Investments are adjusted for unrealized losses | (37,500) |
|--|----------|

| | |
|---|---------------|
| Long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported in the fund financial statements | (407,267,086) |
|---|---------------|

| | |
|--|-----------------------|
| Net Assets of Governmental Activities | <u>\$ 188,193,797</u> |
|--|-----------------------|

See Notes to Financial Statements

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

Jefferson County Board of Education

Year Ended June 30, 2006

| | General Fund | Grants & Awards Fund | Construction Fund | Total Nonmajor Governmental Funds | Total Governmental Funds |
|---|--------------------|----------------------------|----------------------|---|--------------------------------|
| Revenues | | | | | |
| Local sources | | | | | |
| Property taxes | \$ 238,613,011 | | | \$ 39,616,126 | \$ 278,229,137 |
| Occupational taxes | 106,235,305 | | | | 106,235,305 |
| Other taxes | 34,471,199 | | | 6,195,925 | 40,667,124 |
| State sources | | | | | |
| SEEK program | 229,811,280 | | | 8,257,090 | 238,068,370 |
| Other state revenues | 116,905,053 | \$ 37,887,739 | | | 154,792,792 |
| KSFCC allocation | | | | 8,042,453 | 8,042,453 |
| Grants (principally United States government and local agencies) | | 105,890,500 | | | 105,890,500 |
| Interest | 5,485,062 | 387,993 | \$ 1,018,099 | 6,471 | 6,897,625 |
| Other sources | 7,229,848 | 513,637 | 17,700 | 332,075 | 8,093,260 |
| Total Revenues | 738,750,758 | 144,679,869 | 1,035,799 | 62,450,140 | 946,916,566 |
| Expenditures | | | | | |
| Instruction | 392,187,374 | 72,837,054 | | | 465,024,428 |
| Student support services | 30,811,071 | 3,325,857 | | | 34,136,928 |
| Instructional staff support services | 44,339,412 | 53,852,232 | | | 98,191,644 |
| District administrative support services | 4,022,664 | 45,079 | | | 4,067,743 |
| School administrative support services | 62,487,251 | 231,578 | | | 62,718,829 |
| Business support services | 31,297,071 | 2,575,662 | | | 33,872,733 |
| Community services | 300,888 | 7,665,493 | | | 7,966,381 |
| Transportation | 51,690,887 | 4,238,142 | | | 55,929,029 |
| Plant operations and maintenance | 92,041,111 | 83,869 | | | 92,124,980 |
| Other instructional support services | | 241,768 | | | 241,768 |
| Building renovations | 7,027,585 | 23,244 | 24,995,148 | 1,584,542 | 33,630,519 |
| Other | | 538,435 | 122,371 | | 660,806 |
| Debt service | | | | | |
| Principal | | | | 18,857,012 | 18,857,012 |
| Interest | | | | 15,240,661 | 15,240,661 |
| Total Expenditures | 716,205,314 | 145,658,413 | 25,117,519 | 35,682,215 | 922,663,461 |

Continued

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

Jefferson County Board of Education

Year Ended June 30, 2006

| | General Fund | Grants & Awards Fund | Construction Fund | Total Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|----------------------------|----------------------|---|--------------------------------|
| Revenues in Excess of (Less Than) Expenditures | 22,545,444 | (978,544) | (24,081,720) | 26,767,925 | 24,253,105 |
| Other Financing Sources (Uses) | | | | | |
| Proceeds from sale of property | | | 368,925 | | 368,925 |
| Transfers to other fund types | (94,508) | | | (2,886,123) | (2,980,631) |
| Operating transfers in | 420,977 | 1,297,644 | 26,145,916 | 32,017,205 | 59,881,742 |
| Operating transfers out | (1,297,644) | (319,100) | (2,402,640) | (55,862,358) | (59,881,742) |
| Total Other Financing Sources (Uses) | <u>(971,175)</u> | <u>978,544</u> | <u>24,112,201</u> | <u>(26,731,276)</u> | <u>(2,611,706)</u> |
| Net Change in Fund Balances | 21,574,269 | | 30,481 | 36,649 | 21,641,399 |
| Fund Balances, Beginning of Year | <u>52,531,491</u> | | <u>56,724,991</u> | <u>193,657</u> | <u>109,450,139</u> |
| Fund Balances, End of Year | <u>\$ 74,105,760</u> | <u>\$</u> | <u>\$ 56,755,472</u> | <u>\$ 230,306</u> | <u>\$ 131,091,538</u> |

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of Governmental Funds to the Statement of Activities**

Net Change in Fund Balances - Total Governmental Funds \$ 21,641,399

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period (5,128,637)

Investments are adjusted for unrealized losses (37,500)

Repayment of bonds is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets 18,857,012

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds (1,444,312)

Change in Net Assets of Governmental Activities \$ 33,887,962

See Notes to the Financial Statements

Statement of Net Assets - Proprietary Funds

Jefferson County Board of Education

June 30, 2006

| | Enterprise Funds | | | |
|--|-------------------------|--------------------|-----------------------|---------------|
| | School Food Services | Adult Education | Tuition Pre-School | Total |
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | \$ 4,494,318 | \$ 626,948 | | \$ 5,121,266 |
| Accounts and grants receivable from outside sources | 2,963,046 | 54 | | 2,963,100 |
| Inventories | 1,685,783 | | | 1,685,783 |
| Due from other funds | 11,704 | | \$ 748,654 | 760,358 |
| Total Current Assets | 9,154,851 | 627,002 | 748,654 | 10,530,507 |
| Capital Assets, net of accumulated depreciation | 37,655,484 | 239,689 | | 37,895,173 |
| Total Assets | 46,810,335 | 866,691 | 748,654 | 48,425,680 |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts payable and accrued liabilities due to outside sources | 227,649 | 21,398 | 105 | 249,152 |
| Due to other funds | 2,747,024 | 261,768 | 632,159 | 3,640,951 |
| Current maturities of school building revenue bonds | 1,602,000 | | | 1,602,000 |
| Total Current Liabilities | 4,576,673 | 283,166 | 632,264 | 5,492,103 |
| School building revenue bonds | 29,548,522 | | | 29,548,522 |
| Total Liabilities | 34,125,195 | 283,166 | 632,264 | 35,040,625 |
| Net Assets | | | | |
| Invested in capital assets, net of related debt | 6,504,962 | 239,689 | | 6,744,651 |
| Unrestricted | 6,180,178 | 343,836 | 116,390 | 6,640,404 |
| Total Net Assets | \$ 12,685,140 | \$ 583,525 | \$ 116,390 | \$ 13,385,055 |

See Notes to Financial Statements

Statement of Revenues, Expenses and Changes in
Net Assets - Proprietary Funds

Jefferson County Board of Education

Year Ended June 30, 2006

| | Enterprise Funds | | | |
|---|-------------------------|--------------------|-----------------------|----------------------|
| | School Food Services | Adult Education | Tuition Pre-School | Total |
| Operating Revenues | | | | |
| Lunchroom sales | \$ 11,667,458 | | | \$ 11,667,458 |
| Tuition | | \$ 898,246 | \$ 1,047,620 | 1,945,866 |
| Total Operating Revenues | 11,667,458 | 898,246 | 1,047,620 | 13,613,324 |
| Operating Expenses | | | | |
| Salaries and personnel services | 14,653,235 | 707,141 | 948,965 | 16,309,341 |
| Employee benefits | 3,033,943 | 48,375 | 136,462 | 3,218,780 |
| Purchased property services | 730,520 | 250 | | 730,770 |
| Other purchased services | 477,856 | 162,156 | 1,622 | 641,634 |
| Supplies and materials | 14,987,271 | 55,975 | 5,857 | 15,049,103 |
| Property | 558,932 | | | 558,932 |
| Miscellaneous | 84,084 | 6,948 | | 91,032 |
| Depreciation | 2,159,358 | 86,908 | | 2,246,266 |
| Other | 41,050 | | | 41,050 |
| Total Operating Expenses | 36,726,249 | 1,067,753 | 1,092,906 | 38,886,908 |
| Loss From Operations | (25,058,791) | (169,507) | (45,286) | (25,273,584) |
| Non-Operating Revenues (Expenses) | | | | |
| Federal grants | 23,638,849 | | | 23,638,849 |
| State grants | 443,012 | | | 443,012 |
| Donated commodities | 1,785,683 | | | 1,785,683 |
| District support | 2,985,131 | (5,000) | | 2,980,131 |
| Interest income | 251,798 | 25,724 | | 277,522 |
| Interest expense | (2,311,352) | | | (2,311,352) |
| Miscellaneous | 65,532 | | | 65,532 |
| Total Non-Operating Revenues (Expenses) | 26,858,653 | 20,724 | | 26,879,377 |
| Change in Net Assets | 1,799,862 | (148,783) | (45,286) | 1,605,793 |
| Net Assets, Beginning of Year, as restated | 10,885,278 | 732,308 | 161,676 | 11,779,262 |
| Net Assets, End of Year | <u>\$ 12,685,140</u> | <u>\$ 583,525</u> | <u>\$ 116,390</u> | <u>\$ 13,385,055</u> |

See Notes to Financial Statements

Statement of Cash Flows - Proprietary Funds

Jefferson County Board of Education

Year Ended June 30, 2006

| | Enterprise Funds | | | |
|--|-------------------------|--------------------|-----------------------|---------------------|
| | School Food Services | Adult Education | Tuition Pre-School | Totals |
| Cash Flows From Operating Activities | | | | |
| Cash received from customers | \$ 13,918,584 | \$ 898,192 | \$ 1,432,326 | \$ 16,249,102 |
| Cash paid to suppliers | (16,487,507) | (296,918) | (346,899) | (17,131,324) |
| Cash paid to employees | (17,687,178) | (755,516) | (1,085,427) | (19,528,121) |
| Cash paid for other expenses | (125,134) | (6,948) | | (132,082) |
| Net Cash Provided by (Used in) Operating Activities | (20,381,235) | (161,190) | | (20,542,425) |
| Cash Flows From Capital and Related Financing Activities | | | | |
| Additions to property and equipment | (2,564,689) | | | (2,564,689) |
| Disposals of property and equipment | 281,566 | | | 281,566 |
| District support | 2,985,131 | (5,000) | | 2,980,131 |
| Interest paid, net | (2,059,554) | 25,724 | | (2,033,830) |
| Payments of school building revenue bonds | (1,217,988) | | | (1,217,988) |
| Net Cash Provided By (Used in) Capital and Related Financing Activities | (2,575,534) | 20,724 | | (2,554,810) |
| Cash Flows from Noncapital Financing Activities | | | | |
| Cash received for operational grants | 24,081,861 | | | 24,081,861 |
| Increase (Decrease) in Cash and Cash Equivalents | 1,125,092 | (140,466) | | 984,626 |
| Cash and Cash Equivalents, Beginning of Year | 3,369,226 | 767,414 | | 4,136,640 |
| Cash and Cash Equivalents, End of Year | <u>\$ 4,494,318</u> | <u>\$ 626,948</u> | <u>\$</u> | <u>\$ 5,121,266</u> |

Continued

Statement of Cash Flows - Proprietary Funds--Continued

Jefferson County Board of Education

Year Ended June 30, 2006

| | Enterprise Funds | | | |
|--|-------------------------|---------------------|-----------------------|------------------------|
| | School Food Services | Adult Education | Tuition Pre-School | Totals |
| Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities | | | | |
| Loss from operations | \$ (25,058,791) | \$ (169,507) | \$ (45,286) | \$ (25,273,584) |
| Adjustments to reconcile loss from operations to cash provided by (used in) operating activities: | | | | |
| Depreciation | 2,159,358 | 86,908 | | 2,246,266 |
| Donated commodities used in operations | 1,785,683 | | | 1,785,683 |
| Change in accounts and grants receivable | (338,508) | (54) | 11,466 | (327,096) |
| Change in amounts due from other funds | 2,589,634 | | 373,240 | 2,962,874 |
| Change in inventories | 189,664 | | | 189,664 |
| Change in amounts due to other funds | (1,810,776) | (97,438) | (338,853) | (2,247,067) |
| Change in accounts payable and accrued liabilities | 102,501 | 18,901 | (567) | 120,835 |
| Net Cash Provided by (Used in) Operating Activities | <u>\$ (20,381,235)</u> | <u>\$ (161,190)</u> | <u>\$</u> | <u>\$ (20,542,425)</u> |

Summary of Noncash Financing Activity

During the year, the Board received \$1,785,683 of food commodities from the United States Department of Agriculture.

See Notes to the Financial Statements

Statement of Net Assets - Fiduciary Funds and Statement of Changes in Net Assets
- Fiduciary Funds

Jefferson County Board of Education

June 30, 2006

| | Total Trust Funds | Total Agency Funds |
|--|-------------------------|--------------------------|
| Assets | | |
| Cash and cash equivalents | | \$ 4,324,051 |
| Investments | | 1,463,575 |
| Accounts and grants receivable from outside sources | | 119,982 |
| Inventories | | 401,189 |
| Due from other funds | \$ 502,774 | 819,669 |
| | <u>502,774</u> | <u>819,669</u> |
| Total Assets | <u>502,774</u> | <u>\$ 7,128,466</u> |
| Liabilities | | |
| Accounts payable and accrued liabilities due to outside sources | | \$ 345,127 |
| Due to other funds | | 497,303 |
| Due to student groups | | 6,286,036 |
| | | <u>6,286,036</u> |
| Total Liabilities | | <u>\$ 7,128,466</u> |
| Net Assets | | |
| Held in trust for private purpose | \$ 502,774 | |
| | <u>502,774</u> | |

Statement of Changes in Fiduciary Net Assets

| | |
|--------------------------------|-------------------|
| Additions | |
| Trustee contributions | \$ 113,576 |
| Interest | 740 |
| | <u>114,316</u> |
| Deductions | |
| Student support services | <u>43,743</u> |
| Net increase | 70,573 |
| Net Assets, Beginning of Year | <u>432,201</u> |
| Net Assets, End of Year | <u>\$ 502,774</u> |

See Notes to Financial Statements

Notes to Financial Statements

Jefferson County Board of Education

June 30, 2006

Note A--Reporting Entity

The Jefferson County Board of Education (the "Board") is established under and governed by the Kentucky School Laws and maintains a system of schools primarily for kindergarten through twelfth grade, but also including pre-school, vocational and adult education. The Board 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 over which the Board exercises oversight responsibility, including the Jefferson County School District Finance Corporation (the "Corporation"), a non-stock, not-for-profit corporation. The Corporation was created to act as an agency in the acquisition and financing of any capital project which may be undertaken by the Board. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters. Accounts of the Corporation are included in the financial statements as a capital projects fund.

The Board 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.

Note B--Summary of Significant Accounting Policies

The financial statements of the Board have been prepared in conformity with generally accepted accounting principles ("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.

The Board has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board ("FASB") pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989 to its proprietary funds and fiduciary funds, unless those pronouncements conflict with or contradict GASB pronouncements.

Continued

Jefferson County Board of Education

June 30, 2006

Note B--Summary of Significant Accounting Policies--Continued

The following is a summary of the significant accounting policies:

District-wide and Fund Financial Statements--The District-wide financial statements (the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements report information on all the activities of the Board, except for the fiduciary funds. For the most part, the doubling-up effect of interfund 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 Board 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 funds are reported as separate columns in the fund financial statements.

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 and fiduciary 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 Board considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and workers' compensation claims, are recorded only when payment is due.

Continued

Jefferson County Board of Education

June 30, 2006

Note B--Summary of Significant Accounting Policies--Continued

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.

The Board reports deferred revenue on its District-wide Statement of Net Assets and fund financial statements. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Board before it has a legal claim to them, as when grant moneys are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Board has a legal claim to the resources, the liability for deferred revenue is removed from the District-wide Statement of Net Assets and fund financial statements, and revenue is recognized.

Funds are classified into three categories: governmental, proprietary and fiduciary.

The Board reports the following major governmental funds:

The General Fund is the Board'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 44.9% of the General Fund revenues, while the Support Education Excellence in Kentucky ("SEEK") program accounts for 25.1 % of General Fund revenues. SEEK is a program that began in 1990 as the result of the Kentucky Education Reform Act ("KERA"), and is basically the method by which state funding is obtained.

The Grants and Awards Fund is another 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 Board are to be used at the discretion of the Board for future construction projects. Last, any funds remaining in the Capital Outlay and Building Funds at the end of the year are escrowed to pay for categorical priorities listed in the Long-Range Facility Plan, discussed on page 11 of the MD&A.

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 Board reports as a major proprietary fund the School and Community Nutrition Services ("Food") Program which provides certain food preparation at the Nutrition Center and serves breakfast and lunch at schools throughout Jefferson County.

Fiduciary funds are used to account for assets held on behalf of outside parties or on behalf of other funds within the Board. This fund consists of trust funds for various scholarship programs administered by the Board on behalf of the third-party donors, and agency funds held on behalf of student organizations and segregated among elementary schools, middle schools and high schools.

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note B--Summary of Significant Accounting Policies--Continued

Cash and Cash Equivalents--The Board 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. The School 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. Department of Agriculture.

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, 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 Assets. The Board maintains a record of its capital assets, and those with a cost of \$1,000 or more are capitalized. Additions to capital assets are recorded at cost and depreciated using the straight-line method. The Board has elected not to capitalize interest on debt used to finance buildings.

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 |

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note B--Summary of Significant Accounting Policies--Continued

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, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

Fund Balance--In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. It is the Board's practice to liquidate restricted or reserved fund balances prior to unreserved or unrestricted funds.

Encumbrances are reported as a reservation of fund balance. 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. A reservation of fund balance equal to outstanding encumbrances at year-end is provided for at June 30, 2006, in the governmental funds balance sheet.

Inventories are reported as a reservation of fund balance since inventories are not easily liquidated.

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.

Budgetary Principles--The Superintendent must submit the proposed budget for all funds other than school-based activity funds (Agency Funds) to members of the Board each year. The Board 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 specific other funds. This budgetary data is prepared on the modified accrual basis of accounting. 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.

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note B--Summary of Significant Accounting Policies--Continued

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 Board 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 made in some instances from a fund that does not have the legal liability for the expenditure, thus a payable from the fund having the legal liability is established at such time. All interfund receivables and payables, other than those between governmental and fiduciary funds, have been eliminated on the District-wide Statement of Net Assets.

| | <u>Due from other Funds Reported in General Fund</u> | <u>Due to other Funds Reported in General Fund</u> |
|----------------------|---|---|
| Special Revenue Fund | \$ 26,410,555 | \$ 21,372,532 |
| Construction Fund | 4,957,112 | 56,315,392 |
| Enterprise Funds | 3,640,951 | 760,358 |
| Trust & Agency Funds | <u>497,303</u> | <u>1,322,443</u> |
| | <u>\$ 35,505,921</u> | <u>\$ 79,770,725</u> |

Continued

Jefferson County Board of Education

June 30, 2006

Note C--Cash, Cash Equivalents and Investments

In March 2003, the GASB issued Statement No. 40, *Deposits and Investment Risk Disclosures*, which is effective for periods beginning after June 15, 2004. Accordingly, the Board has adopted Statement No. 40 for the fiscal year ended June 30, 2006. Risk disclosure in previous financial statements under the provisions of GASB No. 3, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements) and Reverse Repurchase Agreements*, focused only on custodial risk. GASB Statement No. 40 not only addresses custodial credit risk, but other common areas of investment risk as well (e.g. interest rate risk, credit risk, and concentration of credit risk).

Statutes authorize the Board to invest in the following:

- a. Obligations of the United States and of its agencies and instrumentalities repurchase agreements, and specially approved AAA rated corporate bonds;
- b. Bonds or certificates of indebtedness of the Commonwealth of Kentucky and of its agencies and municipalities;
- c. Any savings and loan associations insured by an agency of the United States up to the amount insured;
- d. 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.

The Board's deposits are maintained in six designated financial institutions. Deposits at all these financial institutions are entirely insured by federal depository insurance or by collateral held by the financial institutions in the Board's name. During the year, the Board 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 Board's name.

Investments consist of certificates of deposit and U.S. Government agency securities. The certificates of deposit are held by management in the Governmental Funds and by various schools' activity funds in the Fiduciary Funds. These are held at several financial institutes located in Jefferson County, Kentucky, and have various rates of interest and maturity dates greater than ninety days. Such investments are stated at cost, which approximates their market value. These investments are covered by depositor insurance or by collateral held by the financial institutions in the Board's name. The U.S. Government Securities also have maturities greater than ninety days and their value has been adjusted to the market value for these securities on the Statement of Net Assets.

Financial instruments which potentially subject the Board to concentrations of credit risk consist principally of temporary cash investments, taxes receivable and receivables from federal and state governments.

Continued

Jefferson County Board of Education

June 30, 2006

Note C--Cash, Cash Equivalents and Investments

As of June 30, 2006, the Board had the following investments:

| <u>Fund Type</u> | <u>Investment Type</u> | <u>Fair Value</u> | <u>Moody's Rating</u> | <u>Weighted Average Maturity in Years</u> |
|------------------|--|----------------------|---------------------------|---|
| Governmental | Federal Home Loan Mortgage Corporation Note | \$ 9,962,500 | Aaa | 0.25 |
| Governmental | Certificates of Deposit | 42,720 | | 0.06 |
| Agency | Certificates of Deposit | <u>1,463,575</u> | | 1.51 |
| | | <u>\$ 11,468,795</u> | | |

GASB No 40, *Deposits and Investment Risk Disclosures*, requires the Board to address the following risks related to its investments:

Credit Risk--Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. More specifically, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Board 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 Board are insured or collateralized with securities held by the Board or by the financial institution in the Board's name.

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 Board manages its exposure to declines in fair value by purchasing a combination of cash holdings, shorter-term, and longer-term investments.

Concentration of Credit Risk--The Board's investment policy places no limit on the amount the Board may invest with any one issuer; however, all holdings must be collateralized with securities held in the Board's name.

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note D--Receivables

The Board recognizes revenues as receivable when they are measurable and receipt is certain. Concentration of credit risk with respect to the receivables from federal and state governments is limited due to the historical stability of those institutions. While the Board receives revenues from many different 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 | \$ 6,862,251 | \$ 978,671 | \$ 7,840,922 |
| Taxes receivable | 13,486,837 | | 13,486,837 |
| Grants receivable | 26,415,995 | 1,984,429 | 28,400,424 |
| | <u>\$ 46,765,083</u> | <u>\$ 2,963,100</u> | <u>\$ 49,728,183</u> |

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 Board's property tax calendar:

| <u>Date</u> | <u>Event</u> |
|----------------------------|---|
| 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 |

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 Board. Board property tax revenues are recognized when levied to the extent that they result in current receivables.

Although the Board 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.

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note E--Capital Assets

Activity in capital assets during the year ended June 30, 2006 consisted of the following:

| | Balance July 1, 2005 As Restated | Additions | Dispositions | Balance June 30, 2006 |
|-----------------------------------|--|------------------------|---------------------|--------------------------|
| Governmental Activities | | | | |
| Land and land improvements | \$ 53,559,030 | \$ 536,623 | \$ 383,061 | \$ 53,712,592 |
| Buildings & building improvements | 693,825,008 | 10,619,262 | 1,227,554 | 703,216,716 |
| Technology | 96,344,781 | 8,115,171 | 5,289,182 | 99,170,770 |
| Vehicles | 66,294,607 | 1,316,823 | 8,152,043 | 59,459,387 |
| General Equipment | 23,157,447 | 1,203,722 | 705,477 | 23,655,692 |
| | 933,180,873 | 21,791,601 | 15,757,317 | 939,215,157 |
| Less accumulated depreciation | 488,633,412 | 33,525,599 | 14,579,013 | 507,579,998 |
| | <u>\$ 444,547,461</u> | <u>\$ (11,733,998)</u> | <u>\$ 1,178,304</u> | <u>\$ 431,635,159</u> |
| | | | | |
| | Balance July 1, 2005 As Restated | Additions | Dispositions | Balance June 30, 2006 |
| Business-type Activities | | | | |
| Land and land improvements | \$ 1,000,000 | | | \$ 1,000,000 |
| Buildings & building improvements | 40,228,173 | \$ 622,950 | \$ 37,794 | 40,813,329 |
| Technology | 997,400 | 27,037 | 36,643 | 987,794 |
| Vehicles | 972,468 | | | 972,468 |
| General Equipment | 21,993,941 | 1,914,702 | 1,292,572 | 22,616,071 |
| | 65,191,982 | 2,564,689 | 1,367,009 | 66,389,662 |
| Less accumulated depreciation | 27,399,198 | 2,246,266 | 1,150,975 | 28,494,489 |
| | <u>\$ 37,792,784</u> | <u>\$ 318,423</u> | <u>\$ 216,034</u> | <u>\$ 37,895,173</u> |

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note E--Capital Assets--Continued

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

| | |
|--|---------------|
| Instruction | \$ 26,588,369 |
| Student Support Services | 441 |
| Staff Support Services | 3,401 |
| District Administrative Support Services | 2,048,350 |
| Business Support Services | 52,799 |
| Plant Operation and Maintenance | 220,744 |
| Student Transportation | 4,536,193 |
| Community Service Operations | 75,302 |
| | <hr/> |
| | \$ 33,525,599 |
| | <hr/> |

Note F--Long-Term Liabilities

School Building Revenue Bonds

| | | |
|------|---|--------------|
| 1994 | Series B, interest rates ranging from 4.85% to 4.875%, principal and interest payable semiannually on March 1 and September 1, with maturities through 2009 | \$ 3,300,000 |
| 1998 | Series A, interest rates ranging from 4.35% to 5.0%, principal and interest payable semiannually on February 1 and August 1, with maturities through 2018 | 10,190,000 |
| 1998 | Series B, interest rates ranging from 4.35% to 4.5%, principal and interest payable semiannually on February 1 and August 1, with maturities through 2011 | 7,935,000 |
| 1998 | Series C, interest rate of 4.5%, principal and interest payable semiannually on February 1 and August 1, with maturities through 2019 | 46,130,000 |
| 1999 | Series A, interest rates ranging from 5.0% to 5.25%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2019 | 40,485,000 |
| 1999 | Series B, interest rates ranging from 5.0% to 5.25%, principal and interest payable semiannually on June 1 and December 1, with maturities through 2019 | 14,005,000 |
| 2000 | Series A, interest rates ranging from 5.125% to 5.25%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2020 | 31,715,000 |

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note F--Long Term Liabilities --Continued

| | | |
|------|--|-----------------------|
| 2001 | Series 2000 QZAB, non-interest bearing and full bond liability due at maturity in September 2012 | 5,500,000 |
| 2001 | Series A, interest rates ranging from 4.0% to 5.0%, principal and interest payable semiannually on April 1 and October 1, with maturities through 2021 | 15,315,000 |
| 2001 | Series B, interest rates ranging from 4.25% to 4.5%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2013 | 9,545,000 |
| 2002 | Series A, interest rates ranging from 4.8% to 5.5%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2022 | 34,910,000 |
| 2002 | Series B, interest rates ranging from 3.200% to 4.75%, principal and interest payable semiannually on December 1 and June 1, with maturities through 2022 | 23,090,000 |
| 2003 | Series A, interest rates ranging from 3.0% to 3.5%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2015 | 44,140,000 |
| 2004 | Series A, interest rates ranging from 2.0% to 4.5%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2024 | 28,270,000 |
| 2004 | Series B, interest rates ranging from 3.0% to 4.0%, principal and interest payable semiannually on May 1 and November 1, with maturities through 2016 | 34,950,000 |
| 2004 | Series C, interest rates ranging from 2.125% to 4.375%, principal and interest payable semiannually on March 1 and September 1, with maturities through 2024 | 19,855,000 |
| 2005 | Series A, interest rates ranging from 3.5% to 4.375%, principal and interest payable semiannually on June 1 and December 1, with maturities through 2025 | 21,090,000 |
| | | <u>\$ 390,425,000</u> |

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note F--Long-Term Liabilities--Continued

Bonds outstanding as of June 30, 2006, are reported in the accompanying District-wide Statement of Net Assets as follows:

| | <u>Current</u> | <u>Long-Term</u> | <u>Total</u> |
|--------------------------|----------------------|-----------------------|-----------------------|
| Governmental activities | \$ 19,188,000 | \$ 340,086,478 | \$ 359,274,478 |
| Business-type activities | <u>1,602,000</u> | <u>29,548,522</u> | <u>31,150,522</u> |
| | <u>\$ 20,790,000</u> | <u>\$ 369,635,000</u> | <u>\$ 390,425,000</u> |

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:

| | |
|---------------|----------------|
| 1998 Series A | February 2008 |
| 1998 Series B | February 2008 |
| 1998 Series C | February 2009 |
| 1999 Series A | July 2009 |
| 1999 Series B | July 2009 |
| 2000 Series A | January 2010 |
| 2001 Series A | April 2011 |
| 2001 Series B | July 2011 |
| 2002 Series B | June 2012 |
| 2003 Series A | January 2013 |
| 2004 Series A | January 2014 |
| 2004 Series B | May 2014 |
| 2004 Series C | September 2014 |
| 2005 Series A | June 2015 |

In connection with most of the above listed bond issues, the Board 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. Approval has been received for the biennial fiscal period ended June 30, 2006. Should approval not be received in future periods, the Board remains obligated for the full amount of the bond principal and interest payments.

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note F--Long-Term Liabilities--Continued

Assuming no issues are called prior to scheduled maturity and continued Commission participation, the minimum obligations of the Board at June 30, 2006 for debt service are as follows:

| Year Ending June 30 | Principal | Interest | Total Repayments | Less: Commission Participation | Net Repayments |
|------------------------|-----------------------|-----------------------|-----------------------|--------------------------------------|-----------------------|
| 2007 | \$ 20,790,000 | \$ 16,847,320 | \$ 37,637,320 | \$ 8,042,301 | \$ 29,595,019 |
| 2008 | 23,045,000 | 16,116,933 | 39,161,933 | 8,044,927 | 31,117,006 |
| 2009 | 23,915,000 | 15,196,224 | 39,111,224 | 8,050,082 | 31,061,142 |
| 2010 | 24,765,000 | 14,227,155 | 38,992,155 | 8,045,590 | 30,946,565 |
| 2011 | 22,760,000 | 13,236,573 | 35,996,573 | 5,457,371 | 30,539,202 |
| 2012-2016 | 129,930,000 | 50,891,537 | 180,821,537 | 25,047,182 | 155,774,355 |
| 2017-2021 | 106,500,000 | 22,934,611 | 129,434,611 | 20,548,441 | 108,886,170 |
| 2022-2025 | 38,720,000 | 3,329,076 | 42,049,076 | 5,689,417 | 36,359,659 |
| | <u>\$ 390,425,000</u> | <u>\$ 152,779,429</u> | <u>\$ 543,204,429</u> | <u>\$ 88,925,311</u> | <u>\$ 454,279,118</u> |

The bonds payable are collateralized by the educational facilities constructed by the Board with bond proceeds.

The Board issued refunding bonds to defease certain outstanding bonds, for the purpose of consolidation and to achieve debt service savings. The proceeds were used to purchase U.S. government securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. Accordingly, the trust assets and liabilities for all defeased bonds are not included in the accompanying District-wide Statement of Net Assets or governmental funds Balance Sheet.

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. As of June 30, 2006, the outstanding principal amount of indebtedness that is considered to be extinguished under "in substance defeasance" and therefore excluded from the financial statements was \$15,390,000.

Qualified Zone Academy Bond--On September 28, 2000, the Board issued \$5,500,000 in Special Obligations School Financing Bond Series 2000 as a Qualified Zone Academy Bond ("QZAB") pursuant to Section 1297E of the Internal Revenue Code, to finance capital projects for public schools.

The Board makes semi-annual payments in the amount of \$132,640 to an escrow account at a local bank. Such payments will be held in trust and invested at an interest rate of 5.0% in accordance with the funding agreement. The final semi-annual payment is due September 28, 2012, at which time the QZAB will mature, and the full principal balance will be paid from the escrow account.

Continued

Jefferson County Board of Education

June 30, 2006

Note F--Long-Term Liabilities--Continued

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 6% 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 Board for the purpose of providing workers' compensation insurance to employees of the Board.

The Board maintained reinsurance covering that portion of risks in excess of \$300,000 for any one occurrence and for aggregate losses in excess of approximately \$3.5 million for the year ended June 30, 2006. The limit is subject to audit by the Board's insurer. The Board 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.

Accrued Vacation Pay and Sick Leave--In accordance with generally accepted governmental accounting principles, the Board has recorded accrued vacation pay and accrued sick leave as liabilities (long-term) in the District-wide Statement of Net Assets since the majority of these liabilities are not expected to be liquidated with expendable available financial resources. 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.

Continued

Notes to Financial Statements--Continued

Jefferson County Board of Education

June 30, 2006

Note F--Long-Term Liabilities—Continued

A summary of the changes in long-term liabilities during the fiscal years ended June 30, 2006 and June 30, 2005, are as follows:

| | Balance July 1, 2005 | Additions | Deductions | Balance June 30, 2006 |
|---|---------------------------------|----------------------|------------------------|----------------------------------|
| Governmental Activities: | | | | |
| School building revenue bonds | \$ 378,131,490 | | \$ 18,857,012 | \$ 359,274,478 |
| Estimated liability for workers' compensation benefits | 9,549,697 | \$ 2,723,651 | | 12,273,348 |
| Accrued vacation pay | 6,213,717 | 5,711,198 | 5,292,242 | 6,632,673 |
| Accrued sick leave | 29,773,000 | 27,860,299 | 27,395,299 | 30,238,000 |
| | <u>\$ 423,667,904</u> | <u>\$ 36,295,148</u> | <u>\$ 51,544,553</u> | <u>\$ 408,418,499</u> |
| Business-type Activities: | | | | |
| School building revenue bonds | <u>\$ 32,368,510</u> | | <u>\$ 1,217,988</u> | <u>\$ 31,150,522</u> |
| | | | | |
| | Balance July 1, 2004 | Additions | Deductions | Balance June 30, 2005 |
| Governmental Activities: | | | | |
| School building revenue bonds | \$ 356,746,090 | \$ 38,446,800 | \$ (17,061,400) | \$ 378,131,490 |
| Estimated liability for workers' compensation benefits | 6,891,229 | 2,658,468 | | 9,549,697 |
| Accrued vacation pay | 6,310,490 | 5,183,286 | (5,280,059) | 6,213,717 |
| Accrued sick leave | 30,473,000 | 30,312,813 | (31,012,813) | 29,773,000 |
| | <u>\$ 400,420,809</u> | <u>\$ 76,601,367</u> | <u>\$ (53,354,272)</u> | <u>\$ 423,667,904</u> |
| Business-type Activities: | | | | |
| School building revenue bonds | <u>\$ 30,508,910</u> | <u>\$ 3,343,200</u> | <u>\$ (1,483,600)</u> | <u>\$ 32,368,510</u> |

Continued

Jefferson County Board of Education

June 30, 2006

Note G--Retirement Plans

Classified Employees--Classified employees (substantially all full-time Board employees other than certified employees) are covered by the County Employees Retirement Systems ("CERS"), a cost-sharing multiple-employer defined benefit pension plan administered by the Kentucky Retirement System, an agency of the Commonwealth of Kentucky. CERS provides retirement, death and disability benefits to Plan members and beneficiaries. Cost of living adjustments are provided at the discretion of the State Legislature.

Under the provisions of the Kentucky Revised Statute Section 61.645, the Board of Trustees of the Kentucky Retirement System administers CERS and has the authority to establish and amend benefit provisions.

Plan members are required to contribute 5% of their annual covered compensation and the Board is required to contribute at an actuarially determined rate. The current rate is 10.98% of the employee's total covered compensation. The contribution requirements of Plan members and the Board are established and may be amended by the Kentucky Retirement System's Board of Trustees. The Board's contributions to CERS for the years ended June 30, 2006, 2005, and 2004 were approximately \$17,096,000, \$12,746,000 and \$10,612,000 respectively, equal to the required contribution for that year.

The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for CERS. That report may be obtained by writing to Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort, KY 40601.

Certified Employees--Certified employees are covered by the Kentucky Teachers' Retirement System ("KTRS"), a cost-sharing multiple-employer defined benefit plan. KTRS provides retirement, death and disability benefits to Plan members. Cost of living increases are 1.5% annually. Any benefit amendments must be authorized by the State Legislature.

Plan members are required to contribute 9.855% of their annual covered compensation, and the Commonwealth of Kentucky provides matching contributions as required by Kentucky Revised Statutes 165.540 and 161.550. The payments made by the Commonwealth of Kentucky on behalf of the Board's certified employees, amounting to \$51,364,240, are reflected in the accompanying financial statements as both revenues and expenses/expenditures. Effective July 1, 2002, the Commonwealth of Kentucky required payments for federally funded employees to be made by such federal funds; for the fiscal year ended June 30, 2006, this funding amounted to approximately \$4,163,000.

KTRS issues a publicly available financial report that includes financial statements and required supplementary information on the Plan. That report may be obtained by writing to Kentucky Teachers' Retirement System, 479 Versailles Road, Frankfort, Kentucky 40601.

Retirement Plan--The Board makes available 401(k) and 403(b) defined contribution pension plans for all employees. Employees are allowed to contribute to the Plans up to the Internal Revenue Code maximum allowable amount. The Board does not contribute to the Plans.

Continued

Jefferson County Board of Education

June 30, 2006

Note H--Deferred Compensation

The Board 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*, 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 Board therefore does not show these assets and liabilities on its financial statements.

Note I--Post-Employment Health Care Benefits

Retired Board employees receive some health care benefits depending on their length of service. In accordance with Kentucky Revised Statutes, these benefits are provided and advanced-funded on an actuarially determined basis through the CERS and the KTRS plans.

Note J--Commitments

On June 30, 2006, the Board had outstanding commitments for construction approximating \$48,300,000.

Note K--Contingencies

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

In the normal course of operations, the Board 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 Board for its disbursements. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the Board'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.

In addition, the Board operates in a heavily regulated environment. The operations of the Board 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. Currently, the Board has budgeted for such unfunded and underfunded mandates as Early Childhood (\$3.6 million), student transportation (\$36.2 million), English as a Second Language (\$4.1 million), the State Agency Children's Program (\$2.2 million) and Special Education (\$32.2 million).

Continued

Jefferson County Board of Education

June 30, 2006

Note L--Insurance and Related Activities

The Board 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.

Note M--Changes in Certain Beginning Net Assets

On the District-wide Statement of Activities (page 14), the beginning net assets balance for Governmental activities and Business-type activities were increased approximately \$13.1 million and \$1.7 million, respectively, and this change was also reflected in the Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds (page 20). The change was primarily due to timing differences matching the fiscal year of purchase with the fiscal year of record.

On the District-wide Statement of Activities (page 14), the beginning net assets balance for Governmental activities was increased approximately \$1.9 million as a result of capitalizing bond issuance costs relating to prior years' bond issues.

On the District-wide Statement of Activities (page 14), the beginning net assets balance for Governmental activities was increased approximately \$6.6 million to record interest payable on long-term debt.

Note N--Subsequent Events

On July 1, 2006, the Board sold \$41,000,000 of twenty-year school building revenue bonds for construction projects. These bonds have interest rates ranging from 4.0% to 5.0%, with interest and principal payable semiannually on January 1 and July 1, and may be subject to redemption at the option of the Board on July 1, 2016.

Required Supplementary Information

Statement of Revenues and Expenditures - Budget and Actual

Jefferson County Board of Education

Year Ended June 30, 2006

| | General Fund | | | |
|---|-----------------------|--------------------|----------------------|--|
| | Working Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 244,461,000 | \$ 244,461,000 | \$ 238,613,011 | \$ (5,847,989) |
| Occupational taxes | 104,606,000 | 104,606,000 | 106,235,305 | 1,629,305 |
| Other taxes | 35,756,000 | 35,831,000 | 34,471,199 | (1,359,801) |
| State sources | | | | |
| SEEK program | 230,650,000 | 230,650,000 | 229,811,280 | (838,720) |
| Other state revenues | 227,000 | 227,000 | 116,905,053 | 116,678,053 |
| Interest | 2,232,000 | 4,602,680 | 5,485,062 | 882,382 |
| Other sources | 6,979,000 | 6,979,000 | 7,229,848 | 250,848 |
| Total Revenues | 624,911,000 | 627,356,680 | 738,750,758 | 111,394,078 |
| Expenditures | | | | |
| Instruction | 332,739,112 | 325,383,845 | 392,187,374 | (66,803,529) |
| Student support services | 24,930,683 | 24,614,346 | 30,811,071 | (6,196,725) |
| Instructional staff support services | 36,872,303 | 37,212,759 | 44,339,412 | (7,126,653) |
| District administration support services | 2,925,071 | 3,125,866 | 4,022,664 | (896,798) |
| School administration support services | 54,491,774 | 54,930,185 | 62,487,251 | (7,557,066) |
| Business support services | 55,819,072 | 55,817,176 | 31,297,071 | 24,520,105 |
| Plant operations and maintenance | 73,622,130 | 75,254,094 | 92,041,111 | (16,787,017) |
| Student transportation | 40,854,223 | 42,182,734 | 51,690,887 | (9,508,153) |
| Community services operations | 252,166 | 246,089 | 300,888 | (54,799) |
| Architecture and engineering | 467,363 | 467,363 | 564,447 | (97,084) |
| Building renovations | 4,907,899 | 7,913,623 | 6,463,138 | 1,450,485 |
| Total Expenditures | 627,881,796 | 627,148,080 | 716,205,314 | (89,057,234) |
| Revenues in Excess of (Less Than) Expenditures | \$ (2,970,796) | \$ 208,600 | \$ 22,545,444 | \$ 200,451,312 |

See Management's Discussion and Analysis, page 10, for explanation of budget variances.

See Notes to Financial Statements

Statement of Revenues and Expenditures - Budget and Actual

Jefferson County Board of Education

Year Ended June 30, 2006

| | Grants & Awards Fund | | | |
|---|----------------------|-----------------|----------------|--|
| | Working Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
| Revenues | | | | |
| Grants | \$ 155,530,333 | \$ 143,800,503 | \$ 143,778,239 | \$ (22,264) |
| Interest | | 21,884 | 387,993 | 366,109 |
| Other Sources | | 482,355 | 513,637 | 31,282 |
| Total Revenues | 155,530,333 | 144,304,742 | 144,679,869 | 375,127 |
| Expenditures | | | | |
| Instruction | 76,020,025 | 80,111,985 | 72,837,054 | 7,274,931 |
| Student support services | 1,722,450 | 3,615,922 | 3,325,857 | 290,065 |
| Instructional staff support services | 64,766,778 | 47,384,113 | 53,852,232 | (6,468,119) |
| Other instructional | 569,730 | 443,852 | 241,768 | 202,084 |
| District administration support services | 114,536 | 119,897 | 45,079 | 74,818 |
| School administration support services | 135,132 | 138,961 | 231,578 | (92,617) |
| Business support services | 3,539,039 | 2,656,660 | 2,575,662 | 80,998 |
| Plant operations and maintenance | 9,091 | 69,562 | 83,869 | (14,307) |
| Student transportation | 257,564 | 3,438,521 | 4,238,142 | (799,621) |
| Community service operations | 7,753,670 | 8,013,430 | 7,665,493 | 347,937 |
| Building renovations | | 165,825 | 23,244 | 142,581 |
| Adult Education Operations | 602,338 | 541,090 | 538,435 | 2,655 |
| Total Expenditures | 155,490,353 | 146,699,818 | 145,658,413 | 1,041,405 |
| Revenues in Excess of (Less Than) Expenditures | \$ 39,980 | \$ (2,395,076) | \$ (978,544) | \$ (666,278) |

See Management's Discussion and Analysis, page 10, for explanation of budget variances.

See Notes to Financial Statements

Combining Balance Sheet - Nonmajor Governmental Funds

Jefferson County Board of Education

June 30, 2006

| | Building Tax Fund | Total Nonmajor Governmental Funds |
|--|-------------------------|--|
| Assets | | |
| Cash and cash equivalents | \$ 230,306 | \$ 230,306 |
| Due from other funds | | |
| Total Assets | <u>\$ 230,306</u> | <u>\$ 230,306</u> |
| Fund Balances | | |
| Reserved for encumbrances | | |
| Unreserved, designated | 230,306 | 230,306 |
| Total Fund Balances | <u>230,306</u> | <u>230,306</u> |
| Total Liabilities and Fund Balances | <u>\$ 230,306</u> | <u>\$ 230,306</u> |

See Notes to Financial Statements

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Funds

Jefferson County Board of Education

Year Ended June 30, 2006

| | Building Tax Fund | SEEK Capital Outlay Fund | Debt Service Fund | Total Nonmajor Governmental Funds |
|---|-------------------------|--------------------------------|----------------------|--|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 39,616,126 | | | \$ 39,616,126 |
| Other taxes | 6,195,925 | | | 6,195,925 |
| State sources | | | | |
| SEEK program | | \$ 8,257,090 | | 8,257,090 |
| KSFCC allocation | | | \$ 8,042,453 | 8,042,453 |
| Interest | 6,471 | | | 6,471 |
| Other Sources | 332,075 | | | 332,075 |
| Total Revenues | 46,150,597 | 8,257,090 | 8,042,453 | 62,450,140 |
| Expenditures | | | | |
| Capital outlay | 44,195 | 1,540,347 | | 1,584,542 |
| Debt service | | | | |
| Principal | | | 18,857,012 | 18,857,012 |
| Interest | | | 15,240,661 | 15,240,661 |
| Total Expenditures | 44,195 | 1,540,347 | 34,097,673 | 35,682,215 |
| Revenues in Excess of (Less Than) Expenditures | 46,106,402 | 6,716,743 | (26,055,220) | 26,767,925 |
| Other Financing Sources (Uses) | | | | |
| Operating transfers in | 2,162,050 | 655,155 | 29,200,000 | 32,017,205 |
| Operating transfers out | (48,225,538) | (7,371,898) | (3,151,045) | (58,748,481) |
| Total Other Financing Sources (Uses) | (46,063,488) | (6,716,743) | 26,048,955 | (26,731,276) |
| Net Change in Fund Balances | 42,914 | | (6,265) | 36,649 |
| Fund Balances, Beginning of Year | 187,392 | | 6,265 | 193,657 |
| Fund Balances, End of Year | \$ 230,306 | \$ | \$ | \$ 230,306 |

See Notes to Financial Statements

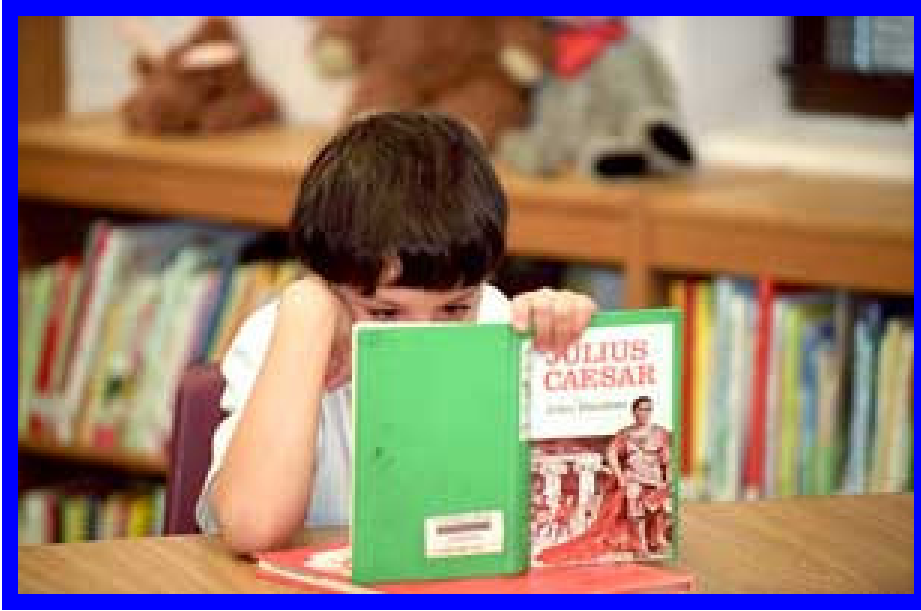
Combining Statement of Net Assets - Fiduciary Funds and
Statement of Changes in Net Assets - Fiduciary Funds

Jefferson County Board of Education

June 30, 2006

| | Trust Funds | | | Agency Funds | | | | |
|---|-----------------------------|---------------------------------------|-------------------------|---------------------------------|-----------------------------------|--|--------------------------|--------------------------|
| | Russell Riggs Trust Fund | Katherine S. Avellar Trust Fund | Total Trust Funds | High School Activity Fund | Middle School Activity Fund | Elementary School Activity Fund | Other Agency Funds | Total Agency Funds |
| Assets | | | | | | | | |
| Cash and cash equivalents | | | | \$ 2,448,734 | \$ 689,026 | \$ 1,186,291 | | \$ 4,324,051 |
| Investments | | | | 1,173,049 | 204,011 | 33,992 | \$ 52,523 | 1,463,575 |
| Accounts and grants receivable from outside sources | | | | 33,715 | 51,753 | 10,151 | 24,363 | 119,982 |
| Inventory | | | | 179,800 | 81,648 | 139,741 | | 401,189 |
| Due from other funds | \$ 1,258 | \$ 501,516 | \$ 502,774 | 210,912 | 86,245 | 84,788 | 437,724 | 819,669 |
| Total Assets | <u>1,258</u> | <u>501,516</u> | <u>502,774</u> | <u>\$ 4,046,210</u> | <u>\$ 1,112,683</u> | <u>\$ 1,454,963</u> | <u>\$ 514,610</u> | <u>\$ 7,128,466</u> |
| Liabilities | | | | | | | | |
| Accounts payable and accrued liabilities | | | | \$ 200,966 | \$ 63,592 | \$ 44,620 | \$ 35,949 | \$ 345,127 |
| liabilities due to outside sources | | | | 460,313 | 26,789 | 10,201 | | 497,303 |
| Due to other funds | | | | 3,384,931 | 1,022,302 | 1,400,142 | 478,661 | 6,286,036 |
| Due to student groups | | | | | | | | |
| Total Liabilities | | | | <u>\$ 4,046,210</u> | <u>\$ 1,112,683</u> | <u>\$ 1,454,963</u> | <u>\$ 514,610</u> | <u>\$ 7,128,466</u> |
| Net Assets | | | | | | | | |
| Held in trust for private purpose | <u>\$ 1,258</u> | <u>\$ 501,516</u> | <u>\$ 502,774</u> | | | | | |
| Statement of Changes in Fiduciary Net Assets - Trust Funds | | | | | | | | |
| Additions | | | | | | | | |
| Trustee contributions | | \$ 113,576 | \$ 113,576 | | | | | |
| Interest | | 740 | 740 | | | | | |
| | | <u>114,316</u> | <u>114,316</u> | | | | | |
| Deductions | | | | | | | | |
| Student support services | | 43,743 | 43,743 | | | | | |
| Net increase | | 70,573 | 70,573 | | | | | |
| Net Assets, Beginning of Year | <u>\$ 1,258</u> | <u>430,943</u> | <u>432,201</u> | | | | | |
| Net Assets, End of Year | <u>\$ 1,258</u> | <u>\$ 501,516</u> | <u>\$ 502,774</u> | | | | | |

See Notes to Financial Statements



Statistical Section

(unaudited)

Jefferson County Board of Education

Statement of Net Assets--Governmental Funds

Five Years' Trend Data¹

| | <u>2006</u> | <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 145,692,633 | \$ 106,728,574 | \$ 75,539,993 | \$ 86,274,816 | \$ 62,481,266 |
| Investments | 10,005,220 | 42,720 | 59,956,829 | 48,544,266 | 55,043,903 |
| Accounts and grants receivable from outside sources | 46,765,083 | 78,658,593 | 37,552,827 | 52,330,350 | 72,724,801 |
| Prepaid expenses | 2,781,250 | | | 21,070 | 590,755 |
| Inventories | 6,155,699 | 4,702,225 | 4,527,201 | 3,761,873 | 4,124,014 |
| Capital assets, net of accumulated depreciation | 431,635,159 | 438,515,759 | 422,583,406 | 371,406,741 | 379,837,076 |
| Construction in progress | 31,027,888 | 24,508,143 | 15,398,841 | 13,254,016 | 35,366,229 |
| Bond issuance costs | 1,743,798 | | | | |
| Internal balances | <u>2,880,593</u> | <u>1,750,639</u> | <u>4,617,039</u> | <u>6,893,204</u> | <u>2,469,983</u> |
| Total Assets | <u>\$ 678,687,323</u> | <u>\$ 654,906,653</u> | <u>\$ 620,176,136</u> | <u>\$ 582,486,336</u> | <u>\$ 612,638,027</u> |

Continued

Jefferson County Board of Education

Statement of Net Assets--Governmental Funds--Continued

Five Years' Trend Data¹

| | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Liabilities | | | | | |
| Accounts payable and accrued liabilities due to outside sources | \$ 57,742,907 | \$ 56,651,574 | \$ 64,258,255 | \$ 39,147,468 | \$ 49,046,687 |
| Deferred revenue | 17,922,923 | 20,281,340 | 20,803,514 | 7,670,540 | 8,795,861 |
| Accrued interest payable | 6,409,197 | | | | |
| Note payable due within one year | | | | 59,823 | 99,704 |
| Estimated liability for worker's compensation benefits | 12,273,348 | 9,549,697 | 6,891,229 | 5,890,304 | 6,370,577 |
| Accrued vacation pay | 6,632,673 | 6,213,717 | 6,310,490 | 5,943,081 | 5,599,320 |
| Accrued sick leave liability | 30,238,000 | 29,773,000 | 30,473,000 | 30,393,000 | 30,207,000 |
| School building revenue bonds | | | | | |
| Due within one year | 19,188,000 | 18,469,000 | 17,061,400 | 15,207,600 | 13,781,600 |
| Due in more than one year | 340,086,478 | 359,662,490 | 339,684,690 | 325,981,290 | 340,798,539 |
| Total liabilities | \$ 490,493,526 | \$ 500,600,818 | \$ 485,482,578 | \$ 430,293,106 | \$ 454,699,288 |
| Net Assets | | | | | |
| Invested in capital assets, net of related debt | \$ 57,139,759 | \$ 44,855,695 | \$ 41,603,667 | \$ 4,808,963 | \$ 22,009,142 |
| Restricted for | | | | | |
| Capital projects and construction | 56,755,472 | 56,724,992 | 26,734,208 | 73,573,862 | 68,646,817 |
| Other purposes | 23,992,806 | 33,781,126 | 42,880,185 | 51,216,015 | 53,899,272 |
| Unrestricted | 50,305,760 | 18,944,022 | 23,475,498 | 22,594,390 | 13,383,508 |
| Total Net Assets | \$ 188,193,797 | \$ 154,305,835 | \$ 134,693,558 | \$ 152,193,230 | \$ 157,938,739 |

¹ For the fiscal year ended June 30, 2002, the Board implemented GASB 34, which substantially affected the comparability of its balances. Therefore, only five years of data are presented.

Jefferson County Board of Education

Statement of Activities--Governmental Funds

Five Years' Trend Data¹

| | <u>2006</u> | <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Governmental activities | | | | | |
| Instruction | \$ 493,082,823 | \$ 438,549,182 | \$ 454,546,232 | \$ 430,002,052 | \$ 448,030,856 |
| Student support services | 34,196,099 | 31,611,802 | 35,439,129 | 24,737,043 | 24,264,508 |
| Instructional staff support services | 102,337,492 | 90,658,246 | 80,202,494 | 55,578,708 | 45,330,934 |
| District administrative support services | 6,125,608 | 5,455,412 | 3,279,259 | 12,192,104 | 7,850,331 |
| School administrative support services | 62,783,662 | 57,352,788 | 55,147,767 | 48,843,741 | 47,157,980 |
| Business support services | 34,929,686 | 30,856,882 | 42,305,745 | 17,497,224 | 16,000,125 |
| Central office support services | | | | 22,002,371 | 29,788,179 |
| Community services | 8,056,206 | 7,524,914 | 7,629,436 | | |
| Transportation | 62,658,644 | 65,876,930 | 50,982,142 | 36,006,442 | 39,090,470 |
| Plant operations and maintenance | 93,156,097 | 82,449,507 | 75,855,452 | 76,731,157 | 97,786,355 |
| Other instructional support services | 241,768 | 337,688 | 122,788 | 38,954,047 | 674,207 |
| Food service | | | | 790,964 | 347,698 |
| Miscellaneous | 784,335 | 866,162 | 6,327,033 | 3,517,063 | 205,072 |
| Interest expense | <u>15,007,609</u> | <u>15,689,957</u> | <u>14,560,330</u> | <u>17,539,265</u> | <u>17,048,539</u> |
| Total governmental activities | 913,360,029 | 827,229,470 | 826,397,807 | 784,392,181 | 773,575,254 |
| Program Revenues | | | | | |
| Charges for services | 1,576,413 | 2,109,406 | 2,665,619 | 2,171,817 | 252,727 |
| Operating grants and contributions | <u>112,356,540</u> | <u>99,114,316</u> | <u>114,972,239</u> | <u>117,891,268</u> | <u>106,182,881</u> |
| Total program activities | <u>113,932,953</u> | <u>101,223,722</u> | <u>117,637,858</u> | <u>120,063,085</u> | <u>106,435,608</u> |
| Net Expense | <u>\$ (799,427,076)</u> | <u>\$ (726,005,748)</u> | <u>\$ (708,759,949)</u> | <u>\$ (664,329,096)</u> | <u>\$ (667,139,646)</u> |

Continued

Jefferson County Board of Education

Statement of Activities--Governmental Funds--Continued

Five Years' Trend Data¹

| | <u>2006</u> | <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Net Expense | \$ (799,427,076) | \$ (726,005,748) | \$ (708,759,949) | \$ (664,329,096) | \$ (667,139,646) |
| General revenues | | | | | |
| Taxes | | | | | |
| Property taxes | 278,229,137 | 245,207,965 | 225,667,659 | 215,806,021 | 194,107,123 |
| Occupational taxes | 106,235,305 | 98,668,074 | 92,594,658 | 90,517,445 | 91,585,827 |
| Other taxes | 40,667,124 | 37,368,137 | 44,917,267 | 37,155,564 | 37,898,267 |
| State sources | | | | | |
| SEEK program | 238,068,370 | 219,920,355 | 216,763,593 | 210,541,846 | 204,772,511 |
| KETS allocation | | | | 47,809 | 2,709,713 |
| Other state revenues | 154,792,792 | 130,973,883 | 98,227,900 | 92,695,870 | 87,351,114 |
| Interest and investment earnings | 6,860,125 | 2,737,452 | 1,368,839 | 3,055,469 | 4,593,289 |
| Miscellaneous | <u>8,462,185</u> | <u>10,742,159</u> | <u>11,720,361</u> | <u>8,763,563</u> | <u>14,376,424</u> |
| Total general revenues | 833,315,038 | 745,618,025 | 691,260,277 | 658,583,587 | 637,394,268 |
| Change in net assets | 33,887,962 | 19,612,277 | (17,499,672) | (5,745,509) | (29,745,378) |
| Net assets, beginning of year | <u>154,305,835</u> | <u>134,693,558</u> | <u>152,193,230</u> | <u>157,938,739</u> | <u>187,684,117</u> |
| Net assets, end of year | <u>\$ 188,193,797</u> | <u>\$ 154,305,835</u> | <u>\$ 134,693,558</u> | <u>\$ 152,193,230</u> | <u>\$ 157,938,739</u> |

¹ For the fiscal year ended June 30, 2002, the Board implemented GASB 34, which substantially affected the comparability of its expenses to periods prior to this implementation. Therefore, only five years of data are presented.

Jefferson County Board of Education

Balance Sheet--Governmental Funds

Nine Years' Trend Data¹

| | 2006 | 2005 | 2004 | 2003 | 2002 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assets | | | | | |
| Cash and investments | \$ 155,735,353 | \$ 106,771,294 | \$ 135,496,822 | \$ 134,819,081 | \$ 117,525,168 |
| Accounts and grants receivable | 46,765,083 | 78,658,593 | 37,552,827 | 52,330,350 | 72,701,074 |
| Prepaid expenditures | 2,781,250 | | | 21,070 | 590,755 |
| Inventories | 6,155,699 | 4,702,225 | 4,527,201 | 3,761,873 | 4,124,014 |
| Due from other funds | 113,193,845 | 104,769,754 | 69,205,841 | 87,565,029 | 67,270,080 |
| Total Assets | \$ 324,631,230 | \$ 294,901,866 | \$ 246,782,691 | \$ 278,497,403 | \$ 262,211,091 |
| Liabilities | | | | | |
| Accounts payable and accrued liabilities | \$ 56,917,767 | \$ 56,651,574 | \$ 64,258,255 | \$ 39,147,468 | \$ 49,046,687 |
| Due to other funds | 111,138,392 | 103,019,115 | 64,588,802 | 80,671,825 | 64,776,369 |
| Deferred revenue | 17,922,923 | 20,281,340 | 20,803,514 | 7,670,540 | 8,795,861 |
| Estimated workers' compensation liability | 7,560,610 | 5,499,697 | 4,042,229 | 3,623,304 | 3,662,577 |
| Total Liabilities | 193,539,692 | 185,451,726 | 153,692,800 | 131,113,137 | 126,281,494 |
| Fund Balances | | | | | |
| Reserved | 62,272,033 | 46,882,740 | 40,387,839 | 30,767,439 | 30,750,240 |
| Unreserved, designated | 32,061,794 | 43,632,378 | 29,226,554 | 94,022,437 | 88,332,594 |
| Unreserved | 36,757,711 | 18,944,022 | 23,475,498 | 22,594,390 | 16,846,763 |
| Total Fund Balances | 131,091,538 | 109,459,140 | 93,089,891 | 147,384,266 | 135,929,597 |
| Total Liabilities and Fund Balances | \$ 324,631,230 | \$ 294,910,866 | \$ 246,782,691 | \$ 278,497,403 | \$ 262,211,091 |

Continued

Jefferson County Board of Education

Balance Sheet--Governmental Funds--Continued

Nine Years' Trend Data¹

| | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Assets | | | | |
| Cash and investments | \$ 154,364,251 | \$ 152,535,493 | \$ 143,054,540 | \$ 107,964,880 |
| Accounts and grants receivable | 26,937,187 | 25,812,363 | 22,930,411 | 22,396,146 |
| Prepaid expenditures | | 117,621 | 102,060 | 1,129,734 |
| Inventories | 1,274,522 | | | |
| Due from other funds | <u>35,420,956</u> | <u>40,500,977</u> | <u>44,673,624</u> | <u>39,200,146</u> |
| Total Assets | <u>\$ 217,996,916</u> | <u>\$ 218,966,454</u> | <u>\$ 210,760,635</u> | <u>\$ 170,690,906</u> |
| Liabilities | | | | |
| Accounts payable and accrued liabilities | \$ 24,764,395 | \$ 37,087,440 | \$ 23,673,134 | \$ 23,620,574 |
| Due to other funds | 32,188,633 | 36,991,404 | 46,872,624 | 38,371,242 |
| Deferred revenue | 10,081,516 | 9,269,630 | 9,539,906 | 11,704,608 |
| Estimated workers' compensation liability | <u>4,915,018</u> | <u>3,312,291</u> | <u>3,351,772</u> | <u>2,883,723</u> |
| Total Liabilities | 71,949,562 | 86,660,765 | 83,437,436 | 76,580,147 |
| Fund Balances | | | | |
| Reserved | 22,523,688 | 22,350,192 | 21,633,219 | 20,469,191 |
| Unreserved, designated | 107,314,827 | 99,625,195 | 95,640,501 | 62,785,792 |
| Unreserved | <u>16,208,839</u> | <u>10,330,302</u> | <u>10,049,479</u> | <u>10,855,776</u> |
| Total Fund Balances | <u>146,047,354</u> | <u>132,305,689</u> | <u>127,323,199</u> | <u>94,110,759</u> |
| Total Liabilities and Fund Balances | <u>\$ 217,996,916</u> | <u>\$ 218,966,454</u> | <u>\$ 210,760,635</u> | <u>\$ 170,690,906</u> |

¹ Due to chart of accounts changes in 1997 which substantially affected comparability, only nine years is presented.

Jefferson County Board of Education

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

Nine Years' Trend Data¹

| | 2006 | 2005 | 2004 | 2003 | 2002 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues | | | | | |
| Local sources | | | | | |
| Property taxes | \$ 278,229,137 | \$ 245,207,965 | \$ 225,667,659 | \$ 215,806,020 | \$ 194,107,123 |
| Occupational taxes | 106,235,305 | 98,668,074 | 92,594,658 | 90,517,445 | 91,585,827 |
| Other taxes | 40,667,124 | 37,368,137 | 44,917,267 | 37,155,564 | 37,898,267 |
| State sources | | | | | |
| SEEK program | 238,068,370 | 219,920,355 | 216,763,593 | 210,541,846 | 204,772,511 |
| Other state resources | 162,835,245 | 138,986,875 | 104,382,146 | 98,902,379 | 95,258,452 |
| Grants | 105,890,500 | 93,210,730 | 110,684,567 | 113,223,407 | 100,026,357 |
| Interest | 6,897,625 | 2,737,452 | 1,368,839 | 3,055,469 | 4,593,289 |
| Other sources | 8,093,260 | 10,742,159 | 12,519,406 | 9,444,541 | 15,588,050 |
| Total Revenues | 946,916,566 | 846,841,747 | 808,898,135 | 778,646,671 | 743,829,876 |
| Expenditures | | | | | |
| Instruction | 465,024,428 | 437,593,219 | 436,289,239 | 441,245,306 | 441,163,977 |
| Student support services | 34,136,928 | 31,586,242 | 35,317,549 | 24,737,043 | 24,264,508 |
| Instructional staff support services | 98,191,644 | 89,149,582 | 76,666,425 | 56,984,115 | 44,901,754 |
| District administrative support services | 4,067,743 | 3,765,503 | 3,275,512 | 12,504,417 | 7,743,036 |
| School administrative support services | 62,718,829 | 57,350,698 | 55,040,993 | 48,843,741 | 47,157,980 |
| Business support services | 33,872,733 | 29,990,921 | 34,222,536 | 17,497,224 | 16,000,125 |
| Central Office support services | | | | 22,626,996 | 29,680,884 |
| Community Services | 7,966,381 | 7,523,296 | 7,433,592 | | |
| Transportation | 55,929,029 | 60,119,213 | 44,727,780 | 36,006,442 | 37,159,160 |

Continued

Jefferson County Board of Education

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

Nine Years' Trend Data¹

| | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|----------------|----------------|---------------|----------------|----------------|
| Expenditures--Continued | | | | | |
| Plant operations and maintenance | 92,124,980 | 81,836,312 | 72,855,262 | 78,605,033 | 62,421,023 |
| Other instructional support services | 241,768 | 337,688 | 122,788 | 790,964 | 674,207 |
| Capital outlay | 33,630,519 | 36,290,545 | 37,546,548 | 38,954,047 | 47,907,666 |
| Other | 660,806 | 534,566 | 154,127 | 3,029,773 | 414,246 |
| Debt service | | | | | |
| Principal | 18,857,012 | 17,061,400 | 12,268,621 | 14,894,263 | 17,114,263 |
| Interest | 15,240,661 | 15,689,957 | 14,560,330 | 17,539,265 | 17,048,539 |
| | 922,663,461 | 868,829,142 | 830,481,302 | 814,258,629 | 793,651,368 |
| Other Financing Sources (Uses) | | | | | |
| Proceeds from sale of property | 368,925 | | | | |
| Bond proceeds net of discounts and refunding issues | | 41,349,247 | 30,650,501 | 47,710,073 | 40,611,600 |
| Operating transfers in | 59,881,742 | 65,853,023 | 70,523,661 | 43,168,418 | 46,507,755 |
| Operating transfers out | (62,862,373) | (68,854,627) | (76,696,567) | (43,811,864) | (46,632,879) |
| Total Other Financing Sources (Uses) | (2,611,706) | 38,347,643 | 24,477,595 | 47,066,627 | 40,486,476 |
| Net Change in Fund Balances | 21,641,399 | 16,360,248 | 2,894,428 | 11,454,669 | (9,335,016) |
| Fund Balances, Beginning of Year | 109,450,139 | 93,089,891 | 90,195,463 | 135,929,597 | 145,264,613 |
| Fund Balances, End of Year | \$ 131,091,538 | \$ 109,450,139 | \$ 93,089,891 | \$ 147,384,266 | \$ 135,929,597 |

¹ Due to chart of accounts changes in 1997 which substantially affected comparability, only nine years is presented.

Continued

Jefferson County Board of Education

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

Nine Years' Trend Data¹

| | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> |
|--|-------------------|-------------------|------------------|------------------|
| Revenues | | | | |
| Local sources | | | | |
| Property taxes | \$ 177,749,187 | \$ 164,981,566 | \$ 156,384,969 | \$ 146,167,812 |
| Occupational taxes | 89,975,510 | 89,067,876 | 84,835,323 | 79,106,285 |
| Other taxes | 33,749,376 | 40,498,724 | 40,446,445 | 35,179,609 |
| State sources | | | | |
| SEEK program | 209,078,311 | 219,122,411 | 209,003,732 | 200,532,425 |
| Other state resources | 91,797,257 | 77,678,551 | 67,871,265 | 39,516,527 |
| Grants | 91,110,097 | 86,475,245 | 75,169,276 | 69,977,931 |
| Interest | 11,818,115 | 8,721,382 | 8,056,041 | 7,326,093 |
| Other sources | <u>12,608,102</u> | <u>12,498,466</u> | <u>9,414,578</u> | <u>4,243,971</u> |
| Total Revenues | 717,885,955 | 699,044,221 | 651,181,629 | 582,050,653 |
| Expenditures | | | | |
| Instruction | 376,148,082 | 361,169,483 | 333,038,119 | 318,525,532 |
| Student support services | 22,627,985 | 19,640,922 | 17,833,641 | 17,215,266 |
| Instructional staff support services | 37,437,986 | 34,206,148 | 30,417,450 | 30,943,922 |
| District administrative support services | 4,868,095 | 5,635,305 | 4,771,607 | 4,965,057 |
| School administrative support services | 42,885,064 | 40,083,547 | 37,489,475 | 35,077,918 |
| Business support services | 10,216,108 | 9,771,618 | 8,928,275 | 8,401,139 |
| Central Office support services | 78,353,650 | 65,554,145 | 57,270,969 | 37,335,914 |
| Community Services | | | | |
| Transportation | 38,762,153 | 35,477,143 | 33,652,014 | 30,645,545 |

Continued

Jefferson County Board of Education

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

Nine Years' Trend Data¹

| | 2001 | 2000 | 1999 | 1998 |
|---|----------------|----------------|----------------|---------------|
| Expenditures--Continued | | | | |
| Plant operations and maintenance | 60,568,339 | 56,994,891 | 52,651,268 | 51,069,444 |
| Other instructional support services | 583,312 | 570,814 | 539,526 | 509,143 |
| Capital outlay | 51,243,699 | 48,969,341 | 50,931,321 | 43,319,889 |
| Other | 2,070,385 | 1,661,030 | 2,042,356 | 1,718,620 |
| Debt service | | | | |
| Principal | 14,597,219 | 14,129,881 | 13,624,881 | 10,917,034 |
| Interest | 17,936,483 | 17,900,866 | 15,785,653 | 13,981,795 |
| | 758,298,560 | 711,765,134 | 658,976,555 | 604,626,218 |
| Other Financing Sources (Uses) | | | | |
| Proceeds from sale of property | | | | |
| Bond proceeds net of discounts and refunding issues | 54,154,270 | 17,703,402 | 37,277,189 | 14,484,645 |
| Operating transfers in | 46,650,812 | 46,938,004 | 64,612,513 | 51,823,811 |
| Operating transfers out | (46,650,812) | (46,938,004) | (64,612,513) | (51,822,695) |
| Total Other Financing Sources (Uses) | 54,154,270 | 17,703,402 | 37,277,189 | 14,485,761 |
| Net Change in Fund Balances | 13,741,665 | 4,982,489 | 29,482,263 | (8,089,804) |
| Fund Balances, Beginning of Year | 132,305,689 | 127,323,200 | 97,840,936 | 102,200,563 |
| Fund Balances, End of Year | \$ 146,047,354 | \$ 132,305,689 | \$ 127,323,199 | \$ 94,110,759 |

¹ Due to chart of accounts changes in 1997 which substantially affected comparability, only nine years is presented.

Jefferson County Board of Education

General Government Revenues by Type¹

Five Years' Trend Data²

| | Charges for Service | Operating Grants & Contributions | Property Taxes | Occupational Taxes | Other Taxes |
|------|------------------------|--|----------------|-----------------------|---------------|
| 2006 | \$ 15,189,737 | \$138,224,084 | \$ 278,229,137 | \$ 106,235,305 | \$ 40,667,124 |
| 2005 | 15,251,577 | 123,459,326 | 245,207,965 | 98,668,074 | 37,368,137 |
| 2004 | 15,753,692 | 138,148,278 | 225,667,659 | 92,594,658 | 44,917,267 |
| 2003 | 14,195,501 | 140,470,278 | 215,806,020 | 90,517,445 | 37,155,564 |
| 2002 | \$ 14,758,515 | \$126,620,348 | \$ 194,107,123 | \$ 91,585,827 | \$ 37,898,267 |

| | SEEK State Revenues | Other State Revenues | Interest Income | Other Revenues | Total |
|------|------------------------|-------------------------|--------------------|-------------------|----------------|
| 2006 | \$238,068,370 | \$154,792,792 | \$ 7,137,647 | \$ 8,527,717 | \$ 578,545,387 |
| 2005 | 219,920,355 | 130,973,883 | 2,808,549 | 10,742,159 | 519,955,079 |
| 2004 | 216,763,593 | 98,227,900 | 1,387,326 | 11,720,361 | 517,081,554 |
| 2003 | 210,541,846 | 92,743,679 | 3,091,580 | 8,763,563 | 498,144,808 |
| 2002 | \$204,772,511 | \$ 90,060,827 | \$ 4,673,286 | \$ 14,376,424 | \$ 464,970,080 |

¹ General government includes all governmental and enterprise funds.

² For the fiscal year ended June 30, 2002, the Board implemented GASB 34, which substantially affected the comparability of its revenues. Therefore, only five years of data is presented.

Jefferson County Board of Education

General Government Expenses by Function¹

Five Years' Trend Data²

| | Instruction | Student Support Services | Instructional Staff Support Services ³ | District Administrative Support Services | School Administrative Support Services | Business Support Services ³ |
|------|----------------|--------------------------------|--|--|--|--|
| 2006 | \$ 493,082,823 | \$ 34,196,099 | \$ 102,337,492 | \$ 6,125,608 | \$ 62,783,662 | \$ 34,929,686 |
| 2005 | 438,549,182 | 31,611,802 | 90,658,246 | 5,455,412 | 57,352,788 | 30,856,882 |
| 2004 | 454,546,232 | 35,439,129 | 80,202,494 | 3,279,259 | 55,147,767 | 42,305,745 |
| 2003 | 458,048,966 | 28,537,828 | 55,283,787 | 12,971,185 | 48,843,741 | 17,497,224 |
| 2002 | \$ 448,030,856 | \$ 24,264,508 | \$ 45,330,934 | \$ 7,850,331 | \$ 47,157,980 | \$ 16,000,125 |

| | Community Services ³ | Central Office Support Services ³ | Transportation | Plant Operations and Maintenance | Other Instructional Support Services | Other |
|------|------------------------------------|--|----------------|-------------------------------------|--|------------|
| 2006 | \$ 8,056,206 | | \$ 62,658,644 | \$ 93,156,097 | \$ 241,768 | \$ 784,335 |
| 2005 | 7,524,914 | | 65,876,930 | 82,449,507 | 337,688 | 866,162 |
| 2004 | \$ 7,629,436 | | 50,982,142 | 75,855,452 | 122,788 | 6,327,033 |
| 2003 | | \$ 37,170,247 | 22,396,728 | 81,405,643 | 790,964 | 3,906,603 |
| 2002 | | \$ 29,788,179 | \$ 39,090,470 | \$ 97,786,355 | \$ 674,207 | \$ 205,072 |

| | Interest | School Food Services | Adult Education ³ | Tuition-based Pre- school | Total |
|------|---------------|-------------------------|------------------------------|------------------------------|----------------|
| 2006 | \$ 15,007,609 | \$ 39,037,601 | \$ 1,067,753 | \$ 1,092,906 | \$ 733,455,370 |
| 2005 | 15,689,957 | 41,280,887 | \$ 824,934 | 966,103 | 654,484,312 |
| 2004 | 14,560,330 | 39,699,644 | | 1,209,476 | 670,920,626 |
| 2003 | 17,539,265 | 37,266,355 | | 764,581 | 621,182,731 |
| 2002 | \$ 17,048,539 | \$ 36,817,138 | | \$ 715,232 | \$ 588,634,734 |

¹ General government includes all governmental and enterprise funds.

² For the fiscal year ended June 30, 2002, the Board implemented GASB 34, which substantially affected the comparability of its expenses to periods prior to this implementation. Therefore, only five years of data is presented.

³ Due to functional data reclassifications, Community Services and Adult Education expenses are now discreetly presented. Also, Central Office Support Services were reclassified to either Business Support Services or Instructional Staff Support Services depending on the nature of the expense.

Jefferson County Board of Education

Property Tax Rates

Ten Years' Trend Data

| | <u>Real Estate¹</u> | <u>Personal Property¹</u> | <u>Motor Vehicle¹</u> |
|------|------------------------------------|--|--------------------------------------|
| 2006 | 62.5 | 62.5 | 58.5 |
| 2005 | 59.3 | 59.3 | 58.5 |
| 2004 | 57.6 | 57.6 | 58.5 |
| 2003 | 57.2 | 57.2 | 58.5 |
| 2002 | 53.7 | 53.7 | 58.5 |
| 2001 | 53.2 | 56.7 | 58.5 |
| 2000 | 53.9 | 56.4 | 58.5 |
| 1999 | 54.1 | 56.2 | 58.5 |
| 1998 | 54.1 | 55.9 | 58.5 |
| 1997 | 53.6 | 55.7 | 58.5 |

¹ Cents per \$100 assessment

Jefferson County Board of Education

Real Estate and Personal Property Tax Revenues

Ten Years' Trend Data

| | Amount Levied | Tax Revenue Received ¹ | Percent |
|------|---------------|--------------------------------------|---------|
| 2006 | \$298,417,199 | \$287,367,702 | 96.3% |
| 2005 | 269,415,811 | 254,704,035 | 94.5% |
| 2004 | 252,678,798 | 237,286,950 | 93.9% |
| 2003 | 238,393,362 | 223,248,416 | 93.6% |
| 2002 | 215,414,624 | 203,366,012 | 94.4% |
| 2001 | 187,470,291 | 173,344,732 | 92.5% |
| 2000 | 198,057,971 | 188,488,043 | 95.2% |
| 1999 | 176,558,438 | 172,265,239 | 97.6% |
| 1998 | 156,169,087 | 147,490,510 | 94.4% |
| 1997 | \$151,196,207 | \$147,449,516 | 97.5% |

¹ Tax Revenue Received consists of Property Tax (\$238,613,011 General Fund and \$39,616,126 Building Fund), Distilled Spirits Tax (\$484,857), and Franchise Tax (\$8,653,708). Distilled Spirits Tax and Franchise Tax are included in Other Taxes in the Financial Section.

Jefferson County Board of Education

Property Tax Assessments

Ten Years' Trend Data

| | Real Estate | Tangible Personal | Franchise | Motor Vehicle | Distilled Spirits | Total Assessed Value | Estimated Actual Value |
|------|-------------------|----------------------|------------------|------------------|----------------------|-------------------------|---------------------------|
| 2006 | \$ 41,668,410,587 | \$ 3,888,132,905 | \$ 2,054,796,625 | \$ 3,864,744,273 | \$ 89,264,709 | \$ 51,565,349,099 | \$ 51,565,349,099 |
| 2005 | 39,219,555,420 | 3,843,798,280 | 1,961,221,030 | 3,610,763,071 | 96,495,525 | 48,731,833,326 | 48,731,833,326 |
| 2004 | 37,477,839,704 | 3,843,146,423 | 1,890,441,592 | 3,806,938,394 | 96,984,151 | 47,115,350,264 | 47,115,350,264 |
| 2003 | 35,587,902,628 | 3,827,215,407 | 1,820,345,296 | 3,678,802,596 | 102,476,025 | 45,016,741,952 | 45,016,741,952 |
| 2002 | 33,989,936,300 | 4,116,428,183 | 1,902,048,417 | 3,651,793,333 | 106,042,244 | 43,766,248,477 | 43,766,248,477 |
| 2001 | 30,778,440,398 | 4,249,724,830 | 1,864,378,761 | 3,649,174,351 | 104,085,749 | 40,645,804,089 | 40,645,804,089 |
| 2000 | 28,329,164,184 | 3,756,211,573 | 1,717,988,142 | 3,279,602,978 | 144,528,796 | 37,227,495,673 | 37,227,495,673 |
| 1999 | 26,451,792,306 | 3,718,459,935 | 1,547,973,196 | 3,095,741,174 | 141,180,317 | 34,955,146,928 | 34,955,146,928 |
| 1998 | 24,827,781,549 | 3,563,824,845 | 1,723,564,466 | 3,429,952,407 | 150,732,478 | 33,695,855,745 | 33,695,855,745 |
| 1997 | \$ 23,554,075,875 | \$ 3,504,513,540 | \$ 1,634,563,735 | \$ 3,300,179,529 | \$ 149,922,102 | \$ 32,143,254,781 | \$ 32,143,254,781 |

Source: Jefferson County Property Valuation Administration

Jefferson County Board of Education

Principal Real Estate Taxpayers

For the fiscal year ended June 30, 2006

| <u>Company</u> | <u>School Tax Paid</u> | <u>Percent of Total Revenues</u> |
|---------------------------------------|------------------------|--|
| Louisville Gas & Electric | \$ 3,762,218 | 1.2% |
| BellSouth | 3,081,268 | 1.0% |
| Insight Midwest LP | 1,203,727 | 0.4% |
| United Parcel Service | 864,140 | 0.3% |
| Ford | 801,386 | 0.3% |
| Humana | 698,450 | 0.2% |
| The Kentucky Trust Company | 394,937 | 0.1% |
| Louisville Trophy LLC | 384,800 | 0.1% |
| Arteburn Shelton & Covington Copeland | 365,299 | 0.1% |
| Information Systems Corporation | \$ 304,471 | 0.1% |

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

| | |
|----------------|-----------------------|
| Property taxes | \$ 278,229,137 |
| Other taxes | 40,667,124 |
| | <u>\$ 318,896,261</u> |

Source: Jefferson County Sheriff

Jefferson County Board of Education

Overlapping Tax Rates

For Tax Year 2005

| | Real Estate ¹ | Tangible Property ¹ | Motor Vehicle ¹ | | Real Estate ¹ | Tangible Property ¹ | Motor Vehicle ¹ |
|-----------------------------|-----------------------------|-----------------------------------|-------------------------------|--------------------|-----------------------------|-----------------------------------|-------------------------------|
| Metro Louisville Government | 12.80 | 16.60 | 16.60 | Glenview Hills | 11.00 | 0.00 | 0.00 |
| Anchorage | 36.00 | 36.00 | 36.80 | Glenview Manor | 15.00 | 0.00 | 0.00 |
| Audubon Park | 24.30 | 0.00 | 23.20 | Goose Creek | 18.30 | 0.00 | 0.00 |
| Bancroft | 24.16 | 0.00 | 0.00 | Graymoor-Devondale | 20.00 | 0.00 | 0.00 |
| Barbourmeade | 20.37 | 0.00 | 0.00 | Green Spring | 18.00 | 0.00 | 0.00 |
| Beechwood Village | 10.80 | 0.00 | 0.00 | Hickory Hill | 22.40 | 0.00 | 0.00 |
| Bellemeade | 8.00 | 0.00 | 0.00 | Hills and Dales | 20.20 | 0.00 | 0.00 |
| Bellewood | 19.00 | 0.00 | 0.00 | Hollow Creek | 33.00 | 0.00 | 0.00 |
| Blue Ridge Manor | 20.00 | 0.00 | 0.00 | Houston Acres | 20.00 | 0.00 | 0.00 |
| Briarwood | 29.00 | 0.00 | 0.00 | Hurstbourne | 18.50 | 0.00 | 0.00 |
| Broeck Pointe | 21.50 | 0.00 | 0.00 | Hurstbourne Acres | 16.00 | 0.00 | 0.00 |
| Brownsboro Farm | 30.70 | 0.00 | 0.00 | Indian Hills | 20.00 | 0.00 | 0.00 |
| Brownsboro Village | 15.51 | 0.00 | 0.00 | Jeffersontown | 15.65 | 0.00 | 0.00 |
| Cambridge | 16.60 | 0.00 | 0.00 | Kingsley | 34.90 | 0.00 | 0.00 |
| Coldstream | 10.00 | 0.00 | 0.00 | Langdon Place | 33.00 | 0.00 | 0.00 |
| Creekside | 23.00 | 0.00 | 0.00 | Lincolnshire | 22.00 | 0.00 | 0.00 |
| Crossgate | 22.50 | 0.00 | 0.00 | Lyndon | 13.00 | 0.00 | 0.00 |
| Douglas Hills | 14.30 | 0.00 | 0.00 | Lynnview | 11.04 | 11.04 | 11.04 |
| Druid Hills | 12.80 | 0.00 | 0.00 | Manor Creek | 30.00 | 0.00 | 0.00 |
| Fincastle | 20.00 | 0.00 | 0.00 | Maryhill Estates | 15.25 | 0.00 | 0.00 |
| Forest Hills | 15.29 | 0.00 | 2.00 | Meadow Vale | 14.90 | 0.00 | 0.00 |
| Glenview | 13.00 | 0.00 | 0.00 | Meadowbrook Farm | 7.50 | 0.00 | 0.00 |

¹ Cents per \$100 assessment

Continued

Jefferson County Board of Education

Overlapping Tax Rates--Continued

For Tax Year 2005

| | Real Estate ¹ | Tangible Property ¹ | Motor Vehicle ¹ | | Real Estate ¹ | Tangible Property ¹ | Motor Vehicle ¹ |
|----------------------|-----------------------------|-----------------------------------|-------------------------------|------------------------------|-----------------------------|-----------------------------------|-------------------------------|
| Meadowview Estates | 17.75 | 0.00 | 0.00 | South Park View | 22.00 | 0.00 | 0.00 |
| Middletown | 14.00 | 0.00 | 0.00 | Spring Mill | 20.00 | 0.00 | 0.00 |
| Minor Lane Heights | 21.90 | 0.00 | 0.00 | Spring Valley | 17.22 | 0.00 | 0.00 |
| Mockingbird Valley | 14.50 | 0.00 | 0.00 | Strathmoor Manor | 29.82 | 0.00 | 0.00 |
| Moorland | 20.00 | 0.00 | 0.00 | Strathmoor Village | 38.00 | 0.00 | 0.00 |
| Murray Hill | 18.26 | 0.00 | 0.00 | Sycamore | 109.70 | 0.00 | 0.00 |
| Northfield | 17.10 | 0.00 | 0.00 | Ten Broeck | 10.85 | 0.00 | 0.00 |
| Norbourne Estates | 20.80 | 0.00 | 0.00 | Thornhill | 12.00 | 0.00 | 0.00 |
| Norwood | 20.00 | 0.00 | 0.00 | Watterson Park | 10.60 | 6.50 | 7.50 |
| Old Brownsboro Place | 16.90 | 0.00 | 0.00 | Wellington | 25.00 | 0.00 | 0.00 |
| Parkway Village | 17.16 | 0.00 | 0.00 | West Buechel | 28.00 | 0.00 | 0.00 |
| Plantation | 27.00 | 0.00 | 0.00 | Westwood | 18.00 | 0.00 | 0.00 |
| Poplar Hills | 15.00 | 0.00 | 0.00 | Wildwood | 17.90 | 0.00 | 0.00 |
| Prospect | 21.25 | 0.00 | 0.00 | Windy Hills | 17.00 | 0.00 | 0.00 |
| Richlawn | 16.50 | 0.00 | 0.00 | Woodland Hills | 17.00 | 0.00 | 0.00 |
| Riverwood | 16.17 | 0.00 | 0.00 | Woodlawn Park | 21.00 | 0.00 | 0.00 |
| Rolling Fields | 16.50 | 0.00 | 0.00 | Worthington Hille | 25.00 | 0.00 | 0.00 |
| Saint Matthews | 20.00 | 0.00 | 0.00 | Anchorage Ambulance District | 6.50 | 6.50 | 10.00 |
| Saint Regis Park | 14.00 | 0.00 | 0.00 | Anchorage Fire District | 10.00 | 10.00 | 10.00 |
| Seneca Gardens | 0.00 | 0.00 | 0.00 | Buechel Fire District | 10.00 | 10.00 | 10.00 |
| Shively | 29.70 | 33.66 | 36.00 | Camp Taylor Fire District | 10.00 | 10.00 | 10.00 |

¹ Cents per \$100 assessment

Continued

Jefferson County Board of Education

Overlapping Tax Rates--Continued

For Tax Year 2005

| | Real Estate ¹ | Tangible Property ¹ | Motor Vehicle ¹ |
|---|-----------------------------|-----------------------------------|-------------------------------|
| Dixie Suburban Fire District | 10.00 | 10.00 | 10.00 |
| Eastwood Fire District | 10.00 | 10.00 | 10.00 |
| Fairdale Fire District | 10.00 | 10.00 | 10.00 |
| Fern Creek Fire District | 10.00 | 10.00 | 10.00 |
| Harrods Creek Fire District | 10.00 | 10.00 | 10.00 |
| Highview Fire District | 10.00 | 10.00 | 10.00 |
| Jefferson Co 14 Fire District | 10.00 | 10.00 | 10.00 |
| Jeffersontown Fire District | 10.00 | 10.00 | 10.00 |
| Lake Dreamland Fire District | 10.00 | 10.00 | 10.00 |
| Louisville Downtown Management District | 8.31 | 0.00 | 0.00 |
| Lyndon Fire District | 10.00 | 10.00 | 10.00 |
| Lynnview Garbage Fund | 10.00 | 10.00 | 10.00 |
| Middletown Fire District | 10.00 | 10.00 | 10.00 |
| Okolona Fire District | 10.00 | 10.00 | 10.00 |
| Pleasure Ridge Park Fire District | 10.00 | 10.00 | 10.00 |
| St Matthews Fire District | 10.00 | 10.00 | 10.00 |
| Urban Services District/Louisville | 37.33 | 56.60 | 0.00 |
| Worthington Fire District | 10.00 | 10.00 | 10.00 |

¹ Cents per \$100 assessment

Jefferson County Board of Education

Principal Employers by Number of Employees

December 31, 2005 and Three Comparison Years

| | <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|------------------------------------|-------------|-------------|-------------|-------------|
| United Parcel Service | 17,543 | 17,206 | 20,424 | 22,303 |
| Jefferson County Public Schools | 13,235 | 13,420 | 14,329 | 13,988 |
| Ford Motor Co. | 8,972 | 9,303 | 9,807 | 10,300 |
| Norton Healthcare Inc. | 8,525 | 7,850 | 7,575 | 7,034 |
| Jewish Hospital Healthcare | 7,605 | 7,597 | 7,667 | 6,732 |
| Louisville Metro Government | 5,893 | 5,744 | 5,995 | 6,290 |
| Humana Inc. | 5,850 | 4,889 | 4,785 | 4,672 |
| University of Louisville | 5,236 | 4,943 | 5,133 | 5,017 |
| G.E. Consumer Products | 5,000 | 5,200 | 5,800 | 5,800 |
| The Kroger Co. | 4,827 | 4,960 | 5,045 | 6,655 |
| KY State Government | 4,564 | 4,952 | 5,328 | 5,314 |
| Baptist Healthcare System | 3,170 | 2,308 | 2,204 | 2,149 |
| U.S. Government | 2,941 | 2,801 | 2,949 | 2,705 |
| U.S. Postal Service | 2,902 | 2,872 | 3,137 | 3,284 |
| Catholic Archdiocese of Louisville | 2,680 | 2,468 | 2,485 | 2,560 |
| Kindred Healthcare Inc. | 2,342 | 1,957 | 1,957 | 1,952 |
| Yum! Brands Inc . | 2,195 | 2,194 | 2,194 | 2,170 |
| U.S. Bureau of Census | 1,672 | 1,593 | 1,651 | 1,378 |

Source: Business First magazine

Jefferson County Board of Education

Occupational Tax Revenues

Ten Years' Trend Data

| | |
|------|----------------|
| 2006 | \$ 106,235,305 |
| 2005 | 98,668,074 |
| 2004 | 92,594,658 |
| 2003 | 90,517,445 |
| 2002 | 91,585,827 |
| 2001 | 89,975,510 |
| 2000 | 89,067,876 |
| 1999 | 84,835,323 |
| 1998 | 79,018,998 |
| 1997 | \$ 76,122,998 |

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

Jefferson County Board of Education

Total Bonded Debt by Responsible Party

Presented for Life of Bonds

| Jefferson County Board of Education | | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| Year Ending June 30 | Principal | Interest | Total Repayments |
| 2007 | \$ 15,498,691 | \$ 13,891,695 | \$ 29,390,386 |
| 2008 | 17,533,473 | 13,378,900 | 30,912,373 |
| 2009 | 18,166,613 | 12,689,897 | 30,856,510 |
| 2010 | 18,775,841 | 11,966,092 | 30,741,933 |
| 2011 | 19,120,818 | 11,213,752 | 30,334,570 |
| 2012-2016 | 111,608,976 | 43,142,217 | 154,751,193 |
| 2017-2021 | 88,630,912 | 19,537,009 | 108,167,921 |
| 2022-2025 | 33,225,335 | 2,825,339 | 36,050,674 |
| | <u>\$ 322,560,659</u> | <u>\$ 128,644,901</u> | <u>\$ 451,205,560</u> |

| Metro Louisville | | | |
|------------------------|---------------------|-------------------|---------------------|
| Year Ending June 30 | Principal | Interest | Total Repayments |
| 2007 | \$ 112,548 | \$ 92,085 | \$ 204,633 |
| 2008 | 116,166 | 88,467 | 204,633 |
| 2009 | 120,115 | 84,517 | 204,632 |
| 2010 | 124,387 | 80,246 | 204,633 |
| 2011 | 129,033 | 75,599 | 204,632 |
| 2012-2016 | 729,502 | 293,660 | 1,023,162 |
| 2017-2021 | 588,557 | 129,692 | 718,249 |
| 2022-2024 | 283,129 | 25,855 | 308,984 |
| | <u>\$ 2,203,437</u> | <u>\$ 870,121</u> | <u>\$ 3,073,558</u> |

| Kentucky School Facilities Construction Commission | | | |
|--|----------------------|----------------------|----------------------|
| Year Ending June 30 | Principal | Interest | Total Repayments |
| 2007 | \$ 5,178,761 | \$ 2,863,540 | \$ 8,042,301 |
| 2008 | 5,395,361 | 2,649,566 | 8,044,927 |
| 2009 | 5,628,272 | 2,421,810 | 8,050,082 |
| 2010 | 5,864,772 | 2,180,818 | 8,045,590 |
| 2011 | 3,510,149 | 1,947,222 | 5,457,371 |
| 2012-2016 | 17,591,522 | 7,455,660 | 25,047,182 |
| 2017-2021 | 17,280,531 | 3,267,910 | 20,548,441 |
| 2022-2025 | 5,211,536 | 477,881 | 5,689,417 |
| | <u>\$ 65,660,904</u> | <u>\$ 23,264,407</u> | <u>\$ 88,925,311</u> |

| | |
|--------------------------|-----------------------|
| Total Principal payments | \$ 390,425,000 |
| Total Interest payments | <u>152,779,430</u> |
| Total Repayments | <u>\$ 543,204,430</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 CAFR.

Jefferson County Board of Education

Detail of Bonds by Responsible Party

Presented for Life of Bonds

| <u>Bond Issue</u> | <u>Jefferson County Board of Education</u> | <u>Kentucky School Facilities Construction Commission</u> | <u>Metro Louisville</u> | <u>Total</u> |
|-------------------|--|---|-----------------------------|-----------------------|
| 1994B | | \$ 3,300,000 | | \$ 3,300,000 |
| 1998A | \$ 8,767,981 | 515,473 | \$ 906,546 | 10,190,000 |
| 1998B | 880,335 | 7,054,665 | | 7,935,000 |
| 1998C | 35,059,840 | 11,070,160 | | 46,130,000 |
| 1999A | 40,485,000 | | | 40,485,000 |
| 1999B | 10,667,269 | 3,337,731 | | 14,005,000 |
| 2000A | 17,723,219 | 13,991,781 | | 31,715,000 |
| 2000B QZAB | 5,500,000 | | | 5,500,000 |
| 2001A | 15,315,000 | | | 15,315,000 |
| 2001B | 7,437,799 | 2,107,201 | | 9,545,000 |
| 2002A | 34,910,000 | | | 34,910,000 |
| 2002B | 23,090,000 | | | 23,090,000 |
| 2003A | 43,625,791 | 514,209 | | 44,140,000 |
| 2004A | 3,588,300 | 23,384,809 | 1,296,891 | 28,270,000 |
| 2004B | 34,950,000 | | | 34,950,000 |
| 2004C | 19,855,000 | | | 19,855,000 |
| 2005A | 20,705,125 | 384,875 | | 21,090,000 |
| | <u>\$ 322,560,659</u> | <u>\$ 65,660,904</u> | <u>\$ 2,203,437</u> | <u>\$ 390,425,000</u> |

Jefferson County Board of Education

Overlapping/Direct Debt and Bond Analysis Ratios

As of June 30, 2006

| <u>Governmental Unit</u> | <u>Gross Debt Outstanding</u> | <u>Percentage Applicable to Jefferson County Taxpayers</u> | <u>Jefferson County Taxpayers Share of Debt</u> |
|--|-----------------------------------|--|---|
| Direct Debt: | | | |
| Jefferson County Public Schools | \$ 390,425,000 | 100.0% | \$ 390,425,000 |
| Overlapping Debt: | | | |
| Louisville/Jefferson County Metro Government | | | |
| Revenue Bonds | 126,629,919 | 100.0% | 126,629,919 |
| General Obligation Debt | 236,750,006 | 100.0% | 236,750,006 |
| | <u>363,379,925</u> | | <u>363,379,925</u> |
| Total Overlapping and Direct Debt | <u>\$ 753,804,925</u> | | <u>\$ 753,804,925</u> |
| Total Overlapping and Direct Debt Per Capita | \$ 1,074.08 | | |
| Direct Debt Per Capita | \$ 556.31 | | |
| Net Bonded Debt to Assessed Value | 0.0076 | | |
| Debt Service Expenditures to Total Governmental Expenditures | 0.0465 | | |
| Governmental Revenues Coverage (Divided by Debt Service Expenditures) | 16.9673 | | |

Jefferson County Board of Education

Jefferson County Demographics

As of December 31, 2005

| Population by Selected Age Groups | Jefferson County | | Labor Market Area | | Population by Race and Hispanic Origin | Jefferson County | | Labor Market Area | |
|--------------------------------------|------------------|------------|-------------------|------------|---|------------------|------------|-------------------|------------|
| | Number | Percentage | Number | Percentage | | Number | Percentage | Number | Percentage |
| Under 15 | 142,095 | 20.2% | 247,984 | 20.2% | Caucasian | 533,020 | 74.2% | 1,024,102 | 81.8% |
| 15-24 | 88,382 | 12.6% | 160,617 | 13.1% | African-American | 138,205 | 19.2% | 157,187 | 12.6% |
| 25-34 | 91,598 | 13.1% | 159,871 | 13.1% | Native American or Native Alaskan | 2,173 | 0.3% | 3,795 | 0.3% |
| 35-44 | 103,134 | 14.7% | 182,875 | 14.9% | Asian | 14,185 | 2.0% | 16,382 | 1.3% |
| 45-54 | 106,430 | 15.2% | 186,187 | 15.2% | Native Hawaiian or Other Pacific Islander | 125 | 0.0% | 300 | 0.0% |
| 55-64 | 75,227 | 10.7% | 133,048 | 10.9% | Other / Multirace | 14,101 | 2.0% | 22,727 | 1.8% |
| 65-74 | 47,752 | 6.8% | 80,631 | 6.6% | Hispanic Origin ¹ | 16,598 | 2.3% | 26,953 | 2.2% |
| 75 and older | 47,199 | 6.7% | 73,288 | 6.0% | | | | | |
| Total Population | 701,817 | 100.0% | 1,224,501 | 100.0% | Population Estimates ² | 718,407 | 100.0% | 1,251,446 | 100.0% |

Source: Applied Geographic Solutions, Simi Valley, CA

Source: Applied Geographic Solutions, Simi Valley, CA

¹Hispanic is not a race category. A person may be Caucasian, African-American, etc. and be of Hispanic origin.

²The groupings in this chart allow for some individuals to be counted twice, such as the Hispanic Origin described in note¹. For this reason, totals are slightly different than the previous chart.

Jefferson County Board of Education

Economic Statistics

Ten Years' Trend Data

| | Per Capita Income | Average Weekly Wage | Employment | Unemployment | Unemployment Rate |
|-------------------|----------------------|---------------------------|------------|--------------|----------------------|
| 2006 ¹ | N/A | N/A | 344,532 | 19,217 | 5.3% |
| 2005 | \$39,661 | \$763 | 352,988 | 20,487 | 6.2% |
| 2004 | 39,021 | 750 | 358,016 | 18,387 | 5.5% |
| 2003 | 36,827 | 708 | 364,264 | 18,694 | 6.2% |
| 2002 | 35,588 | 684 | 356,607 | 21,120 | 5.7% |
| 2001 | 34,688 | 667 | 360,432 | 18,078 | 4.8% |
| 2000 | 31,934 | 642 | 380,750 | 11,928 | 3.6% |
| 1999 | 31,474 | 610 | 368,324 | 14,299 | 3.8% |
| 1998 | 29,473 | 582 | 358,574 | 13,287 | 3.6% |
| 1997 | \$27,051 | \$548 | 358,792 | 16,989 | 4.6% |

¹ Through September 2006
N/A Not available at this time

Source: US Department of Labor, Bureau of Labor Statistics

Jefferson County Board of Education

Number of Employees by Functional Duties

June 30, 2006

| <u>Function</u> | <u>Employees</u> |
|--|------------------|
| Instruction | 5,237 |
| Home and Hospital Instruction | 1,680 |
| Technical Education | 205 |
| Adult Education | 61 |
| Other Instructional Programs | 1,051 |
| Student Support Services | 464 |
| Instructional Staff Support Services | 934 |
| District Administrative Support Services | 68 |
| School Administrative Support Services | 976 |
| Business Support Services | 211 |
| Plant Operations and Maintenance | 1,129 |
| Student Transportation | 1,264 |
| Food Service Operations | 930 |
| Day Care Operations | 18 |
| Community Service Operations | 162 |
| Architectural and Engineering Services | 5 |
| | <u>14,395</u> |

Jefferson County Board of Education

Enrollment by Level

Ten Years' Trend Data

| | <u>Elementary</u> | <u>Middle</u> | <u>High</u> | <u>Kindergarten</u> | <u>E.C.E.</u> | <u>Preschool</u> | <u>Total Enrollment</u> |
|------|-------------------|---------------|-------------|---------------------|---------------|------------------|-------------------------|
| 2006 | 34,717 | 19,781 | 26,842 | 7,242 | 3,671 | 5,265 | 97,518 |
| 2005 | 34,716 | 20,592 | 26,585 | 6,928 | 3,121 | 5,336 | 97,278 |
| 2004 | 34,388 | 20,921 | 26,336 | 7,069 | 3,082 | 5,214 | 97,010 |
| 2003 | 34,462 | 20,741 | 25,945 | 6,868 | 3,269 | 5,338 | 96,623 |
| 2002 | 34,977 | 19,815 | 25,691 | 6,701 | 3,366 | 5,014 | 95,564 |
| 2001 | 35,304 | 19,334 | 25,848 | 6,747 | 3,385 | 4,892 | 95,510 |
| 2000 | 35,648 | 18,987 | 25,967 | 6,713 | 3,458 | 4,792 | 95,565 |
| 1999 | 35,450 | 19,226 | 26,381 | 6,776 | 3,552 | 4,839 | 96,224 |
| 1998 | 35,484 | 19,419 | 27,104 | 7,112 | 3,252 | 4,622 | 96,993 |
| 1997 | 34,907 | 19,842 | 27,084 | 7,532 | 3,012 | 4,337 | 96,714 |

Reflects second pupil month for each year. Annually, this is our peak enrollment.

Jefferson County Board of Education

Accountability Trend Statistics--Elementary Schools

Eight Years' Trend Data¹

| Academic Index | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Reading | 84.8768 | 83.4728 | 83.7742 | 78.3028 | 77.0876 | 75.1619 | 73.8649 | 72.9194 |
| Mathematics | 83.5004 | 73.2047 | 75.2385 | 65.7013 | 64.2494 | 61.2128 | 58.3481 | 55.8576 |
| Science | 84.5285 | 82.3930 | 82.1002 | 76.0378 | 71.2487 | 69.6717 | 64.8151 | 62.7689 |
| Social Studies | 84.8565 | 76.3310 | 77.7760 | 69.7292 | 67.6523 | 64.0413 | 62.7401 | 61.5273 |
| Arts and Humanities | 56.9148 | 57.3729 | 54.1568 | 49.3892 | 45.1229 | 39.9159 | 39.2570 | 36.9828 |
| Practical Living/ Vocational Studies | 78.4069 | 80.1682 | 76.3483 | 73.2961 | 69.4609 | 66.3928 | 65.5283 | 65.7701 |
| Writing | 76.0186 | 73.0412 | 70.8856 | 66.8457 | 61.0487 | 55.1401 | 51.1951 | 47.6519 |
| Total Academic Index | 81.3 | 76.8 | 76.8 | 70.3 | 67.4 | 64.1 | 61.6 | 59.7 |
| Non-Academic Factors | | | | | | | | |
| Attendance Rate | 95.49 | 95.36 | 95.23 | 95.52 | 95.12 | 94.84 | 94.64 | 94.84 |
| Retention Rate | 0.38 | 0.62 | 0.44 | 0.67 | 0.71 | 0.82 | 0.73 | 0.64 |
| Non-Academic Index | 96.2920 | 96.1640 | 96.0960 | 96.2820 | 95.9540 | 95.7080 | 95.5660 | 95.7440 |
| National Norm Referenced Test Index | | | | | | | | |
| CTBS/5 Survey | 81.1888 | 87.0857 | 85.0319 | 81.9564 | 77.4255 | 74.5281 | 70.0000 | 68.7285 |
| Elementary Accountability Index | | | | | | | | |
| Accountability Index | 82.0 | 78.3 | 78.1 | 72.2 | 69.2 | 66.1 | 63.6 | 61.8 |
| Number of Accountability Students | | | | | | | | |
| Number Tested End of Primary | 6,864 | 6,746 | 6,900 | 6,880 | 7,046 | 7,438 | 7,872 | 7,511 |
| Number Tested Grade 4 | 6,724 | 6,822 | 6,732 | 6,881 | 7,187 | 7,445 | 7,270 | 7,120 |
| Number Tested Grade 5 | 6,781 | 6,685 | 6,817 | 7,192 | 7,436 | 7,186 | 7,050 | 6,600 |

¹Only eight years of comparable data was available.

Jefferson County Board of Education

Accountability Trend Statistics--Middle Schools

Eight Years' Trend Data¹

| | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Academic Index | | | | | | | | |
| Reading | 83.1797 | 80.3147 | 79.7318 | 74.3653 | 75.2036 | 72.8659 | 70.7861 | 70.8360 |
| Mathematics | 61.1242 | 63.2624 | 60.2997 | 57.1251 | 55.2001 | 54.2480 | 52.3175 | 51.0791 |
| Science | 68.9267 | 64.9009 | 65.9293 | 59.7916 | 59.2098 | 54.6623 | 53.7990 | 52.4563 |
| Social Studies | 67.2489 | 64.9506 | 65.9068 | 61.5499 | 61.6538 | 60.8199 | 55.8525 | 54.3592 |
| Arts and Humanities | 64.9608 | 67.9672 | 60.5513 | 58.4450 | 59.3153 | 56.8014 | 52.6542 | 50.4192 |
| Practical Living/ Vocational Studies | 64.2211 | 66.5724 | 62.0859 | 60.2861 | 61.2123 | 61.3406 | 57.2800 | 59.3512 |
| Writing | 58.5421 | 47.4190 | 43.2457 | 41.6151 | 38.2951 | 35.6166 | 32.9440 | 33.3110 |
| Total Academic Index | 67.3 | 64.7 | 62.7 | 59.0 | 58.3 | 56.2 | 53.4 | 52.8 |
| Non-Academic Factors | | | | | | | | |
| Attendance Rate | 93.51 | 93.33 | 93.35 | 93.72 | 93.11 | 92.93 | 92.32 | 92.14 |
| Dropout Rate | 0.54 | 0.21 | 0.07 | 0.25 | 0.53 | 0.60 | 1.15 | 0.70 |
| Retention Rate | 1.05 | 1.82 | 1.90 | 2.74 | 2.11 | 2.11 | 1.64 | 1.77 |
| Non-Academic Index | 96.8760 | 96.5620 | 96.5660 | 96.3420 | 96.2940 | 96.2080 | 96.0420 | 96.0080 |
| National Norm Referenced Test Index | | | | | | | | |
| CTBS/5 Survey | 77.8146 | 72.3198 | 67.2529 | 66.6594 | 65.7958 | 65.3451 | 65.7550 | 65.4082 |
| Elementary Accountability Index | | | | | | | | |
| Accountability Index | 70.6 | 68.1 | 66.2 | 62.9 | 62.3 | 60.5 | 58.1 | 57.6 |
| Number of Accountability Students | | | | | | | | |
| Number Tested Grade 6 | 6,452 | 6,617 | 6,960 | 7,361 | 7,119 | 6,896 | 6,450 | 6,675 |
| Number Tested Grade 7 | 6,641 | 7,051 | 7,285 | 7,101 | 6,944 | 6,537 | 6,711 | 6,641 |
| Number Tested Grade 8 | 6,936 | 7,154 | 7,073 | 6,907 | 6,388 | 6,561 | 6,548 | 6,602 |

¹Only eight years of comparable data was available.

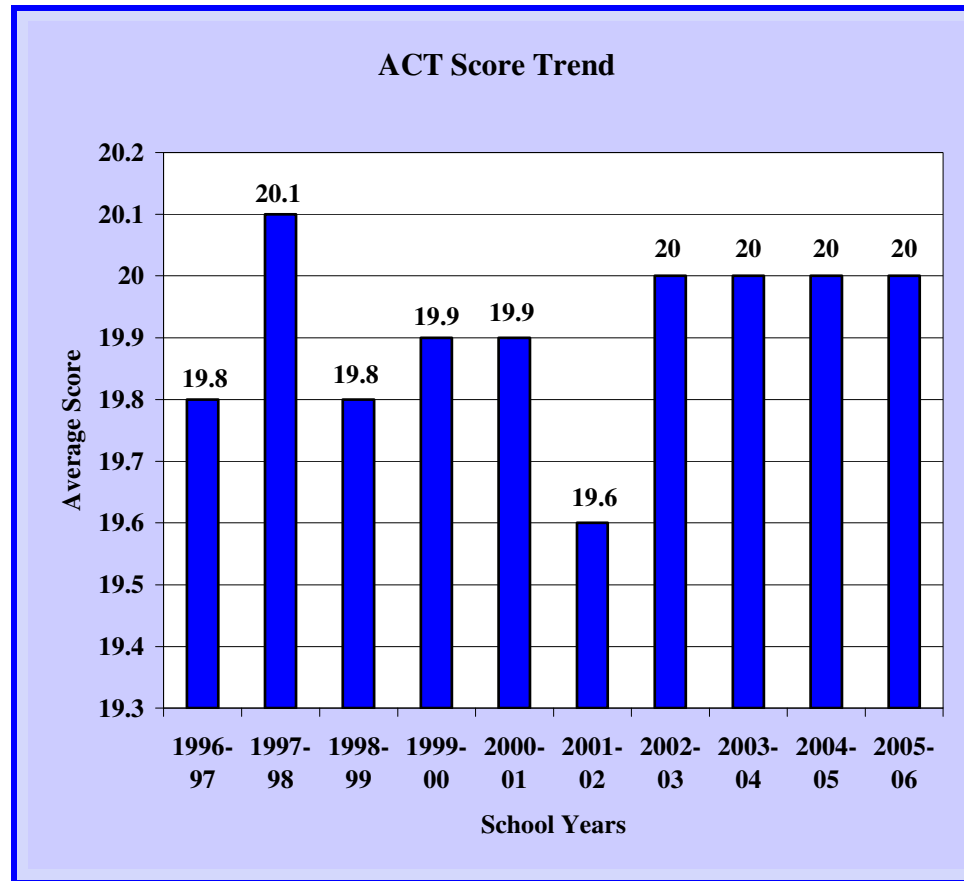
Jefferson County Board of Education

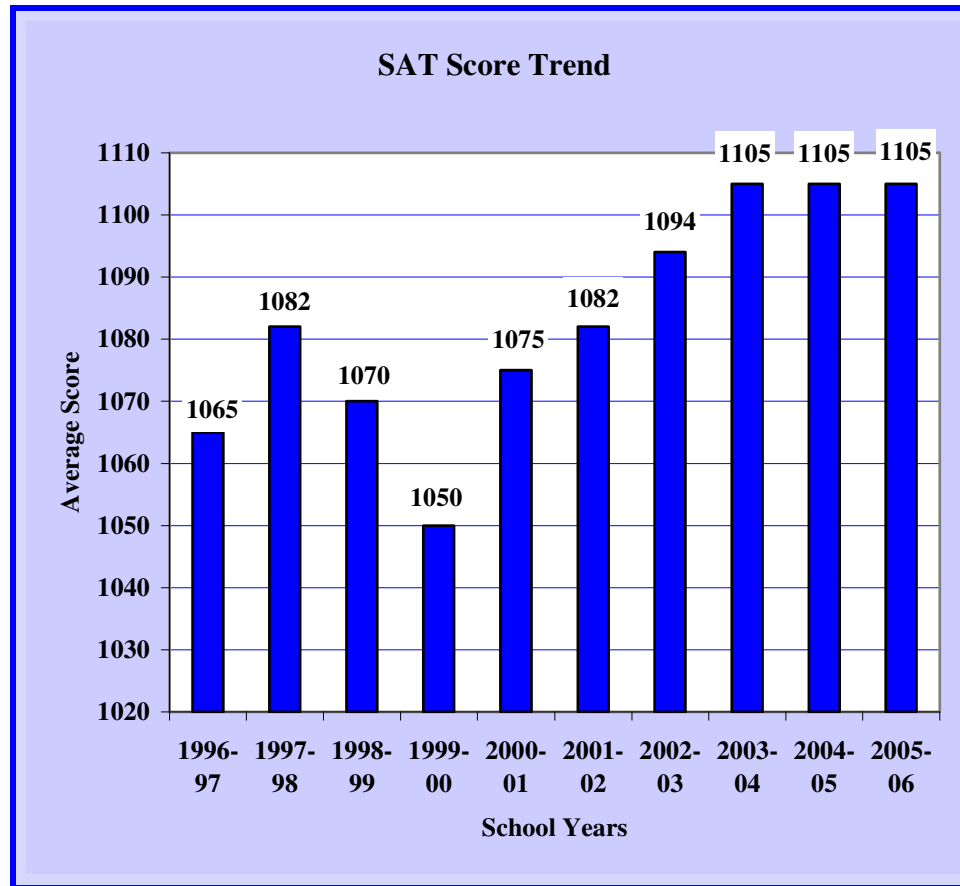
Accountability Trend Statistics--High Schools

Eight Years' Trend Data¹

| | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Academic Index | | | | | | | | |
| Reading | 79.4590 | 76.2993 | 75.0776 | 69.3430 | 67.2996 | 67.6241 | 66.7472 | 61.3652 |
| Mathematics | 72.7689 | 68.7630 | 71.0146 | 64.5771 | 63.8631 | 62.0351 | 56.2731 | 57.2606 |
| Science | 67.1349 | 68.1062 | 66.5337 | 60.0025 | 60.6711 | 59.6800 | 56.2061 | 57.1322 |
| Social Studies | 79.9096 | 82.1985 | 77.5526 | 68.0579 | 69.5458 | 66.9867 | 61.7098 | 61.4131 |
| Arts and Humanities | 81.9746 | 73.5363 | 76.4582 | 63.3593 | 63.4679 | 58.1979 | 49.9692 | 48.7838 |
| Practical Living/ Vocational Studies | 74.9656 | 76.2117 | 75.9658 | 71.8778 | 70.8772 | 71.3511 | 71.5596 | 69.2530 |
| Writing | 71.3503 | 70.0092 | 67.0853 | 67.0049 | 62.3690 | 61.5610 | 57.3785 | 57.0278 |
| Total Academic Index | 74.8 | 73.4 | 72.2 | 66.1 | 65.2 | 63.8 | 59.8 | 58.9 |
| Non-Academic Factors | | | | | | | | |
| Attendance Rate | 91.18 | 90.81 | 91.79 | 91.91 | 90.61 | 90.28 | 89.72 | 88.54 |
| Dropout Rate | 7.07 | 4.40 | 3.43 | 5.84 | 7.16 | 8.02 | 8.43 | 6.61 |
| Retention Rate | 10.99 | 8.91 | 8.92 | 8.67 | 8.27 | 9.94 | 7.59 | 4.82 |
| Successful Transition to Adult Life | 97.93 | 98.98 | 98.43 | 98.22 | 97.51 | 98.19 | 97.60 | 97.28 |
| Non-Academic Index | 94.2591 | 95.6840 | 96.0371 | 95.0910 | 94.0898 | 93.8728 | 93.5033 | 93.9683 |
| National Norm Referenced Test Index | | | | | | | | |
| CTBS/5 Survey | 70.9387 | 72.2657 | 71.6558 | 68.7417 | 68.7398 | 66.9471 | 65.0020 | 63.5537 |
| Elementary Accountability Index | | | | | | | | |
| Accountability Index | 76.5 | 75.4 | 74.5 | 69.0 | 68.1 | 66.8 | 63.3 | 62.4 |
| Number of Accountability Students | | | | | | | | |
| Number Tested Grade 9 | 8,054 | 7,843 | 7,519 | 7,367 | 7,689 | 7,560 | 7,545 | 7,367 |
| Number Tested Grade 10 | 6,741 | 6,614 | 6,419 | 6,788 | 6,524 | 6,483 | 6,048 | 6,613 |
| Number Tested Grade 11 | 5,754 | 5,473 | 5,746 | 5,782 | 5,522 | 5,280 | 5,986 | 5,628 |
| Number Tested Grade 12 | 4,973 | 5,166 | 5,276 | 5,164 | 4,990 | 5,288 | 5,188 | 5,393 |

¹Only eight years of comparable data was available.





Jefferson County Board of Education

School Building Capacity Data

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2005-06 | | 2004-05 | | 2003-04 | | 2002-03 | | 2001-02 | |
|---|------------------------------------|---------------------|---|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------------------------|
| | | Program Capacity | Student Enrollment 1st Pupil Month | Program Capacity | Student Enrollment as of 9/22/04 | Program Capacity | Student Enrollment as of 10/7/03 | Program Capacity | Student Enrollment as of 9/10/02 | Program Capacity | Student Enrollment as of 9/6/01 |
| Atherton High | 194,044 | 1,250 | 1,066 | 1,250 | 966 | 1,250 | 951 | 1,250 | 1,036 | 1,250 | 1,047 |
| Atkinson Elementary | 67,912 | 755 | 524 | 755 | 533 | 755 | 569 | 755 | 575 | 755 | 590 |
| Auburndale Elementary | 52,820 | 640 | 530 | 640 | 488 | 640 | 525 | 640 | 551 | 640 | 544 |
| Audubon Traditional Elem. | 51,615 | 612 | 611 | 612 | 612 | 608 | 610 | 608 | 583 | 608 | 580 |
| Ballard High | 251,954 | 1,800 | 1,703 | 1,720 | 1,678 | 1,720 | 1,696 | 1,720 | 1,679 | 1,720 | 1,682 |
| Barret Traditional Middle | 107,695 | 654 | 647 | 675 | 654 | 675 | 661 | 675 | 648 | 675 | 656 |
| Bates Elementary | 48,374 | 605 | 602 | 566 | 579 | 490 | 520 | 490 | 472 | 471 | 477 |
| Blake Elementary | 57,416 | 548 | 498 | 548 | 493 | 548 | 462 | 548 | 526 | 548 | 524 |
| Bloom Elementary | 67,415 | 466 | 426 | 466 | 446 | 466 | 450 | 466 | 435 | 466 | 465 |
| Blue Lick Elementary | 45,356 | 560 | 572 | 580 | 531 | 580 | 578 | 580 | 529 | 580 | 535 |
| Bowen Elementary | 57,010 | 763 | 770 | 729 | 747 | 729 | 685 | 729 | 672 | 729 | 734 |
| Brandeis Elementary | 55,400 | 526 | 542 | 545 | 521 | 545 | 510 | 545 | 514 | 545 | 531 |
| Breckinridge Metropolitan High ¹ | 63,612 | | | | | | | | | | |
| Breckinridge/Franklin Elem. (New 99-00) | 78,404 | 578 | 355 | 578 | 398 | 578 | 407 | 578 | 423 | 578 | 489 |
| Breckinridge Elementary (Closed 99-00) | 63,612 | | | | | | | | | | |
| Brown Elementary School | 249,716 | 150 | 286 | 270 | 267 | 270 | 260 | 270 | 261 | 270 | 271 |
| Brown Middle School | 249,716 | 150 | 169 | 150 | 156 | 150 | 158 | 150 | 157 | 150 | 151 |
| Brown High School | 249,716 | 185 | 203 | 185 | 213 | 185 | 214 | 185 | 200 | 185 | 192 |
| Bruce Middle (Closed 98-99) | 100,329 | | | | | | | | | | |
| Buechel Metropolitan High ¹ | 46,759 | | | | | | | | | | |
| Butler Traditional High | 219,238 | 1,630 | 1,675 | 1,630 | 1,640 | 1,630 | 1,640 | 1,630 | 1,605 | 1,630 | 1,576 |
| Byck Elementary | 67,558 | 583 | 474 | 583 | 513 | 583 | 513 | 583 | 509 | 512 | 505 |
| Camp Taylor Elementary | 59,199 | 568 | 422 | 568 | 457 | 568 | 498 | 568 | 501 | 568 | 543 |
| Cane Run Elementary | 59,840 | 574 | 485 | 574 | 468 | 574 | 481 | 574 | 516 | 574 | 513 |
| Carriethers Middle | 92,976 | 800 | 683 | 800 | 754 | 800 | 739 | 800 | 671 | 800 | 624 |
| Carter Elementary (Old) | | | | | | | | | | | |
| Carter Elementary (New) | 164,775 | 596 | 573 | 650 | 589 | 650 | 583 | 650 | 582 | 650 | 583 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2000-01 | | 1999-00 | | 1998-99 | | 1997-98 | | 1996-97 | |
|---|------------------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|---------------------|--|---------------------|--|---------------------|---|
| | | Program Capacity | Student Enrollment as of 9/7/00 | Program Capacity | Student Enrollment as of 9/9/99 | Program Capacity | Student Enrollment as of 8/25/98 | Program Capacity | Student Enrollment as of 10/1/97 | Program Capacity | Student Enrollment 1st pupil month |
| Atherton High | 194,044 | 1,250 | 1,101 | 1,250 | 1,120 | 1,250 | 1,087 | 1,250 | 1,071 | 1,271 | 1,016 |
| Atkinson Elementary | 67,912 | 755 | 593 | 774 | 718 | 774 | 711 | 774 | 728 | 728 | 757 |
| Auburndale Elementary | 52,820 | 640 | 557 | 678 | 550 | 678 | 548 | 678 | 547 | 721 | 588 |
| Audubon Traditional Elem. | 51,615 | 608 | 583 | 608 | 581 | 608 | 559 | 608 | 555 | 680 | 554 |
| Ballard High | 251,954 | 1,700 | 1,706 | 1,700 | 1,689 | 1,700 | 1,652 | 1,700 | 1,623 | 2,074 | 1,613 |
| Barret Traditional Middle | 107,695 | 675 | 645 | 675 | 652 | 675 | 646 | 675 | 651 | 686 | 654 |
| Bates Elementary | 48,374 | 484 | 451 | 484 | 458 | 484 | 459 | 477 | 473 | 360 | 442 |
| Blake Elementary | 57,416 | 499 | 511 | 499 | 500 | 499 | 406 | 499 | 471 | 499 | 470 |
| Bloom Elementary | 67,415 | 466 | 460 | 466 | 458 | 466 | 452 | 466 | 454 | 460 | 446 |
| Blue Lick Elementary | 45,356 | 580 | 556 | 600 | 585 | 600 | 537 | 600 | 544 | 600 | 546 |
| Bowen Elementary | 57,010 | 729 | 711 | 686 | 671 | 683 | 616 | 600 | 625 | 600 | 524 |
| Brandeis Elementary | 55,400 | 545 | 503 | 545 | 513 | 545 | 444 | 545 | 473 | 545 | 489 |
| Breckinridge Metropolitan High ¹ | 63,612 | | | | | | | | | | |
| Breckinridge/Franklin Elem. (New 99-00) | 78,404 | 578 | 518 | 650 | 549 | n/a | n/a | n/a | n/a | n/a | n/a |
| Breckinridge Elementary (Closed 99-00) | 63,612 | | | | | 520 | 396 | 520 | 402 | 520 | 423 |
| Brown Elementary School | 249,716 | n/a | 271 | 270 | 257 | 270 | 266 | 270 | 265 | n/a | 265 |
| Brown Middle School | 249,716 | 150 | 149 | 150 | 153 | 150 | 152 | 150 | 149 | n/a | 147 |
| Brown High School | 249,716 | n/a | 183 | n/a | 189 | 200 | 189 | 200 | 174 | n/a | 183 |
| Bruce Middle (Closed 98-99) | 100,329 | | | | | | | 775 | 598 | 784 | 651 |
| Buechel Metropolitan High ¹ | 46,759 | | | | | | | | | | |
| Butler Traditional High | 219,238 | 1,630 | 1,570 | 1,630 | 1,602 | 1,600 | 1,630 | 1,600 | 1,642 | 1,796 | 1,610 |
| Byck Elementary | 67,558 | 512 | 481 | 644 | 493 | 644 | 460 | 704 | 566 | 704 | 586 |
| Camp Taylor Elementary | 59,199 | 568 | 525 | 608 | 515 | 608 | 441 | 608 | 526 | 608 | 543 |
| Cane Run Elementary | 59,840 | 574 | 549 | 605 | 534 | 605 | 455 | 605 | 547 | 638 | 582 |
| Carrithers Middle | 92,976 | 800 | 625 | 800 | 647 | 800 | 681 | 800 | 638 | 822 | 656 |
| Carter Elementary (Old) | | 710 | 628 | 728 | 633 | 728 | 580 | 728 | 649 | 728 | 648 |
| Carter Elementary (New) | 164,775 | | | | | | | | | | |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2005-06 | | 2004-05 | | 2003-04 | | 2002-03 | | 2001-02 | |
|--|------------------------------------|---------------------|---|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------------------------|
| | | Program Capacity | Student Enrollment 1st Pupil Month | Program Capacity | Student Enrollment as of 9/22/04 | Program Capacity | Student Enrollment as of 10/7/03 | Program Capacity | Student Enrollment as of 9/10/02 | Program Capacity | Student Enrollment as of 9/6/01 |
| Central High | 206,118 | 1,400 | 985 | 1,400 | 1,036 | 1,400 | 1,013 | 1,400 | 1,058 | 1,400 | 1,010 |
| Chancey Elementary (New 2002-03) | 151,957 | 765 | 760 | 732 | 761 | 660 | 728 | 650 | 628 | | |
| Chenoweth Elementary | 57,431 | 640 | 533 | 664 | 565 | 664 | 560 | 664 | 562 | 664 | 566 |
| Churchill Park School ¹ | 82,200 | | | | | | | | | | |
| Cochran Elementary | 56,645 | 514 | 397 | 514 | 403 | 514 | 396 | 514 | 382 | 514 | 441 |
| Cochrane Elementary | 52,724 | 495 | 379 | 495 | 387 | 495 | 381 | 495 | 411 | 495 | 432 |
| Coleridge Taylor Elementary | 73,437 | 750 | 724 | 728 | 723 | 728 | 706 | 728 | 670 | 728 | 681 |
| Conway Middle | 99,073 | 950 | 897 | 950 | 960 | 930 | 954 | 850 | 852 | 850 | 791 |
| Coral Ridge Elementary | 53,751 | 562 | 500 | 562 | 495 | 562 | 502 | 562 | 485 | 562 | 488 |
| Crosby Middle | 98,894 | 1,120 | 1,106 | 1,100 | 1,122 | 1,120 | 1,092 | 1,010 | 1,091 | 960 | 957 |
| Crums Lane Elementary | 53,230 | 550 | 447 | 550 | 427 | 550 | 417 | 550 | 461 | 550 | 499 |
| Dixie Elementary | 44,573 | 468 | 421 | 468 | 393 | 468 | 405 | 468 | 425 | 468 | 427 |
| Doss High | 237,403 | 1,600 | 1,172 | 1,600 | 1,147 | 1,600 | 1,053 | 1,600 | 1,024 | 1,600 | 983 |
| Dunn Elementary | 51,816 | 603 | 596 | 603 | 589 | 603 | 589 | 603 | 566 | 603 | 591 |
| DuPont Maunal High | 247,955 | 1,800 | 1,894 | 1,800 | 1,846 | 1,780 | 1,822 | 1,780 | 1,779 | 1,780 | 1,775 |
| Eastern High | 241,428 | 1,800 | 1,924 | 1,800 | 1,850 | 1,800 | 1,816 | 1,700 | 1,738 | 1,630 | 1,652 |
| Eisenhower Elementary | 56,195 | 551 | 496 | 551 | 463 | 551 | 446 | 551 | 442 | 551 | 489 |
| Engelhard Elementary | 50,212 | 480 | 461 | 480 | 423 | 480 | 429 | 480 | 443 | 494 | 447 |
| Fairdale Elementary | 67,584 | 669 | 488 | 669 | 487 | 669 | 483 | 669 | 539 | 669 | 579 |
| Fairdale High Magnet Career Academy | 285,863 | 1,600 | 859 | 1,600 | 833 | 1,600 | 799 | 1,600 | 882 | 1,600 | 847 |
| Farnsley Middle (Formerly Williams Middle) | 123,433 | 1,010 | 1,001 | 1,046 | 1,003 | 1,046 | 992 | 1,046 | 988 | 1,046 | 1,011 |
| Fern Creek Elementary | 56,020 | 796 | 780 | 796 | 829 | 770 | 796 | 770 | 770 | 736 | 760 |
| Fern Creek Traditional High | 249,569 | 1,575 | 1,436 | 1,575 | 1,335 | 1,575 | 1,183 | 1,575 | 1,137 | 1,575 | 1,149 |
| Field Elementary | 48,818 | 426 | 399 | 426 | 368 | 426 | 364 | 426 | 361 | 426 | 400 |
| Foster Traditional Academy (New) | 80,743 | 650 | 574 | 650 | 613 | 650 | 604 | 650 | 602 | 650 | 609 |
| Foster Elementary (Closed) | 51,796 | | | n/a | n/a | | | | | | |
| Franklin Elementary (Closed 1999-00) | | | | | | | | | | | |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2000-01 | | 1999-00 | | 1998-99 | | 1997-98 | | 1996-97 | |
|--|------------------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|---------------------|--|---------------------|--|---------------------|---|
| | | Program Capacity | Student Enrollment as of 9/7/00 | Program Capacity | Student Enrollment as of 9/9/99 | Program Capacity | Student Enrollment as of 8/25/98 | Program Capacity | Student Enrollment as of 10/1/97 | Program Capacity | Student Enrollment 1st pupil month |
| Central High | 206,118 | 1,400 | 992 | 1,400 | 970 | 1,400 | 1,000 | 1,400 | 922 | 1,702 | 903 |
| Chancey Elementary (New 2002-03) | 151,957 | | | | | | | | | | |
| Chenoweth Elementary | 57,431 | 664 | 595 | 724 | 623 | 724 | 641 | 724 | 651 | 772 | 660 |
| Churchill Park School ¹ | 82,200 | | | | | | | | | | |
| Cochran Elementary | 56,645 | 514 | 478 | 638 | 486 | 638 | 406 | 638 | 471 | 638 | 477 |
| Cochrane Elementary | 52,724 | 495 | 449 | 504 | 474 | 504 | 429 | 479 | 467 | 479 | 431 |
| Coleridge Taylor Elementary | 73,437 | 728 | 664 | 728 | 683 | 728 | 599 | 728 | 693 | 728 | 661 |
| Conway Middle | 99,073 | 850 | 743 | 850 | 752 | 850 | 758 | 850 | 765 | 883 | 827 |
| Coral Ridge Elementary | 53,751 | 562 | 498 | 562 | 533 | 562 | 519 | 560 | 565 | 560 | 561 |
| Crosby Middle | 98,894 | 960 | 942 | 960 | 927 | 960 | 945 | 900 | 943 | 914 | 877 |
| Crums Lane Elementary | 53,230 | 550 | 516 | 552 | 520 | 552 | 456 | 552 | 544 | 530 | 532 |
| Dixie Elementary | 44,573 | 468 | 422 | 514 | 401 | 514 | 395 | 514 | 379 | 514 | 413 |
| Doss High | 237,403 | 1,600 | 955 | 1,600 | 1,020 | 1,600 | 1,020 | 1,600 | 1,116 | 1,795 | 1,164 |
| Dunn Elementary | 51,816 | 603 | 609 | 603 | 600 | 588 | 587 | 586 | 604 | 560 | 552 |
| DuPont Maunal High | 247,955 | 1,780 | 1,771 | 1,780 | 1,786 | 1,750 | 1,781 | 1,750 | 1,795 | 2,263 | 1,822 |
| Eastern High | 241,428 | 1,600 | 1,662 | 1,600 | 1,583 | 1,600 | 1,639 | 1,600 | 1,648 | 1,866 | 1,597 |
| Eisenhower Elementary | 56,195 | 551 | 460 | 642 | 429 | 642 | 407 | 642 | 484 | 642 | 544 |
| Engelhard Elementary | 50,212 | 494 | 465 | 494 | 469 | 494 | 471 | 494 | 453 | 494 | 435 |
| Fairdale Elementary | 67,584 | 669 | 600 | 742 | 686 | 742 | 675 | 742 | 718 | 714 | 688 |
| Fairdale High Magnet Career Academy | 285,863 | 1,600 | 949 | 1,600 | 975 | 1,600 | 930 | 1,600 | 1,106 | 1,950 | 1,166 |
| Farnsley Middle (Formerly Williams Middle) | 123,433 | 900 | 1,018 | 900 | 860 | 900 | 704 | | | | |
| Fern Creek Elementary | 56,020 | 736 | 756 | 713 | 746 | 713 | 699 | 713 | 715 | 713 | 693 |
| Fern Creek Traditional High | 249,569 | 1,575 | 1,201 | 1,575 | 1,295 | 1,575 | 1,373 | 1,575 | 1,397 | 1,578 | 1,532 |
| Field Elementary | 48,818 | 426 | 396 | 426 | 405 | 426 | 405 | 426 | 406 | 426 | 388 |
| Foster Traditional Academy (New) | 80,743 | 546 | 552 | | | | | | | | |
| Foster Elementary (Closed) | 51,796 | | | 546 | 540 | 546 | 547 | 546 | 548 | 546 | 446 |
| Franklin Elementary (Closed 1999-00) | | | | | | 282 | 206 | 282 | 215 | 282 | 227 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2005-06 | | 2004-05 | | 2003-04 | | 2002-03 | | 2001-02 | |
|-----------------------------------|------------------------------------|---------------------|---|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------------------------|
| | | Program Capacity | Student Enrollment 1st Pupil Month | Program Capacity | Student Enrollment as of 9/22/04 | Program Capacity | Student Enrollment as of 10/7/03 | Program Capacity | Student Enrollment as of 9/10/02 | Program Capacity | Student Enrollment as of 9/6/01 |
| Frayser Elementary | 71,730 | 522 | 390 | 522 | 385 | 522 | 384 | 522 | 390 | 522 | 430 |
| Frost Middle | 76,851 | 700 | 466 | 700 | 493 | 750 | 460 | 700 | 449 | 700 | 427 |
| Gilmore Lane Elementary | 39,483 | 407 | 370 | 407 | 370 | 407 | 364 | 407 | 353 | 407 | 364 |
| Goldsmith Elementary | 42,994 | 650 | 647 | 650 | 639 | 650 | 628 | 650 | 638 | 612 | 637 |
| Greathouse/Shryock Elem. | 51,054 | 612 | 612 | 612 | 611 | 608 | 610 | 608 | 590 | 608 | 591 |
| Greenwood Elementary | 42,848 | 556 | 556 | 556 | 554 | 600 | 558 | 535 | 574 | 563 | 535 |
| Gutermuth Elementary | 53,378 | 563 | 550 | 563 | 544 | 563 | 525 | 563 | 493 | 563 | 490 |
| Hartstern Elementary | 52,655 | 592 | 562 | 592 | 568 | 592 | 578 | 592 | 575 | 592 | 583 |
| Hawthorne Elementary | 42,510 | 484 | 370 | 505 | 352 | 505 | 382 | 505 | 376 | 505 | 412 |
| Hazelwood Elementary | 83,381 | 696 | 422 | 696 | 404 | 696 | 431 | 696 | 467 | 696 | 496 |
| Highland Middle | 123,574 | 1,025 | 1,027 | 1,025 | 1,023 | 1,050 | 1,021 | 1,050 | 933 | 1,050 | 867 |
| Hite Elementary | 45,720 | 513 | 510 | 513 | 506 | 512 | 518 | 512 | 511 | 512 | 507 |
| Indian Trail Elementary | 40,225 | 537 | 488 | 537 | 552 | 537 | 510 | 537 | 530 | 521 | 525 |
| Iroquois High | 296,110 | 1,450 | 1,268 | 1,450 | 1,186 | 1,450 | 1,117 | 1,450 | 1,044 | 1,450 | 1,087 |
| Iroquois Middle | 101,510 | 895 | 618 | 936 | 719 | 936 | 770 | 936 | 818 | 936 | 871 |
| Jacob Elementary | 61,250 | 675 | 571 | 675 | 627 | 675 | 612 | 675 | 606 | 675 | 622 |
| Jefferson County Trad. Middle | 120,513 | 929 | 929 | 1,001 | 920 | 1,001 | 917 | 1,001 | 916 | 1,001 | 899 |
| Jefferson, Thomas Middle | 224,413 | 1,425 | 1,051 | 1,425 | 1,137 | 1,425 | 1,138 | 1,425 | 1,191 | 1,425 | 1,136 |
| Jeffersontown Elementary | 69,305 | 778 | 778 | 759 | 768 | 759 | 743 | 759 | 743 | 759 | 732 |
| Jeffersontown High Magnet Career | 298,488 | 1,600 | 1,047 | 1,600 | 1,006 | 1,600 | 961 | 1,600 | 1,017 | 1,600 | 988 |
| Johnson Traditional Middle | 136,185 | 959 | 974 | 975 | 966 | 975 | 948 | 975 | 937 | 975 | 959 |
| Johnsontown Road Elementary | 47,096 | 471 | 422 | 471 | 416 | 471 | 397 | 471 | 388 | 471 | 398 |
| Kammerer Middle | 112,682 | 1,050 | 858 | 1,050 | 874 | 1,050 | 883 | 1,050 | 862 | 1,050 | 754 |
| Kennedy Metropolitan ¹ | 36,765 | | | | | | | | | | |
| Kennedy Montessori Elementary | 58,592 | 600 | 594 | 600 | 574 | 600 | 558 | 565 | 591 | 565 | 539 |
| Kenwood Elementary | 47,319 | 600 | 589 | 669 | 580 | 669 | 584 | 669 | 591 | 669 | 595 |
| Kerrick Elementary | 49,808 | 540 | 445 | 540 | 441 | 540 | 428 | 540 | 422 | 540 | 428 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2000-01 | | 1999-00 | | 1998-99 | | 1997-98 | | 1996-97 | |
|-----------------------------------|------------------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|---------------------|--|---------------------|--|---------------------|---|
| | | Program Capacity | Student Enrollment as of 9/7/00 | Program Capacity | Student Enrollment as of 9/9/99 | Program Capacity | Student Enrollment as of 8/25/98 | Program Capacity | Student Enrollment as of 10/1/97 | Program Capacity | Student Enrollment 1st pupil month |
| Frayser Elementary | 71,730 | 522 | 405 | 594 | 479 | 594 | 438 | 594 | 466 | 594 | 500 |
| Frost Middle | 76,851 | 700 | 437 | 700 | 471 | 700 | 560 | 700 | 596 | 698 | 671 |
| Gilmore Lane Elementary | 39,483 | 407 | 366 | 385 | 387 | 384 | 308 | 384 | 363 | 384 | 373 |
| Goldsmith Elementary | 42,994 | 612 | 590 | 662 | 589 | 662 | 498 | 662 | 553 | 662 | 575 |
| Greathouse/Shryock Elem. | 51,054 | 608 | 589 | 608 | 592 | 608 | 594 | 608 | 590 | 608 | 591 |
| Greenwood Elementary | 42,848 | 512 | 537 | 512 | 502 | 512 | 469 | 512 | 483 | 536 | 511 |
| Gutermuth Elementary | 53,378 | 563 | 489 | 563 | 517 | 563 | 517 | 540 | 542 | 540 | 523 |
| Hartstern Elementary | 52,655 | 592 | 570 | 608 | 570 | 608 | 529 | 608 | 574 | 608 | 568 |
| Hawthorne Elementary | 42,510 | 505 | 445 | 483 | 449 | 483 | 434 | 483 | 466 | 418 | 481 |
| Hazelwood Elementary | 83,381 | 696 | 542 | 744 | 570 | 744 | 478 | 744 | 650 | 744 | 570 |
| Highland Middle | 123,574 | 1,050 | 857 | 1,050 | 869 | 1,050 | 897 | 1,050 | 911 | 946 | 898 |
| Hite Elementary | 45,720 | 512 | 497 | 512 | 484 | 512 | 461 | 512 | 462 | 512 | 456 |
| Indian Trail Elementary | 40,225 | 521 | 505 | 510 | 503 | 510 | 484 | 510 | 505 | 510 | 508 |
| Iroquois High | 296,110 | 1,450 | 1,148 | 1,450 | 1,136 | 1,450 | 1,151 | 1,450 | 1,235 | 1,470 | 1,337 |
| Iroquois Middle | 101,510 | 936 | 866 | 950 | 895 | 950 | 823 | 950 | 840 | 974 | 847 |
| Jacob Elementary | 61,250 | 675 | 656 | 683 | 656 | 674 | 686 | 674 | 686 | 674 | 684 |
| Jefferson County Trad. Middle | 120,513 | 1,001 | 895 | 1,001 | 896 | 1,001 | 910 | 1,001 | 911 | 1,040 | 914 |
| Jefferson, Thomas Middle | 224,413 | 1,425 | 1,161 | 1,425 | 1,182 | 1,425 | 1,179 | 1,425 | 1,116 | 1,442 | 1,127 |
| Jeffersontown Elementary | 69,305 | 759 | 683 | 778 | 666 | 778 | 595 | 778 | 637 | 778 | 635 |
| Jeffersontown High Magnet Career | 298,488 | 1,600 | 1,099 | 1,600 | 1,067 | 1,600 | 1,142 | 1,600 | 1,144 | 1,702 | 1,112 |
| Johnson Traditional Middle | 136,185 | 975 | 958 | 975 | 923 | 975 | 905 | 975 | 949 | 913 | 946 |
| Johnsontown Road Elementary | 47,096 | 471 | 402 | 445 | 429 | 424 | 390 | 424 | 396 | 424 | 361 |
| Kammerer Middle | 112,682 | 1,050 | 800 | 1,050 | 810 | 1,050 | 872 | 1,050 | 920 | 1,045 | 922 |
| Kennedy Metropolitan ¹ | 36,765 | | | | | | | | | | |
| Kennedy Montessori Elementary | 58,592 | 565 | 560 | 546 | 562 | 516 | 526 | 492 | 521 | 492 | 475 |
| Kenwood Elementary | 47,319 | 600 | 675 | 618 | 602 | 601 | 553 | 601 | 554 | 576 | 602 |
| Kerrick Elementary | 49,808 | 540 | 435 | 540 | 458 | 540 | 446 | 540 | 482 | 612 | 503 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2005-06 | | 2004-05 | | 2003-04 | | 2002-03 | | 2001-02 | |
|---------------------------------------|------------------------------------|---------------------|---|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------------------------|
| | | Program Capacity | Student Enrollment 1st Pupil Month | Program Capacity | Student Enrollment as of 9/22/04 | Program Capacity | Student Enrollment as of 10/7/03 | Program Capacity | Student Enrollment as of 9/10/02 | Program Capacity | Student Enrollment as of 9/6/01 |
| King Elementary | 67,295 | 484 | 437 | 484 | 405 | 484 | 418 | 484 | 417 | 484 | 430 |
| Klondike Lane Elementary | 57,300 | 658 | 631 | 624 | 619 | 624 | 619 | 624 | 607 | 587 | 604 |
| Knight Middle | 101,568 | 700 | 582 | 700 | 607 | 700 | 606 | 750 | 588 | 750 | 501 |
| Lassiter Middle | 103,834 | 925 | 675 | 950 | 732 | 950 | 733 | 950 | 768 | 950 | 756 |
| Laukhuf Elementary | 56,209 | 620 | 504 | 620 | 509 | 620 | 530 | 620 | 536 | 620 | 534 |
| Layne Elementary | 50,740 | 514 | 470 | 490 | 476 | 490 | 474 | 490 | 464 | 490 | 448 |
| Liberty High | 100,329 | n/a | 316 | n/a | 263 | n/a | 283 | n/a | 354 | n/a | 344 |
| Lincoln Elementary | 63,067 | 439 | 282 | 406 | 392 | 406 | 347 | 406 | 370 | 406 | 366 |
| Louisville Male High | 209,752 | 1,634 | 1,683 | 1,634 | 1,638 | 1,634 | 1,633 | 1,634 | 1,626 | 1,610 | 1,634 |
| Lowe Elementary | 59,560 | 600 | 602 | 570 | 593 | 566 | 572 | 566 | 551 | 566 | 524 |
| Luhr Elementary | 49,373 | 524 | 474 | 524 | 475 | 524 | 481 | 524 | 490 | 524 | 483 |
| Lyndon Vocational School ¹ | 50,963 | | | | | | | | | | |
| Maupin Elementary (New 1998-99) | 74,000 | 675 | 602 | 650 | 652 | 650 | 630 | 650 | 617 | 650 | 611 |
| Maupin Elementary (Closed) | | | | | | | | | | | |
| McFerran Preparatory Academy | 334,503 | 1,062 | 916 | 1,062 | 876 | 1,062 | 884 | 1,062 | 875 | 1,062 | 908 |
| Medora Elementary | 39,537 | 424 | 408 | 424 | 411 | 420 | 412 | 420 | 390 | 420 | 404 |
| Meyzeek Middle | 134,645 | 1,200 | 1,096 | 1,200 | 1,108 | 1,200 | 1,129 | 1,200 | 1,171 | 1,275 | 1,158 |
| Middletown Elementary | 58,553 | 632 | 602 | 632 | 575 | 632 | 541 | 632 | 525 | 632 | 557 |
| Mill Creek Elementary | 49,651 | 564 | 458 | 564 | 460 | 564 | 448 | 564 | 455 | 564 | 454 |
| Minors Lane Elementary | 51,721 | 600 | 443 | 600 | 488 | 600 | 482 | 600 | 510 | 600 | 498 |
| Moore Traditional Middle (New 98-99) | 265,786 | 1,050 | 906 | 1,050 | 928 | 1,050 | 1,013 | 1,010 | 967 | 850 | 914 |
| Moore Traditional High | 265,786 | 1,000 | 743 | 1,000 | 710 | 1,000 | 651 | 1,135 | 656 | 1,135 | 619 |
| Myers Middle | 97,164 | 1,010 | 950 | 1,010 | 991 | 1,020 | 1,006 | 1,020 | 988 | 940 | 964 |
| Newburg Middle | 123,433 | 1,112 | 1,084 | 1,112 | 1,068 | 1,050 | 1,118 | 1,050 | 1,048 | 988 | 1,021 |
| Noe Middle | 155,118 | 1,250 | 1,274 | 1,332 | 1,301 | 1,332 | 1,300 | 1,300 | 1,315 | 1,300 | 1,215 |
| Norton Elementary | 62,719 | 750 | 721 | 750 | 722 | 774 | 699 | 774 | 734 | 774 | 746 |
| Okolona Elementary | 50,950 | 501 | 468 | 501 | 490 | 501 | 493 | 501 | 491 | 501 | 497 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2000-01 | | 1999-00 | | 1998-99 | | 1997-98 | | 1996-97 | |
|---------------------------------------|------------------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|---------------------|--|---------------------|--|---------------------|---|
| | | Program Capacity | Student Enrollment as of 9/7/00 | Program Capacity | Student Enrollment as of 9/9/99 | Program Capacity | Student Enrollment as of 8/25/98 | Program Capacity | Student Enrollment as of 10/1/97 | Program Capacity | Student Enrollment 1st pupil month |
| King Elementary | 67,295 | 484 | 433 | 484 | 454 | 484 | 418 | 484 | 459 | 484 | 423 |
| Klondike Lane Elementary | 57,300 | 587 | 579 | 587 | 542 | 587 | 544 | 587 | 577 | 580 | 578 |
| Knight Middle | 101,568 | 750 | 486 | 750 | 486 | 750 | 502 | 750 | 540 | 752 | 509 |
| Lassiter Middle | 103,834 | 950 | 768 | 950 | 785 | 950 | 875 | 950 | 910 | 947 | 952 |
| Laukhuf Elementary | 56,209 | 620 | 528 | 608 | 520 | 608 | 499 | 608 | 469 | 608 | 456 |
| Layne Elementary | 50,740 | 490 | 430 | 444 | 433 | 444 | 352 | 444 | 344 | 444 | 373 |
| Liberty High | 100,329 | n/a | 320 | n/a | 243 | n/a | n/a | n/a | n/a | n/a | n/a |
| Lincoln Elementary | 63,067 | 406 | 351 | 462 | 370 | 462 | 331 | 462 | 356 | 462 | 376 |
| Louisville Male High | 209,752 | 1,610 | 1,627 | 1,610 | 1,623 | 1,600 | 1,622 | 1,600 | 1,631 | 1,750 | 1,626 |
| Lowe Elementary | 59,560 | 566 | 557 | 566 | 554 | 566 | 535 | 566 | 552 | 552 | 551 |
| Luhr Elementary | 49,373 | 524 | 478 | 502 | 514 | 502 | 440 | 502 | 493 | 470 | 482 |
| Lyndon Vocational School ¹ | 50,963 | | | | | | | | | | |
| Maupin Elementary (New 1998-99) | 74,000 | 650 | 604 | 585 | 618 | 585 | 511 | | | | |
| Maupin Elementary (Closed) | | | | | | | | 585 | 534 | 500 | 545 |
| McFerran Preparatory Academy | 334,503 | 966 | 987 | 819 | 909 | 815 | 561 | 700 | 787 | 536 | 556 |
| Medora Elementary | 39,537 | 420 | 369 | 420 | 381 | 420 | 361 | 420 | 365 | 420 | 377 |
| Meyzeek Middle | 134,645 | 1,275 | 1,064 | 1,275 | 1,085 | 1,275 | 1,152 | 1,275 | 1,295 | 1,290 | 1,284 |
| Middletown Elementary | 58,553 | 632 | 575 | 616 | 594 | 616 | 591 | 616 | 609 | 616 | 596 |
| Mill Creek Elementary | 49,651 | 564 | 478 | 596 | 501 | 596 | 499 | 596 | 530 | 596 | 552 |
| Minors Lane Elementary | 51,721 | 600 | 521 | 600 | 507 | 600 | 438 | 600 | 547 | 600 | 556 |
| Moore Traditional Middle (New 98-99) | 265,786 | 850 | 831 | 700 | 733 | 700 | 595 | n/a | n/a | n/a | n/a |
| Moore Traditional High | 265,786 | 1,550 | 655 | 1,550 | 631 | 1,550 | 645 | 1,550 | 670 | 2,189 | 655 |
| Myers Middle | 97,164 | 940 | 915 | 925 | 909 | 925 | 910 | 925 | 874 | 924 | 914 |
| Newburg Middle | 123,433 | 926 | 962 | 926 | 915 | 900 | 908 | 900 | 840 | 1,077 | 789 |
| Noe Middle | 155,118 | 1,300 | 1,253 | 1,300 | 1,246 | 1,300 | 1,262 | 1,300 | 1,241 | 1,200 | 1,250 |
| Norton Elementary | 62,719 | 774 | 756 | 741 | 752 | 741 | 699 | 741 | 728 | 741 | 722 |
| Okolona Elementary | 50,950 | 501 | 500 | 526 | 480 | 526 | 459 | 526 | 493 | 526 | 499 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2005-06 | | 2004-05 | | 2003-04 | | 2002-03 | | 2001-02 | |
|--------------------------------------|------------------------------------|---------------------|---|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------------------------|
| | | Program Capacity | Student Enrollment 1st Pupil Month | Program Capacity | Student Enrollment as of 9/22/04 | Program Capacity | Student Enrollment as of 10/7/03 | Program Capacity | Student Enrollment as of 9/10/02 | Program Capacity | Student Enrollment as of 9/6/01 |
| Pleasure Ridge Park High | 265,703 | 1,820 | 1,956 | 1,800 | 1,946 | 1,800 | 1,896 | 1,800 | 1,828 | 1,800 | 1,831 |
| Portland Elementary | 52,661 | 472 | 306 | 472 | 345 | 472 | 341 | 472 | 386 | 472 | 370 |
| Price Elementary | 53,339 | 547 | 510 | 569 | 493 | 569 | 541 | 569 | 550 | 569 | 514 |
| Rangeland Elementary | 46,210 | 520 | 433 | 520 | 447 | 520 | 454 | 520 | 450 | 520 | 440 |
| Roosevelt Perry Elementary | 50,185 | 451 | 354 | 451 | 380 | 451 | 379 | 451 | 357 | 451 | 334 |
| Rutherford Elementary | 83,296 | 600 | 533 | 600 | 540 | 600 | 523 | 600 | 522 | 600 | 552 |
| Sanders Elementary | 44,376 | 503 | 494 | 503 | 480 | 490 | 485 | 490 | 504 | 490 | 495 |
| Schaffner Traditional Elementary | 41,156 | 612 | 608 | 612 | 610 | 600 | 606 | 600 | 580 | 600 | 583 |
| Semple Elementary | 65,447 | 629 | 596 | 629 | 610 | 629 | 608 | 629 | 605 | 576 | 598 |
| Seneca High | 236,142 | 1,685 | 1,711 | 1,685 | 1,770 | 1,650 | 1,735 | 1,650 | 1,715 | 1,650 | 1,725 |
| Shacklette Elementary | 47,409 | 708 | 611 | 708 | 602 | 708 | 611 | 708 | 691 | 708 | 686 |
| Shawnee High | 333,804 | 1,400 | 691 | 1,400 | 735 | 1,400 | 778 | 1,400 | 526 | 1,400 | 577 |
| Shelby Elementary (New) | 83,477 | 650 | 500 | 650 | 477 | 650 | 329 | | | | |
| Shelby Elementary (Closed) | | | | | | | | 440 | 316 | 440 | 337 |
| Slaughter Elementary | 50,578 | 508 | 437 | 508 | 434 | 508 | 456 | 454 | 452 | 417 | 430 |
| Smyrna Traditional Elementary | 42,827 | 623 | 581 | 620 | 615 | 640 | 627 | 631 | 647 | 631 | 628 |
| South Park TAPP Program ¹ | 42,152 | | | | | | | | | | |
| Southern High | 329,983 | 1,700 | 1,402 | 1,700 | 1,359 | 1,700 | 1,398 | 1,700 | 1,355 | 1,700 | 1,376 |
| Southern Leadership Academy Middle | 152,553 | 1,050 | 796 | 1,050 | 834 | 1,050 | 731 | 1,050 | 902 | 1,050 | 819 |
| St. Matthews Elementary | 46,228 | 550 | 533 | 519 | 550 | 519 | 528 | 519 | 515 | 519 | 500 |
| Stonestreet Elementary | 49,169 | 578 | 519 | 578 | 515 | 578 | 530 | 578 | 479 | 578 | 482 |
| Stuart Middle | 214,706 | 1,500 | 1,177 | 1,500 | 1,252 | 1,500 | 1,342 | 1,500 | 1,421 | 1,450 | 1,317 |
| Taylor, Zachary Elementary | 45,067 | 585 | 503 | 563 | 510 | 563 | 523 | 680 | 521 | 680 | 645 |
| Trunnel Elementary | 55,097 | 670 | 639 | 670 | 661 | 661 | 673 | 661 | 646 | 628 | 651 |
| Tully Elementary | 105,648 | 809 | 822 | 809 | 769 | 809 | 769 | 809 | 773 | 809 | 766 |
| Valley Traditional High | 266,102 | 1,600 | 922 | 1,600 | 945 | 1,600 | 960 | 1,600 | 984 | 1,600 | 1,016 |
| Waggener High | 222,142 | 1,300 | 1,159 | 1,300 | 1,149 | 1,300 | 1,080 | 1,300 | 982 | 1,300 | 966 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2000-01 | | 1999-00 | | 1998-99 | | 1997-98 | | 1996-97 | |
|--------------------------------------|------------------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|---------------------|--|---------------------|--|---------------------|---|
| | | Program Capacity | Student Enrollment as of 9/7/00 | Program Capacity | Student Enrollment as of 9/9/99 | Program Capacity | Student Enrollment as of 8/25/98 | Program Capacity | Student Enrollment as of 10/1/97 | Program Capacity | Student Enrollment 1st pupil month |
| Pleasure Ridge Park High | 265,703 | 1,800 | 1,861 | 1,800 | 1,834 | 1,800 | 1,886 | 1,800 | 1,842 | 2,189 | 1,869 |
| Portland Elementary | 52,661 | 472 | 413 | 513 | 462 | 513 | 403 | 513 | 454 | 485 | 456 |
| Price Elementary | 53,339 | 569 | 487 | 576 | 501 | 576 | 457 | 576 | 520 | 576 | 523 |
| Rangeland Elementary | 46,210 | 520 | 465 | 551 | 497 | 551 | 487 | 526 | 490 | 526 | 527 |
| Roosevelt Perry Elementary | 50,185 | 451 | 388 | 620 | 410 | 620 | 405 | 620 | 462 | 620 | 494 |
| Rutherford Elementary | 83,296 | 600 | 578 | 651 | 574 | 651 | 540 | 651 | 589 | 634 | 652 |
| Sanders Elementary | 44,376 | 490 | 476 | 472 | 462 | 472 | 425 | 472 | 470 | 536 | 473 |
| Schaffner Traditional Elementary | 41,156 | 600 | 588 | 592 | 589 | 592 | 591 | 588 | 589 | 584 | 591 |
| Semple Elementary | 65,447 | 567 | 575 | 690 | 587 | 690 | 512 | 690 | 579 | 690 | 648 |
| Seneca High | 236,142 | 1,650 | 1,713 | 1,650 | 1,706 | 1,600 | 1,662 | 1,600 | 1,705 | 1,600 | 1,676 |
| Shacklette Elementary | 47,409 | 640 | 708 | 700 | 643 | 683 | 589 | 683 | 654 | 584 | 647 |
| Shawnee High | 333,804 | 1,400 | 520 | 1,400 | 634 | 1,400 | 772 | 1,400 | 717 | 1,990 | 775 |
| Shelby Elementary (New) | 83,477 | | | | | | | | | | |
| Shelby Elementary (Closed) | | 440 | 359 | 517 | 372 | 519 | 395 | 519 | 453 | 519 | 471 |
| Slaughter Elementary | 50,578 | 417 | 365 | 491 | 406 | 491 | 402 | 491 | 455 | 491 | 460 |
| Smyrna Traditional Elementary | 42,827 | 631 | 638 | 620 | 617 | 620 | 533 | 600 | 576 | 591 | 588 |
| South Park TAPP Program ¹ | 42,152 | | | | | | | | | | |
| Southern High | 329,983 | 1,700 | 1,416 | 1,700 | 1,454 | 1,700 | 1,565 | 1,700 | 1,608 | 2,222 | 1,669 |
| Southern Leadership Academy Middle | 152,553 | 1,050 | 773 | 1,050 | 812 | 1,050 | 872 | 1,050 | 925 | 1,062 | 936 |
| St. Matthews Elementary | 46,228 | 519 | 513 | 519 | 507 | 517 | 515 | 517 | 516 | 548 | 506 |
| Stonestreet Elementary | 49,169 | 578 | 493 | 603 | 466 | 603 | 436 | 603 | 449 | 622 | 454 |
| Stuart Middle | 214,706 | 1,450 | 1,236 | 1,450 | 1,183 | 1,450 | 1,267 | 1,450 | 1,261 | 1,761 | 1,300 |
| Taylor, Zachary Elementary | 45,067 | 680 | 647 | 732 | 638 | 732 | 549 | 732 | 663 | 684 | 634 |
| Trunnel Elementary | 55,097 | 628 | 620 | 644 | 622 | 644 | 613 | 644 | 622 | 644 | 622 |
| Tully Elementary | 105,648 | 809 | 781 | 773 | 776 | 773 | 690 | 746 | 774 | 746 | 737 |
| Valley Traditional High | 266,102 | 1,600 | 1,030 | 1,600 | 974 | 1,600 | 1,024 | 1,600 | 1,021 | 1,646 | 1,103 |
| Waggener High | 222,142 | 1,300 | 872 | 1,300 | 988 | 1,300 | 1,001 | 1,300 | 1,027 | 1,440 | 1,072 |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2005-06 | | 2004-05 | | 2003-04 | | 2002-03 | | 2001-02 | |
|---|------------------------------------|---------------------|---|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------------------------|
| | | Program Capacity | Student Enrollment 1st Pupil Month | Program Capacity | Student Enrollment as of 9/22/04 | Program Capacity | Student Enrollment as of 10/7/03 | Program Capacity | Student Enrollment as of 9/10/02 | Program Capacity | Student Enrollment as of 9/6/01 |
| Waller William Environmental ¹ | 52,616 | | | | | | | | | | |
| Watson Lane Elementary | 62,030 | 661 | 607 | 661 | 594 | 661 | 592 | 661 | 591 | 661 | 585 |
| Watterson Elementary | 52,105 | 615 | 592 | 620 | 608 | 606 | 613 | 606 | 607 | 589 | 606 |
| Wellington Traditional Elem. | 50,555 | 547 | 467 | 547 | 448 | 547 | 416 | 547 | 418 | 547 | 451 |
| Western High | 235,472 | 1,300 | 912 | 1,300 | 808 | 1,300 | 779 | 1,300 | 741 | 1,300 | 666 |
| Western Middle | 133,525 | 825 | 542 | 825 | 650 | 825 | 703 | 825 | 763 | 825 | 784 |
| Westport TAPP Program ¹ | 52,950 | | | | | | | | | | |
| Westport Traditional Middle | 181,805 | 1,300 | 913 | 1,300 | 1,021 | 1,300 | 1,138 | 1,300 | 1,096 | 1,300 | 995 |
| Wheatley Elementary | 63,935 | 550 | 391 | 550 | 419 | 550 | 422 | 600 | 444 | 600 | 464 |
| Wheeler Elementary | 53,443 | 680 | 678 | 665 | 681 | 665 | 678 | 665 | 649 | 665 | 637 |
| Wilder Elementary | 49,738 | 610 | 599 | 610 | 601 | 606 | 601 | 606 | 603 | 606 | 588 |
| Wilkerson Traditional Elem. | 43,795 | 470 | 475 | 470 | 431 | 470 | 421 | 470 | 407 | 470 | 409 |
| Williams Middle (Reopened as Farnsley Mid.) | | | | | | | | | | | |
| Wilt Elementary | 50,481 | 550 | 543 | 550 | 484 | 550 | 488 | 550 | 475 | 488 | 479 |
| Young Elementary | 73,437 | 610 | 510 | 610 | 558 | 610 | 529 | 610 | 513 | 610 | 557 |
| Youth Performing Arts Program ¹ | | | | | | | | | | | |

Continued

Jefferson County Board of Education

School Building Capacity Data--Continued

Ten Years' Trend Data

| School Name | Square Footage as of 3/31/06 | 2000-01 | | 1999-00 | | 1998-99 | | 1997-98 | | 1996-97 | |
|---|------------------------------------|---------------------|---------------------------------------|---------------------|---------------------------------------|---------------------|--|---------------------|--|---------------------|---|
| | | Program Capacity | Student Enrollment as of 9/7/00 | Program Capacity | Student Enrollment as of 9/9/99 | Program Capacity | Student Enrollment as of 8/25/98 | Program Capacity | Student Enrollment as of 10/1/97 | Program Capacity | Student Enrollment 1st pupil month |
| Waller William Environmental ¹ | 52,616 | | | | | | | | | | |
| Watson Lane Elementary | 62,030 | 661 | 625 | 661 | 600 | 651 | 571 | 639 | 638 | 619 | 625 |
| Watterson Elementary | 52,105 | 587 | 589 | 576 | 588 | 576 | 533 | 576 | 560 | 576 | 572 |
| Wellington Traditional Elem. | 50,555 | 547 | 480 | 547 | 494 | 547 | 488 | 547 | 552 | 496 | 515 |
| Western High | 235,472 | 1,300 | 663 | 1,300 | 655 | 1,300 | 690 | 1,300 | 800 | 1,307 | 925 |
| Western Middle | 133,525 | 825 | 771 | 825 | 695 | 825 | 670 | 825 | 732 | 858 | 757 |
| Westport TAPP Program ¹ | 52,950 | | | | | | | | | | |
| Westport Traditional Middle | 181,805 | 1,300 | 945 | 1,300 | 944 | 1,300 | 994 | 1,300 | 1,192 | 1,326 | 1,130 |
| Wheatley Elementary | 63,935 | 600 | 467 | 600 | 486 | 600 | 449 | 600 | 555 | 533 | 523 |
| Wheeler Elementary | 53,443 | 665 | 644 | 665 | 623 | 665 | 579 | 665 | 649 | 665 | 631 |
| Wilder Elementary | 49,738 | 606 | 604 | 606 | 590 | 606 | 580 | 582 | 592 | 500 | 546 |
| Wilkerson Traditional Elem. | 43,795 | 470 | 402 | 470 | 362 | 470 | 339 | 470 | 388 | 470 | 414 |
| Williams Middle (Reopened as Farnsley Mid.) | | | | | | | | 696 | 478 | 787 | 534 |
| Wilt Elementary | 50,481 | 488 | 449 | 526 | 458 | 526 | 424 | 526 | 443 | 550 | 486 |
| Young Elementary | 73,437 | 610 | 524 | 610 | 523 | 610 | 424 | 610 | 516 | 610 | 536 |
| Youth Performing Arts Program ¹ | | | | | | | | | | | |

¹ Students at these alternative schools are counted in the enrollment at their home school.

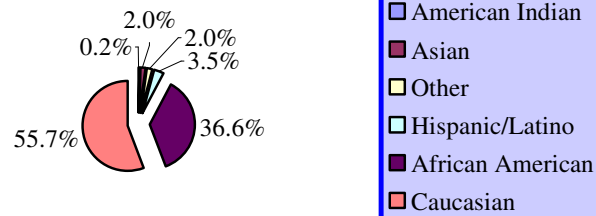
Enrollment presented is as of the end of the first pupil month. This is not typically our highest enrollment month during the school year, but this is when the program budget is set and students are assigned to each school within program capacity guidelines.

Jefferson County Board of Education

Miscellaneous Statistics

For the Year Ended June 30, 2006

Student Demographics



Number of Students

| | |
|------------------------------|--------|
| English as a Second Language | 4,534 |
| Different Languages | 78 |
| Special Needs | 13,792 |
| Free and Reduced Price Lunch | 56.7% |
| Advanced Placement Students | 3,046 |

Student Transportation

| | |
|---------------------------------------|--------|
| Number of Buses | 831 |
| Number of Bus Compounds | 13 |
| Miles Driven per Day | 85,175 |
| Number of Students Driven Twice a Day | 59,248 |

General Fund Funding Allocation

