



**Shaping the Future**

[www.jcpsky.net](http://www.jcpsky.net)

Equal Opportunity/Affirmative Action Employer Offering Equal Educational Opportunities

# Board of Education of Jefferson County, Kentucky

## Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2007



*Prepared By:*  
Department of Financial Services  
Sheldon H. Berman  
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, 2007

Table of Contents

**Introductory Section**

<i>Letter of Transmittal</i> .....	iv
<i>Board of Education</i> .....	xiv
<i>Organizational Chart</i> .....	xvi

**Financial Section**

<i>Independent Auditors' Report</i> .....	1
<i>Management's Discussion and Analysis (Unaudited)</i> .....	3

**Financial Statements:**

**District-wide Financial Statements**

Statement of Net Assets .....	13
Statement of Activities .....	14

**Fund Financial Statements**

**Governmental Funds**

Balance Sheet .....	15
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	17

**Proprietary Funds**

Statement of Net Assets .....	19
Statement of Revenues, Expenses, and Changes in Net Assets .....	20
Statement of Cash Flows .....	21

**Fiduciary Funds**

Statement of Net Assets .....	23
-------------------------------	----

Continued

## Table of Contents--Continued

<b>Notes to Financial Statements</b> .....	24
<b>Required Supplementary Information</b>	
Schedule of Revenues and Expenditures – Budget and Actual General Fund .....	44
Schedule of Revenues and Expenditures – Budget and Actual Grants & Awards Fund .....	45
Schedule of Revenues and Expenditures – Budget and Actual Construction Fund .....	46
Schedule of Revenues and Expenditures – Budget and Actual Capital Outlay Fund .....	46
Schedule of Revenues and Expenditures – Budget and Actual Building Fund .....	47
Schedule of Revenues and Expenditures – Budget and Actual Debt Service Fund .....	47
Schedule of Revenues and Expenditures – Budget and Actual School Food Service Fund .....	48
Schedule of Revenues and Expenditures – Budget and Actual Daycare Operations Fund .....	48
Schedule of Revenues and Expenditures – Budget and Actual Adult Education Fund .....	49
Schedule of Revenues and Expenditures – Budget and Actual Tuition Preschool Fund .....	49
Schedule of Revenues and Expenditures – Budget and Actual Katherine Avellar Trust Fund .....	50
<b>Other Supplementary Information</b>	
Combining Balance Sheet – Nonmajor Governmental Funds .....	51
Combining Statement of Revenues, Expenditures and	
Changes in Fund Balance – Nonmajor Governmental Funds .....	52
Combining Balance Sheet – Nonmajor Proprietary Funds .....	53
Combining Statement of Revenues, Expenditures and	
Changes in Fund Balance – Nonmajor Proprietary Funds .....	54
Combining Statement of Cash Flows – Nonmajor Proprietary Funds .....	55
Combining Statement of Net Assets – Fiduciary Funds and	
Statement of Changes in Net Assets – Fiduciary Funds .....	56
 <b>Statistical Section</b>	
 <i>Statement of Net Assets—Governmental Funds</i> .....	57
<i>Statement of Activities—Governmental Funds</i> .....	59
<i>Balance Sheets—Governmental Funds</i> .....	61
<i>Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds</i> .....	63

Continued

## Table of Contents--Continued

<b>General Government Revenues by Type .....</b>	<b>67</b>
<b>General Government Expenses by Function .....</b>	<b>68</b>
<b>Property Tax Rates .....</b>	<b>69</b>
<b>Real Estate and Personal Property Tax Revenues .....</b>	<b>70</b>
<b>Property Tax Assessments .....</b>	<b>71</b>
<b>Principal Real Estate Taxpayers .....</b>	<b>72</b>
<b>Overlapping Tax Rates .....</b>	<b>73</b>
<b>Principal Employers by Number of Employees .....</b>	<b>76</b>
<b>Occupational Tax Revenues .....</b>	<b>77</b>
<b>Total Bonded Debt by Responsible Party .....</b>	<b>78</b>
<b>Detail of Bonds by Responsible Party .....</b>	<b>79</b>
<b>Overlapping/Direct Debt and Bond Analysis Ratios .....</b>	<b>80</b>
<b>Jefferson County Demographics .....</b>	<b>81</b>
<b>Economic Statistics .....</b>	<b>82</b>
<b>Number of Employees by Functional Duties .....</b>	<b>83</b>
<b>Enrollment by Level .....</b>	<b>84</b>
<b>Accountability Trend Statistics</b>	
Elementary .....	85
Middle .....	85
High .....	86
<b>ACT Score Trend .....</b>	<b>87</b>
<b>SAT Score Trend .....</b>	<b>88</b>
<b>School Building Capacity Data .....</b>	<b>89</b>
<b>Miscellaneous Statistics .....</b>	<b>101</b>



# Introductory Section



## Letter of Transmittal

November 7, 2007

### 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, 2007. 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. Annual audits are required legally by Kentucky Revised Statute 156.265. 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 11 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 Jefferson County residents who work within Jefferson County at a rate of .75% of salary. This tax tends to be an accurate barometer of the local workforce, and, in some ways, the strength of the local economy. In reviewing past years' revenues, the reader may notice the correlation between occupational tax revenues and the greater United States economy.

State revenues are based on a variety of state taxes and are allocated to the 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 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

<u>Total Population</u>	
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*

The Board's finances are strong as well. We aspire to achieve great things in public education. To do this, we must set high goals and be strict stewards of the public funds we have.

The current initiatives discussed on page vii of this Introductory Section are major undertakings that may require dedication over many years. Class-size reduction in particular is a sizeable investment for a district our size. As a practice, we pair our recurrent revenue budget with our recurrent expense budget to eliminate liquidity concerns. In addition, all planning is done in concert with our research team to ensure that funds are allocated to programs that get results.

We also have placed great emphasis on internal controls. School districts have inherent weaknesses in financial structure, with funds being collected at numerous locations and where optimal segregation of duties is not always practical. To offset these risks, the Board is committed to strengthening its controls at the central office level, where 99% of revenues are received, and reviewing satellite offices and schools often. Central office has implemented positive pay for its disbursements and staff review bank information daily. Accordingly, the bank accounts are reconciled by the third day after the end of the month. Schools are now audited twice each year by our Internal Audit department, which just added a Senior Auditor position to focus even more resources toward prevention and detection of errors and theft.



## 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%. In June 2007, the United States Supreme Court held that some aspects of our student assignment plan did not satisfy the Court's "narrow tailoring" requirement. We are very early in the process of formulating changes to our student assignment plan, but the Board believes that its schools should be inclusive and welcoming to all children. Public schools exist to provide a fair and equitable opportunity to learn for each and every child in the community, and the Board remains committed to providing that opportunity in Jefferson County. Any changes to the district's student assignment plan will be based on these values.

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

**T**he 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 98,087 students:

High	27,500
Middle	19,610
Elementary	35,230
Kindergarten	7,258
Preschool	5,122
Special Needs	3,367

We have 153 schools and learning centers:

High	19
Middle	22
Elementary	89
Special Needs	9
Other	14

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-8<sup>th</sup> grade in a highly structured environment, this school utilizes a behavior management system where students earn tokens for good behavior and may use these tokens to purchase items in the school store.

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

**Adult Education:** Total Adult Education enrollment for 2006-07 was 25,000. Of these, 14,060 were enrolled in Adult Basic Education/General Education Development (GED) Program and 830 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

**Opening new schools:** To address new population centers within our county, the Board is opening two new elementary schools in August 2007 and a new middle school in August 2008.

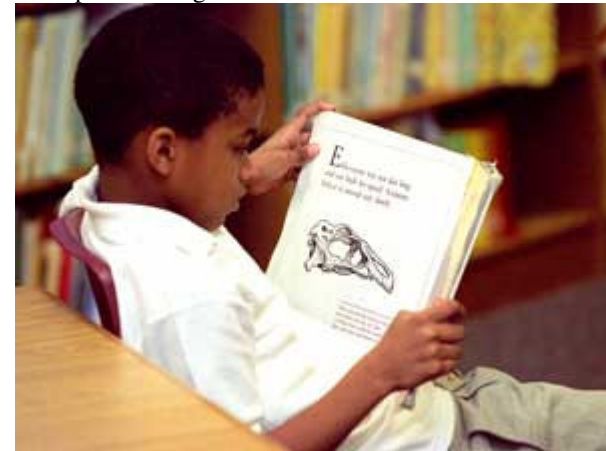
**Class-size reduction:** The Board believes personal attention allows teachers the opportunity to address the needs of each and every student and tailor curriculum to help each individual student become the best that he or she can be.

**Nurses in every school:** The Board believes student safety and wellness will be increased by having at least one nurse in every school. This follows with our belief that healthy students have higher attendance and achievement.

**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. This program is a community-wide effort to have every child in Jefferson County reading at grade level within four years. To achieve this, we need approximately 10,000 community members to tutor and mentor children who have fallen behind their grade. Currently, we have 7,800 trained

volunteers. Each of these volunteers work one-on-one with a student helping them improve their reading. The community has supported this effort by contributing \$7.6 million and thousands of volunteer hours, and the results show that this is money well spent. In the first two years of this program, the percent of students reading below grade level has fallen from 14.4% to 8.5%.

**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

**T**he Board's outstanding performance has been validated by several national, independent organizations and governmental agencies and by the performance of our outstanding students.

### Our Schools:

JCPS is one of only five urban school districts and one of the first 100 school districts in the nation to win accreditation as a Quality School District through the Southern Association of Colleges and 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.

The USDA also recognized 61 of our elementary schools as Gold Level Team Nutrition Schools for meeting the USDA's *HealthierUS* School Challenge.

Ballard, Eastern, and DuPont Manual made *Newsweek* magazine's 2007 list of the top high schools in the United States. The list recognizes schools that do the best job of preparing average students for college.

DuPont Manual High School won the 2006-2007 Siemens Award for Advanced Placement performance and participation in math, science and technology.

Noe 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 superior schools in the nation.

### Our Students:

- 50 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)
- Student earned perfect scores on the ACT
- Student named to the All-USA High School Musicians Program
- The Class of 2007 earned more than \$70 million in scholarships



### Our Teachers and Staff Members:

- 2006 Kentucky Teacher of the Year
- 75 National Board Certified Teachers
- JCPS Adult and Continuing Education Program won the 2007 Chester Klevins Award as the Outstanding Workforce Literacy Program from the national Council on Adult Basic Education



- 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

## Acknowledgements

**W**e 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,



**Sheldon H. Berman, Ed. D.**  
 Superintendent



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





## Members of the Board of Education



**Joseph L. Hardesty**  
Chair  
District 4

**Larry Hujo**  
District 7

**Stephen P. Imhoff**  
Vice-Chair  
District 2

**Ann V. Elmore** District 1   **Carol Ann Haddad** District 6   **Debbie Wesslund** District 3   **Linda Duncan** District 5



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.



Generally, the board holds regular business meetings at 7 p.m. on the second and fourth Mondays of each month.

Most meetings are held in the Stewart Auditorium at the VanHoose Education Center, 3332 Newburg Road. Regular meetings are televised live by Insight Communications and can be seen on Cable Channel 98. An interpreter is provided for the hearing impaired. Special meetings may be called anytime by the chairman or by written request from three members to the board's secretary. Notice of a special meeting is sent to local newspapers and to radio and television stations.

The JCPS Board of Education encourages parents and other members of the community to share their opinions at meetings. Be sure the issue you want to talk about is one the school board should address. Take complaints or issues concerning a specific school to the principal or to the SBDM (School-Based Decision-Making) Council. The purpose of the board is to establish policies for the entire District, not to settle disputes that could be resolved through other channels.

Register with the secretary of the board by calling (502) 485-3342, Mon. through Fri., between 7:30 a.m. and 4:30 p.m. Tell the

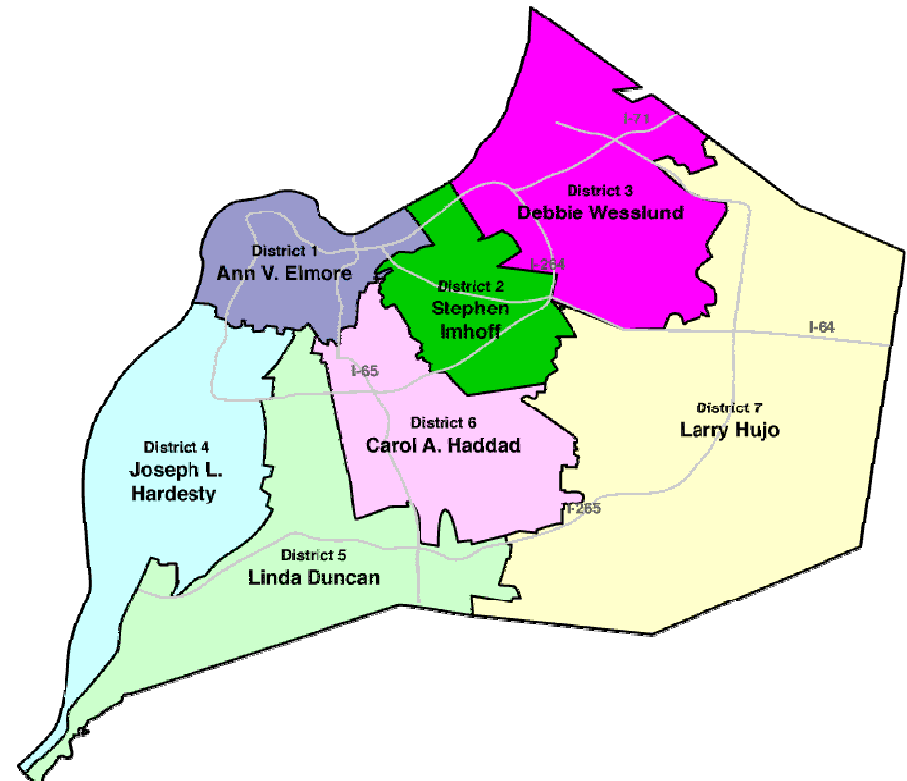
secretary the topic you would like to address. Or you may register on-site at a meeting before it starts.

### 2007 Meeting Schedule

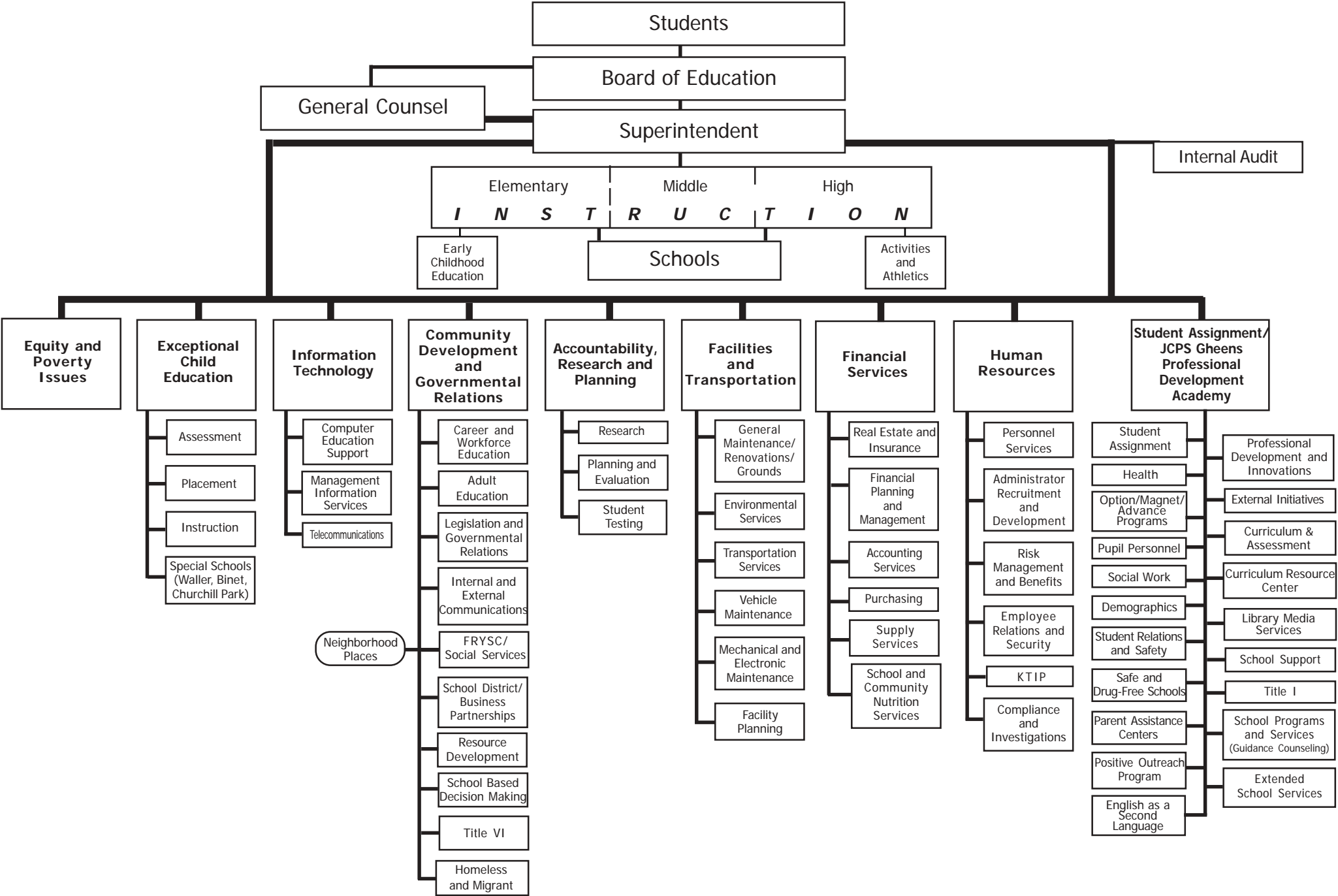
(correct as of June 7, 2007)

**All meetings begin at 7 p.m.**

January 8	July 23
January 22	August 13
February 12	August 27
February 26	September 10
March 12	September 24
March 26	October 8
April 23	October 22
May 7	November 12
May 21	November 26
June 11	December 10

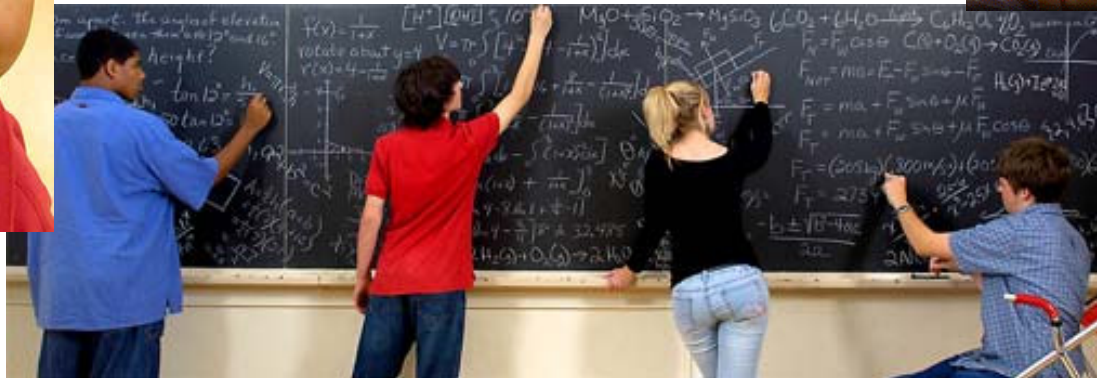


JCPS FUNCTION CHART





# 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, 2007, 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, 2007, 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 44 through 50 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 inquiries 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 nonmajor fund financial statements, 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 nonmajor fund financial statements on pages 51 through 56 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 November 7, 2007 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.

*Stallman & Company PSC*

Louisville, Kentucky  
November 7, 2007



## **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, 2007. 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 98,000 students, the Board is the largest in Kentucky and the 28th largest in the United States. We maintain 153 schools and education centers: 89 elementary, 22 middle, 19 high, 9 special education, and 14 others. The overall financial position of the Board remains strong and stable with an operating budget of \$947.9 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 2006-2007 school year, and, in May of 2007, scores on more than 2,425 AP tests were high enough to earn our students college credit. Overall, our class of 2007 earned over \$70 million in college scholarships. Our 5,940 teachers have an average of 12 years of experience; 83.3% have a master’s degree or higher; and 97% are certified for the subject and grade level they teach. The student-teacher ratio is 16 to 1. The student attendance rate for 2006-2007 was 93.7%.

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 \$232.4 million. The Board’s total net assets increased by \$33.2 million for the fiscal year ended June 30, 2007. The Board’s governmental funds financial statements reported combined ending fund balance of \$206.1 million. Of this total, \$28.4 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.

## 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.

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, 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.



- **Business-type activities:** School food services Adult Education and Day Care are 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 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.

## The Board as a Whole

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

	Governmental Activities		Business-type Activities		Total	
	2007	2006 (Restated)	2007	2006 (Restated)	2007	2006 (Restated)
Current and other assets	\$ 308,634,608	\$ 216,024,276	\$ 7,150,721	\$ 7,157,594	\$ 315,785,329	\$ 223,181,870
Capital assets, net of depreciation, and construction in progress	500,338,579	474,992,548	25,172,070	25,163,739	525,510,649	500,156,287
<b>Total Assets</b>	<b>808,973,187</b>	<b>691,016,824</b>	<b>32,322,791</b>	<b>32,321,333</b>	<b>841,295,978</b>	<b>723,338,157</b>
Short-term liabilities	122,797,530	105,159,906	1,175,691	249,152	123,973,221	105,409,058
Other liabilities	474,079,890	407,091,629	10,856,071	11,694,028	484,935,961	418,785,657
<b>Total Liabilities</b>	<b>596,877,420</b>	<b>512,251,535</b>	<b>12,031,762</b>	<b>11,943,180</b>	<b>608,909,182</b>	<b>524,194,715</b>
Net Assets						
Invested in capital assets, net of related debt	53,894,780	96,261,576	13,478,042	13,737,749	67,372,822	109,999,325
Restricted	133,383,192	56,755,472			133,383,192	56,755,472
Unrestricted	24,817,795	25,748,241	6,812,987	6,640,404	31,630,782	32,388,645
<b>Total Net Assets</b>	<b>\$ 212,095,767</b>	<b>\$ 178,765,289</b>	<b>\$ 20,291,029</b>	<b>\$ 20,378,153</b>	<b>\$ 232,386,796</b>	<b>\$ 199,143,442</b>

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

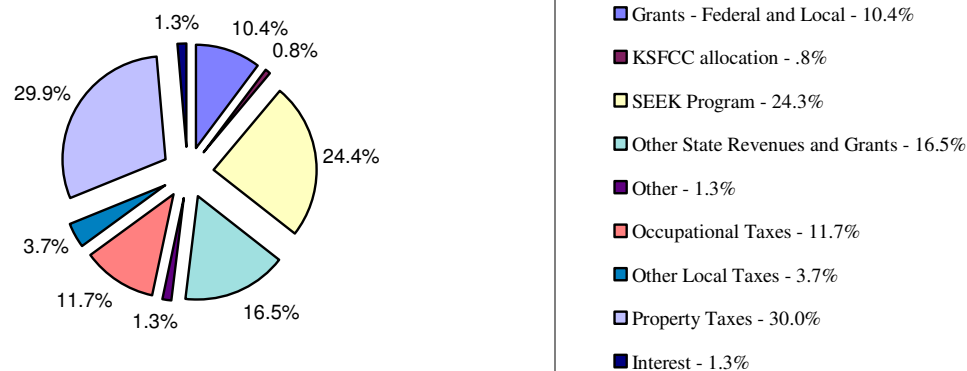
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
Program revenues						
Charges for service	\$ 1,079,992	\$ 1,576,413	\$ 15,671,761	\$ 13,613,324	\$ 16,751,753	\$ 15,189,737
Operating grants & contributions	110,702,384	112,356,540	29,841,671	25,867,544	140,544,055	138,224,084
General revenues						
Local taxes	446,129,671	425,131,566			446,129,671	425,131,566
State sources	402,043,302	392,861,162			402,043,302	392,861,162
Other	24,662,627	15,322,310	351,020	3,323,185	25,013,647	18,645,495
<b>Total Revenues</b>	<b>984,617,976</b>	<b>947,247,991</b>	<b>45,864,452</b>	<b>42,804,053</b>	<b>1,030,482,428</b>	<b>990,052,044</b>
Expenses						
School operation & administration	933,172,704	898,352,420			933,172,704	898,352,420
School food services			41,952,521	36,726,249	41,952,521	36,726,249
Other business-type activities			3,362,139	2,160,659	3,362,139	2,160,659
Interest on debt service	18,114,794	15,007,609	636,916	2,311,352	18,751,710	17,318,961
<b>Total Expenses</b>	<b>951,287,498</b>	<b>913,360,029</b>	<b>45,951,576</b>	<b>41,198,260</b>	<b>997,239,074</b>	<b>954,558,289</b>
<b>Change in net assets</b>	<b>\$ 33,330,478</b>	<b>\$ 33,887,962</b>	<b>\$ (87,124)</b>	<b>\$ 1,605,793</b>	<b>\$ 33,243,354</b>	<b>\$ 35,493,755</b>

## Governmental Activities

The following schedules provide a comparison of the revenues and expenditures for the current and previous years:

Revenues	2007	2006	Change
Local Sources:			
Property Taxes	\$ 294,485,592	\$278,229,137	\$16,256,455
Occupational Taxes	114,809,535	106,235,305	8,574,230
Other Taxes	36,834,544	40,667,124	(3,832,580)
State Sources:			
SEEK Program	239,847,485	238,068,370	1,779,115
Other State Revenues and Grants	162,195,817	154,792,792	7,403,025
KSFCC allocation	8,308,984	8,042,453	266,531
Grants (federal and local)	102,393,400	104,314,087	(1,920,687)
Interest	12,981,233	6,860,125	6,121,108
Other Sources	12,761,386	10,038,598	2,722,788
<b>Total Revenues</b>	<b>\$ 984,617,976</b>	<b>\$ 947,247,991</b>	<b>\$37,369,985</b>

Revenue Sources





The revenues in the major governmental funds increased by \$37.4 million. 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, resulted in another increase in total taxable valuations and real property tax collections for the fiscal year ending June 30, 2007 increased \$16.3 million. Occupational taxes also show an increase of 8.1%, or \$8.6 million, as a result of the strong local economy. Intergovernmental revenues from the Commonwealth of Kentucky are slightly higher than the previous year, with a \$7.4 million increase in other state support principally from the increased cost of insurance paid for by the Commonwealth of Kentucky on our behalf. Also, interest revenues increased \$6.1 million as our cash balances have increased.

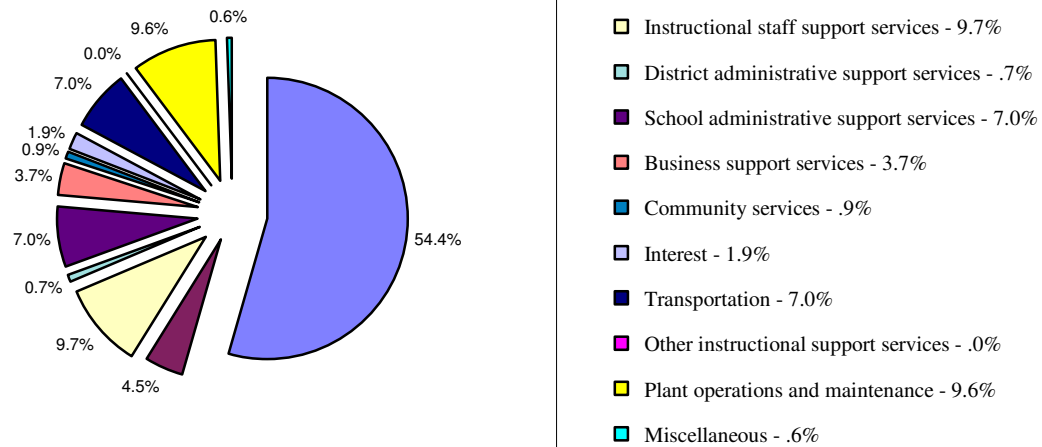
### Business-type Activities

Operating revenue of the Board's business-type activities increased slightly during the year. Day Care Operations were recorded as a proprietary fund in 2007 for the first time at \$1.2 million. School Food Service revenue increased \$.8 million, Adult Education revenue decreased slightly, Tuition Preschool revenue increased slightly, and total operating revenues for proprietary funds increased \$2.1 million, with the majority of this being the new fund.

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

	2007	2006	Change
<b>Expenditures</b>			
Instruction	\$517,592,355	\$493,082,823	\$24,509,532
Student support services	43,244,003	34,196,099	9,047,904
Instructional staff support services	92,089,154	102,337,492	(10,248,338)
District administrative support services	6,905,255	6,125,608	779,647
School administrative support services	66,309,624	62,783,662	3,525,962
Business support services	34,986,394	34,929,686	56,708
Community services	8,224,193	8,056,206	167,987
Transportation	66,646,414	62,658,644	3,987,770
Plant operations and maintenance	91,125,781	93,156,097	(2,030,316)
Other instructional support services	388,031	241,768	146,263
Miscellaneous	5,661,500	784,335	4,877,165
Interest	18,114,794	15,007,609	3,107,185
<b>Total Expenditures</b>	<b>\$951,287,498</b>	<b>\$913,360,029</b>	<b>\$37,927,469</b>

#### Expenditure Categories



#### 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 \$103 million, and expenditures exceeded budget by \$84 million. Both of these variances are due primarily to the receipt of other state revenues related to on-behalf 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. Property assessment growth and occupational taxes remain strong. Additionally, our Construction Fund is well structured for future capital needs. 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, 2007, the Board's investment in capital assets for its governmental and business-type activities was \$469.7 million, representing an increase of \$1.1 million (net of depreciation), as shown in the following tables:

#### Governmental activities:

	June 30, 2007	June 30, 2006 (Restated)	Percent Change
Land and improvements	\$ 54,690,555	\$ 52,959,240	3.3%
Buildings and improvements	755,831,451	736,191,157	2.7%
Technology	89,091,798	90,174,372	-1.2%
Buses and vehicles *	64,504,600	59,387,553	8.6%
Furniture, fixtures and other	24,902,020	23,904,815	4.2%
<b>Total</b>	<b>989,020,424</b>	<b>962,617,137</b>	<b>2.7%</b>
Less: accumulated depreciation	544,475,296	519,155,251	4.9%
<b>Governmental assets net of depreciation</b>	<b>\$ 444,545,128</b>	<b>\$ 443,461,886</b>	<b>0.2%</b>

#### Business-type activities:

	June 30, 2007	June 30, 2006 (Restated)	Percent Change
Land and improvements	\$ 1,000,000	\$ 1,000,000	
Buildings and improvements	17,056,800	17,056,800	
Technology *	458,729	400,839	14.4%
Buses and vehicles *	1,310,348	1,046,801	25.2%
Furniture, fixtures and other	23,315,238	22,578,219	3.3%
<b>Total</b>	<b>43,141,115</b>	<b>42,082,659</b>	<b>2.5%</b>
Less: accumulated depreciation	17,969,045	16,918,920	6.2%
<b>Business-type assets net of depreciation</b>	<b>\$ 25,172,070</b>	<b>\$ 25,163,739</b>	<b>0.0%</b>
<b>Total Capital Assets Governmental and Business-type activities</b>	<b>\$ 469,717,198</b>	<b>\$ 468,625,625</b>	<b>0.2%</b>



\* Government Buses and Vehicles increase of \$5.1 million can be attributed to purchasing 81 school buses for \$5.2 and only retiring 24 buses. Business-type activity Vehicles increase of \$.3 million was a direct result of the purchase of three refrigerated trucks. Business Technology increased due to a district-wide food service computer upgrade. Additionally, many of our asset categories increased as we prepare to open two new elementary schools that were opened in August 2007.

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 four years. The plan is submitted to the Kentucky Department of Education for approval. At June 30, 2007, the unmet needs for the Board totaled an estimated cost of \$416 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 Kentucky State Facility Construction Commission ("KSFCC") funds. To ensure continued academic success for our students, we must provide a learning environment that is safe, functional, inviting and well-maintained.

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

### **Debt Service Fund**

At year-end, the Board had approximately \$458.1 million in outstanding debt, compared to \$390.4 million last year. The Board continues to maintain favorable debt ratings from Moody's and Standard & Poor's.

### **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 decreased to 5.6% in 2006 from 6.2% in 2005, according to the US Department of Labor's Bureau of Labor Statistics, and continues this downward trend to 5.2% through June 2007. Metro Louisville approximates the state average of 5.7% in 2006. This decreasing trend is largely due to additional jobs being created at UPS (5,000 new jobs), Humana, (1,100 new jobs), and the labor needed for the previously mentioned construction projects.

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.

THIS PAGE LEFT INTENTIONALLY BLANK



Statement of Net Assets

**Jefferson County Board of Education**

June 30, 2007

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 221,809,948	\$ 4,053,509	\$ 225,863,457
Investments	14,281,183		14,281,183
Accounts and grants receivable from outside sources	60,361,542	3,239,823	63,601,365
Prepaid expenses	3,434,397		3,434,397
Inventories	5,029,809	2,022,693	7,052,502
Capital assets, net of accumulated depreciation	444,545,128	25,172,070	469,717,198
Construction in progress	55,793,451		55,793,451
Bond issuance costs	1,788,870		1,788,870
Internal balances	1,928,859	(2,165,304)	(236,445)
<b>Total Assets</b>	<b>808,973,187</b>	<b>32,322,791</b>	<b>841,295,978</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities due to outside sources	72,658,502	337,734	72,996,236
Unearned revenue	18,899,907		18,899,907
Accrued interest payable	6,889,783		6,889,783
Estimated liability for workers' compensation benefits	12,780,388		12,780,388
Accrued vacation pay	6,814,041		6,814,041
Accrued sick leave	32,391,000		32,391,000
School building revenue bonds			
Due within one year	24,349,338	837,957	25,187,295
Due in more than one year	422,094,461	10,856,071	432,950,532
<b>Total Liabilities</b>	<b>596,877,420</b>	<b>12,031,762</b>	<b>608,909,182</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	53,894,780	13,478,042	67,372,822
Restricted for			
Capital projects and construction	133,383,192		133,383,192
Unrestricted	24,817,795	6,812,987	31,630,782
<b>Total Net Assets</b>	<b>\$ 212,095,767</b>	<b>\$ 20,291,029</b>	<b>\$ 232,386,796</b>

See Notes to Financial Statements

Statement of Activities

Jefferson County Board of Education

Year Ended June 30, 2007

Functions/Programs	Total District-wide Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	
<b>Governmental activities</b>				
Instruction	\$ 517,592,355	\$ 1,079,992	\$ 102,393,400	\$ (414,118,963)
Student support services	43,244,003			(43,244,003)
Instructional staff support services	92,089,154			(92,089,154)
District administrative support services	6,905,255			(6,905,255)
School administrative support services	66,309,624			(66,309,624)
Business support services	34,986,394			(34,986,394)
Community services	8,224,193			(8,224,193)
Transportation	66,646,414			(66,646,414)
Plant operations and maintenance	91,125,781		8,308,984	(82,816,797)
Other instructional support services	388,031			(388,031)
Other	5,661,500			(5,661,500)
Interest	18,114,794			(18,114,794)
Total governmental activities	951,287,498	1,079,992	110,702,384	(839,505,122)
<b>Business-type activities</b>				
School food services	42,589,437	12,471,226	29,729,972	(388,239)
Adult education	1,031,214	755,456		(275,758)
Tuition-based pre-school	1,220,000	1,220,102		102
Day care operations	1,110,925	1,224,977	111,699	225,751
Total business-type activities	45,951,576	15,671,761	29,841,671	(438,144)
<b>Total Activities</b>	<b>\$ 997,239,074</b>	<b>\$ 16,751,753</b>	<b>\$ 140,544,055</b>	<b>\$ (839,943,266)</b>
		Governmental Activities	Business-Type Activities	Total
<b>Changes in net assets</b>				
Net Expense		\$ (839,505,122)	\$ (438,144)	\$ (839,943,266)
<b>General revenues</b>				
Taxes				
Property taxes		294,485,592		294,485,592
Occupational taxes		114,809,535		114,809,535
Other taxes		36,834,544		36,834,544
State sources				
SEEK program		239,847,485		239,847,485
Other state revenues and grants		162,195,817		162,195,817
Interest and investment earnings		12,981,233	294,215	13,275,448
Miscellaneous		11,681,394	56,805	11,738,199
Total general revenues		872,835,600	351,020	873,186,620
Change in net assets		33,330,478	(87,124)	33,243,354
Net assets, beginning of year, as restated		178,765,289	20,378,153	199,143,442
<b>Net assets, end of year</b>		<b>\$ 212,095,767</b>	<b>\$ 20,291,029</b>	<b>\$ 232,386,796</b>

See Notes to Financial Statements

Balance Sheet - Governmental Funds

**Jefferson County Board of Education**

June 30, 2007

	General Fund	Grants & Awards Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 217,578,743		\$ 4,127,522	\$ 103,683	\$ 221,809,948
Investments	14,253,843				14,253,843
Accounts and grants receivable from outside sources	16,171,919	\$ 24,570,861	19,618,762		60,361,542
Prepaid expenditures	3,434,397				3,434,397
Inventories	5,029,809				5,029,809
Due from other funds	26,135,033	21,744,992	115,829,305	592,827	164,302,157
<b>Total Assets</b>	<b>\$ 282,603,744</b>	<b>\$ 46,315,853</b>	<b>\$ 139,575,589</b>	<b>\$ 696,510</b>	<b>\$ 469,191,696</b>
<b>Liabilities</b>					
Accounts payable and accrued liabilities due to outside sources	\$ 61,970,253	\$ 4,750,416	\$ 5,937,833		\$ 72,658,502
Due to other funds	139,349,521	22,665,530	254,564	\$ 103,683	162,373,298
Deferred revenue		18,899,907			18,899,907
Estimated liability for workers' compensation benefits	9,119,663				9,119,663
<b>Total Liabilities</b>	<b>210,439,437</b>	<b>46,315,853</b>	<b>6,192,397</b>	<b>103,683</b>	<b>263,051,370</b>

Continued



Balance Sheet - Governmental Funds--Continued

**Jefferson County Board of Education**

June 30, 2007

	General Fund	Grants & Awards Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Fund Balances</b>					
Reserved for:					
Encumbrances	14,966,177		22,864,674		37,830,851
Inventories	5,029,809				5,029,809
State mandated reserve	23,800,000				23,800,000
Unreserved, designated			110,518,518	592,827	111,111,345
Unreserved	28,368,321				28,368,321
<b>Total Fund Balances</b>	<u>72,164,307</u>		<u>133,383,192</u>	<u>592,827</u>	<u>206,140,326</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 282,603,744</u>	<u>\$ 46,315,853</u>	<u>\$ 139,575,589</u>	<u>\$ 696,510</u>	<u>\$ 469,191,696</u>

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

Total Governmental Fund Balances \$ 206,140,326

*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. 502,127,449

Investments are adjusted for unrealized gains 27,340

Long-term liabilities, including bonds payable, are not due and payable in the current period  
and are not reported in the fund financial statements (496,199,348)

**Net Assets of Governmental Activities** \$ 212,095,767

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, 2007

	General Fund	Grants & Awards Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Local sources					
Property taxes	\$ 242,234,616			\$ 52,250,976	\$ 294,485,592
Occupational taxes	114,809,535				114,809,535
Other taxes	30,685,857			6,148,687	36,834,544
State sources					
SEEK program	231,556,595			8,290,890	239,847,485
Other state revenues	119,653,554	\$ 42,542,263			162,195,817
KSFCC allocation				8,308,984	8,308,984
Grants (principally United States government and local agencies)		103,473,392			103,473,392
Interest	9,331,757	310,677	\$ 3,027,524	246,435	12,916,393
Other sources	14,074,076	26,635		351,313	14,452,024
<b>Total Revenues</b>	<b>762,345,990</b>	<b>146,352,967</b>	<b>3,027,524</b>	<b>75,597,285</b>	<b>987,323,766</b>
<b>Expenditures</b>					
Instruction	411,695,071	78,720,810			490,415,881
Student support services	40,137,650	3,045,377		57,157	43,240,184
Instructional staff support services	47,492,722	44,450,148			91,942,870
District administrative support services	4,526,327	64,436			4,590,763
School administrative support services	66,130,346	173,422			66,303,768
Business support services	32,864,110	2,103,486			34,967,596
Community services	294,004	7,724,505			8,018,509
Transportation	57,921,213	4,302,189			62,223,402
Plant operations and maintenance	90,586,332	25,899			90,612,231
Other instructional support services		388,023			388,023
Building renovations	7,491,814	203,114	41,921,071	488,465	50,104,464
Other		5,498,494	402,381		5,900,875
Debt service					
Principal				21,112,011	21,112,011
Interest				17,634,208	17,634,208
<b>Total Expenditures</b>	<b>759,139,589</b>	<b>146,699,903</b>	<b>42,323,452</b>	<b>39,291,841</b>	<b>987,454,785</b>

Continued

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

**Jefferson County Board of Education**

Year Ended June 30, 2007

	General Fund	Grants & Awards Fund	Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues in Excess of (Less Than) Expenditures</b>	3,206,401	(346,936)	(39,295,928)	36,305,444	(131,019)
<b>Other Financing Sources (Uses)</b>					
Proceeds of school building revenue					
bonds, net of discount			79,509,491		79,509,491
Proceeds from sale of property			294,380		294,380
Transfers to Proprietary Funds	(3,065,012)				(3,065,012)
Operating transfers in	1,357,855	1,256,957	42,030,232	30,455,724	75,100,768
Operating transfers out	(1,139,182)	(910,021)	(5,910,455)	(66,901,421)	(74,861,079)
<b>Total Other Financing Sources (Uses)</b>	(2,846,339)	346,936	115,923,648	(36,445,697)	76,978,548
<b>Net Change in Fund Balances</b>	360,062		76,627,720	(140,253)	76,847,529
<b>Fund Balances, Beginning of Year, as restated</b>	71,804,245		56,755,472	733,080	129,292,797
<b>Fund Balances, End of Year</b>	<u>\$ 72,164,307</u>	<u>\$</u>	<u>\$ 133,383,192</u>	<u>\$ 592,827</u>	<u>\$ 206,140,326</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 \$ 76,847,529

*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 capital outlay exceeded depreciation in the current period 25,848,805

Investments are adjusted for unrealized gains 64,840

Issuance and repayment of bonds are other financing sources and expenditures in the governmental funds, but increase or decrease long-term liabilities in the Statement of Net Assets (67,712,827)

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 (1,717,869)

**Change in Net Assets of Governmental Activities** \$ 33,330,478

See Notes to the Financial Statements

Statement of Net Assets - Proprietary Funds

**Jefferson County Board of Education**

June 30, 2007

	Enterprise Funds		
	School Food Services	Total Nonmajor Enterprise Funds	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 3,662,919	\$ 390,590	\$ 4,053,509
Accounts and grants receivable from outside sources	3,216,230	23,593	3,239,823
Inventories	2,022,693		2,022,693
Due from other funds		342,286	342,286
<b>Total Current Assets</b>	8,901,842	756,469	9,658,311
Capital Assets, net of accumulated depreciation	25,172,070		25,172,070
<b>Total Assets</b>	34,073,912	756,469	34,830,381
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities due to outside sources	335,572	2,162	337,734
Due to other funds	2,423,190	84,400	2,507,590
Current maturities of school building revenue bonds	837,957		837,957
<b>Total Current Liabilities</b>	3,596,719	86,562	3,683,281
School building revenue bonds	10,856,071		10,856,071
<b>Total Liabilities</b>	14,452,790	86,562	14,539,352
<b>Net Assets</b>			
Invested in capital assets, net of related debt	13,478,042		13,478,042
Unrestricted	6,143,080	669,907	6,812,987
<b>Total Net Assets</b>	\$ 19,621,122	\$ 669,907	\$ 20,291,029

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, 2007

	Enterprise Funds		
	School Food Services	Total Nonmajor Enterprise Funds	Total
<b>Operating Revenues</b>			
Lunchroom sales	\$ 12,471,226		\$ 12,471,226
Tuition and fees		\$ 3,200,535	3,200,535
<b>Total Operating Revenues</b>	12,471,226	3,200,535	15,671,761
<b>Operating Expenses</b>			
Salaries and personnel services	15,193,770	2,465,323	17,659,093
Employee benefits	3,453,702	309,305	3,763,007
Purchased professional services	5,042	4,314	9,356
Purchased property and maintenance services	3,710,414		3,710,414
Other purchased services	491,841	116,872	608,713
Supplies and materials	15,242,834	168,532	15,411,366
Property	1,931,633	17,848	1,949,481
Miscellaneous	90,855	35,256	126,111
Depreciation	1,797,981		1,797,981
Other	34,449	239,689	274,138
<b>Total Operating Expenses</b>	41,952,521	3,357,139	45,309,660
<b>(Loss) From Operations</b>	(29,481,295)	(156,604)	(29,637,899)
<b>Non-Operating Revenues (Expenses)</b>			
Federal grants	24,472,380		24,472,380
State grants	463,740		463,740
Donated commodities	1,835,539		1,835,539
District support	2,958,313	106,699	3,065,012
Interest income	274,317	19,898	294,215
Interest expense	(636,916)		(636,916)
Miscellaneous	56,805		56,805
<b>Total Non-Operating Revenues (Expenses)</b>	29,424,178	126,597	29,550,775
<b>Change in Net Assets</b>	(57,117)	(30,007)	(87,124)
<b>Net Assets, Beginning of Year, as restated</b>	19,678,239	699,914	20,378,153
<b>Net Assets, End of Year</b>	\$ 19,621,122	\$ 669,907	\$ 20,291,029

See Notes to Financial Statements

Statement of Cash Flows - Proprietary Funds

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Enterprise Funds		
	School Food Services	Total Nonmajor Enterprise Funds	Totals
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 12,229,746	\$ 3,583,364	\$ 15,813,110
Cash paid to suppliers	(20,094,004)	(1,132,120)	(21,226,124)
Cash paid to employees	(18,647,472)	(2,774,628)	(21,422,100)
Cash paid for other expenses	(130,346)	(279,259)	(409,605)
<b>Net Cash Provided by (Used in) Operating Activities</b>	(26,642,076)	(602,643)	(27,244,719)
<b>Cash Flows From Capital and Related Financing Activities</b>			
Additions to property and equipment	(1,771,326)		(1,771,326)
Disposals of property and equipment	56,805	239,688	296,493
District support	2,958,313	106,699	3,065,012
Interest paid, net	(362,599)	19,898	(342,701)
Payments of school building revenue bonds	(6,636)		(6,636)
<b>Net Cash Provided By (Used in) Capital and Related Financing Activities</b>	874,557	366,285	1,240,842
<b>Cash Flows from Noncapital Financing Activities</b>			
Cash received for operational grants	24,936,120		24,936,120
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(831,399)	(236,358)	(1,067,757)
<b>Cash and Cash Equivalents, Beginning of Year</b>	4,494,318	626,948	5,121,266
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 3,662,919</u>	<u>\$ 390,590</u>	<u>\$ 4,053,509</u>

Continued

Statement of Cash Flows - Proprietary Funds--Continued

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Enterprise Funds		Totals
	School Food Services	Total Nonmajor Enterprise Funds	
<b>Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities</b>			
(Loss) from operations	\$ (29,481,295)	\$ (156,604)	\$ (29,637,899)
Adjustments to reconcile (loss) from operations to cash provided by (used in) operating activities:			
Depreciation	1,797,981		1,797,981
Donated commodities used in operations	1,835,539		1,835,539
Change in accounts and grants receivable	(253,184)	(23,539)	(276,723)
Change in amounts due from other funds	11,704	406,368	418,072
Change in inventories	(336,910)		(336,910)
Change in amounts due to other funds	(323,834)	(809,527)	(1,133,361)
Change in accounts payable and accrued liabilities	107,923	(19,341)	88,582
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u><u>\$ (26,642,076)</u></u>	<u><u>\$ (602,643)</u></u>	<u><u>\$ (27,244,719)</u></u>

**Summary of Noncash Financing Activity**

During the year, the Board received \$1,835,539 of food commodities from the United States Department of Agriculture.

See Notes to the Financial Statements

Statement of Net Assets - Fiduciary Funds

**Jefferson County Board of Education**

June 30, 2007

	<u>Total Agency Funds</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 4,984,604
Investments	1,412,485
Accounts and grants receivable from outside sources	44,708
Inventories	370,862
Due from other funds	<u>840,111</u>
<b>Total Assets</b>	<u><u>\$ 7,652,770</u></u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities due to outside sources	\$ 380,211
Due to other funds	603,666
Due to student groups	<u>6,668,893</u>
<b>Total Liabilities</b>	<u><u>\$ 7,652,770</u></u>

See Notes to Financial Statements



**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 of the Board, 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. 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.

**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. 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

**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 45.4% of the General Fund revenues, while the Support Education Excellence in Kentucky (“SEEK”) program accounts for 24.3 % 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 a special revenue fund which accounts for the activities of specific education related programs in accordance with restrictions established by the various grantors (primarily the United States Government and state and local governments). This includes certain KERA grants which carry grantor restrictions related to expenditures.

***The Construction Fund*** accounts for funds from three sources. First, funds generated by sales of bond issues are used for various construction projects at educational facilities. Second, proceeds from the sale of properties and equipment owned by the 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 Service”) Program which provides certain food preparation at the Nutrition Center and serves breakfast and lunch at schools throughout Jefferson County.

Continued

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

**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. Since fiduciary funds are held on behalf of others, these funds are excluded from the District-wide financial statements on pages 13 – 14.

**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 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



**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, 2007, in the governmental funds balance sheet.

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

Statutorily, the Kentucky Department of Education may assume financial control over any school district whose fund balance drops below 2% of the total expenditures of certain funds. To maintain balances above this level, they recommend reserving at least 5%. While these funds are properly reserved and not budgeted for future years' expenditures, there is no restriction on how these funds would be used if the Board fell below this floor. For this reason, the funds are reported as a reservation of fund balance on the fund financial statements but they are not considered a restriction of net assets on the district-wide financial statements.

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

**On-Behalf Payments**--The Commonwealth of Kentucky pays certain expenses on behalf of the Board. These expenses include employee health insurance, the employer match for the Kentucky Teachers Retirement System, and certain other employee benefits. For fiscal year 2006-2007, these payments totaled \$117,508,313. In the financial statements, these payments are recorded as an expense and Other State Revenue.

**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 other funds with a legally-appropriated budget. 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

**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 from the General Fund checking account, which may not have the legal liability for the expenditure, thus a payable from the fund having the legal liability is established at such time. Typically, interfund receivables and liabilities are resolved monthly, and all of these balances should be resolved with a year. All interfund receivables and payables, other than those between governmental and fiduciary funds, have been eliminated on the District-wide Statement of Net Assets.

	<b><u>Due from other Funds Reported in General Fund</u></b>	<b><u>Due to other Funds Reported in General Fund</u></b>
Special Revenue Fund	\$ 22,665,530	\$ 21,744,992
Construction Fund	254,564	115,829,305
Building Fund	103,683	
Katherine Avellar Trust Proceeds		591,569
Russell Riggs Political Science Trust Proceeds		1,258
Enterprise Funds	2,507,590	342,286
Trust & Agency Funds	<u>603,666</u>	<u>840,111</u>
	<u><u>\$ 26,135,033</u></u>	<u><u>\$ 139,349,521</u></u>

#### Note C--Cash, Cash Equivalents and Investments

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, as is required by the Board's investment policy though custodial credit risk is not specifically mentioned in this policy. 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.

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

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

In accordance with this policy, the Board is authorized to invest in the following:

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

The complete investment policy DFA is available at <http://www.jefferson.k12.ky.us/Departments/GeneralCounsel/boardpolicy0702.pdf>. 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.

**Note C--Cash, Cash Equivalents and Investments**

As of June 30, 2007, 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 Bank	\$ 9,990,600	Aaa	0.19
Governmental	Federal National Mortgage Corporation	4,290,583	Aaa	1.375
Agency	Certificates of Deposit	1,412,485		1.38
		<u>\$ 15,693,668</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



## 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:

<b>Accounts and grants receivable from outside sources</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Total</b>
Accounts receivable	\$ 3,478,410	\$ 1,255,394	\$ 4,733,804
Taxes receivable	12,693,509		12,693,509
Bond proceeds receivable	19,618,762		19,618,762
Grants receivable	24,570,861	1,984,429	26,555,290
	<u>\$ 60,361,542</u>	<u>\$ 3,239,823</u>	<u>\$ 63,601,365</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:

<b><u>Date</u></b>	<b><u>Event</u></b>
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

**Note E--Capital Assets**

Activity in capital assets during the year ended June 30, 2007 consisted of the following:

	Balance July 1, 2006 (As Restated)	Additions	Dispositions	Balance June 30, 2007
<b>Governmental Activities</b>				
Land and land improvements	\$ 52,959,240	\$ 1,895,035	\$ 163,720	\$ 54,690,555
Buildings & building improvements	736,191,157	19,736,449	96,155	755,831,451
Technology	90,174,372	7,402,600	8,485,174	89,091,798
Vehicles	59,387,553	5,651,200	534,153	64,504,600
General Equipment	23,904,815	1,409,995	412,790	24,902,020
	962,617,137	36,095,279	9,691,992	989,020,424
Less accumulated depreciation	519,155,251	34,576,271	9,256,226	544,475,296
	<u>\$ 443,461,886</u>	<u>\$ 1,519,008</u>	<u>\$ 435,766</u>	<u>\$ 444,545,128</u>
	Balance July 1, 2006 (As Restated)	Additions	Dispositions	Balance June 30, 2007
<b>Business-type Activities</b>				
Land and land improvements	\$ 1,000,000			\$ 1,000,000
Buildings & building improvements	17,056,800			17,056,800
Technology	400,839	\$ 57,890		458,729
Vehicles	1,046,801	263,547		1,310,348
General Equipment	22,578,219	1,578,997	\$ 841,978	23,315,238
	42,082,659	1,900,434	841,978	43,141,115
Less accumulated depreciation	16,918,920	1,797,981	747,856	17,969,045
	<u>\$ 25,163,739</u>	<u>\$ 102,453</u>	<u>\$ 94,122</u>	<u>\$ 25,172,070</u>

Continued

**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	\$ 27,144,741
Student Support Services	524
Staff Support Services	74,132
District Administrative Support Services	2,314,128
Plant Operation and Maintenance	498,464
Student Transportation	4,375,594
Community Service Operations	<u>205,053</u>
	<u><u>\$ 34,612,636</u></u>

Continued

**Note F--Long-Term Liabilities**

**School Building Revenue Bonds**

1994	Series B, interest rate at 4.875%, principal and interest payable semiannually on March 1 and September 1, with maturities through 2009	\$	2,535,000
1998	Series A, interest rates ranging from 4.45% to 4.70%, principal and interest payable semiannually on February 1 and August 1, with maturities through 2018		9,535,000
1998	Series B, interest rates ranging from 4.40% to 4.5%, principal and interest payable semiannually on February 1 and August 1, with maturities through 2011		6,125,000
1998	Series C, interest rate of 4.5%, principal and interest payable semiannually on February 1 and August 1, with maturities through 2019		45,465,000
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		40,435,000
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 4.375% to 5.0%, principal and interest payable semiannually on April 1 and October 1, with maturities through 2021		15,265,000
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		8,350,000
2002	Series A, interest rates ranging from 4.90% to 5.5%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2022		34,860,000
2002	Series B, interest rates ranging from 3.375% to 4.75%, principal and interest payable semiannually on December 1 and June 1, with maturities through 2022		18,335,000

Continued

**Note F--Long Term Liabilities --Continued**

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	39,655,000
2004	Series A, interest rates ranging from 2.25% to 4.5%, principal and interest payable semiannually on January 1 and July 1, with maturities through 2024	27,145,000
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	32,070,000
2004	Series C, interest rates ranging from 2.400% to 4.375%, principal and interest payable semiannually on March 1 and September 1, with maturities through 2024	19,050,000
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	21,025,000
2006	Series A, interest rates ranging from 4.0% to 5.0%, principal and interest payable semiannually on July 1 and January 1, with maturities through 2026	41,000,000
2006	Series B, interest rates ranging from 3.5% to 4.75%, principal and interest payable semiannually on December 1 and June 1, with maturities through 2026	20,000,000
2006	Series C, interest rates ranging from 3.625% to 4.0%, principal and interest payable semiannually on September 1 and March 1, with maturities through 2021	46,475,000
2007	Series A, interest rates ranging from 4.125% to 4.75%, principal and interest payable semiannually on December 1 and June 1, with maturities through 2027	19,970,000
2007	KISTA, non-interest bearing, principal payable semiannually on November 1 and May 1, with maturities through 2012	5,342,827
		<u>\$ 458,137,827</u>

Continued



**Note F--Long-Term Liabilities--Continued**

Bonds outstanding as of June 30, 2007, 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	\$ 24,349,338	\$ 422,094,461	\$ 446,443,799
Business-type activities	<u>837,957</u>	<u>10,856,071</u>	<u>11,694,028</u>
	<u>\$ 25,187,295</u>	<u>\$ 432,950,532</u>	<u>\$ 458,137,827</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	2004 Series B	May 2014
1998 Series B	February 2008	2004 Series C	September 2014
1998 Series C	February 2009	2005 Series A	June 2015
1999 Series A	July 2009	2006 Series A	July 2016
2001 Series A	April 2011	2006 Series B	December 2016
2001 Series B	July 2011	2006 Series C	September 2014
2002 Series B	June 2012	2007 Series A	June 2017
2003 Series A	January 2013	2007 KISTA	November 2011
2004 Series A	January 2014		

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, 2008. Should approval not be received in future periods, the Board remains obligated for the full amount of the bond principal and interest payments.

Continued

**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, 2007 for debt service are as follows:

Year Ending June 30	Principal	Interest	Total Repayments	Less: Commission Participation	Net Repayments
2008	\$ 25,187,295	\$ 19,145,770	\$ 44,333,065	\$ 9,090,946	\$ 35,242,119
2009	26,052,295	18,219,895	44,272,190	9,096,101	35,176,089
2010	26,907,295	17,248,083	44,155,378	9,091,608	35,063,769
2011	24,892,295	16,256,650	41,148,945	6,503,390	34,645,555
2012	30,463,647	15,319,691	45,783,338	6,285,593	39,497,745
2013-2017	133,380,000	60,310,872	193,690,872	29,846,613	163,844,260
2018-2022	121,330,000	30,817,236	152,147,236	22,856,265	129,290,971
2023-2027	69,925,000	8,696,568	78,621,568	8,766,192	69,855,376
	<u>\$ 458,137,827</u>	<u>\$ 186,014,765</u>	<u>\$ 644,152,592</u>	<u>\$ 101,536,708</u>	<u>\$ 542,615,884</u>

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

The Board issued refunding bonds to defease certain outstanding bonds 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. Lower interest rates on the new refunding bonds achieved a total savings of over \$2,810,000 over the life of the required debt service payments. In addition, the term of the bonds was not changed.

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, 2007, the outstanding principal amount of indebtedness that is considered to be extinguished under "in substance defeasance" and therefore excluded from the financial statements was \$44,285,000.

Continued

**Note F--Long-Term Liabilities--Continued**

**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.

**2007 Kentucky Interlocal School Transportation Association New Markets Tax Credit Program ("KISTA")**--On November 13, 2006, the Board approved participation in the KISTA program, which is designed to provide support for specific technology at schools that meet certain thresholds. This non-interest bearing debt is collateralized by the assets purchased.

**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, 2007. 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

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

A summary of the changes in long-term liabilities during the fiscal year is as follows:

	<b>Balance July 1, 2006</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2007</b>
<b>Governmental Activities:</b>				
School building revenue bonds, as restated	\$ 378,724,336	\$ 133,901,474	\$ 66,182,011	\$ 446,443,799
Estimated liability for workers' compensation benefits	12,273,348	4,333,647	3,826,607	12,780,388
Accrued vacation pay	6,632,673	6,070,509	5,889,141	6,814,041
Accrued sick leave	30,238,000	32,312,949	30,159,949	32,391,000
	<u>\$ 427,868,357</u>	<u>\$ 176,618,579</u>	<u>\$ 106,057,708</u>	<u>\$ 498,429,228</u>
<b>Business-type Activities:</b>				
School building revenue bonds, as restated	<u>\$ 11,700,664</u>		<u>\$ 6,636</u>	<u>\$ 11,694,028</u>

Continued

## 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 13.19% 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, 2007, 2006, and 2005 were approximately \$21,307,000, \$17,096,000, and \$12,746,000 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 \$54,925,000, are reflected in the accompanying financial statements as both revenues and expenses/expenditures. The Commonwealth of Kentucky requires payments for federally funded employees to be made by such federal funds; for the fiscal year ended June 30, 2007, this funding amounted to approximately \$3,626,000.

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



#### **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, 2007, the Board had outstanding commitments for construction approximating \$27,700,000.

#### **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 expenditures. The amount of such future refunds and unreimbursed expenditures, 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.

**Note K—Contingencies--Continued**

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 (\$7.9 million), student transportation (\$34 million), English as a Second Language (\$5 million), the State Agency Children's Program (\$.6 million) and Special Education (\$44.1 million).

**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 decreased approximately \$9.4 million due to two main changes from the prior year. First, the Board elected to change its method of charging School Food Services for their use of cafeterias. In the past, the Board allocated a percentage of the school building facilities and the corresponding debt to the School Food Services Fund. This has become unnecessarily cumbersome as the Board continues to renovate its facilities. Instead, the School Food Services Fund is charged annual rental payments to this fund in exchange for the use of its facilities. The net of the debt transferred and the cafeterias moved resulted in a \$7.1 million decrease in Governmental activities beginning net assets. Second, the Commonwealth of Kentucky requested that a \$2.3 million prior year health insurance settlement be remitted to the state, which also resulted in a decrease to beginning net assets.

This \$2.3 million remittance also decreased the beginning General Fund fund balance on the Statement of Revenues, Expenditures, and Changes in Fund Balances--Governmental Funds on page 18.

The change in treatment of School Food Services Fund facilities was also reflected in the Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds (page 20), which increased beginning net assets by \$7.0 million.

### **Required Supplementary Information**

Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

	General Fund			
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local sources				
Property taxes	\$ 266,524,000	\$ 266,524,000	\$ 242,234,616	\$ (24,289,384)
Occupational taxes	116,859,000	116,859,000	114,809,535	(2,049,465)
Other taxes	32,340,000	32,340,000	30,685,857	(1,654,143)
State sources				
SEEK program	230,212,000	230,212,000	231,556,595	1,344,595
Other state revenues	1,071,000	1,071,000	119,653,554	118,582,554
Interest	6,000,000	6,000,000	9,331,757	3,331,757
Operating transfers in			1,357,855	1,357,855
Other sources	7,371,000	7,371,000	14,074,076	6,703,076
<b>Total Revenues</b>	<b>660,377,000</b>	<b>660,377,000</b>	<b>763,703,845</b>	<b>103,326,845</b>
<b>Expenditures</b>				
Instruction	350,411,313	339,141,311	411,695,071	(72,553,760)
Student support services	31,313,385	31,653,330	40,137,650	(8,484,320)
Instructional staff support services	41,785,448	40,537,390	47,492,722	(6,955,332)
District administration support services	3,359,411	3,571,792	4,526,327	(954,535)
School administration support services	56,818,132	56,270,814	66,130,346	(9,859,532)
Business support services	66,861,087	70,043,202	32,864,110	37,179,092
Plant operations and maintenance	77,567,301	79,215,859	90,586,332	(11,370,473)
Student transportation	43,899,012	51,008,821	57,921,213	(6,912,392)
Community services operations	260,896	232,710	294,004	(61,294)
Building renovations	7,593,358	7,651,849	7,491,814	160,035
Transfers to Proprietary Funds			3,065,012	(3,065,012)
Operating transfers out			1,139,182	(1,139,182)
<b>Total Expenditures</b>	<b>679,869,343</b>	<b>679,327,078</b>	<b>763,343,783</b>	<b>(84,016,705)</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ (19,492,343)</b>	<b>\$ (18,950,078)</b>	<b>\$ 360,062</b>	<b>\$ 19,310,140</b>

See Note F for description of modified accrual budget methods and page 50 for explanation of significant budget variances

Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Grants & Awards Fund			
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Grants	\$ 129,129,005	\$ 137,514,664	\$ 146,015,655	\$ 8,500,991
Interest		26,969	310,677	283,708
Other Sources		1,117	26,635	25,518
Transfers from other funds		1,679,649	1,256,957	(422,692)
<b>Total Revenues</b>	129,129,005	139,222,399	147,609,924	8,387,525
<b>Expenditures</b>				
Instruction	66,266,502	81,126,677	78,720,810	2,405,867
Student support services	3,326,828	2,834,041	3,045,377	(211,336)
Instructional staff support services	45,316,737	40,841,468	44,450,148	(3,608,680)
Other instructional	543,389	574,918	388,023	186,895
District administration support services	118,447	52,196	64,436	(12,240)
School administration support services	121,262	158,859	173,422	(14,563)
Business support services	2,294,964	2,324,155	2,103,486	220,669
Plant operations and maintenance	69,487	82,235	25,899	56,336
Student transportation	2,682,389	4,565,847	4,302,189	263,658
Community service operations	7,840,249	7,710,526	7,724,505	(13,979)
Building renovations		320,929	203,114	117,815
Other expenditures	548,751	400,212	5,498,494	(5,098,282)
Transfers to other funds		297,718	910,021	(612,303)
<b>Total Expenditures</b>	129,129,005	141,289,781	147,609,924	(6,320,143)
<b>Revenues in Excess of (Less Than) Expenditures</b>	<u>\$</u>	<u>\$ (2,067,382)</u>	<u>\$</u>	<u>\$ 2,067,382</u>

See Note F for description of modified accrual budget methods and page 50 for explanation of significant budget variances



Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

Construction Fund				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Interest	\$ 1,100,000	\$ 1,100,000	\$ 3,027,524	\$ 1,927,524
Proceeds from the sale of bonds	40,146,168	40,146,168	79,509,491	39,363,323
Proceeds from the sale of property			294,380	294,380
Transfers from other funds	101,877		42,030,232	42,030,232
<b>Total Revenues</b>	<b>41,348,045</b>	<b>41,246,168</b>	<b>124,861,627</b>	<b>83,615,459</b>
<b>Expenditures</b>				
Building renovations	97,975,888	101,863,097	41,921,071	59,942,026
Debt service	127,629	127,629		127,629
Other			402,381	(402,381)
Transfers to other funds		(101,877)	5,910,455	(6,012,332)
<b>Total Expenditures</b>	<b>98,103,517</b>	<b>101,888,849</b>	<b>48,233,907</b>	<b>53,654,942</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ (56,755,472)</b>	<b>\$ (60,642,681)</b>	<b>\$ 76,627,720</b>	<b>\$ 137,270,401</b>
Capital Outlay Fund				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
State SEEK program	\$ 8,288,100	\$ 8,295,840	\$ 8,290,890	\$ (4,950)
<b>Expenditures</b>				
Building renovations	500,521	508,858	488,465	20,393
Transfers to other funds	7,789,279	7,789,279	7,802,425	(13,146)
<b>Total Expenditures</b>	<b>8,289,800</b>	<b>8,298,137</b>	<b>8,290,890</b>	<b>7,247</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ (1,700)</b>	<b>\$ (2,297)</b>	<b>\$</b>	<b>\$ 2,297</b>

See Note F for description of modified accrual budget methods and page 50 for explanation of significant budget variances

Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

Building Fund				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property taxes	\$ 31,576,589	\$ 24,988,588	\$ 52,250,976	\$ 27,262,388
Other taxes		6,258,927	6,148,687	(110,240)
Other sources		322,074	204,103	(117,971)
<b>Total Revenues</b>	31,576,589	31,569,589	58,603,766	27,034,177
<b>Expenditures</b>				
Transfers to other funds	31,809,894	31,806,894	58,834,072	(27,027,178)
<b>Revenues in Excess of (Less Than) Expenditures</b>	<u>\$ (233,305)</u>	<u>\$ (237,305)</u>	<u>\$ (230,306)</u>	<u>\$ 6,999</u>
Debt Service Fund				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
KSFCC allocation			\$ 8,308,984	8,308,984
Interest			246,435	246,435
Transfers from other funds		\$ 39,596,173	30,455,722	\$ (9,140,451)
<b>Total Revenues</b>		39,596,173	39,011,141	(585,032)
<b>Expenditures</b>				
Debt Services	\$ 395,319	39,602,437	38,746,219	(856,218)
Transfers to other funds			264,922	264,922
<b>Total Expenditures</b>	395,319	39,602,437	39,011,141	(591,296)
<b>Revenues in Excess of (Less Than) Expenditures</b>	<u>\$ (395,319)</u>	<u>\$ (6,264)</u>	<u>\$</u>	<u>\$ 6,264</u>

See Note F for description of modified accrual budget methods and page 50 for explanation of significant budget variances

Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

School Food Services				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Lunchroom sales	\$ 56,726	\$ 13,824,625	\$ 12,471,226	\$ (1,353,399)
Federal grants	23,980,350	20,525,005	24,472,380	3,947,375
State grants	540,194	540,194	463,740	(76,454)
Donated commodities	3,111,828	3,958,325	1,835,539	(2,122,786)
District support			2,958,313	2,958,313
Interest		230,000	274,317	44,317
Miscellaneous	60,778	63,778	56,805	(6,973)
<b>Total Revenues</b>	<b>27,749,876</b>	<b>39,141,927</b>	<b>42,532,320</b>	<b>3,390,393</b>
<b>Expenditures</b>				
Food service operation	42,879,104	45,271,166	41,952,521	3,318,645
Debt service			636,916	(636,916)
<b>Total Expenditures</b>	<b>42,879,104</b>	<b>45,271,166</b>	<b>42,589,437</b>	<b>2,681,729</b>
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$ (15,129,228)</b>	<b>\$ (6,129,239)</b>	<b>\$ (57,117)</b>	<b>\$ 6,072,122</b>
Day Care Operations				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Day care fees	\$ 1,237,896	\$ 1,224,977	\$ 1,224,977	
Transfers from other funds		111,699	111,699	
<b>Total Revenues</b>	<b>1,237,896</b>	<b>1,336,676</b>	<b>1,336,676</b>	
<b>Expenditures</b>				
Day care operations	1,237,896	1,336,676	1,110,925	\$ 225,751
<b>Revenues in Excess of (Less Than) Expenditures</b>	<b>\$</b>	<b>\$</b>	<b>\$ 225,751</b>	<b>\$ 225,751</b>

See Note F for description of modified accrual budget methods and page 50 for explanation of significant budget variances

Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

Adult Education				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Adult education tuition	\$ 966,303	\$ 755,456	\$ 755,456	
Interest		19,898	19,898	
<b>Total Revenues</b>	966,303	775,354	775,354	
<b>Expenditures</b>				
Instruction	961,303	1,132,261	1,026,214	\$ 106,047
Transfers to other funds	5,000	5,000	5,000	
<b>Total Expenditures</b>	966,303	1,137,261	1,031,214	106,047
<b>Revenues in Excess of (Less Than) Expenditures</b>	<u>\$</u>	<u>\$ (361,907)</u>	<u>\$ (255,860)</u>	<u>\$ 106,047</u>
Tuition Pre-School				
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Pre-School Tuition	\$ 1,074,820	\$ 1,220,102	\$ 1,220,102	
<b>Expenditures</b>				
Instruction	1,074,820	1,336,574	1,220,000	\$ 116,574
<b>Revenues in Excess of (Less Than) Expenditures</b>	<u>\$</u>	<u>\$ (116,472)</u>	<u>\$ 102</u>	<u>\$ 116,574</u>

See Note F for description of modified accrual budget methods and page 50 for explanation of significant budget variances

Schedule of Revenues and Expenditures - Budget and Actual

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Katherine Avellar Trust Proceeds			
	Working Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Trustee donations	\$ 100,000	\$ 100,000	\$ 147,210	\$ 47,210
<b>Expenditures</b>				
Student support services	601,516	601,516	57,157	544,359
<b>Revenues in Excess of (Less Than) Expenditures</b>	<u>\$ (501,516)</u>	<u>\$ (501,516)</u>	<u>\$ 90,053</u>	<u>\$ 591,569</u>

See Note F for description of modified accrual budget methods

**Explanation of significant budget variances:**

**General Fund**

The Commonwealth of Kentucky pays certain employee benefit expenses, including health insurance and the employer match for the Kentucky Teachers Retirement System, on-behalf of its districts. Districts are instructed not to budget these expenditures but must record these expenses for financial statement presentation. For the 2006-2007 fiscal year, these expenses totaled \$117 million and account for the revenue and expenditure overages in the General Fund.

**Grants and Awards Fund**

Most budget variances in this fund occur as a result of the difficulties in preparing an annual budget for grants that may cover periods of twenty-seven months or longer, where the budget may have been recognized in one year while expenditures continue into future years. Additionally, a change in account coding of indirect cost expenditures was requested by the Kentucky Department of Education where charges that were budgeted in the grants' functions were moved to Other expenditures totaling \$5.1 million.

**Construction Fund**

The Board budgets all construction and renovation projects in this fund. These multi-year projects are partially paid from bond proceeds and partially paid from funds escrowed from transfers from the Building Fund. Funds transferred from Building Fund are not budgeted and transferred to Construction Fund until all requirements of that fund are met. Bond proceeds are dependent upon market conditions. Expenditures for building renovations are budgeted at levels necessary to complete all projects, though these projects are expected to require more than one year to complete. Operating transfers out consist of debt service payments transferred to bond paying agent accounts in the previous year. These bond paying agent accounts are not budgeted.

**Building Fund**

Additional property tax revenues were recognized in the Building Fund to provide for future construction projects and transferred to the Construction Fund and escrowed for future school construction and renovation projects.

**School Food Services**

The Board charges School Food Services approximately \$3 million to rent its kitchen and cafeteria facilities and forgives this debt. Both the expense and revenue in this transaction are not budgeted and account for the overages in each category.

**Katherine Avellar Trust**

This fund budgets all proceeds received from the trust, though expenses will be spent over a number of years.



### **Other Supplementary Information**

Combining Balance Sheet - Nonmajor Governmental Funds

**Jefferson County Board of Education**

June 30, 2007

	Building Tax Fund	Katherine Avellar Trust Proceeds	Russell Riggs Political Science Trust Proceeds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 103,683			\$ 103,683
Due from other funds		\$ 591,569	\$ 1,258	592,827
<b>Total Assets</b>	<u>\$ 103,683</u>	<u>\$ 591,569</u>	<u>\$ 1,258</u>	<u>\$ 696,510</u>
<b>Liabilities</b>				
Due to other funds	\$ 103,683			\$ 103,683
<b>Total Liabilities</b>	<u>103,683</u>			<u>103,683</u>
<b>Fund Balances</b>				
Unreserved, designated		\$ 591,569	\$ 1,258	592,827
<b>Total Fund Balances</b>		<u>591,569</u>	<u>1,258</u>	<u>592,827</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 103,683</u>	<u>\$ 591,569</u>	<u>\$ 1,258</u>	<u>\$ 696,510</u>

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

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Building Tax Fund	SEEK Capital Outlay Fund	Debt Service Fund	Katherine Avellar Trust Proceeds	Russell Riggs Political Science Trust Proceeds	Total Nonmajor Governmental Funds
<b>Revenues</b>						
Local sources						
Property taxes	\$ 52,250,976					\$ 52,250,976
Other taxes	6,148,687					6,148,687
State sources						
SEEK program		\$ 8,290,890				8,290,890
KSFCC allocation			\$ 8,308,984			8,308,984
Interest			246,435			246,435
Other Sources	204,103			\$ 147,210		351,313
<b>Total Revenues</b>	58,603,766	8,290,890	8,555,419	147,210		75,597,285
<b>Expenditures</b>						
Student Support Services				57,157		57,157
Capital outlay		488,465				488,465
Debt service						
Principal			21,112,011			21,112,011
Interest			17,634,208			17,634,208
<b>Total Expenditures</b>		488,465	38,746,219	57,157		39,291,841
<b>Revenues in Excess of (Less Than) Expenditures</b>	58,603,766	7,802,425	(30,190,800)	90,053		36,305,444
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	2		30,455,722			30,455,724
Operating transfers out	(58,834,074)	(7,802,425)	(264,922)			(66,901,421)
<b>Total Other Financing Sources (Uses)</b>	(58,834,072)	(7,802,425)	30,190,800			(36,445,697)
<b>Net Change in Fund Balances</b>	(230,306)			90,053		(140,253)
<b>Fund Balances, Beginning of Year</b>	230,306			501,516	\$ 1,258	733,080
<b>Fund Balances, End of Year</b>	\$	\$	\$	\$ 591,569	\$ 1,258	\$ 592,827

Combining Statement of Net Assets - Nonmajor Proprietary Funds

**Jefferson County Board of Education**

June 30, 2007

	Enterprise Funds			Total Nonmajor Enterprise Funds
	Adult Education	Tuition Pre-School	Daycare Operations	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 390,590			\$ 390,590
Accounts and grants receivable from outside sources		\$ 1,454	\$ 22,139	23,593
Due from other funds		116,535	225,751	342,286
<b>Total Current Assets</b>	390,590	117,989	247,890	756,469
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued liabilities due to outside sources	749	43	1,370	2,162
Due to other funds	62,177	1,454	20,769	84,400
<b>Total Current Liabilities</b>	62,926	1,497	22,139	86,562
<b>Net Assets</b>				
Unrestricted	327,664	116,492	225,751	669,907
<b>Total Net Assets</b>	<u>\$ 327,664</u>	<u>\$ 116,492</u>	<u>\$ 225,751</u>	<u>\$ 669,907</u>

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

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Enterprise Funds			Total Nonmajor Enterprise Funds
	Adult Education	Tuition Pre-School	Daycare Operations	
<b>Operating Revenues</b>				
Tuition and fees	\$ 755,456	\$ 1,220,102	\$ 1,224,977	3,200,535
<b>Total Operating Revenues</b>	755,456	1,220,102	1,224,977	3,200,535
<b>Operating Expenses</b>				
Salaries and personnel services	532,186	1,062,744	870,393	2,465,323
Employee benefits	32,690	146,708	129,907	309,305
Purchased professional services	576	2,690	1,048	4,314
Other purchased services	111,113	1,815	3,944	116,872
Supplies and materials	75,961	6,043	86,528	168,532
Property	9,804		8,044	17,848
Miscellaneous	24,195		11,061	35,256
Other	239,689			239,689
<b>Total Operating Expenses</b>	1,026,214	1,220,000	1,110,925	3,357,139
<b>Income (Loss) From Operations</b>	(270,758)	102	114,052	(156,604)
<b>Non-Operating Revenues (Expenses)</b>				
District support	(5,000)		111,699	106,699
Interest income	19,898			19,898
<b>Total Non-Operating Revenues (Expenses)</b>	14,898		111,699	126,597
<b>Change in Net Assets</b>	(255,860)	102	225,751	(30,007)
<b>Net Assets, Beginning of Year</b>	583,524	116,390		699,914
<b>Net Assets, End of Year</b>	\$ 327,664	\$ 116,492	\$ 225,751	\$ 669,907



Combining Statement of Cash Flows - Nonmajor Proprietary Funds

**Jefferson County Board of Education**

Year Ended June 30, 2007

	Enterprise Funds			Total Nonmajor Enterprise Funds
	Adult Education	Tuition Pre-School	Daycare Operations	
<b>Cash Flows From Operating Activities</b>				
Cash received from customers	\$ 755,510	\$ 1,850,767	\$ 977,087	\$ 3,583,364
Cash paid to suppliers	(417,118)	(638,625)	(76,377)	(1,132,120)
Cash paid to employees	(564,876)	(1,209,452)	(1,000,300)	(2,774,628)
Cash paid for other expenses	(264,460)	(2,690)	(12,109)	(279,259)
<b>Net Cash Provided by (Used in) Operating Activities</b>	(490,944)		(111,699)	(602,643)
<b>Cash Flows From Capital and Related Financing Activities</b>				
Disposals of property and equipment	239,688			239,688
District support	(5,000)		111,699	106,699
Interest paid, net	19,898			19,898
<b>Net Cash Provided By (Used in) Capital and Related Financing Activities</b>	254,586		111,699	366,285
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(236,358)			(236,358)
<b>Cash and Cash Equivalents, Beginning of Year</b>	626,948			626,948
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 390,590</u>	<u>\$</u>	<u>\$</u>	<u>\$ 390,590</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>				
(Loss) from operations	\$ (270,758)	\$ 102	\$ 114,052	\$ (156,604)
Adjustments to reconcile (loss) from operations to cash provided by (used in) operating activities:				-
Change in accounts and grants receivable	54	(1,454)	(22,139)	(23,539)
Change in amounts due from other funds		632,119	(225,751)	406,368
Change in amounts due to other funds	(199,591)	(630,705)	20,769	(809,527)
Change in accounts payable and accrued liabilities	(20,649)	(62)	1,370	(19,341)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ (490,944)</u>	<u>\$</u>	<u>\$ (111,699)</u>	<u>\$ (602,643)</u>

Combining Statement of Net Assets - Fiduciary Funds

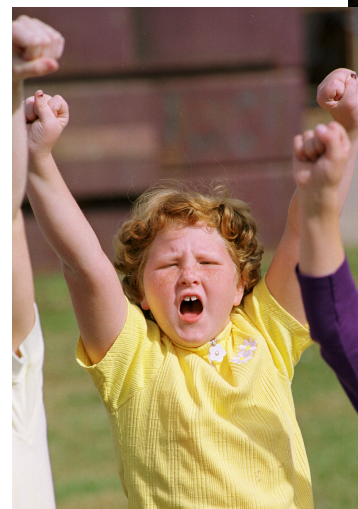
**Jefferson County Board of Education**

June 30, 2007

	Agency Funds				
	High School Activity Fund	Middle School Activity Fund	Elementary School Activity Fund	Other Agency Funds	Total Agency Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 2,929,542	\$ 715,446	\$ 1,339,616		\$ 4,984,604
Investments	1,136,907	193,487	33,992	\$ 48,099	1,412,485
Accounts and grants receivable from outside sources	30,309	4,483	9,916		44,708
Inventory	156,931	64,418	149,513		370,862
Due from other funds	162,952	119,723	91,627	465,809	840,111
<b>Total Assets</b>	<u>\$ 4,416,641</u>	<u>\$ 1,097,557</u>	<u>\$ 1,624,664</u>	<u>\$ 513,908</u>	<u>\$ 7,652,770</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities					
liabilities due to outside sources	\$ 222,758	\$ 79,129	\$ 78,231	\$ 93	\$ 380,211
Due to other funds	599,266	2,529	1,871		603,666
Due to student groups	3,594,617	1,015,899	1,544,562	513,815	6,668,893
<b>Total Liabilities</b>	<u>\$ 4,416,641</u>	<u>\$ 1,097,557</u>	<u>\$ 1,624,664</u>	<u>\$ 513,908</u>	<u>\$ 7,652,770</u>



## Statistical Section



Jefferson County Board of Education

**Statement of Net Assets--Governmental Funds**

Six Years' Trend Data<sup>1</sup>

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Assets</b>						
Cash and cash equivalents	\$ 221,809,948	\$ 145,692,633	\$ 106,728,574	\$ 75,539,993	\$ 86,274,816	\$ 62,481,266
Investments	14,281,183	10,005,220	42,720	59,956,829	48,544,266	55,043,903
Accounts and grants receivable from outside sources	60,361,542	46,765,083	78,658,593	37,552,827	52,330,350	72,724,801
Prepaid expenses	3,434,397	2,781,250			21,070	590,755
Inventories	5,029,809	6,155,699	4,702,225	4,527,201	3,761,873	4,124,014
Capital assets, net of accumulated depreciation	444,545,128	443,964,660	438,515,759	422,583,406	371,406,741	379,837,076
Construction in progress	55,793,451	31,027,888	24,508,143	15,398,841	13,254,016	35,366,229
Bond issuance costs	1,788,870	1,743,798				
Internal balances	<u>1,928,859</u>	<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>
<b>Total Assets</b>	<u>\$ 808,973,187</u>	<u>\$ 691,016,824</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**

Six Years' Trend Data<sup>1</sup>

	2007	2006	2005	2004	2003	2002
<b>Liabilities</b>						
Accounts payable and accrued liabilities due to outside sources	\$ 72,658,502	\$ 60,044,422	\$ 56,651,574	\$ 64,258,255	\$ 39,147,468	\$ 49,046,687
Deferred revenue	18,899,907	17,922,923	20,281,340	20,803,514	7,670,540	8,795,861
Accrued interest payable	6,889,783	6,409,197				
Note payable due within one year					59,823	99,704
Estimated liability for worker's compensation benefits	12,780,388	12,273,348	9,549,697	6,891,229	5,890,304	6,370,577
Accrued vacation pay	6,814,041	6,632,673	6,213,717	6,310,490	5,943,081	5,599,320
Accrued sick leave liability	32,391,000	30,238,000	29,773,000	30,473,000	30,393,000	30,207,000
School building revenue bonds						
Due within one year	24,349,338	20,783,364	18,469,000	17,061,400	15,207,600	13,781,600
Due in more than one year	422,094,461	357,947,608	359,662,490	339,684,690	325,981,290	340,798,539
<b>Total liabilities</b>	<b>\$ 596,877,420</b>	<b>\$ 512,251,535</b>	<b>\$ 500,600,818</b>	<b>\$ 485,482,578</b>	<b>\$ 430,293,106</b>	<b>\$ 454,699,288</b>
<b>Net Assets</b>						
Invested in capital assets, net of related debt	\$ 53,894,780	\$ 96,261,576	\$ 84,892,412	\$ 81,236,157	\$ 43,471,867	\$ 60,623,166
Restricted for						
Capital projects and construction	133,383,192	56,755,472	56,724,992	26,734,208	73,573,862	68,646,817
Unrestricted	24,817,795	25,748,241	12,688,431	26,723,193	35,147,501	28,668,756
<b>Total Net Assets</b>	<b>\$ 212,095,767</b>	<b>\$ 178,765,289</b>	<b>\$ 154,305,835</b>	<b>\$ 134,693,558</b>	<b>\$ 152,193,230</b>	<b>\$ 157,938,739</b>

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

Jefferson County Board of Education

**Statement of Activities--Governmental Funds**

Six Years' Trend Data<sup>1</sup>

	2007	2006	2005	2004	2003	2002
Governmental activities						
Instruction	\$ 517,592,355	\$ 493,082,823	\$ 438,549,182	\$ 454,546,232	\$ 430,002,052	\$ 448,030,856
Student support services	43,244,003	34,196,099	31,611,802	35,439,129	24,737,043	24,264,508
Instructional staff support services	92,089,154	102,337,492	90,658,246	80,202,494	55,578,708	45,330,934
District administrative support services	6,905,255	6,125,608	5,455,412	3,279,259	12,192,104	7,850,331
School administrative support services	66,309,624	62,783,662	57,352,788	55,147,767	48,843,741	47,157,980
Business support services	34,986,394	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	8,224,193	8,056,206	7,524,914	7,629,436		
Transportation	66,646,414	62,658,644	65,876,930	50,982,142	36,006,442	39,090,470
Plant operations and maintenance	91,125,781	93,156,097	82,449,507	75,855,452	76,731,157	97,786,355
Other instructional support services	388,031	241,768	337,688	122,788	38,954,047	674,207
Food service					790,964	347,698
Miscellaneous	5,661,500	784,335	866,162	6,327,033	3,517,063	205,072
Interest expense	18,114,794	15,007,609	15,689,957	14,560,330	17,539,265	17,048,539
Total governmental activities	951,287,498	913,360,029	827,229,470	826,397,807	784,392,181	773,575,254
Program Revenues						
Charges for services	1,079,992	1,576,413	2,109,406	2,665,619	2,171,817	252,727
Operating grants and contributions	110,702,384	112,356,540	99,114,316	114,972,239	117,891,268	106,182,881
Total program activities	111,782,376	113,932,953	101,223,722	117,637,858	120,063,085	106,435,608
Net Expense	\$ (839,505,122)	\$ (799,427,076)	\$ (726,005,748)	\$ (708,759,949)	\$ (664,329,096)	\$ (667,139,646)

Continued



Jefferson County Board of Education

**Statement of Activities--Governmental Funds--Continued**

Six Years' Trend Data<sup>1</sup>

	2007	2006	2005	2004	2003	2002
Net Expense	\$ (839,505,122)	\$ (799,427,076)	\$ (726,005,748)	\$ (708,759,949)	\$ (664,329,096)	\$ (667,139,646)
General revenues						
Taxes						
Property taxes	294,485,592	278,229,137	245,207,965	225,667,659	215,806,021	194,107,123
Occupational taxes	114,809,535	106,235,305	98,668,074	92,594,658	90,517,445	91,585,827
Other taxes	36,834,544	40,667,124	37,368,137	44,917,267	37,155,564	37,898,267
State sources						
SEEK program	239,847,485	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	162,195,817	154,792,792	130,973,883	98,227,900	92,695,870	87,351,114
Interest and investment earnings	12,981,233	6,860,125	2,737,452	1,368,839	3,055,469	4,593,289
Miscellaneous	11,681,394	8,462,185	10,742,159	11,720,361	8,763,563	14,376,424
Total general revenues	872,835,600	833,315,038	745,618,025	691,260,277	658,583,587	637,394,268
Change in net assets	33,330,478	33,887,962	19,612,277	(17,499,672)	(5,745,509)	(29,745,378)
Net assets, beginning of year	178,765,289	144,877,327	125,265,050	142,764,722	148,510,231	178,255,609
Net assets, end of year	\$ 212,095,767	\$ 178,765,289	\$ 144,877,327	\$ 125,265,050	\$ 142,764,722	\$ 148,510,231

<sup>1</sup> 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 six years of data are presented.

Jefferson County Board of Education

**Balance Sheet--Governmental Funds**

Ten Years' Trend Data

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Assets</b>					
Cash and investments	\$ 236,063,791	\$ 155,735,353	\$ 106,771,294	\$ 135,496,822	\$ 134,819,081
Accounts and grants receivable	60,361,542	46,765,083	78,658,593	37,552,827	52,330,350
Prepaid expenditures	3,434,397	2,781,250			21,070
Inventories	5,029,809	6,155,699	4,702,225	4,527,201	3,761,873
Due from other funds	164,302,157	113,193,845	104,769,754	69,205,841	87,565,029
<b>Total Assets</b>	<u>\$ 469,191,696</u>	<u>\$ 324,631,230</u>	<u>\$ 294,901,866</u>	<u>\$ 246,782,691</u>	<u>\$ 278,497,403</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 72,658,502	\$ 56,917,767	\$ 56,651,574	\$ 64,258,255	\$ 39,147,468
Due to other funds	162,373,298	111,138,392	103,019,115	64,588,802	80,671,825
Deferred revenue	18,899,907	17,922,923	20,281,340	20,803,514	7,670,540
Estimated workers' compensation liability	9,119,663	7,560,610	5,499,697	4,042,229	3,623,304
<b>Total Liabilities</b>	263,051,370	193,539,692	185,451,726	153,692,800	131,113,137
<b>Fund Balances</b>					
Reserved	66,660,660	62,272,033	46,882,740	40,387,839	30,767,439
Unreserved, designated	111,111,345	32,061,794	43,632,378	29,226,554	94,022,437
Unreserved	28,368,321	36,757,711	18,944,022	23,475,498	22,594,390
<b>Total Fund Balances</b>	<u>206,140,326</u>	<u>131,091,538</u>	<u>109,459,140</u>	<u>93,089,891</u>	<u>147,384,266</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 469,191,696</u>	<u>\$ 324,631,230</u>	<u>\$ 294,910,866</u>	<u>\$ 246,782,691</u>	<u>\$ 278,497,403</u>

Continued

Jefferson County Board of Education

**Balance Sheet--Governmental Funds--Continued**

Ten Years' Trend Data

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b>Assets</b>					
Cash and investments	\$ 117,525,168	\$ 154,364,251	\$ 152,535,493	\$ 143,054,540	\$ 107,964,880
Accounts and grants receivable	72,701,074	26,937,187	25,812,363	22,930,411	22,396,146
Prepaid expenditures	590,755		117,621	102,060	1,129,734
Inventories	4,124,014	1,274,522			
Due from other funds	67,270,080	35,420,956	40,500,977	44,673,624	39,200,146
<b>Total Assets</b>	<u>\$ 262,211,091</u>	<u>\$ 217,996,916</u>	<u>\$ 218,966,454</u>	<u>\$ 210,760,635</u>	<u>\$ 170,690,906</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 49,046,687	\$ 24,764,395	\$ 37,087,440	\$ 23,673,134	\$ 23,620,574
Due to other funds	64,776,369	32,188,633	36,991,404	46,872,624	38,371,242
Deferred revenue	8,795,861	10,081,516	9,269,630	9,539,906	11,704,608
Estimated workers' compensation liability	3,662,577	4,915,018	3,312,291	3,351,772	2,883,723
<b>Total Liabilities</b>	126,281,494	71,949,562	86,660,765	83,437,436	76,580,147
<b>Fund Ballances</b>					
Reserved	30,750,240	22,523,688	22,350,192	21,633,219	20,469,191
Unreserved, designated	88,332,594	107,314,827	99,625,195	95,640,501	62,785,792
Unreserved	28,368,321	16,208,839	10,330,302	10,049,479	10,855,776
<b>Total Fund Balances</b>	<u>147,451,155</u>	<u>146,047,354</u>	<u>132,305,689</u>	<u>127,323,199</u>	<u>94,110,759</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 273,732,649</u>	<u>\$ 217,996,916</u>	<u>\$ 218,966,454</u>	<u>\$ 210,760,635</u>	<u>\$ 170,690,906</u>

Jefferson County Board of Education

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

Ten Years' Trend Data

	2007	2006	2005	2004	2003
<b>Revenues</b>					
Local sources					
Property taxes	\$ 294,485,592	\$ 278,229,137	\$ 245,207,965	\$ 225,667,659	\$ 215,806,020
Occupational taxes	114,809,535	106,235,305	98,668,074	92,594,658	90,517,445
Other taxes	36,834,544	40,667,124	37,368,137	44,917,267	37,155,564
State sources					
SEEK program	239,847,485	238,068,370	219,920,355	216,763,593	210,541,846
Other state resources	170,504,801	162,835,245	138,986,875	104,382,146	98,902,379
Grants	103,473,392	105,890,500	93,210,730	110,684,567	113,223,407
Interest	12,916,393	6,897,625	2,737,452	1,368,839	3,055,469
Other sources	14,452,024	8,093,260	10,742,159	12,519,406	9,444,541
<b>Total Revenues</b>	<b>987,323,766</b>	<b>946,916,566</b>	<b>846,841,747</b>	<b>808,898,135</b>	<b>778,646,671</b>
<b>Expenditures</b>					
Instruction	490,415,881	465,024,428	437,593,219	436,289,239	441,245,306
Student support services	43,240,184	34,136,928	31,586,242	35,317,549	24,737,043
Instructional staff support services	91,942,870	98,191,644	89,149,582	76,666,425	56,984,115
District administrative support services	4,590,763	4,067,743	3,765,503	3,275,512	12,504,417
School administrative support services	66,303,768	62,718,829	57,350,698	55,040,993	48,843,741
Business support services	34,967,596	33,872,733	29,990,921	34,222,536	17,497,224
Central Office support services					22,626,996
Community Services	8,018,509	7,966,381	7,523,296	7,433,592	
Transportation	62,223,402	55,929,029	60,119,213	44,727,780	36,006,442

Continued

Jefferson County Board of Education

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

Ten Years' Trend Data

	2007	2006	2005	2004	2003
Expenditures--Continued					
Plant operations and maintenance	90,612,231	92,124,980	81,836,312	72,855,262	78,605,033
Other instructional support services	388,023	241,768	337,688	122,788	790,964
Capital outlay	50,104,464	33,630,519	36,290,545	37,546,548	38,954,047
Other	5,900,875	660,806	534,566	154,127	3,029,773
Debt service					
Principal	21,112,011	18,857,012	17,061,400	12,268,621	14,894,263
Interest	17,634,208	15,240,661	15,689,957	14,560,330	17,539,265
	987,454,785	922,663,461	868,829,142	830,481,302	814,258,629
Other Financing Sources (Uses)					
Proceeds from sale of property	294,380	368,925			
Bond proceeds net of discounts and refunding issues	79,509,491		41,349,247	30,650,501	47,710,073
Operating transfers in	75,100,768	59,881,742	65,853,023	70,523,661	43,168,418
Operating transfers out	(77,926,091)	(62,862,373)	(68,854,627)	(76,696,567)	(43,811,864)
Total Other Financing Sources (Uses)	76,978,548	(2,611,706)	38,347,643	24,477,595	47,066,627
Net Change in Fund Balances	76,847,529	21,641,399	16,360,248	2,894,428	11,454,669
Fund Balances, Beginning of Year	129,292,797	109,450,139	93,089,891	90,195,463	135,929,597
Fund Balances, End of Year	<u>\$ 206,140,326</u>	<u>\$ 131,091,538</u>	<u>\$ 109,450,139</u>	<u>\$ 93,089,891</u>	<u>\$ 147,384,266</u>

Continued

Jefferson County Board of Education

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

Ten Years' Trend Data

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b>Revenues</b>					
Local sources					
Property taxes	\$ 194,107,123	\$ 177,749,187	\$ 164,981,566	\$ 156,384,969	\$ 146,167,812
Occupational taxes	91,585,827	89,975,510	89,067,876	84,835,323	79,106,285
Other taxes	37,898,267	33,749,376	40,498,724	40,446,445	35,179,609
State sources					
SEEK program	204,772,511	209,078,311	219,122,411	209,003,732	200,532,425
Other state resources	95,258,452	91,797,257	77,678,551	67,871,265	39,516,527
Grants	100,026,357	91,110,097	86,475,245	75,169,276	69,977,931
Interest	4,593,289	11,818,115	8,721,382	8,056,041	7,326,093
Other sources	<u>15,588,050</u>	<u>12,608,102</u>	<u>12,498,466</u>	<u>9,414,578</u>	<u>4,243,971</u>
<b>Total Revenues</b>	<b>743,829,876</b>	<b>717,885,955</b>	<b>699,044,221</b>	<b>651,181,629</b>	<b>582,050,653</b>
<b>Expenditures</b>					
Instruction	441,163,977	376,148,082	361,169,483	333,038,119	318,525,532
Student support services	24,264,508	22,627,985	19,640,922	17,833,641	17,215,266
Instructional staff support services	44,901,754	37,437,986	34,206,148	30,417,450	30,943,922
District administrative support services	7,743,036	4,868,095	5,635,305	4,771,607	4,965,057
School administrative support services	47,157,980	42,885,064	40,083,547	37,489,475	35,077,918
Business support services	16,000,125	10,216,108	9,771,618	8,928,275	8,401,139
Central Office support services	29,680,884	78,353,650	65,554,145	57,270,969	37,335,914
Community Services					
Transportation	37,159,160	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**

Ten Years' Trend Data

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Expenditures--Continued					
Plant operations and maintenance	62,421,023	60,568,339	56,994,891	52,651,268	51,069,444
Other instructional support services	674,207	583,312	570,814	539,526	509,143
Capital outlay	47,907,666	51,243,699	48,969,341	50,931,321	43,319,889
Other	414,246	2,070,385	1,661,030	2,042,356	1,718,620
Debt service					
Principal	17,114,263	14,597,219	14,129,881	13,624,881	10,917,034
Interest	<u>17,048,539</u>	<u>17,936,483</u>	<u>17,900,866</u>	<u>15,785,653</u>	<u>13,981,795</u>
	793,651,368	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	40,611,600	54,154,270	17,703,402	37,277,189	14,484,645
Operating transfers in	46,507,755	46,650,812	46,938,004	64,612,513	51,823,811
Operating transfers out	<u>(46,632,879)</u>	<u>(46,650,812)</u>	<u>(46,938,004)</u>	<u>(64,612,513)</u>	<u>(51,822,695)</u>
Total Other Financing Sources (Uses)	<u>40,486,476</u>	<u>54,154,270</u>	<u>17,703,402</u>	<u>37,277,189</u>	<u>14,485,761</u>
Net Change in Fund Balances	(9,335,016)	13,741,665	4,982,489	29,482,263	(8,089,804)
Fund Balances, Beginning of Year	<u>145,264,613</u>	<u>132,305,689</u>	<u>127,323,200</u>	<u>97,840,936</u>	<u>102,200,563</u>
Fund Balances, End of Year	<u>\$ 135,929,597</u>	<u>\$ 146,047,354</u>	<u>\$ 132,305,689</u>	<u>\$ 127,323,199</u>	<u>\$ 94,110,759</u>

Jefferson County Board of Education

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

Six Years' Trend Data<sup>2</sup>

	Charges for Service	Operating Grants & Contributions	Property Taxes	Occupational Taxes	Other Taxes
2007	\$ 16,751,753	\$ 140,544,055	\$ 294,485,592	\$ 114,809,535	\$ 36,834,544
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
2007	\$ 239,847,485	\$ 162,195,817	\$ 13,275,448	\$ 11,738,199	\$ 1,030,482,428
2006	238,068,370	154,792,792	7,137,647	8,527,717	987,071,913
2005	219,920,355	130,973,883	2,808,549	10,742,159	884,400,025
2004	216,763,593	98,227,900	1,387,326	11,720,361	845,180,734
2003	210,541,846	92,743,679	3,091,580	8,763,563	813,285,476
2002	\$ 204,772,511	\$ 90,060,827	\$ 4,673,286	\$ 14,376,424	\$ 778,853,128

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

<sup>2</sup> For the fiscal year ended June 30, 2002, the Board implemented GASB 34, which substantially affected the comparability of its revenues. Therefore, only data from years after implementation are presented.

Jefferson County Board of Education

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

Six Years' Trend Data<sup>2</sup>

	Instruction	Student Support Services	Instructional Staff Support Services <sup>3</sup>	District Administrative	School Administrative Support Services	Business Support Services <sup>3</sup>
2007	\$ 517,592,355	\$ 43,244,003	\$ 92,089,154	\$ 6,905,255	\$ 66,309,624	\$ 34,986,394
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 <sup>3</sup>	Central Office Support Services <sup>3</sup>	Transportation	Plant Operations and Maintenance	Other Instructional Support Services	Other
2007	\$ 8,224,193		\$ 66,646,414	\$ 91,125,781	\$ 388,031	\$ 5,661,500
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 <sup>3</sup>	Tuition-based Pre-school	Daycare Operations <sup>3</sup>	Total
2007	\$ 18,114,794	\$ 42,589,437	\$ 1,031,214	\$ 1,220,000	\$ 1,110,925	\$ 997,239,074
2006	15,007,609	39,037,601	1,067,753	1,092,906		954,558,289
2005	15,689,957	41,280,887	\$ 824,934	966,103		870,301,394
2004	14,560,330	39,699,644		1,209,476		867,306,927
2003	17,539,265	37,266,355		764,581		822,423,117
2002	\$ 17,048,539	\$ 36,817,138		\$ 715,232		\$ 810,759,926

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

<sup>2</sup> 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 data for years since implementation are presented.

<sup>3</sup> 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. Daycare Operations was segregated as a fund in 2007.

Jefferson County Board of Education

**Property Tax Rates**

Ten Years' Trend Data

	<u>Real Estate<sup>1</sup></u>	<u>Personal Property<sup>1</sup></u>	<u>Motor Vehicle<sup>1</sup></u>
2007	61.5	62.5	58.5
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

<sup>1</sup> 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 <sup>1</sup>	Percent
2007	\$ 311,661,729	\$ 304,482,002	97.7%
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%

<sup>1</sup> Tax Revenue Received consists of Property Tax, Distilled Spirits Tax and Franchise Tax and the revenues are split between the General Fund and the Building Fund. Distilled Spirits Tax and Franchise Tax are included in Other Taxes in the Financial Section in their respective funds.

	General Fund	Building Fund
Property Tax	\$ 242,234,618	\$ 524,316
Distilled Spirits Tax	471,091	267,345
Franchise Tax	\$ 8,233,152	\$ 844,193

Jefferson County Board of Education

## Property Tax Assessments

Ten Years' Trend Data

	<u>Real Estate</u>	<u>Tangible Personal</u>	<u>Franchise</u>	<u>Motor Vehicle</u>	<u>Distilled Spirits</u>	<u>Total Assessed Value</u>	<u>Estimated Actual Value</u>
2007 \$	44,983,814,699	\$ 3,936,902,343	\$ 1,584,198,565	\$ 4,061,034,858	\$ 87,775,058	\$ 54,653,725,523	\$ 54,653,725,523
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

Source: Jefferson County Property Valuation Administration



Jefferson County Board of Education

### Principal Real Estate Taxpayers

For the fiscal year ended June 30, 2007

<u>Company</u>	<u>School Tax Paid</u>	<u>Percent of Total Revenues</u>
Louisville Gas & Electric	\$ 4,320,022	1.4%
BellSouth	3,015,101	0.9%
Cellco Partnership	784,482	0.2%
Humana	702,743	0.2%
Ford	598,995	0.2%
Louisville Trophy LLC	524,375	0.2%
Kroger Limited Partnership	482,788	0.2%
MRI NCT	416,953	0.1%
BT Property LLC	400,422	0.1%
United Parcel Service	\$ 390,471	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 2006

	Real Estate <sup>1</sup>	Tangible Property <sup>1</sup>	Motor Vehicle <sup>1</sup>		Real Estate <sup>1</sup>	Tangible Property <sup>1</sup>	Motor Vehicle <sup>1</sup>
Metro Louisville Government	12.60	16.60	16.60	Glenview Hills	11.00	0.00	0.00
Anchorage	41.60	41.60	36.00	Glenview Manor	15.00	0.00	0.00
Audubon Park	25.20	0.00	24.30	Goose Creek	18.20	0.00	0.00
Bancroft	22.00	0.00	0.00	Graymoor-Devondale	20.00	0.00	0.00
Barbourmeade	19.17	0.00	0.00	Green Spring	18.72	0.00	0.00
Beechwood Village	11.10	0.00	0.00	Hickory Hill	23.30	0.00	0.00
Bellemeade	8.00	0.00	0.00	Hills and Dales	17.84	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	17.46	0.00	0.00	Jeffersontown	15.30	0.00	0.00
Cambridge	17.00	0.00	0.00	Kingsley	34.90	0.00	0.00
Coldstream	10.00	0.00	0.00	Langdon Place	32.00	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	21.48	21.48	11.04
Druid Hills	14.40	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	15.00	0.00	2.00	Meadow Vale	14.70	0.00	0.00
Glenview	13.00	0.00	0.00	Meadowbrook Farm	7.50	0.00	0.00

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

Continued

Jefferson County Board of Education

### Overlapping Tax Rates--Continued

For Tax Year 2006

	Real Estate <sup>1</sup>	Tangible Property <sup>1</sup>	Motor Vehicle <sup>1</sup>		Real Estate <sup>1</sup>	Tangible Property <sup>1</sup>	Motor Vehicle <sup>1</sup>
Meadowview Estates	17.50	0.00	0.00	Shively	32.50	33.66	36.00
Middletown	14.00	0.00	0.00	South Park View	22.00	0.00	0.00
Minor Lane Heights	20.00	0.00	0.00	Spring Mill	20.00	0.00	0.00
Mockingbird Valley	14.10	0.00	0.00	Spring Valley	16.03	0.00	0.00
Moorland	20.00	0.00	0.00	Strathmoor Manor	30.12	0.00	0.00
Murray Hill	18.26	0.00	0.00	Strathmoor Village	36.00	0.00	0.00
Northfield	17.10	0.00	0.00	Sycamore	114.10	0.00	0.00
Norbourne Estates	20.80	0.00	0.00	Ten Broeck	9.84	0.00	0.00
Norwood	18.64	0.00	0.00	Thornhill	12.00	0.00	0.00
Old Brownsboro Place	16.90	0.00	0.00	Watterson Park	10.30	6.50	7.50
Parkway Village	17.30	0.00	0.00	Wellington	25.00	0.00	0.00
Plantation	27.00	0.00	0.00	West Buechel	28.00	0.00	0.00
Poplar Hills	15.00	0.00	0.00	Westwood	18.00	0.00	0.00
Prospect	21.25	0.00	0.00	Wildwood	17.90	0.00	0.00
Richlawn	15.40	0.00	0.00	Windy Hills	17.00	0.00	0.00
Riverwood	16.17	0.00	0.00	Woodland Hills	17.00	0.00	0.00
Rolling Fields	16.50	0.00	0.00	Woodlawn Park	22.00	0.00	0.00
Rolling Hills	19.30	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	6.50
Saint Regis Park	13.60	0.00	0.00	Anchorage Fire District	10.00	10.00	10.00
Seneca Gardens	20.40	0.00	0.00	Buechel Fire District	10.00	10.00	10.00

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

Continued

Jefferson County Board of Education

### Overlapping Tax Rates--Continued

For Tax Year 2006

	Real Estate <sup>1</sup>	Tangible Property <sup>1</sup>	Motor Vehicle <sup>1</sup>
Camp Taylor Fire District	10.00	10.00	10.00
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	37.23	56.60	0.00
Worthington Fire District	10.00	10.00	10.00

Jefferson County Board of Education

## Principal Employers by Number of Employees

December 31, 2006 and Four Comparison Years

	<b>2006</b>	<b>Percent of Jefferson County's employees</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
United Parcel Service	18,398	5.2%	17,543	17,206	20,424	22,303
Jefferson County Public Schools	13,281	3.8%	13,235	13,420	14,329	13,988
Ford Motor Co.	8,745	2.5%	8,972	9,303	9,807	10,300
Norton Healthcare Inc.	7,783	2.2%	8,525	7,850	7,575	7,034
Jewish Hospital Healthcare	5,907	1.7%	7,605	7,597	7,667	6,732
Louisville Metro Government	5,993	1.7%	5,893	5,744	5,995	6,290
Humana Inc.	7,458	2.1%	5,850	4,889	4,785	4,672
University of Louisville	5,563	1.6%	5,236	4,943	5,133	5,017
G.E. Consumer Products	5,000	1.4%	5,000	5,200	5,800	5,800
The Kroger Co.	5,177	1.5%	4,827	4,960	5,045	6,655
KY State Government	4,700	1.3%	4,564	4,952	5,328	5,314
Baptist Healthcare System	3,140	0.9%	3,170	2,308	2,204	2,149
U.S. Government	2,826	0.8%	2,941	2,801	2,949	2,705
U.S. Postal Service	2,674	0.8%	2,902	2,872	3,137	3,284
Catholic Archdiocese of Louisville	2,437	0.7%	2,680	2,468	2,485	2,560
Kindred Healthcare Inc.	2,349	0.7%	2,342	1,957	1,957	1,952
University of Louisville Hospital	2,346	0.7%	1,972	2,115	2,006	2,006
Yum! Brands Inc .	2,123	0.6%	2,195	2,194	2,170	2,170
U.S. Bureau of Census	1,810	0.5%	1,672	1,593	1,651	1,378

Source: Business First magazine

Jefferson County Board of Education

**Occupational Tax Revenues**

Ten Years' Trend Data

2007	\$	114,809,535
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

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
2008	\$ 19,039,372	\$ 15,998,115	\$ 35,037,487
2009	19,655,910	15,315,547	34,971,457
2010	20,259,215	14,599,922	34,859,137
2011	20,583,577	13,857,345	34,440,922
2012	26,208,965	13,084,147	39,293,112
2013-2017	111,112,581	51,708,517	162,821,098
2018-2022	101,790,179	26,884,181	128,674,360
2023-2027	61,728,843	7,920,543	69,649,386
	<u>\$ 380,378,642</u>	<u>\$ 159,368,317</u>	<u>\$ 539,746,959</u>

Metro Louisville			
Year Ending June 30	Principal	Interest	Total Repayments
2008	\$ 116,166	\$ 88,466	\$ 204,632
2009	120,115	84,516	204,631
2010	124,387	80,246	204,633
2011	129,033	75,598	204,631
2012	134,082	70,550	204,632
2013-2017	761,364	261,800	1,023,164
2018-2022	512,867	103,744	616,611
2023-2027	192,875	13,116	205,991
	<u>\$ 2,090,889</u>	<u>\$ 778,036</u>	<u>\$ 2,868,925</u>

Kentucky School Facilities Construction Commission			
Year Ending June 30	Principal	Interest	Total Repayments
2008	\$ 6,031,757	\$ 3,059,189	\$ 9,090,946
2009	6,276,270	2,819,831	9,096,101
2010	6,523,694	2,567,914	9,091,608
2011	4,179,684	2,323,706	6,503,390
2012	4,120,600	2,164,994	6,285,594
2013-2017	21,506,055	8,340,557	29,846,612
2018-2022	19,026,954	3,829,312	22,856,266
2023-2027	8,003,282	762,909	8,766,191
	<u>\$ 75,668,296</u>	<u>\$ 25,868,412</u>	<u>\$ 101,536,708</u>

Total Principal payments	\$ 458,137,827
Total Interest payments	<u>186,014,765</u>
Total Repayments	<u>\$ 644,152,592</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</u>	<u>Metro Louisville</u>	<u>Total</u>
1994B		\$ 2,535,000		\$ 2,535,000
1998A	\$ 8,204,249	482,389	\$ 848,362	9,535,000
1998B	672,032	5,452,968		6,125,000
1998C	35,039,957	10,425,043		45,465,000
1999A	40,435,000			40,435,000
2000B QZAB	5,500,000			5,500,000
2001A	15,265,000			15,265,000
2001B	6,507,512	1,842,488		8,350,000
2002A	34,860,000			34,860,000
2002B	18,335,000			18,335,000
2003A	39,182,735	472,265		39,655,000
2004A	3,497,916	22,404,557	1,242,527	27,145,000
2004B	32,070,000			32,070,000
2004C	19,050,000			19,050,000
2005A	20,654,433	370,567		21,025,000
2006A	27,260,686	13,739,314		41,000,000
2006B	20,000,000			20,000,000
2006C	28,531,295	17,943,705		46,475,000
2007A	19,970,000			19,970,000
KISTA	5,342,827			5,342,827
	<u>\$ 380,378,642</u>	<u>\$ 75,668,296</u>	<u>\$ 2,090,889</u>	<u>\$ 458,137,827</u>

Jefferson County Board of Education

### Overlapping/Direct Debt and Bond Analysis Ratios

As of June 30, 2007

Governmental Unit	Gross Debt Outstanding	Percentage Applicable to Jefferson County Taxpayers	Jefferson County Taxpayers Share of Debt
Direct Debt:			
Jefferson County Public Schools	\$ 458,137,827	100.0%	\$ 458,137,827
Overlapping Debt:			
Louisville/Jefferson County Metro Government			
Revenue Bonds	130,220,376	100.0%	126,629,919
General Obligation Debt	249,111,037	100.0%	236,750,006
	<u>379,331,413</u>		<u>363,379,925</u>
Total Overlapping and Direct Debt	<u>\$ 837,469,240</u>		<u>\$ 821,517,752</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	0.0357		
Governmental Revenues Coverage (Divided by Debt Service Expenditures)	28.9484		

Jefferson County Board of Education

## Jefferson County Demographics

As of December 31, 2006

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	140,187	20.0%	245,644	19.9%	Caucasian	548,880	76.3%	1,048,326	82.9%
15-24	87,630	12.5%	161,310	13.1%	African-American	121,444	16.9%	139,970	11.1%
25-34	90,501	12.9%	161,053	13.0%	Native American or Native Alaskan	1,758	0.2%	3,012	0.2%
35-44	101,433	14.5%	181,147	14.7%	Asian	12,470	1.7%	14,922	1.2%
45-54	107,557	15.3%	189,320	15.3%	Native Hawaiian / Pacific Islander	553	0.1%	945	0.1%
55-64	78,420	11.2%	139,031	11.3%	Other / Multirace	16,309	2.3%	27,326	2.2%
65-74	48,626	6.9%	83,006	6.7%	Hispanic Origin <sup>1</sup>	18,212	2.5%	30,274	2.4%
75 and older	47,065	6.7%	73,996	6.0%					
Total Population	701,419	100.0%	1,234,507	100.0%	Population Estimates <sup>2</sup>	719,626	100.0%	1,264,775	100.0%

Source: Applied Geographic Solutions, Simi Valley, CA

Source: Applied Geographic Solutions, Simi Valley, CA

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

<sup>2</sup>The groupings in this chart allow for some individuals to be counted twice, such as the Hispanic Origin described in note<sup>1</sup>. 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
2007 <sup>1</sup>	N/A	N/A	352,340	19,392	5.2%
2006	\$44,253	\$851	339,832	21,911	5.6%
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%

<sup>1</sup> Through June 2007  
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, 2007

<u>Function</u>	<u>Employees</u>
Instruction	5,383
Home and Hospital Instruction	1,709
Technical Education	197
Adult Education	61
Other Instructional Programs	1,176
Student Support Services	481
Instructional Staff Support Services	827
District Administrative Support Services	68
School Administrative Support Services	1,036
Business Support Services	206
Plant Operations and Maintenance	1,139
Student Transportation	1,210
Food Service Operations	900
Day Care Operations	13
Community Service Operations	156
Architectural and Engineering Services	6
	<u>14,568</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>
2007	35,230	19,610	27,500	7,258	3,367	5,122	98,087
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

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

Jefferson County Board of Education

### Accountability Trend Statistics--Elementary Schools

2006-2007 School Year<sup>1</sup>

#### Academic Index

Reading	90.4108
Mathematics	87.6066
Science	85.2341
Social Studies	85.9880
Arts and Humanities	75.5085
Practical Living/ Vocational Studies	78.1890
Writing	85.7742
Total Academic Index	86.3

#### Non-Academic Factors

Attendance Rate	95.34
Retention Rate	0.37
Non-Academic Index	97.056

#### Elementary Nonadjusted Accountability Index

Nonadjusted Accountability Index	86.5
----------------------------------	------

#### Number of Accountability Students

Number Tested End of Primary	7,171
Number Tested Grade 4	6,864
Number Tested Grade 5	6,729

<sup>1</sup>Due to a major change in testing factors for the 2006-2007 school year, comparative data is not available.

Jefferson County Board of Education

### Accountability Trend Statistics--Middle Schools

2006-2007 School Year<sup>1</sup>

#### Academic Index

Reading	88.0459
Mathematics	75.7562
Science	74.6945
Social Studies	76.2403
Arts and Humanities	76.0011
Practical Living/ Vocational Studies	77.4828
Writing	73.5912
Total Academic Index	77.9

#### Non-Academic Factors

Attendance Rate	93.92
Dropout Rate	0.47
Retention Rate	1.00
Non-Academic Index	96.1729

#### Middle School Nonadjusted Accountability Index

Nonadjusted Accountability Index	78.5
----------------------------------	------

#### Number of Accountability Students

Number Tested Grade 6	6,652
Number Tested Grade 7	6,443
Number Tested Grade 8	6,588

<sup>1</sup>Due to a major change in testing factors for the 2006-2007 school year, comparative data is not available.



Jefferson County Board of Education

### **Accountability Trend Statistics--High Schools**

2006-2007 School Year<sup>1</sup>

#### **Academic Index**

Reading	91
Mathematics	72
Science	71
Social Studies	79
Arts and Humanities	93.0170
Practical Living/ Vocational Studies	75
Writing	67
Total Academic Index	77

#### **Non-Academic Factors**

Attendance Rate	91
Graduation Rate	74
Successful Transition to Adult Life	98
Non-Academic Index	87

#### **ACT High School Index**

ACT High School Index (PLAN)	74
------------------------------	----

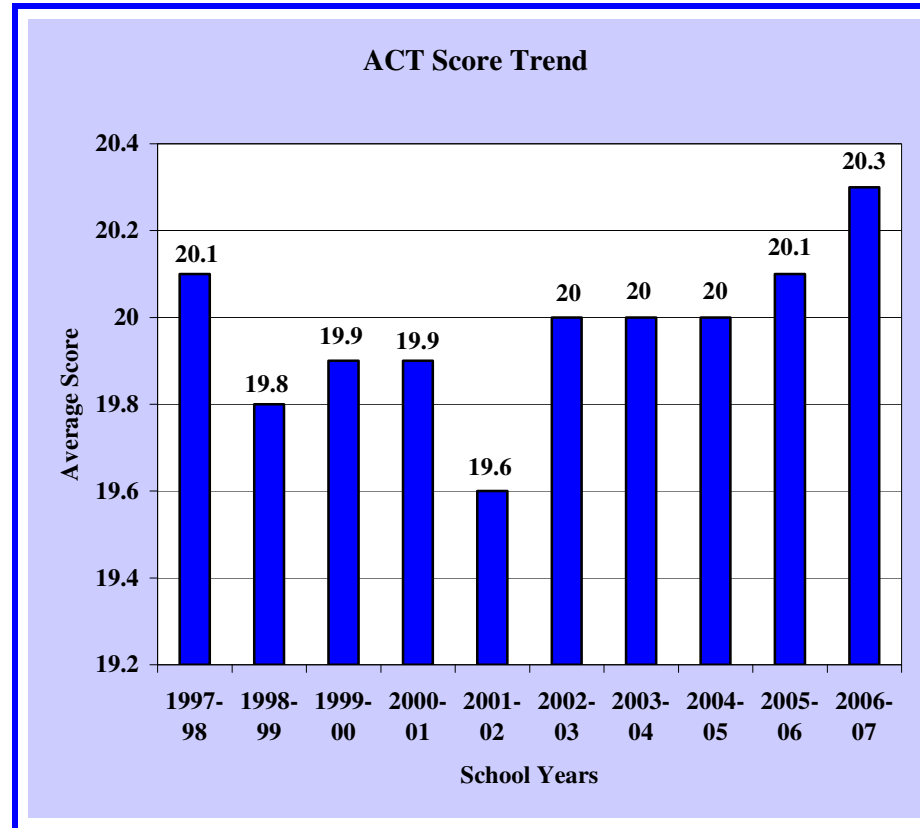
#### **High School Nonadjusted Accountability Index**

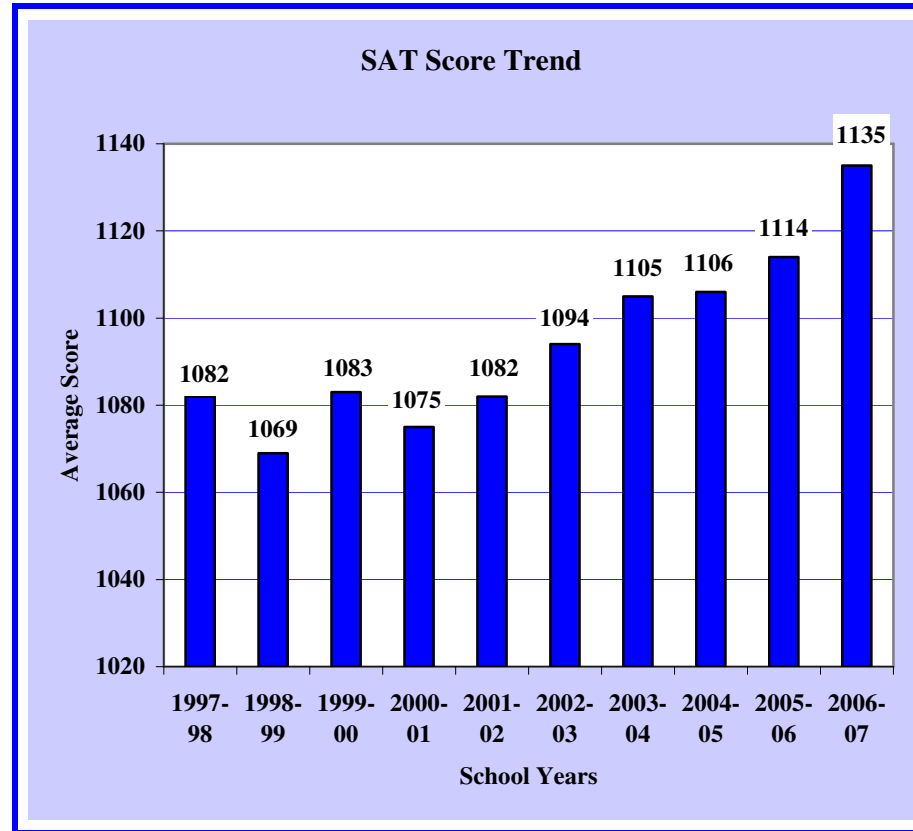
Nonadjusted Accountability Index	78
----------------------------------	----

#### **Number of Accountability Students**

Number Tested Grade 10	6,771
Number Tested Grade 11	5,619
Number Tested Grade 12	5,669

<sup>1</sup>Due to a major change in testing factors for the 2006-2007 school year, comparative data is not available.





Jefferson County Board of Education

## School Building Capacity Data

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2006-07		2005-06		2004-05		2003-04		2002-03	
		Program Capacity	Student Enrollment 1st Pupil Month	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
Atherton High	194,044	1,250	1,098	1,250	1,066	1,250	966	1,250	951	1,250	1,036
Atkinson Elementary	67,912	755	544	755	524	755	533	755	569	755	575
Auburndale Elementary	52,820	640	501	640	530	640	488	640	525	640	551
Audubon Traditional Elem.	51,615	612	611	612	611	612	612	608	610	608	583
Ballard High	251,954	1,800	1,708	1,800	1,703	1,720	1,678	1,720	1,696	1,720	1,679
Barret Traditional Middle	107,695	654	649	654	647	675	654	675	661	675	648
Bates Elementary	48,374	605	609	605	602	566	579	490	520	490	472
Blake Elementary	57,416	548	504	548	498	548	493	548	462	548	526
Bloom Elementary	67,415	466	472	466	426	466	446	466	450	466	435
Blue Lick Elementary	45,356	560	542	560	572	580	531	580	578	580	529
Bowen Elementary	57,010	763	774	763	770	729	747	729	685	729	672
Brandeis Elementary	55,400	526	539	526	542	545	521	545	510	545	514
Breckinridge Metropolitan High <sup>1</sup>	63,612										
Breckinridge/Franklin Elem. (New 99-00)	78,404	578	344	578	355	578	398	578	407	578	423
Breckinridge Elementary (Closed 99-00)	63,612										
Brown Elementary School	249,716	150	284	150	286	270	267	270	260	270	261
Brown Middle School	249,716	150	166	150	169	150	156	150	158	150	157
Brown High School	249,716	185	220	185	203	185	213	185	214	185	200
Bruce Middle (Closed 98-99)	100,329										
Buechel Metropolitan High <sup>1</sup>	46,759										
Butler Traditional High	219,238	1,630	1,680	1,630	1,675	1,630	1,640	1,630	1,640	1,630	1,605
Byck Elementary	67,558	583	477	583	474	583	513	583	513	583	509
Camp Taylor Elementary	59,199	568	450	568	422	568	457	568	498	568	501
Cane Run Elementary	59,840	574	465	574	485	574	468	574	481	574	516
Carrithers Middle	92,976	800	634	800	683	800	754	800	739	800	671
Carter Elementary (Old)											
Carter Elementary (New)	164,775	596	574	596	573	650	589	650	583	650	582

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2001-02		2000-01		1999-00		1998-99		1997-98	
		Program Capacity	Student Enrollment as of 9/6/01	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
Atherton High	194,044	1,250	1,047	1,250	1,101	1,250	1,120	1,250	1,087	1,250	1,071
Atkinson Elementary	67,912	755	590	755	593	774	718	774	711	774	728
Auburndale Elementary	52,820	640	544	640	557	678	550	678	548	678	547
Audubon Traditional Elem.	51,615	608	580	608	583	608	581	608	559	608	555
Ballard High	251,954	1,720	1,682	1,700	1,706	1,700	1,689	1,700	1,652	1,700	1,623
Barret Traditional Middle	107,695	675	656	675	645	675	652	675	646	675	651
Bates Elementary	48,374	471	477	484	451	484	458	484	459	477	473
Blake Elementary	57,416	548	524	499	511	499	500	499	406	499	471
Bloom Elementary	67,415	466	465	466	460	466	458	466	452	466	454
Blue Lick Elementary	45,356	580	535	580	556	600	585	600	537	600	544
Bowen Elementary	57,010	729	734	729	711	686	671	683	616	600	625
Brandeis Elementary	55,400	545	531	545	503	545	513	545	444	545	473
Breckinridge Metropolitan High <sup>1</sup>	63,612										
Breckinridge/Franklin Elem. (New 99-00)	78,404	578	489	578	518	650	549	n/a	n/a	n/a	n/a
Breckinridge Elementary (Closed 99-00)	63,612							520	396	520	402
Brown Elementary School	249,716	270	271	n/a	271	270	257	270	266	270	265
Brown Middle School	249,716	150	151	150	149	150	153	150	152	150	149
Brown High School	249,716	185	192	n/a	183	n/a	189	200	189	200	174
Bruce Middle (Closed 98-99)	100,329									775	598
Buechel Metropolitan High <sup>1</sup>	46,759										
Butler Traditional High	219,238	1,630	1,576	1,630	1,570	1,630	1,602	1,600	1,630	1,600	1,642
Byck Elementary	67,558	512	505	512	481	644	493	644	460	704	566
Camp Taylor Elementary	59,199	568	543	568	525	608	515	608	441	608	526
Cane Run Elementary	59,840	574	513	574	549	605	534	605	455	605	547
Carrithers Middle	92,976	800	624	800	625	800	647	800	681	800	638
Carter Elementary (Old)				710	628	728	633	728	580	728	649
Carter Elementary (New)	164,775	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	2006-07		2005-06		2004-05		2003-04		2002-03	
		Program Capacity	Student Enrollment 1st Pupil Month	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
Central High	206,118	1,400	952	1,400	985	1,400	1,036	1,400	1,013	1,400	1,058
Chancey Elementary (New 2002-03)	151,957	765	747	765	760	732	761	660	728	650	628
Chenoweth Elementary	57,431	640	528	640	533	664	565	664	560	664	562
Churchill Park School <sup>1</sup>	82,200										
Cochran Elementary	56,645	514	388	514	397	514	403	514	396	514	382
Cochrane Elementary	52,724	495	402	495	379	495	387	495	381	495	411
Coleridge Taylor Elementary	73,437	750	743	750	724	728	723	728	706	728	670
Conway Middle	99,073	950	905	950	897	950	960	930	954	850	852
Coral Ridge Elementary	53,751	562	482	562	500	562	495	562	502	562	485
Crosby Middle	98,894	1,120	1,226	1,120	1,106	1,100	1,122	1,120	1,092	1,010	1,091
Crums Lane Elementary	53,230	550	420	550	447	550	427	550	417	550	461
Dixie Elementary	44,573	468	436	468	421	468	393	468	405	468	425
Doss High	237,403	1,600	1,226	1,600	1,172	1,600	1,147	1,600	1,053	1,600	1,024
Dunn Elementary	51,816	603	605	603	596	603	589	603	589	603	566
DuPont Maunal High	247,955	1,800	1,886	1,800	1,894	1,800	1,846	1,780	1,822	1,780	1,779
Eastern High	241,428	1,800	1,990	1,800	1,924	1,800	1,850	1,800	1,816	1,700	1,738
Eisenhower Elementary	56,195	551	489	551	496	551	463	551	446	551	442
Engelhard Elementary	50,212	480	454	480	461	480	423	480	429	480	443
Fairdale Elementary	67,584	669	487	669	488	669	487	669	483	669	539
Fairdale High Magnet Career Academy	285,863	1,600	892	1,600	859	1,600	833	1,600	799	1,600	882
Farnsley Middle (Formerly Williams Middle)	123,433	1,010	1,017	1,010	1,001	1,046	1,003	1,046	992	1,046	988
Fern Creek Elementary	56,020	796	799	796	780	796	829	770	796	770	770
Fern Creek Traditional High	249,569	1,575	1,490	1,575	1,436	1,575	1,335	1,575	1,183	1,575	1,137
Field Elementary	48,818	426	417	426	399	426	368	426	364	426	361
Foster Traditional Academy (New)	80,743	650	634	650	574	650	613	650	604	650	602
Foster Elementary (Closed)	51,796										
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	2001-02		2000-01		1999-00		1998-99		1997-98	
		Program Capacity	Student Enrollment as of 9/6/01	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
Central High	206,118	1,400	1,010	1,400	992	1,400	970	1,400	1,000	1,400	922
Chancey Elementary (New 2002-03)	151,957										
Chenoweth Elementary	57,431	664	566	664	595	724	623	724	641	724	651
Churchill Park School <sup>1</sup>	82,200										
Cochran Elementary	56,645	514	441	514	478	638	486	638	406	638	471
Cochrane Elementary	52,724	495	432	495	449	504	474	504	429	479	467
Coleridge Taylor Elementary	73,437	728	681	728	664	728	683	728	599	728	693
Conway Middle	99,073	850	791	850	743	850	752	850	758	850	765
Coral Ridge Elementary	53,751	562	488	562	498	562	533	562	519	560	565
Crosby Middle	98,894	960	957	960	942	960	927	960	945	900	943
Crums Lane Elementary	53,230	550	499	550	516	552	520	552	456	552	544
Dixie Elementary	44,573	468	427	468	422	514	401	514	395	514	379
Doss High	237,403	1,600	983	1,600	955	1,600	1,020	1,600	1,020	1,600	1,116
Dunn Elementary	51,816	603	591	603	609	603	600	588	587	586	604
DuPont Maunal High	247,955	1,780	1,775	1,780	1,771	1,780	1,786	1,750	1,781	1,750	1,795
Eastern High	241,428	1,630	1,652	1,600	1,662	1,600	1,583	1,600	1,639	1,600	1,648
Eisenhower Elementary	56,195	551	489	551	460	642	429	642	407	642	484
Engelhard Elementary	50,212	494	447	494	465	494	469	494	471	494	453
Fairdale Elementary	67,584	669	579	669	600	742	686	742	675	742	718
Fairdale High Magnet Career Academy	285,863	1,600	847	1,600	949	1,600	975	1,600	930	1,600	1,106
Farnsley Middle (Formerly Williams Middle)	123,433	1,046	1,011	900	1,018	900	860	900	704		
Fern Creek Elementary	56,020	736	760	736	756	713	746	713	699	713	715
Fern Creek Traditional High	249,569	1,575	1,149	1,575	1,201	1,575	1,295	1,575	1,373	1,575	1,397
Field Elementary	48,818	426	400	426	396	426	405	426	405	426	406
Foster Traditional Academy (New)	80,743	650	609	546	552						
Foster Elementary (Closed)	51,796					546	540	546	547	546	548
Franklin Elementary (Closed 1999-00)								282	206	282	215

Continued



Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2006-07		2005-06		2004-05		2003-04		2002-03	
		Program Capacity	Student Enrollment 1st Pupil Month	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
Frayser Elementary	71,730	522	387	522	390	522	385	522	384	522	390
Frost Middle	76,851	700	368	700	466	700	493	750	460	700	449
Gilmore Lane Elementary	39,483	407	375	407	370	407	370	407	364	407	353
Goldsmith Elementary	42,994	650	661	650	647	650	639	650	628	650	638
Greathouse/Shryock Elem.	51,054	612	611	612	612	612	611	608	610	608	590
Greenwood Elementary	42,848	556	564	556	556	556	554	600	558	535	574
Gutermuth Elementary	53,378	563	545	563	550	563	544	563	525	563	493
Hartstern Elementary	52,655	592	555	592	562	592	568	592	578	592	575
Hawthorne Elementary	42,510	484	370	484	370	505	352	505	382	505	376
Hazelwood Elementary	83,381	696	419	696	422	696	404	696	431	696	467
Highland Middle	123,574	1,025	1,040	1,025	1,027	1,025	1,023	1,050	1,021	1,050	933
Hite Elementary	45,720	513	511	513	510	513	506	512	518	512	511
Indian Trail Elementary	40,225	537	482	537	488	537	552	537	510	537	530
Iroquois High	296,110	1,450	1,266	1,450	1,268	1,450	1,186	1,450	1,117	1,450	1,044
Iroquois Middle	101,510	895	594	895	618	936	719	936	770	936	818
Jacob Elementary	61,250	675	591	675	571	675	627	675	612	675	606
Jefferson County Trad. Middle	120,513	929	925	929	929	1,001	920	1,001	917	1,001	916
Jefferson County Virtual School (New in 2006-07)			284								
Jefferson, Thomas Middle	224,413	1,425	1,000	1,425	1,051	1,425	1,137	1,425	1,138	1,425	1,191
Jeffersontown Elementary	69,305	778	819	778	778	759	768	759	743	759	743
Jeffersontown High Magnet Career	298,488	1,600	1,101	1,600	1,047	1,600	1,006	1,600	961	1,600	1,017
Johnson Traditional Middle	136,185	959	977	959	974	975	966	975	948	975	937
Johnsontown Road Elementary	47,096	471	462	471	422	471	416	471	397	471	388
Kammerer Middle	112,682	1,050	844	1,050	858	1,050	874	1,050	883	1,050	862
Kennedy Metropolitan <sup>1</sup>	36,765										
Kennedy Montessori Elementary	58,592	600	585	600	594	600	574	600	558	565	591
Kenwood Elementary	47,319	600	572	600	589	669	580	669	584	669	591
Kerrick Elementary	49,808	540	461	540	445	540	441	540	428	540	422

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2001-02		2000-01		1999-00		1998-99		1997-98	
		Program Capacity	Student Enrollment as of 9/6/01	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
Frayser Elementary	71,730	522	430	522	405	594	479	594	438	594	466
Frost Middle	76,851	700	427	700	437	700	471	700	560	700	596
Gilmore Lane Elementary	39,483	407	364	407	366	385	387	384	308	384	363
Goldsmith Elementary	42,994	612	637	612	590	662	589	662	498	662	553
Greathouse/Shryock Elem.	51,054	608	591	608	589	608	592	608	594	608	590
Greenwood Elementary	42,848	563	535	512	537	512	502	512	469	512	483
Gutermuth Elementary	53,378	563	490	563	489	563	517	563	517	540	542
Hartstern Elementary	52,655	592	583	592	570	608	570	608	529	608	574
Hawthorne Elementary	42,510	505	412	505	445	483	449	483	434	483	466
Hazelwood Elementary	83,381	696	496	696	542	744	570	744	478	744	650
Highland Middle	123,574	1,050	867	1,050	857	1,050	869	1,050	897	1,050	911
Hite Elementary	45,720	512	507	512	497	512	484	512	461	512	462
Indian Trail Elementary	40,225	521	525	521	505	510	503	510	484	510	505
Iroquois High	296,110	1,450	1,087	1,450	1,148	1,450	1,136	1,450	1,151	1,450	1,235
Iroquois Middle	101,510	936	871	936	866	950	895	950	823	950	840
Jacob Elementary	61,250	675	622	675	656	683	656	674	686	674	686
Jefferson County Trad. Middle	120,513	1,001	899	1,001	895	1,001	896	1,001	910	1,001	911
Jefferson County Virtual School (New in 2006-07)											
Jefferson, Thomas Middle	224,413	1,425	1,136	1,425	1,161	1,425	1,182	1,425	1,179	1,425	1,116
Jeffersontown Elementary	69,305	759	732	759	683	778	666	778	595	778	637
Jeffersontown High Magnet Career	298,488	1,600	988	1,600	1,099	1,600	1,067	1,600	1,142	1,600	1,144
Johnson Traditional Middle	136,185	975	959	975	958	975	923	975	905	975	949
Johnsontown Road Elementary	47,096	471	398	471	402	445	429	424	390	424	396
Kammerer Middle	112,682	1,050	754	1,050	800	1,050	810	1,050	872	1,050	920
Kennedy Metropolitan <sup>1</sup>	36,765										
Kennedy Montessori Elementary	58,592	565	539	565	560	546	562	516	526	492	521
Kenwood Elementary	47,319	669	595	600	675	618	602	601	553	601	554
Kerrick Elementary	49,808	540	428	540	435	540	458	540	446	540	482

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2006-07		2005-06		2004-05		2003-04		2002-03	
		Program Capacity	Student Enrollment 1st Pupil Month	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
King Elementary	67,295	484	426	484	437	484	405	484	418	484	417
Klondike Lane Elementary	57,300	658	682	658	631	624	619	624	619	624	607
Knight Middle	101,568	700	586	700	582	700	607	700	606	750	588
Lassiter Middle	103,834	925	651	925	675	950	732	950	733	950	768
Laukhuf Elementary	56,209	620	502	620	504	620	509	620	530	620	536
Layne Elementary	50,740	514	499	514	470	490	476	490	474	490	464
Liberty High	100,329	n/a	373	n/a	316	n/a	263	n/a	283	n/a	354
Lincoln Elementary	63,067	439	294	439	282	406	392	406	347	406	370
Louisville Male High	209,752	1,634	1,792	1,634	1,683	1,634	1,638	1,634	1,633	1,634	1,626
Lowe Elementary	59,560	600	600	600	602	570	593	566	572	566	551
Luhr Elementary	49,373	524	507	524	474	524	475	524	481	524	490
Lyndon Vocational School <sup>1</sup>	50,963										
Maupin Elementary (New 1998-99)	74,000	675	619	675	602	650	652	650	630	650	617
Maupin Elementary (Closed)											
McFerran Preparatory Academy	334,503	1,062	891	1,062	916	1,062	876	1,062	884	1,062	875
Medora Elementary	39,537	424	414	424	408	424	411	420	412	420	390
Meyzeek Middle	134,645	1,200	1,073	1,200	1,096	1,200	1,108	1,200	1,129	1,200	1,171
Middletown Elementary	58,553	632	609	632	602	632	575	632	541	632	525
Mill Creek Elementary	49,651	564	487	564	458	564	460	564	448	564	455
Minors Lane Elementary	51,721	600	395	600	443	600	488	600	482	600	510
Moore Traditional Middle (New 98-99)	265,786	1,050	856	1,050	906	1,050	928	1,050	1,013	1,010	967
Moore Traditional High	265,786	1,000	860	1,000	743	1,000	710	1,000	651	1,135	656
Myers Middle	97,164	1,010	828	1,010	950	1,010	991	1,020	1,006	1,020	988
Newburg Middle	123,433	1,112	1,047	1,112	1,084	1,112	1,068	1,050	1,118	1,050	1,048
Noe Middle	155,118	1,250	1,269	1,250	1,274	1,332	1,301	1,332	1,300	1,300	1,315
Norton Elementary	62,719	750	739	750	721	750	722	774	699	774	734
Okolona Elementary	50,950	501	467	501	468	501	490	501	493	501	491

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2001-02		2000-01		1999-00		1998-99		1997-98	
		Program Capacity	Student Enrollment as of 9/6/01	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
King Elementary	67,295	484	430	484	433	484	454	484	418	484	459
Klondike Lane Elementary	57,300	587	604	587	579	587	542	587	544	587	577
Knight Middle	101,568	750	501	750	486	750	486	750	502	750	540
Lassiter Middle	103,834	950	756	950	768	950	785	950	875	950	910
Laukhuf Elementary	56,209	620	534	620	528	608	520	608	499	608	469
Layne Elementary	50,740	490	448	490	430	444	433	444	352	444	344
Liberty High	100,329	n/a	344	n/a	320	n/a	243	n/a	n/a	n/a	n/a
Lincoln Elementary	63,067	406	366	406	351	462	370	462	331	462	356
Louisville Male High	209,752	1,610	1,634	1,610	1,627	1,610	1,623	1,600	1,622	1,600	1,631
Lowe Elementary	59,560	566	524	566	557	566	554	566	535	566	552
Luhr Elementary	49,373	524	483	524	478	502	514	502	440	502	493
Lyndon Vocational School <sup>1</sup>	50,963										
Maupin Elementary (New 1998-99)	74,000	650	611	650	604	585	618	585	511		
Maupin Elementary (Closed)										585	534
McFerran Preparatory Academy	334,503	1,062	908	966	987	819	909	815	561	700	787
Medora Elementary	39,537	420	404	420	369	420	381	420	361	420	365
Meyzeek Middle	134,645	1,275	1,158	1,275	1,064	1,275	1,085	1,275	1,152	1,275	1,295
Middletown Elementary	58,553	632	557	632	575	616	594	616	591	616	609
Mill Creek Elementary	49,651	564	454	564	478	596	501	596	499	596	530
Minors Lane Elementary	51,721	600	498	600	521	600	507	600	438	600	547
Moore Traditional Middle (New 98-99)	265,786	850	914	850	831	700	733	700	595	n/a	n/a
Moore Traditional High	265,786	1,135	619	1,550	655	1,550	631	1,550	645	1,550	670
Myers Middle	97,164	940	964	940	915	925	909	925	910	925	874
Newburg Middle	123,433	988	1,021	926	962	926	915	900	908	900	840
Noe Middle	155,118	1,300	1,215	1,300	1,253	1,300	1,246	1,300	1,262	1,300	1,241
Norton Elementary	62,719	774	746	774	756	741	752	741	699	741	728
Okolona Elementary	50,950	501	497	501	500	526	480	526	459	526	493

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2006-07		2005-06		2004-05		2003-04		2002-03	
		Program Capacity	Student Enrollment 1st Pupil Month	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
Pleasure Ridge Park High	265,703	1,820	1,879	1,820	1,956	1,800	1,946	1,800	1,896	1,800	1,828
Portland Elementary	52,661	472	288	472	306	472	345	472	341	472	386
Price Elementary	53,339	547	558	547	510	569	493	569	541	569	550
Rangeland Elementary	46,210	520	397	520	433	520	447	520	454	520	450
Roosevelt Perry Elementary	50,185	451	343	451	354	451	380	451	379	451	357
Rutherford Elementary	83,296	600	510	600	533	600	540	600	523	600	522
Sanders Elementary	44,376	503	513	503	494	503	480	490	485	490	504
Schaffner Traditional Elementary	41,156	612	604	612	608	612	610	600	606	600	580
Seiple Elementary	65,447	629	599	629	596	629	610	629	608	629	605
Seneca High	236,142	1,685	1,773	1,685	1,711	1,685	1,770	1,650	1,735	1,650	1,715
Shacklette Elementary	47,409	708	565	708	611	708	602	708	611	708	691
Shawnee High	333,804	1,400	786	1,400	691	1,400	735	1,400	778	1,400	526
Shelby Elementary (New)	83,477	650	502	650	500	650	477	650	329		
Shelby Elementary (Closed)										440	316
Slaughter Elementary	50,578	508	433	508	437	508	434	508	456	454	452
Smyrna Traditional Elementary	42,827	623	560	623	581	620	615	640	627	631	647
South Park TAPP Program <sup>1</sup>	42,152										
Southern High	329,983	1,700	1,383	1,700	1,402	1,700	1,359	1,700	1,398	1,700	1,355
Southern Leadership Academy Middle	152,553	1,050	714	1,050	796	1,050	834	1,050	731	1,050	902
St. Matthews Elementary	46,228	550	550	550	533	519	550	519	528	519	515
Stonestreet Elementary	49,169	578	536	578	519	578	515	578	530	578	479
Stuart Middle	214,706	1,500	1,112	1,500	1,177	1,500	1,252	1,500	1,342	1,500	1,421
Taylor, Zachary Elementary	45,067	585	504	585	503	563	510	563	523	680	521
Trunnel Elementary	55,097	670	626	670	639	670	661	661	673	661	646
Tully Elementary	105,648	809	836	809	822	809	769	809	769	809	773
Valley Traditional High	266,102	1,600	884	1,600	922	1,600	945	1,600	960	1,600	984
Waggener High	222,142	1,300	1,190	1,300	1,159	1,300	1,149	1,300	1,080	1,300	982

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2001-02		2000-01		1999-00		1998-99		1997-98	
		Program Capacity	Student Enrollment as of 9/6/01	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
Pleasure Ridge Park High	265,703	1,800	1,831	1,800	1,861	1,800	1,834	1,800	1,886	1,800	1,842
Portland Elementary	52,661	472	370	472	413	513	462	513	403	513	454
Price Elementary	53,339	569	514	569	487	576	501	576	457	576	520
Rangeland Elementary	46,210	520	440	520	465	551	497	551	487	526	490
Roosevelt Perry Elementary	50,185	451	334	451	388	620	410	620	405	620	462
Rutherford Elementary	83,296	600	552	600	578	651	574	651	540	651	589
Sanders Elementary	44,376	490	495	490	476	472	462	472	425	472	470
Schaffner Traditional Elementary	41,156	600	583	600	588	592	589	592	591	588	589
Semple Elementary	65,447	576	598	567	575	690	587	690	512	690	579
Seneca High	236,142	1,650	1,725	1,650	1,713	1,650	1,706	1,600	1,662	1,600	1,705
Shacklette Elementary	47,409	708	686	640	708	700	643	683	589	683	654
Shawnee High	333,804	1,400	577	1,400	520	1,400	634	1,400	772	1,400	717
Shelby Elementary (New)	83,477										
Shelby Elementary (Closed)		440	337	440	359	517	372	519	395	519	453
Slaughter Elementary	50,578	417	430	417	365	491	406	491	402	491	455
Smyrna Traditional Elementary	42,827	631	628	631	638	620	617	620	533	600	576
South Park TAPP Program <sup>1</sup>	42,152										
Southern High	329,983	1,700	1,376	1,700	1,416	1,700	1,454	1,700	1,565	1,700	1,608
Southern Leadership Academy Middle	152,553	1,050	819	1,050	773	1,050	812	1,050	872	1,050	925
St. Matthews Elementary	46,228	519	500	519	513	519	507	517	515	517	516
Stonestreet Elementary	49,169	578	482	578	493	603	466	603	436	603	449
Stuart Middle	214,706	1,450	1,317	1,450	1,236	1,450	1,183	1,450	1,267	1,450	1,261
Taylor, Zachary Elementary	45,067	680	645	680	647	732	638	732	549	732	663
Trunnel Elementary	55,097	628	651	628	620	644	622	644	613	644	622
Tully Elementary	105,648	809	766	809	781	773	776	773	690	746	774
Valley Traditional High	266,102	1,600	1,016	1,600	1,030	1,600	974	1,600	1,024	1,600	1,021
Waggener High	222,142	1,300	966	1,300	872	1,300	988	1,300	1,001	1,300	1,027

Continued

Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2006-07		2005-06		2004-05		2003-04		2002-03	
		Program Capacity	Student Enrollment 1st Pupil Month	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
Waller William Environmental <sup>1</sup>	52,616										
Watson Lane Elementary	62,030	661	591	661	607	661	594	661	592	661	591
Watterson Elementary	52,105	615	606	615	592	620	608	606	613	606	607
Wellington Traditional Elem.	50,555	547	451	547	467	547	448	547	416	547	418
Western High	235,472	1,300	952	1,300	912	1,300	808	1,300	779	1,300	741
Western Middle	133,525	825	495	825	542	825	650	825	703	825	763
Westport TAPP Program <sup>1</sup>	52,950										
Westport Traditional Middle	181,805	1,300	869	1,300	913	1,300	1,021	1,300	1,138	1,300	1,096
Wheatley Elementary	63,935	550	430	550	391	550	419	550	422	600	444
Wheeler Elementary	53,443	680	684	680	678	665	681	665	678	665	649
Wilder Elementary	49,738	610	580	610	599	610	601	606	601	606	603
Wilkerson Traditional Elem.	43,795	470	503	470	475	470	431	470	421	470	407
Williams Middle (Reopened as Farnsley Mid.)											
Wilt Elementary	50,481	550	533	550	543	550	484	550	488	550	475
Young Elementary	73,437	610	513	610	510	610	558	610	529	610	513
Youth Performing Arts Program <sup>1</sup>											

<sup>1</sup> 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.

Continued



Jefferson County Board of Education

### School Building Capacity Data--Continued

Ten Years' Trend Data

School Name	Square Footage as of 3/31/06	2001-02		2000-01		1999-00		1998-99		1997-98	
		Program Capacity	Student Enrollment as of 9/6/01	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
Waller William Environmental <sup>1</sup>	52,616										
Watson Lane Elementary	62,030	661	585	661	625	661	600	651	571	639	638
Watterson Elementary	52,105	589	606	587	589	576	588	576	533	576	560
Wellington Traditional Elem.	50,555	547	451	547	480	547	494	547	488	547	552
Western High	235,472	1,300	666	1,300	663	1,300	655	1,300	690	1,300	800
Western Middle	133,525	825	784	825	771	825	695	825	670	825	732
Westport TAPP Program <sup>1</sup>	52,950										
Westport Traditional Middle	181,805	1,300	995	1,300	945	1,300	944	1,300	994	1,300	1,192
Wheatley Elementary	63,935	600	464	600	467	600	486	600	449	600	555
Wheeler Elementary	53,443	665	637	665	644	665	623	665	579	665	649
Wilder Elementary	49,738	606	588	606	604	606	590	606	580	582	592
Wilkerson Traditional Elem.	43,795	470	409	470	402	470	362	470	339	470	388
Williams Middle (Reopened as Farnsley Mid.)										696	478
Wilt Elementary	50,481	488	479	488	449	526	458	526	424	526	443
Young Elementary	73,437	610	557	610	524	610	523	610	424	610	516
Youth Performing Arts Program <sup>1</sup>											

<sup>1</sup> Students at these alternative schools are counted in the enrollment at their home school.

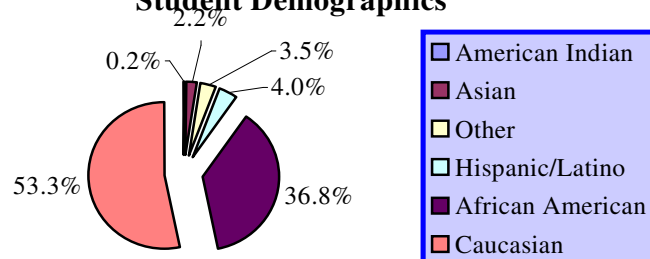
Enrollment presented is as of the end of the first pupil month. This is not typically our highest enrollment month during the school year, but this is when the program budget is set and students are assigned to each school within program capacity guidelines.

Jefferson County Board of Education

### Miscellaneous Statistics

For the Year Ended June 30, 2007

#### Student Demographics



#### Number of Students

English as a Second Language	4,404
Different Languages	83
Special Needs	13,574
Free and Reduced Price Lunch	57%
Advanced Placement Tests Taken	5,652

#### Student Transportation

Number of Buses	1,129
Number of Bus Compounds	13
Miles Driven per Day	76,000
Number of Students Driven Twice a Day	60,000

#### General Fund Funding Allocation

