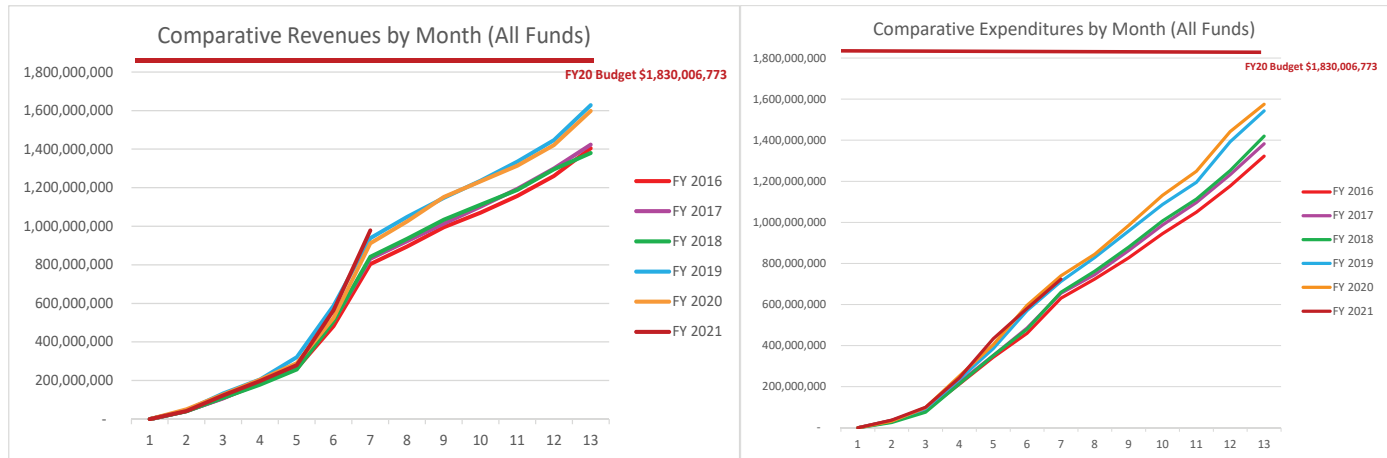
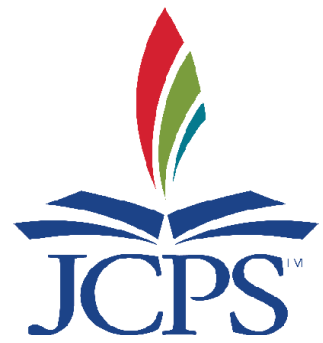


Notes of Interest

December 2020 Financial Report



December Report Items of Note:

- Property taxes, our largest revenue source each year, are collected between November and May each year, with the vast majority collected between November and January. Collections are ahead of schedule for this fiscal year.
- Occupational taxes are higher this year than in previous years. Occupational taxes are both a payroll tax and corporate gross profits tax. Metro Louisville unemployment is lower than the rest of the country, which is helping sustain our occupational tax revenues.
- SEEK state revenues continue to decrease as a result of the state funding formula, which lowers the amount sent to JCPS as our assessments increase. In the 2020-2021 school year, the state is projecting that we will receive \$3.2 million less than in 2019-2020.
- Federal grant revenues are significantly higher this year due to CARES Act funds. These funds are intended to reduce the effects of the pandemic. They do not fund additional programs or student opportunities.
- Interest income will be significantly lower this year. The District earns interest from two main sources, investments and cash deposits in interest-earning checking accounts. Our checking accounts earn interest at a variable interest rate that is based on the Federal Reserve interest rate. The Federal Reserve drastically reduced this rate in response to the struggling economy. This is reflected in the budget, which is about a quarter of the previous year's budget.
- As we have continued remote learning, we are realizing some cost savings, such as a savings of \$4.5 million on diesel fuel.