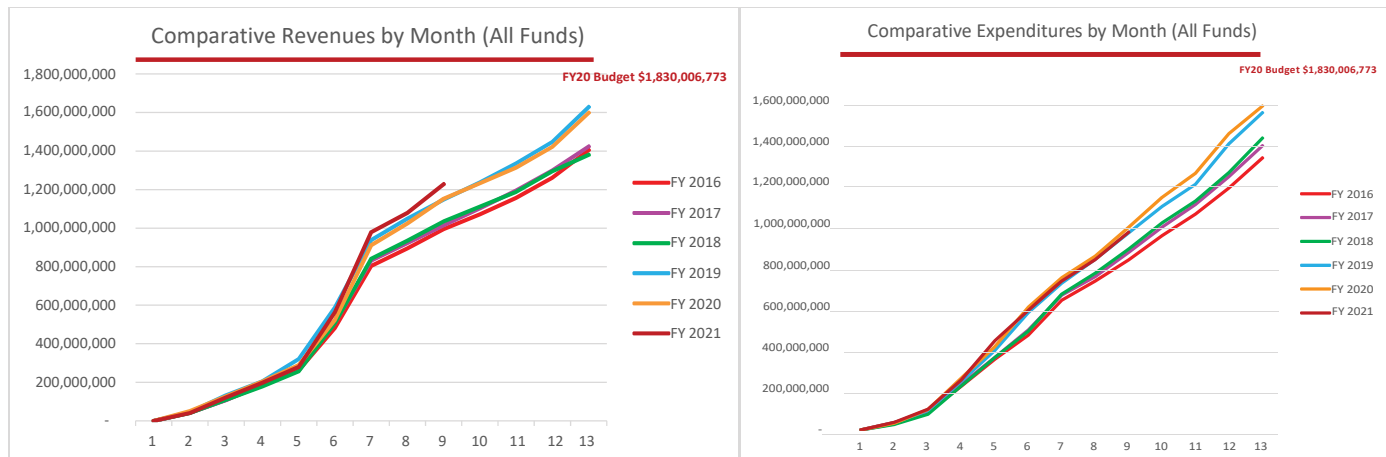
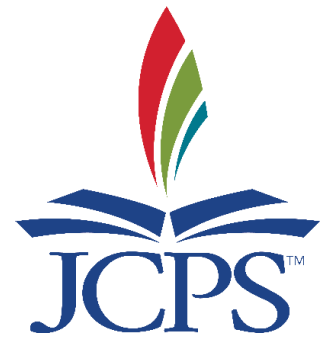


Notes of Interest

February 2021 Financial Report



February Report Items of Note:

- February begins the school budgeting process each year. Schools will receive their budget allocation for the 2021-2022 school year and consult with their Site-Based Decision Making Council on how they want to use this allocation. Within Kentucky law, schools have a great amount of local authority including how to use their budget and even what curriculum to use. The school budgets will be submitted to the Board for approval in May.
- Property taxes, our largest revenue source, are collected between November and May each year, with the vast majority collected between November and January. Collections reflect an increase of 5.8% over last year including all taxes collected by the Jefferson County Sheriff (includes property taxes and franchise taxes).
- Occupational taxes are higher this year than in previous years. Occupational taxes are both a payroll tax and corporate net profits tax. Metro Louisville's unemployment is lower than the rest of the country, which is helping sustain our occupational tax revenues.
- A portion of stimulus funds awarded to the state was used to offset SEEK revenues sent to all school districts. These funds benefitted the state by relieving a burden during a period of economic hardship and benefitted the districts by protecting SEEK state revenues. These additional funds were received in December and are being offset by reduced funds received through June 2021. As a result, SEEK revenues appear higher temporarily, but we will receive \$3.2 million less than in 2019-2020.
- Federal grant revenues will be increasing for the next two years due to CARES Act and other COVID-19 relief funds. These funds are intended to reduce the effects of the pandemic. They do not fund additional programs or student opportunities other than programs related to COVID-19 learning loss. Federal grant revenues as a whole are down, though, due to substantially fewer claimable meals in the Food Service program.
- Interest income remains significantly lower this year.
- Other sources of revenues vary each year depending on when we sell bonds, which was earlier this year than last fiscal year.