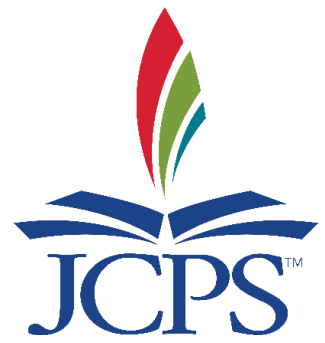


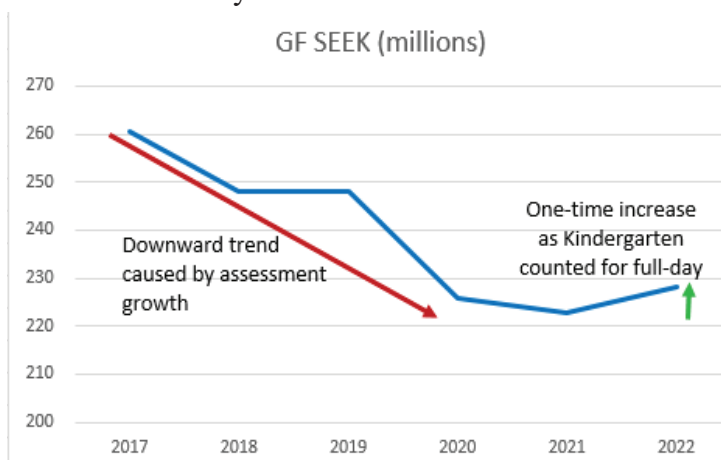
Notes of Interest

July 2021 Financial Report



2020-2021 Fiscal Year End Update: Many year-end adjustments depend on the timing of payments made after year end. As our audit begins, Finance is working on these adjustments while preparing our financial statements. Although it's too early to know where our General Fund fund balance will end up for the year, these adjustments will reduce it significantly from current unaudited balances.

- 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. This support from our local residents and businesses is the foundation for all Future State plans.
- Occupational taxes have returned to pre-pandemic levels, and we are forecasting steady growth during the 2021-2022 school year.



- SEEK revenues have steadily declined since KERA was passed in the late 1980's. The Commonwealth has adjusted the SEEK formula for one year only counting kindergarten students for full-day rather than only half-day. This will result in a one-time increase. We expect the downward trend to continue in future years.

- Federal grant revenues will be increasing for the next three 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.
- Interest income was significantly lower during the 2020-2021 fiscal year and is forecasted to remain low for the 2021-2022 year.