



FOR THE YEAR ENDED JUNE 30, 2021

BOARD OF EDUCATION OF JEFFERSON COUNTY, KENTUCKY ANNUAL COMPREHENSIVE FINANCIAL REPORT



INTRODUCTION

- LETTER OF TRANSMITTAL
- CURRENT INITIATIVES
- EVIDENCE OF SUCCESS
- BOARD MEMBERS
- ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Board of Education of Jefferson County
Kentucky**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell

Executive Director/CEO



FINANCIALS

- **REPORT OF INDEPENDENT AUDITORS**
- **MANAGEMENT'S DISCUSSION AND ANALYSIS**
- **FINANCIAL STATEMENTS**
- **FOOTNOTES**



Independent Auditors Report

- Unmodified Opinion (“satisfactory”)

Management Discussion & Analysis

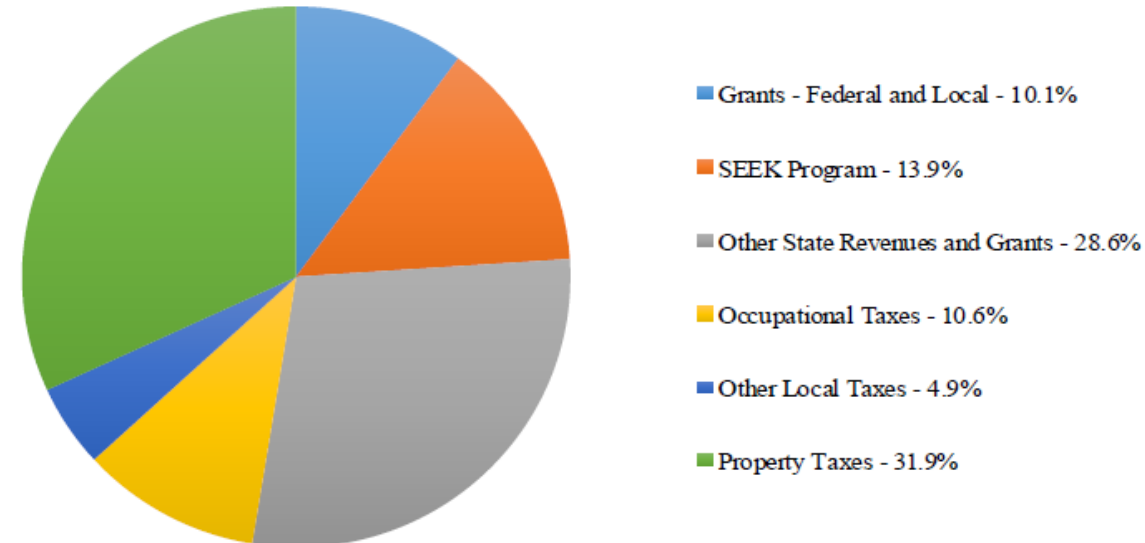
- Revenue increased 10%, expenses up 8.9%
- Net Position increased \$2.2M

DISTRICT-WIDE STATEMENT OF ACTIVITIES:

GOVERNMENTAL FUNDS

Revenues	2021	2020	Change	% Change
Local Sources:				
Property Taxes	\$ 530,248,112	\$ 502,604,410	\$ 27,643,702	5.5%
Occupational Taxes	176,787,809	156,348,315	20,439,494	13.1%
Other Taxes	63,516,855	54,014,453	9,502,402	17.6%
State Sources:				
SEEK Program	231,277,657	234,116,356	(2,838,699)	-1.2%
Other State Revenues and Grants	466,477,021	434,461,333	32,015,688	7.4%
KSFCC allocation	9,878,203	10,257,913	(379,710)	-3.7%
Grants (federal and local)	167,393,988	87,494,202	79,899,786	91.3%
Interest	330,027	4,786,365	(4,456,338)	-93.1%
Other Sources	18,475,730	29,068,050	(10,592,320)	-36.4%
Total Revenues	\$1,664,385,402	\$1,513,151,397	\$ 151,234,005	10.0%

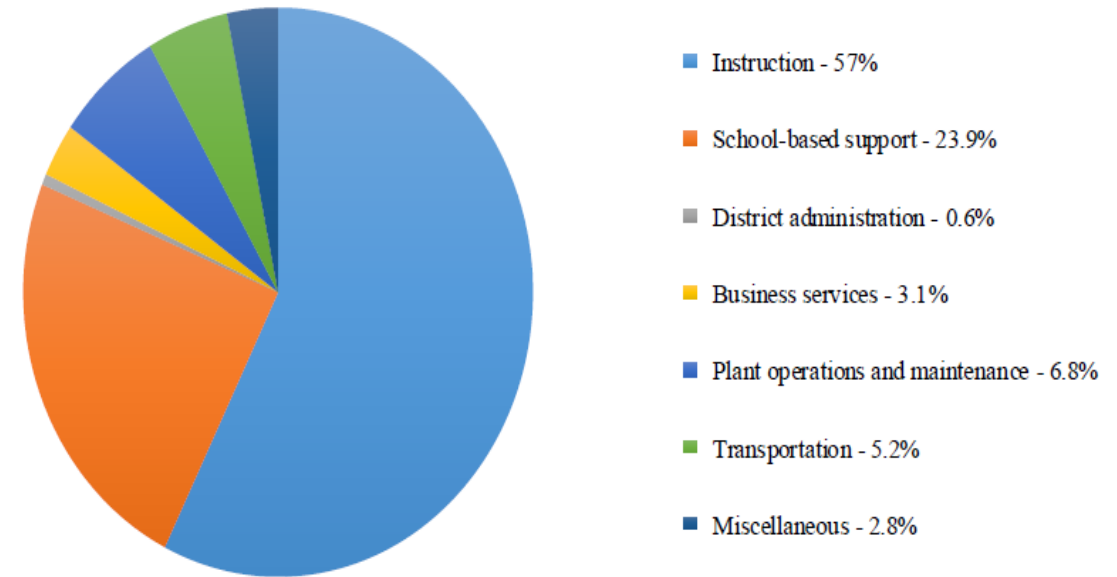
Current Year Revenue Sources:



DISTRICT-WIDE STATEMENT OF ACTIVITIES: GOVERNMENTAL FUNDS

Expenses	2021	2020	Change	% Change
Instruction	\$ 944,387,242	\$ 842,004,783	\$ 102,382,459	12.2%
Student support services	88,749,846	77,156,556	11,593,290	15.0%
Instructional staff support services	180,993,573	158,415,899	22,577,674	14.3%
District administrative support services	10,222,935	9,945,307	277,628	2.8%
School administrative support services	123,139,817	117,806,382	5,333,435	4.5%
Business support services	50,311,515	58,354,230	(8,042,715)	-13.8%
Plant operations and maintenance	111,513,734	116,274,445	(4,760,711)	-4.1%
Transportation	85,005,627	99,810,412	(14,804,785)	-14.8%
Community services	18,342,055	14,013,430	4,328,625	30.9%
Other instructional support services	22,631	20,340	2,291	11.3%
Miscellaneous	15,672,271	468,918	15,203,353	3242.2%
Interest	18,860,600	18,418,910	441,690	2.4%
Total Expenditures	\$ 1,647,221,846	\$ 1,512,689,612	\$ 134,532,234	8.9%

Current Year Expense Categories:



District-Wide Presentation:

- Total net position increased \$2.2M
- This presentation includes:
 - Pension & OPEB Expenses
 - Long-term items, like capital assets, bonds, and the cost of sick/vacation leave
- Allocation Restatement (Note N)

Fund Financials View:

- General Fund, Special Revenue Fund (including COVID Relief grants), Construction Fund, Proprietary Funds
- General Fund increased \$60.7M compared to a \$37M decrease in 2020

STATISTICS

- **FINANCIAL TREND DATA**

Financial management through multiyear analytics

- **REVENUE CAPACITY DATA**

Our ability to support activities with current resources

- **DEBT CAPACITY DATA**

Debt burden and capacity for future bonding

- **DEMOGRAPHIC AND ECONOMIC INFORMATION**

Jefferson County residents and economy

- **OPERATING INFORMATION**

Quantitative information about our district





Report to Governance on the Results of the Annual Independent Audits

Board of Education of Jefferson County, Kentucky

For the Year Ended June 30, 2021

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Overview of Audit

- Audits performed:
 - Audit of the Annual Comprehensive Financial Report
 - Single Audit in accordance with the Uniform Guidance
 - Audits of the School Activity Funds
- Audits were completed with no significant issues or problems
- Detailed discussion of audit results was performed with ARMAC last Wednesday

Audit of the Annual Comprehensive Financial Report

- Audit of the District's financial statements for the year ended June 30, 2021 based on U.S. Generally Accepted Auditing Standards, Government Auditing Standards and Kentucky Public School Districts' Audit Contract and Requirements
- Unmodified opinion with emphasis of matter for reallocation of KTRS OPEB plan that resulted in an adjustment of opening net position (see note N in the financial statements)

Single Audit

- Audit management of federal grants to ensure compliance and internal control over rules and regulations of federal awards required by the Uniform Guidance
- Major programs audited: 4 programs audited, of which two were COVID-19 related funding
- Will be finalized when Compliance Supplement Addendum is issued (extension to December 15, 2021)
- No findings noted

School Activity Funds Audits

- Audits of elementary, middle, and high school activity funds as of June 30, 2021
- All schools audited with 33 schools visited for detailed compliance testing based on audit approach and risk assessment
- Minor findings noted

Internal Control Findings

- **Material Weakness** – A deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis
 - None noted
- **Significant Deficiency** – A deficiency or a combination of deficiencies in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance
 - Due to the adjustment to opening net position, last year's significant deficiency will be disclosed as partially remediated



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Questions?

