Cherokee County School District

Agenda Request Form

Meeting Date	Agenda Item Number
December 15, 2022	D-1

Title

November 2022 Financial Report and Sales Tax Update

Requested Action

School Board Consideration of Superintendent's Recommendation for Approval of November 2022 Financial Report and Sales Tax Update

Summary Explanation and Background

Financial Report for November 2022

See Attached Reports

Priority Area

Organizational and Operational Effectiveness

Financial Impact

N/A

Exhibits: (List)

Financial Report and Sales Tax Update

Source of Additional Information

Kenneth Owen	770.479.1871
Dr. Brian V. Hightower	770.479.1871

CHEROKEE COUNTY BOARD OF EDUCATION

Dr. Brian V. Hightower, Superintendent
Kenneth Owen, Chief Financial Officer

FINANCIAL REPORT
NOVEMBER 2022

General Fund

For the month ending November 30, 2022, the fifth month of the 2022-23 Fiscal Year, the School District's Operating Account (General Fund) has received $199,610,313 in revenue (year-to-date) consisting of state funds of $63,250,082 (27% of budget), $135,786,463 local revenues (57% of budget), and other funds of $573,768 (42% of budget). All operating expenditures of $169,871,121 (36% of budget) are within the Board of Education's approved 2022-23 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of $83,865,373 as of November 30, 2022 reflects Special Purpose Local Option Sales Tax for Education (Ed-SPLOST) collections, proceeds of bond sales for capital outlay purposes, and transfers from the General Fund less bond refundings, bond issuance costs, transfers of Ed-SPLOST to the Debt Service Fund and capital outlay expenses paid.

Cherokee County School District received $5,328,786 for sales tax collections received in November 2022, for the month of October 2022, the 1st month of 60 monthly sales tax collections for the 2022-27 SPLOST. Collections received were above projections for the month by $692,777.

Ed-SPLOST collections are accumulated within the Building Fund to be used for specified capital outlay purchases (limited pay-as-you-go) and transferred to the Debt Service Fund at the appropriate time to meet annual bond obligations (January and July). Excess Ed-SPLOST collections above projections are used to meet critical capital outlay needs and/or transferred to the Debt Service Fund as a safeguard against future negative economic conditions, assuring the School District can meet future bond payments.

Debt Service Fund

The Debt Service Fund balance as of November 30, 2022 is $50,577,807 representing funds accumulated from Ed-SPLOST collections, collections from the 1.5 mills of property tax approved by the School Board, interest earned from investments and Invested Sinking Fund earnings. The Invested Sinking Fund is attached to the Series 2010B Bond issuance and is structured to fully pay the annual debt service on the Series 2010B bonds through January 2028. Annual Debt Service payments are made in February and August of each year, according to the Debt Service Schedule published annually in the Cherokee County School District Budget Book.

Federal/State/Competitive Grants and School Nutrition Funds

The School Nutrition Fund Balance as of November 30, 2022 is $17,709,417 and represents the difference between revenues from all sources and all expenditures. This amount is held in reserve to cover potential funding shortfalls or unexpected expenses.

Federal, State and Competitive grant funds are annually awarded to the School District based on funding formulas (Federal Title Programs) and/or program applications (State and competitive grants). As funds are expended, reimbursements are sought from the various programs. Local funds are not intended to cover shortfalls within grant programs nor are grants intended to carry a fund balance.

CHEROKEE COUNTY SCHOOL DISTRICT
FINANCIAL REPORT
AS OF NOVEMBER 30, 2022

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	$ 166,656,535	$ 24,631,029	$ 86,894,414	$ 8,713,872	$ 286,895,850
Investments	1,031,972	25,946,778	-	-	26,978,750
Receivables	959,950	-	-	10,326,843	11,286,793
Inventories	127,519	-	-	985,509	1,113,028
TOTAL ASSETS	$ 168,775,976	$ 50,577,807	$ 86,894,414	$ 20,026,224	$ 326,274,421
LIABILITIES					
Accounts Payable	$ 1,941,724	$ -	$ 135,699	$ 1,579,348	$ 3,656,771
Salaries and Benefits Payable	(8,676,762)	-	-	737,460	(7,939,302)
FUND BALANCE	175,511,014	50,577,807	86,758,715	17,709,417	330,556,953
TOTAL LIABILITIES AND FUND BALANCE	$ 168,775,976	$ 50,577,807	$ 86,894,414	$ 20,026,225	$ 326,274,422
REVENUE AND EXPENSE					
REVENUE	$ 199,725,125	$ 12,331,747	$ 22,617,053	$ 17,640,474	$ 252,314,399
EXPENDITURES	130,792,420	30,043,285	11,738,255	17,886,844	190,460,804
EXCESS REVENUE OVER EXPENDITURES	68,932,705	(17,711,538)	10,878,798	(246,370)	61,853,595
OTHER FINANCING SOURCES (USES)	(227,301)	23,712,657	(23,712,657)	-	(227,301)
BEGINNING FUND BALANCE	106,805,610	44,576,688	99,592,574	17,955,787	268,930,659
ENDING FUND BALANCE	**$ 175,511,014**	**$ 50,577,807**	**$ 86,758,715**	**$ 17,709,417**	**$ 330,556,953**

CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - NOVEMBER 30, 2022

	2022-2023 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	$ 237,452,907	$ 135,786,463		$ 101,666,444
State Revenue	234,849,043	63,250,082		171,598,961
Federal Revenue	199,068	187,892		11,176
Investment Earnings	105,058	385,876		(280,818)
Miscellaneous Revenue	1,053,566	-		1,053,566
TOTAL REVENUE	**473,659,642**	**199,610,313**		**274,049,329**
EXPENDITURES				
Instructional Services	322,016,221	111,024,560	$ 186,901	210,804,760
Pupil Services	18,841,138	6,788,670	11,122	12,041,346
Improvement of Instructional Services	17,317,296	7,201,539	3,103,659	7,012,098
Instructional Staff Training	824,962	219,989	5,800	599,173
Educational Media Services	5,419,035	2,025,590	100,140	3,293,305
General Administration	3,724,817	1,511,846	-	2,212,971
School Administration	29,215,572	12,253,506	13,348	16,948,718
Support Services-Business	3,268,430	1,411,869	521,094	1,335,467
Maintenance & Operation of Plant Services	37,931,033	15,989,550	1,451,301	20,490,182
Student Transportation Services	27,133,593	9,316,539	1,504,100	16,312,954
Support Services-Central	5,465,341	2,127,463	366,022	2,971,856
School Nutrition Program	166,039	-	-	166,039
TOTAL EXPENDITURES	**471,323,477**	**169,871,121**	**7,263,487**	**294,188,869**
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	140,237	122,699		17,538
Accounts Transfers Out	(1,929,146)	(350,000)		(1,579,146)
TOTAL OTHER FIN SOURCES (USES)	**(1,788,909)**	**(227,301)**		**(1,561,608)**
NET CHANGE FUND BALANCES	**$ 547,256**	**$ 29,511,891**	**$ (7,263,487)**	**$ (21,701,148)**

CHEROKEE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - NOVEMBER 30, 2022

	2022-2023 BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	$ 17,891,756	$ 11,639,757	$ 6,251,999
Investment Earnings	1,025,948	443,246	582,702
Miscellaneous Revenue	2,936,976	248,744	2,688,232
TOTAL REVENUE	**21,854,680**	**12,331,747**	**9,522,933**
EXPENDITURES			
Debt Service	44,057,895	30,043,285	14,014,610
TOTAL EXPENDITURES	**44,057,895**	**30,043,285**	**14,014,610**
OTHER FINANCING SOURCES (USES)			
Accounts Transfers In	34,764,818	23,712,657	11,052,161
TOTAL OTHER FIN SOURCES (USES)	**34,764,818**	**23,712,657**	**11,052,161**
NET CHANGE FUND BALANCES	**$ 12,561,603**	**$ 6,001,119**	**$ 6,560,484**

CHEROKEE COUNTY SCHOOL DISTRICT
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - NOVEMBER 30, 2022

	2022-2023 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	$ 56,262,984	$ 22,007,530		$ 34,255,454
State Revenue	8,100,000	-		8,100,000
Investment Earnings	36,920	609,524		(572,604)
TOTAL REVENUE	**64,399,904**	**22,617,054**		**41,782,850**
EXPENDITURES				
Instructional Services	34,137,792	2,793,874	$ 3,928,645	27,415,273
Facilities Acquisition and Construction Svs.	100,936,029	8,941,630	234,476	91,759,923
TOTAL EXPENDITURES	**135,073,821**	**11,735,504**	**4,163,121**	**119,175,196**
OTHER FINANCING SOURCES (USES)				
Bond Issuance	115,000,000	-		115,000,000
Premiums on Bonds Sold	17,250,000	-		17,250,000
Accounts Transfers Out	(34,764,818)	(23,712,657)		(11,052,161)
TOTAL OTHER FIN SOURCES (USES)	**97,485,182**	**(23,712,657)**		**121,197,839**
NET CHANGE FUND BALANCES	**$ 26,811,265**	**$ (12,831,107)**	**$ (4,163,121)**	**$ 43,805,493**

CHEROKEE COUNTY SCHOOL DISTRICT
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - NOVEMBER 30, 2022

	2022-2023 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	$ 7,651,393	$ 2,539,833		$ 5,111,560
State Revenue	1,343,074	640,109		702,965
Federal Revenue	43,348,526	18,904,596		24,443,930
Investment Earnings	15,000	122,244		(107,244)
TOTAL REVENUE	**52,357,993**	**22,206,782**		**30,151,211**
EXPENDITURES				
Instructional Services	23,616,084	8,102,073	$ 493,971	15,020,040
Pupil Services	6,603,948	2,763,732	60,923	3,779,293
Improvement of Instructional Services	1,557,857	3,346,135	2,380	(1,790,658)
Instructional Staff Training	2,707,984	846,168	231,499	1,630,317
School Administration	9,802	-	-	9,802
Maintenance & Operation of Plant Services	780,000	228,704	-	551,296
Student Transportation Services	483,530	169,183	-	314,347
Support Services-Central	35,000	40,429	120	(5,549)
School Nutrition Program	17,976,598	8,967,834	76,172	8,932,592
TOTAL EXPENDITURES	**53,770,803**	**24,464,258**	**865,065**	**28,441,480**
OTHER FINANCING SOURCES (USES)				
Accounts Transfers In	1,425,400	-		1,425,400
TOTAL OTHER FIN SOURCES (USES)	**1,425,400**	**-**		**1,425,400**
NET CHANGE FUND BALANCES	**$ 12,590**	**$ (2,257,476)**	**$ (865,065)**	**$ 3,135,131**

CHEROKEE COUNTY SCHOOL DISTRICT
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
COMPARISON OF COLLECTIONS
THROUGH NOVEMBER 30, 2022

REPORTING MONTH	60 MONTH COLLECTION MONTH	PERIOD	PROJECTED COLLECTIONS	ACTUAL COLLECTIONS	DIFFERENCE ACTUAL AND PROJECTED COLLECTIONS
November 2022	**October 2022**	**1**	$ 4,636,009	$ 5,328,786	$ 692,777
			$ 4,636,009	$ 5,328,786	$ 692,777

2022-2027 Ed-SPLOST Projected Collections

	2022	2023	2024	2025	2026	2027	TOTAL
January	-	4,824,820	4,921,317	5,019,743	5,120,138	5,222,541	25,108,558
February	-	4,062,238	4,143,483	4,226,353	4,310,880	4,397,097	21,140,052
March	-	4,325,376	4,411,884	4,500,122	4,590,124	4,681,927	22,509,432
April	-	4,448,443	4,537,412	4,628,160	4,720,723	4,815,138	23,149,876
May	-	4,604,100	4,696,182	4,790,105	4,885,907	4,983,625	23,959,919
June	-	4,818,522	4,914,893	5,013,191	5,113,455	5,215,724	25,075,784
July	-	4,787,586	4,883,338	4,981,005	5,080,625	5,182,237	24,914,790
August	-	4,848,609	4,945,582	5,044,493	5,145,383	5,248,291	25,232,358
September	-	4,619,404	4,711,792	4,806,027	4,902,148	5,000,191	24,039,561
October	4,636,009	4,766,013	4,861,333	4,958,560	5,057,731	-	24,279,647
November	4,807,242	4,899,541	4,997,532	5,097,482	5,199,432	-	25,001,229
December	5,104,524	5,403,573	5,511,645	5,621,878	5,734,315	-	27,375,934
TOTALS	**$ 14,547,775**	**$ 56,408,226**	**$ 57,536,391**	**$ 58,687,118**	**$ 59,860,861**	**$ 44,746,770**	**$ 291,787,141**