



Akron Public Schools®

Monthly Financial Report

Fiscal Year 2023 Revenue and Expenditure Activity Through August

Ryan Pendleton, CFO/Treasurer

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FISCAL YEAR 2023 REVENUE AND EXPENDITURE ANALYSIS THROUGH AUGUST

1. ACTUAL COMPARED TO FORECAST VARIANCE AND NET FAVORABILITY ANALYSIS

**CURRENT YEAR-TO-DATE
REVENUE COLLECTIONS
INDICATE A**

\$2,952,526

**FAVORABLE COMPARED TO
FORECAST**

**CURRENT YEAR-TO-DATE
EXPENDITURES INDICATE A**

\$4,292,876

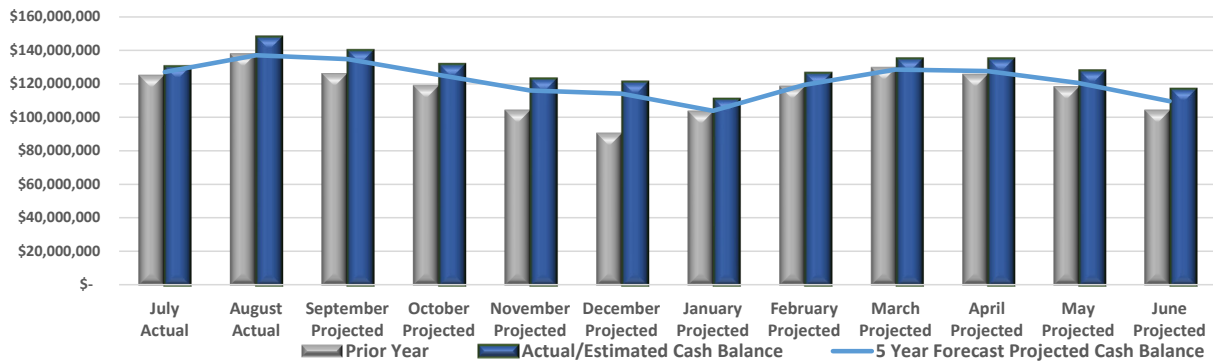
**FAVORABLE COMPARED TO
FORECAST**

**POTENTIAL NET IMPACT
WOULD RESULT IN A**

\$7,245,402

**FAVORABLE IMPACT ON THE
CASH BALANCE**

2. VARIANCE AND CASH BALANCE COMPARISON



**CURRENT MONTHLY CASH FLOW
ESTIMATES A JUNE 30, 2023 CASH
BALANCE OF**

\$116,934,890

Current monthly cash flow estimates, including actual data through August indicate that the June 30, 2023 cash balance will be \$116,934,890, which is \$7,245,402 more than the five year forecast of \$109,689,488.

**June 30 ESTIMATED CASH
BALANCE IS**

\$7,245,402

**MORE THAN THE
FORECAST/BUDGET AMOUNT**

3. FISCAL YEAR 2023 REVENUE SHORTFALL/SURPLUS ANALYSIS (BASED UPON ACTUAL/ESTIMATED VARIANCE)

**FY 2022 June Cash
Balance**

\$104,298,592

**Estimated
FY 2023 June
Cash Balance**

\$116,934,890

OPERATING SURPLUS OF

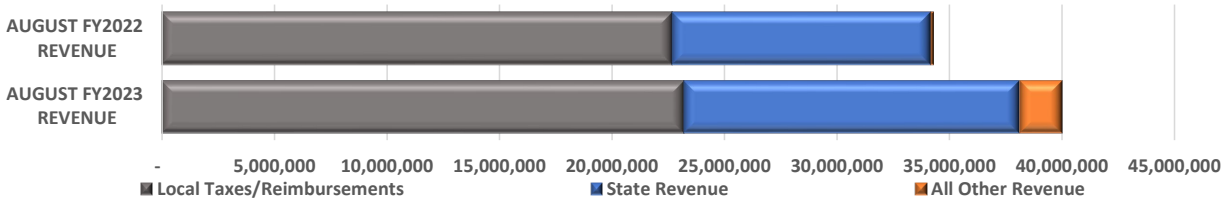
\$12,636,298

**WILL INCREASE THE CASH BALANCE
BY THE END OF THE FISCAL YEAR**

Current cash flow monthly trend-estimates indicate this year's ending June 30 cash balance will INCREASE \$12,636,298 compared to last fiscal year ending June 30. This surplus outcome is the result of the cash flow revenue estimate of \$336,392,156 totaling more than estimated cash flow expenditures of \$323,755,859.

FISCAL YEAR 2023 MONTHLY REVENUE ANALYSIS - AUGUST

1. AUGUST REVENUE COLLECTIONS COMPARED TO PRIOR YEAR



| | Actual Revenue Collections For August | Prior Year Revenue Collections | Actual Compared to Last Year |
|----------------------------|---------------------------------------|--------------------------------|------------------------------|
| Local Taxes/Reimbursements | 23,189,261 | 22,668,580 | ▲ 520,681 |
| State Revenue | 14,898,953 | 11,496,707 | ▲ 3,402,246 |
| All Other Revenue | 1,900,219 | 144,604 | ▲ 1,755,615 |
| Total Revenue | 39,988,433 | 34,309,891 | ▲ 5,678,542 |

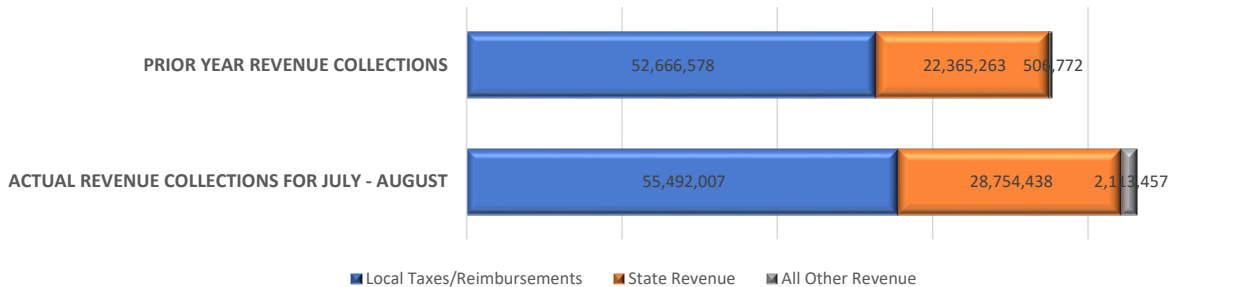
Actual revenue for the month was up

\$5,678,542

compared to last year.

Overall total revenue for August is up 16.6% (\$5,678,542). The largest change in this August's revenue collected compared to August of FY2022 is higher restricted aid state (\$2,730,199) and higher revenue in lieu of taxes (\$1,532,185). A single month's results can be skewed compared to a prior year because of the timing of revenue received. The fiscal year-to-date results, when involving additional months of revenue activity can provide more insight.

2. ACTUAL REVENUE RECEIVED THROUGH AUGUST COMPARED TO THE PRIOR YEAR



| | Actual Revenue Collections For July - August | Prior Year Revenue Collections For July - August | Current Year Compared to Last Year |
|----------------------------|--|--|------------------------------------|
| Local Taxes/Reimbursements | 55,492,007 | 52,666,578 | ▲ 2,825,429 |
| State Revenue | 28,754,438 | 22,365,263 | ▲ 6,389,174 |
| All Other Revenue | 2,113,457 | 506,772 | ▲ 1,606,685 |
| Total Revenue | 86,359,902 | 75,538,613 | ▲ 10,821,288 |

COMPARED TO THE SAME PERIOD, TOTAL REVENUES ARE

\$10,821,288

HIGHER THAN THE PREVIOUS YEAR

Fiscal year-to-date General Fund revenue collected totaled \$86,359,902 through August, which is \$10,821,288 or 14.3% higher than the amount collected last year. The largest difference in revenue when comparing current year-to-date revenue collected through August to the same period last year is restricted aid state revenue coming in \$5,452,196 higher compared to the previous year, followed by local taxes coming in \$2,825,429 higher.

FISCAL YEAR 2023 REVENUE ANALYSIS - JULY - AUGUST

3. POSSIBLE CASH FLOW VARIANCE FROM FORECAST DUE TO FYTD ACTUAL RESULTS

CURRENT YEAR-TO-DATE REVENUE
COLLECTIONS INDICATE A

\$2,952,526

FAVORABLE COMPARED TO FORECAST

| | Forecast Annual Revenue Estimates | Cash Flow Actual/Estimated Calculated Annual Amount | Current Year Forecast Compared to Actual/Estimated |
|----------------------|---|--|---|
| Loc. Taxes/Reimbur. | 137,095,482 | 140,523,876 | 3,428,394 |
| State Revenue | 174,863,739 | 173,169,200 | (1,694,539) |
| All Other Revenue | 21,480,409 | 22,699,080 | 1,218,671 |
| Total Revenue | 333,439,630 | 336,392,156 | 2,952,526 |

The top two categories (local taxes and restricted aid state), represents 55.5% of the variance between current revenue estimates and the amounts projected in the five year forecast.

The total variance of \$2,952,526 (current revenue estimates vs. amounts projected in the five year forecast) is equal to .89% forecast annual revenue

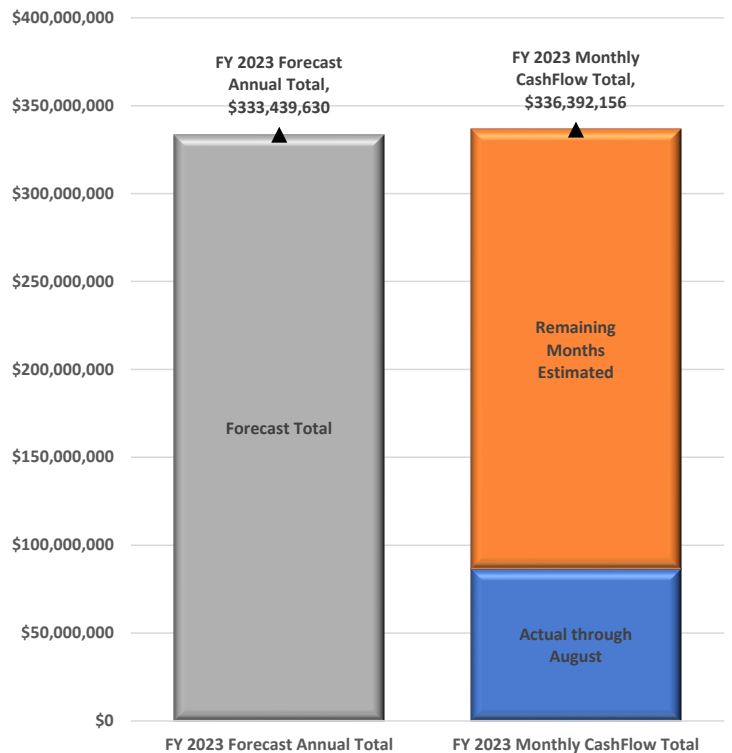
Top Forecast vs. Cash Flow Actual/Estimated Amounts

| Variance Based on Actual/Estimated Annual Amount | Expected Over/(Under) Forecast |
|--|--------------------------------------|
| Local Taxes ▲ | 3,428,394 |
| Restricted Aid State ▼ | (1,789,541) |
| Revenue in Lieu of Taxes ▲ | 1,360,210 |
| Tuition and Patron Payments ▼ | (203,926) |
| All Other Revenue Categories ▲ | 157,390 |
| Total Revenue ▲ | 2,952,527 |

4. REVENUE VARIANCE ANALYSIS OF POTENTIAL IMPACT

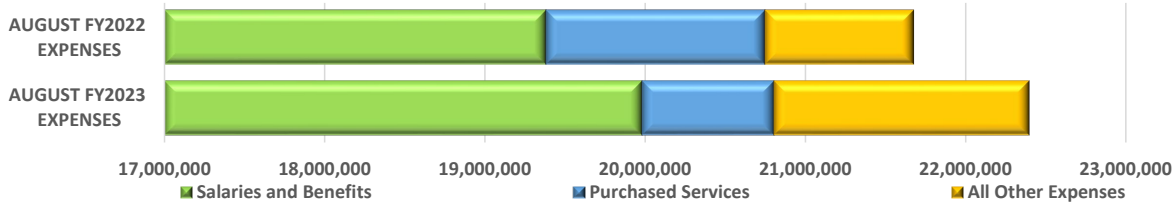
Results through August indicate a favorable variance of \$2,952,526 compared to the forecast total annual revenue. This means the forecast cash balance could be improved.

The fiscal year is 17% complete. Monthly cash flow, comprised of 2 actual months plus 10 estimated months indicates revenue totaling \$336,392,156 which is \$2,952,526 more than total revenue projected in the district's current forecast of \$333,439,630



FISCAL YEAR 2023 MONTHLY EXPENDITURE ANALYSIS - AUGUST

1. AUGUST EXPENDITURES COMPARED TO PRIOR YEAR

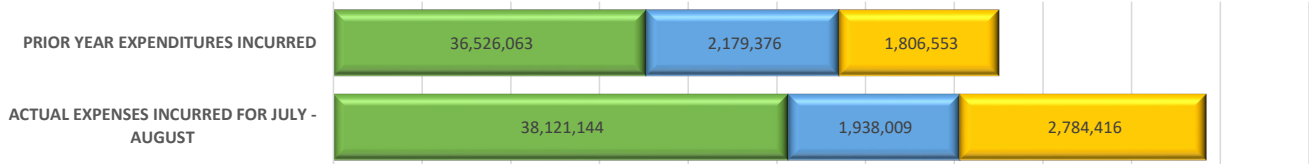


| | Actual Expenses For August | Prior Year Expenditure Incurred | | Actual Compared to Last Year |
|---------------------------|----------------------------|---------------------------------|---|------------------------------|
| Salaries and Benefits | 19,977,506 | 19,379,112 | ▲ | 598,393 |
| Purchased Services | 826,974 | 1,368,965 | ▼ | (541,991) |
| All Other Expenses | 1,593,425 | 931,709 | ▲ | 661,716 |
| Total Expenditures | 22,397,905 | 21,679,786 | ▲ | 718,118 |

Actual expenses for the month was up **\$718,118** compared to last year.

Overall total expenses for August are up 3.3% (\$718,118). The largest change in this August's expenses compared to August of FY2022 is lower non-utility property services (-\$448,892), higher regular certified salaries (\$268,912) and higher improvements other than buildings (\$244,634). A single month's results can be skewed compared to a prior year because of the timing when expenses are incurred. The fiscal year-to-date results, when involving additional months of expense activity can provide more insight.

2. ACTUAL EXPENSES INCURRED THROUGH AUGUST COMPARED TO THE PRIOR YEAR



| | Actual Expenses For July - August | Prior Year Expenditures Incurred | | Actual Compared to Last Year |
|---------------------------|-----------------------------------|----------------------------------|---|------------------------------|
| Salaries and Benefits | 38,121,144 | 36,526,063 | ▲ | 1,595,081 |
| Purchased Services | 1,938,009 | 2,179,376 | ▼ | (241,367) |
| All Other Expenses | 2,784,416 | 1,806,553 | ▲ | 977,863 |
| Total Expenditures | 42,843,569 | 40,511,993 | ▲ | 2,331,577 |

Compared to the same period, total expenditures are **\$2,331,577** higher than the previous year

Fiscal year-to-date General Fund expenses totaled \$42,843,569 through August, which is \$2,331,577 or 5.8% higher than the amount expended last year. The largest difference in expenditures when comparing current year-to-date expenditures through August to the same period last year is that regular certified salaries costs are \$901,962 higher compared to the previous year, followed by utilities coming in -\$308,676 lower and all other classified salaries coming in \$308,071 higher.

FISCAL YEAR 2023 EXPENDITURE ANALYSIS - JULY - AUGUST

3. POSSIBLE CASH FLOW VARIANCE FROM FORECAST DUE TO FYTD ACTUAL RESULTS

CURRENT YEAR-TO-DATE
EXPENDITURES INDICATE A

\$4,292,876

FAVORABLE COMPARED TO
FORECAST

| | Forecasted Annual Expenses | Cash Flow Actual/Estimated Calculated Annual Amount | Forecasted amount compared to Actual/Estimated |
|---------------------------|----------------------------------|--|---|
| Salaries and Benefits | 282,492,571 | 279,021,550 | ▼ (3,471,021) |
| Purchased Services | 27,954,144 | 27,167,682 | ▼ (786,462) |
| All Other Expenses | 17,602,019 | 17,566,627 | ▼ (35,392) |
| Total Expenditures | 328,048,735 | 323,755,859 | ▼ (4,292,876) |

The top two categories (regular classified salaries and all other certified salaries), represents 45.6% of the variance between current expense estimates and the amounts projected in the five year forecast.

The total variance of \$4,292,876 (current expense estimates vs. amounts projected in the five year forecast) is equal to 1.3% of the total Forecasted annual expenses.

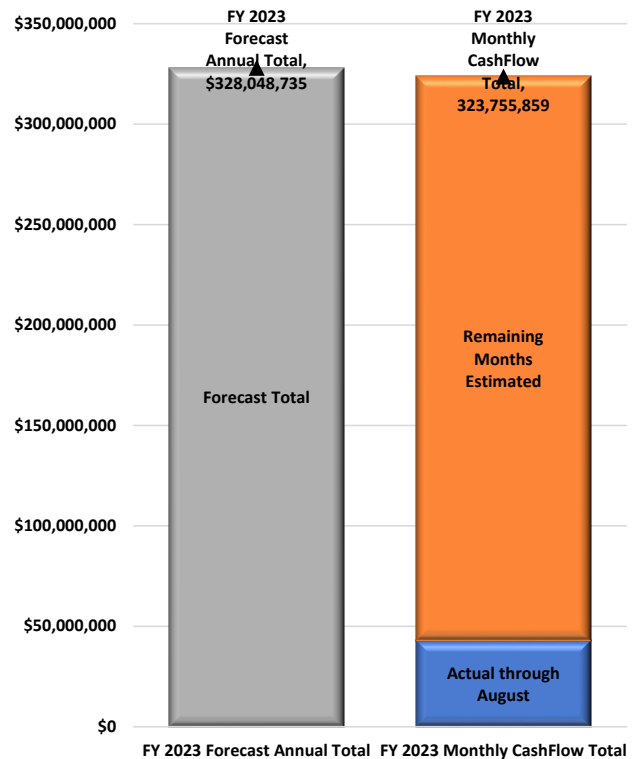
Top Forecast vs. Cash Flow Actual/Estimated Amounts

| Variance Based on Actual/Estimated Annual Amount | Expected Over/(Under) Forecast |
|--|--------------------------------------|
| Regular Classified Salaries ▼ | (1,321,119) |
| All Other Certified Salaries ▼ | (637,450) |
| Regular Certified Salaries ▼ | (551,145) |
| Buildings ▼ | (448,554) |
| All Other Expense Categories ▼ | (1,334,608) |
| Total Expenses ▼ | (4,292,876) |

4. EXPENDITURE VARIANCE ANALYSIS OF POTENTIAL IMPACT

Results through August indicate that Fiscal Year 2023 actual/estimated expenditures could total \$323,755,859 which has a favorable expenditure variance of \$4,292,876. This means the forecast cash balance could be improved.

The fiscal year is approximately 17% complete. Monthly cash flow, comprised of 2 actual months plus 10 estimated months indicates expenditures totaling \$323,755,859 which is -\$4,292,876 less than total expenditures projected in the district's current forecast of \$328,048,735



AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
August 2022

| Book Balance | Bank Balance |
|---|--|
| Munis Accounting System | Month End Bank Account Balances |
| Beginning Balance 197,266,327.52 | 007 - PNC Oma Evans 146,671.13 |
| Plus Receipts 51,349,170.66 | 008 - HNB Schumacher 103.35 |
| Less Expenditures 37,521,369.03 | 017 - HNB AP/Payroll/CN 48,595,791.85 |
| Ending Balance <u>211,094,129.15</u> | 018 - PNC Building Fund 1,046,277.13 |
| Outstanding Checks & Direct Deposits | 021 - HNB FSA Account 409,210.01 |
| 017 - HNB Accounts Payable Checks 553,310.44 | 009 - Star Ohio 20,007,712.98 |
| 017 - HNB Virtual Cards 643,327.22 | 037 - USBank Construction 20,657,673.84 |
| 017 - HNB Payroll Checks 9,256.11 | 038 - USBank PI Fund 16,157,498.70 |
| 017 - HNB Deposit Outstanding on Munis - | 039 - USBank General Fund 91,662,080.18 |
| <u>1,205,893.77</u> | 040 - USBank Benefits Fund 10,628,169.74 |
| | <u>209,311,188.91</u> |
| Pending Payroll Deductions | Local Grant/Benefit CD's |
| Federal/Medicare Withholding - | 029 - HNB CD 5,005.31 |
| State Tax - | 032 - HNB CD 94,890.62 |
| City Tax - | <u>99,895.93</u> |
| SERS - | Escrow Accounts |
| Child Support Payments - | x4897 Mid American Construction - HNB 5,630.04 |
| School District Income Tax - | x2897 Vendrick Construction - HNB - |
| STRS - | x8540 Hammond Construction - PNC 53.22 |
| AXA - | x8839 Martin Public Seating - PNC 0.13 |
| Valic - | x8841 Penn Ohio Electrical Co - PNC 7.14 |
| ING (Voya) - | x1301 Lockhart Concrete Co - PNC 13.47 |
| MG Trust - | x7489 OSMIC Inc - PNC - |
| Ameriprise - | x3376 Hammond Construction - PNC 0.74 |
| Lincoln - | x7982 Welty Building Co - PNC 0.12 |
| Ohio Deferred Comp - | x6627 Hammond Construction - PNC 864,081.24 |
| Towpath - | x5262 Hammond Construction - PNC 0.19 |
| <u>-</u> | x7065 Tom Sexton & Assoc - PNC 0.18 |
| | x7069 Tom Sexton & Assoc - PNC 1.15 |
| | <u>869,787.62</u> |
| Miscellaneous Book Adjustments | Flex Spending Account |
| 021 - Inventory Allowance 88,415.39 | Prefunded Account 174,717.16 |
| 022 - Insurance Accrual (2,859,014.52) | Withdrawals (Claims) (57,378.21) |
| Timing Differences in Accounts Payable - | Settlement Credit - |
| Timing Differences in Accounts Receivable - | Service Charges - |
| HNB Escrow Statement 5,630.04 | <u>117,338.95</u> |
| PNC Escrow Statement 863,680.77 | Miscellaneous Bank Adjustments |
| Escrow Reconciling Item 476.81 | Petty Cash 1,000.00 |
| <u>(1,900,811.51)</u> | Bank Charges to be Refunded - |
| | Outstanding Items - |
| | <u>1,000.00</u> |
| Adjusted Book Balance \$ 210,399,211.41 | Adjusted Bank Balance \$ 210,399,211.41 |