



Akron Public Schools®

Monthly Financial Report

Fiscal Year 2022 Revenue and Expenditure Activity Through June

Ryan Pendleton, CFO/Treasurer

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FISCAL YEAR 2022 REVENUE AND EXPENDITURE ANALYSIS THROUGH JUNE

1. ACTUAL COMPARED TO FORECAST VARIANCE AND NET FAVORABILITY ANALYSIS

CURRENT YEAR-TO-DATE
REVENUE COLLECTIONS
INDICATE A

\$2,740,372

UNFAVORABLE COMPARED TO
FORECAST

CURRENT YEAR-TO-DATE
EXPENDITURES INDICATE A

\$1,430,524

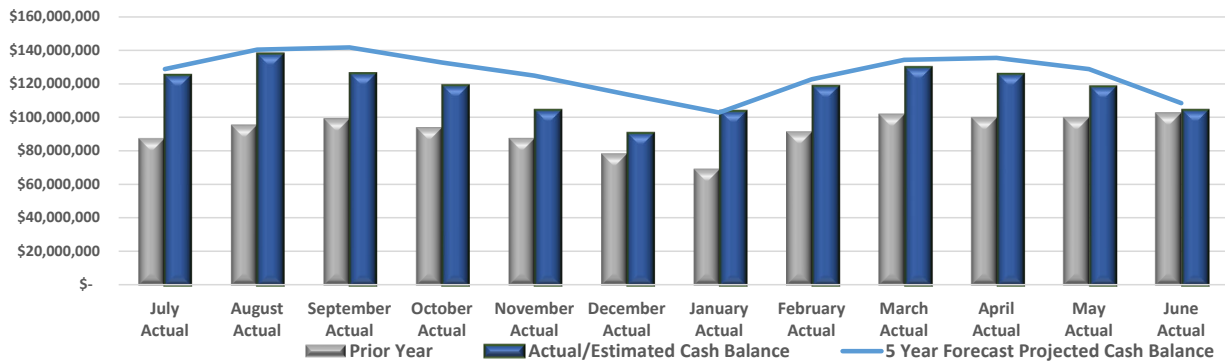
UNFAVORABLE COMPARED TO
FORECAST

POTENTIAL NET IMPACT
WOULD RESULT IN A

\$4,170,896

UNFAVORABLE IMPACT ON THE
CASH BALANCE

2. VARIANCE AND CASH BALANCE COMPARISON



JUNE CASH BALANCE IS

\$1,683,769

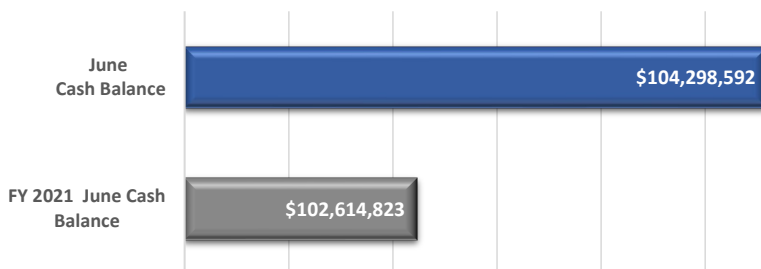
MORE THAN LAST JUNE

JUNE CASH BALANCE IS

\$(4,170,896)

LESS THAN THE FORECASTED
AMOUNT

3. FISCAL YEAR 2022 REVENUE SHORTFALL/SURPLUS ANALYSIS (BASED UPON ACTUAL/ESTIMATED VARIANCE)



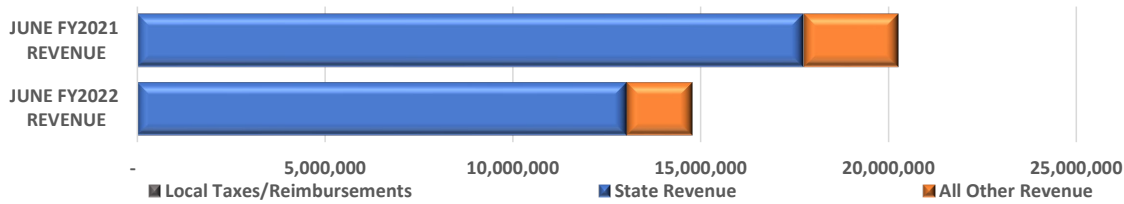
OPERATING SURPLUS OF

\$1,683,769

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

FISCAL YEAR 2022 MONTHLY REVENUE ANALYSIS - JUNE

1. JUNE REVENUE COLLECTIONS COMPARED TO PRIOR YEAR



| | Actual Revenue Collections For June | Prior Year Revenue Collections | Actual Compared to Last Year |
|----------------------------|-------------------------------------|--------------------------------|------------------------------|
| Local Taxes/Reimbursements | - | - | - |
| State Revenue | 13,029,184 | 17,721,598 | ▼ (4,692,414) |
| All Other Revenue | 1,750,336 | 2,521,420 | ▼ (771,084) |
| Total Revenue | 14,779,520 | 20,243,018 | ▼ (5,463,498) |

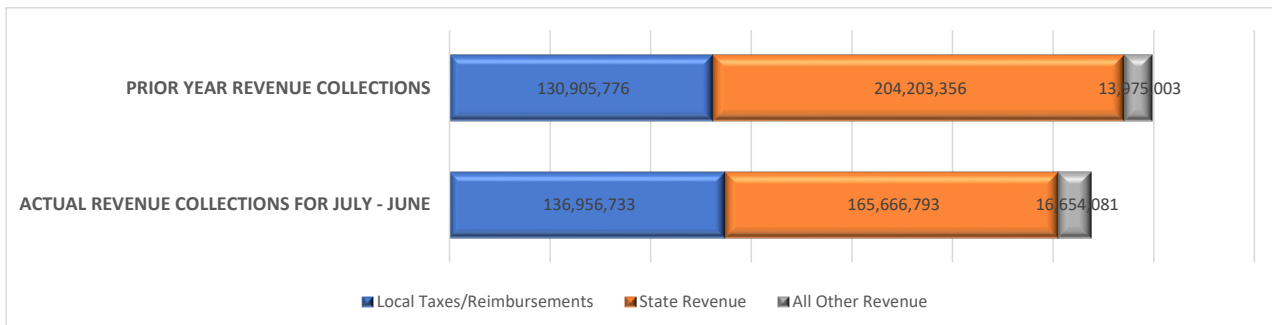
Actual revenue for the month was down

\$5,463,498

compared to last year.

As has been the case since January, State Revenue is lower than the prior year. This will continue through January of 2023, which will mark the first full year of the Fair School Funding Plan being implemented into the payment reports.

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



| | Actual Revenue Collections For July - June | Prior Year Revenue Collections For July - June | Current Year Compared to Last Year |
|----------------------------|--|--|------------------------------------|
| Local Taxes/Reimbursements | 136,956,733 | 130,905,776 | ▲ 6,050,957 |
| State Revenue | 165,666,793 | 204,203,356 | ▼ (38,536,563) |
| All Other Revenue | 16,654,081 | 13,975,003 | ▲ 2,679,078 |
| Total Revenue | 319,277,607 | 349,084,135 | ▼ (29,806,528) |

COMPARED TO THE SAME PERIOD, TOTAL REVENUES ARE

\$29,806,528

LOWER THAN THE PREVIOUS YEAR

Local Taxes continue to outpace prior year collections. This has been noted in the past few financial reports, and is indicative of recovery of collection rates in the community.

FISCAL YEAR 2022 REVENUE ANALYSIS - JULY - JUNE

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

CURRENT YEAR-TO-DATE REVENUE
COLLECTIONS INDICATE A

\$2,740,372

UNFAVORABLE COMPARED TO
FORECAST

| | Forecast Annual Revenue Estimates | Cash Flow Actual/Estimated Calculated Annual Amount | Current Year Forecast Compared to Actual/Estimated |
|---------------------|---|--|---|
| Loc. Taxes/Reimbur. | 137,043,201 | 136,956,733 | (86,468) |
| State Revenue | 167,434,461 | 165,666,793 | (1,767,668) |
| All Other Revenue | 17,540,317 | 16,654,081 | (886,236) |
| Total Revenue | 322,017,979 | 319,277,607 | (2,740,372) |

The district's current cash flow, both actual and estimated indicate a unfavorable variance of \$2,740,372

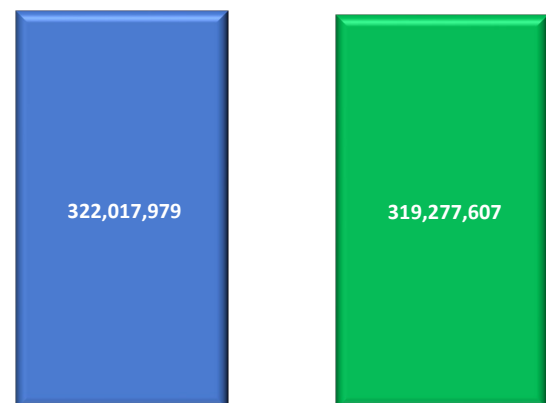
As a whole, revenue finished the fiscal year very much in line with the forecasted estimates. As mentioned in previous months, the variance in All Other Revenue was due to timing and has finished more in line with estimates than the prior months. State revenue fell short of estimates due to the changes to the Catastrophic Cost payments.

4. REVENUE VARIANCE ANALYSIS OF POTENTIAL IMPACT

Results through June indicate that Fiscal Year 2022 actual/estimated revenue could total \$319,277,607, a unfavorable variance of \$2,740,372 compared to the annual forecast total revenue. This means the forecast cash balance could be reduced.

With the fiscal year now complete, revenue has come in very closely aligned to the forecast, falling short less than 0.9% of the forecasted amount.

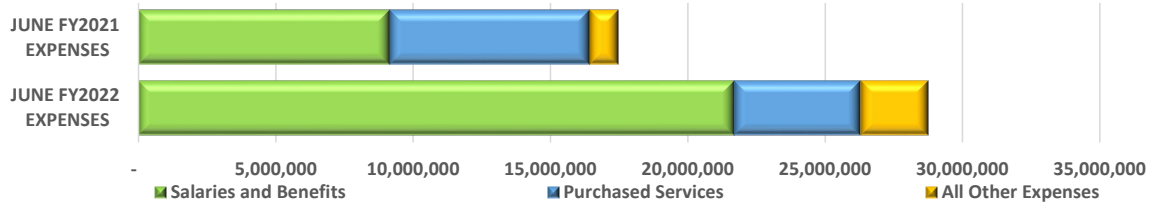
Comparison of 5 Year Forecast Total Revenue with Actual + Estimated Monthly Cash Flow



2022 5-Year Forecast Total Revenue July - June Actual Revenue Collected
To-date plus Estimated Revenue Collections

FISCAL YEAR 2022 MONTHLY EXPENDITURE ANALYSIS - JUNE

1. JUNE EXPENDITURES COMPARED TO PRIOR YEAR

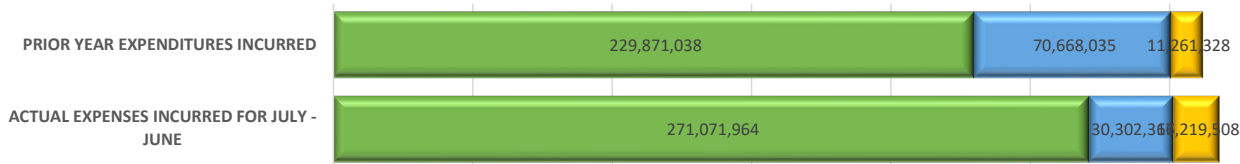


| | Actual Expenses For June | Prior Year Expenditure Incurred | | Actual Compared to Last Year |
|---------------------------|--------------------------|---------------------------------|---|------------------------------|
| Salaries and Benefits | 21,670,982 | 9,143,860 | ▲ | 12,527,122 |
| Purchased Services | 4,606,281 | 7,286,329 | ▼ | (2,680,048) |
| All Other Expenses | 2,463,450 | 1,059,008 | ▲ | 1,404,442 |
| Total Expenditures | 28,740,713 | 17,489,197 | ▲ | 11,251,516 |

Actual expenses for the month was up **\$11,251,516** compared to last year.

Salaries and Benefits are significantly higher than June 2021 due to the reclassification of salaries and benefits to the ESSER fund. Current year Salaries and Benefits are accurately reflected.

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



| | Actual Expenses For July - June | Prior Year Expenditures Incurred | | Actual Compared to Last Year |
|---------------------------|---------------------------------|----------------------------------|---|------------------------------|
| Salaries and Benefits | 271,071,964 | 229,871,038 | ▲ | 41,200,926 |
| Purchased Services | 30,302,367 | 70,668,035 | ▼ | (40,365,667) |
| All Other Expenses | 16,219,508 | 11,261,328 | ▲ | 4,958,179 |
| Total Expenditures | 317,593,838 | 311,800,401 | ▲ | 5,793,438 |

Compared to the same period, total expenditures are **\$5,793,438** higher than the previous year.

Total expenditures have now surpassed FY21, which is expected, due to the reclassification of a variety of expenditures to the ESSER fund in FY21. Purchased Services continues to be severely different from FY21, wholly due to the Fair School Funding Plan changes.

FISCAL YEAR 2022 EXPENDITURE ANALYSIS - JULY - JUNE

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

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

\$1,430,524

**UNFAVORABLE COMPARED
TO FORECAST**

| | Forecasted Annual Expenses | Cash Flow Actual/Estimated Calculated Annual Amount | Forecasted amount compared to Actual/Estimated |
|---------------------------|----------------------------------|--|---|
| Salaries and Benefits | 270,658,759 | 271,071,964 | ▲ 413,205 |
| Purchased Services | 26,897,229 | 30,302,367 | ▲ 3,405,138 |
| All Other Expenses | 18,607,326 | 16,219,508 | ▼ (2,387,818) |
| Total Expenditures | 316,163,314 | 317,593,838 | ▲ 1,430,524 |

The district's current cash flow, both actual and estimated expenditures indicate a unfavorable variance of \$1,430,524.

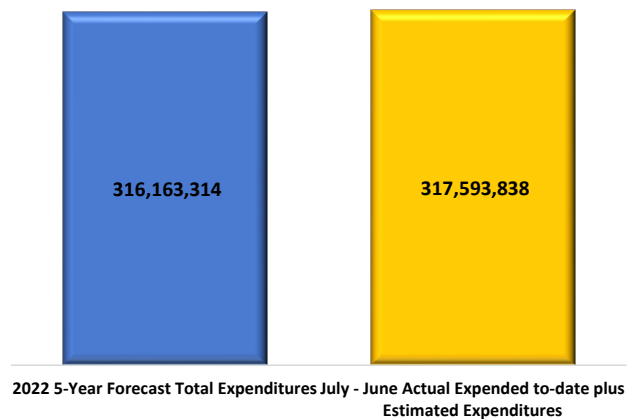
With FY22 now complete, we can reflect on the forecasted expenditures. As a whole, total expenditures remain in line with the forecast. The \$1.4 million can be mostly attributed to increased Excess Cost applications filed against the district as well as increased tuition for special education.

4. EXPENDITURE VARIANCE ANALYSIS OF POTENTIAL IMPACT

Results through June indicate that Fiscal Year 2022 actual/estimated expenditures could total \$317,593,838 which has a unfavorable expenditure variance of \$1,430,524. This means the forecast cash balance could be reduced.

As the year is now complete, the variance of the forecasted expenditures to actual expenditures is approximately \$1.4 million, or 0.45% greater than the total forecasted expenditures.

Comparison of 5 Year Forecast Total Expenditures with Actual + Estimated Monthly Cash Flow



**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
June 2022**

| Book Balance | Bank Balance |
|---|--|
| Munis Accounting System | Month End Bank Account Balances |
| Beginning Balance 181,401,053.05 | 007 - PNC Oma Evans 148,444.31 |
| Plus Receipts 38,149,396.30 | 008 - HNB Schumacher 103.35 |
| Less Expenditures 56,454,774.53 | 017 - HNB AP/Payroll/CN 26,711,610.02 |
| Ending Balance 163,095,674.82 | 018 - PNC Building Fund 1,046,823.03 |
| Outstanding Checks & Direct Deposits | 021 - HNB FSA Account 526,548.96 |
| 017 - HNB Accounts Payable Checks 2,013,824.97 | 037 - USBank Construction 20,644,141.64 |
| 017 - HNB Virtual Cards 1,203,429.54 | 038 - USBank PI Fund 16,145,939.11 |
| 017 - HNB Payroll Checks 18,625.82 | 039 - USBank General Fund 91,600,399.11 |
| 017 - HNB Deposit Outstanding on Munis - | 040 - USBank Benefits Fund 10,620,728.84 |
| 3,235,880.33 | 167,444,738.37 |
| 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 - | 99,895.93 |
| SERS - | Escrow Accounts |
| Child Support Payments - | x4897 Mid American Construction - HNB 5,628.64 |
| School District Income Tax - | x2897 Vendrick Construction - HNB - |
| STRS - | x8540 Hammond Construction - PNC 53.17 |
| AXA - | x8839 Martin Public Seating - PNC 0.13 |
| Valic - | x8841 Penn Ohio Electrical Co - PNC 7.13 |
| ING (Voya) - | x1301 Lockhart Concrete Co - PNC 13.45 |
| 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 863,347.84 |
| Towpath - | x5262 Hammond Construction - PNC 0.19 |
| - | x7065 Tom Sexton & Assoc - PNC 0.18 |
| - | x7069 Tom Sexton & Assoc - PNC 1.15 |
| | 869,052.74 |
| Miscellaneous Book Adjustments | Flex Spending Account |
| 021 - Inventory Allowance - | Prefunded Account - |
| 022 - Insurance Accrual - | Withdrawals (Claims) - |
| Timing Differences in Accounts Payable - | Settlement Credit - |
| Timing Differences in Accounts Receivable - | Service Charges - |
| HNB Escrow Statement 5,628.64 | - |
| PNC Escrow Statement 863,282.19 | |
| Escrow Reconciling Item 141.91 | Miscellaneous Bank Adjustments |
| 869,052.74 | Petty Cash 1,000.00 |
| | Outstanding Items (1,214,079.15) |
| | (1,213,079.15) |
| Adjusted Book Balance \$ 167,200,607.89 | Adjusted Bank Balance \$ 167,200,607.89 |