

Akron Public Schools



# Monthly Financial Report

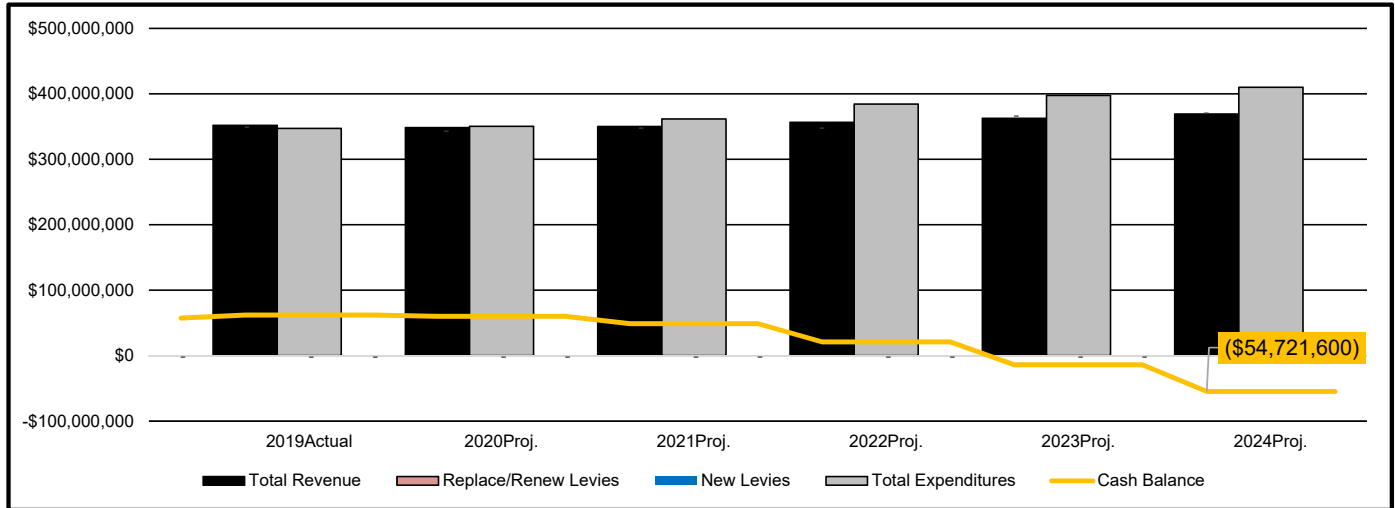
FY 2020 Cash Flow Activity Through: January

Ryan Pendleton, CFO/Treasurer

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### Current Forecast Results through January Total Revenue, Total Expenditures, Cash Balance



The district's cash balance at the end of FY 2019 was \$62,100,702 and is projected to decline -\$116,822,302 to -\$54,721,600 by FY 2024. The district's revenue shortfall is expected to be -\$40,856,625 in FY 2024. Revenue cash flow for the current fiscal year is trending unfavorable (see page 4). Expenditure cash flow for the current year is trending unfavorable.

The current forecast above is updated to reflect actual 2019 property values to replace the estimated values. Annual revenue increased approximately \$950,000 per year as a result of new construction outperforming the estimate that was used in the projections. Health insurance costs are trending lower than forecasted and this favorable trend is reflected in the forecast above.

#### Current Forecast -- Projected Revenue Surplus/(Shortfall) by Year

Includes Applicable Renewal Levies	Does not include proposed new levies.				
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue Over/(Under)					
Expenditures (Line 6.01)	(1,895,429)	(11,373,064)	(27,873,063)	(34,824,120)	(40,856,625)

Note: The above forecast may reflect updates due to actual cash flow results or other internal/external variables.

The district is projected to spend \$116,822,302 more than its revenue through FY 2024.

## FY 20 Analysis of Month of January Actual and Estimated

January		Revenue		January	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
19,591,663	▲ 1,502,512	8.3%	<b>Total Revenue</b>	18,600,000	▲ 991,663
-	-		Real Estate Taxes	-	-
-	-		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
17,561,400	▲ 72,396		State Revenue	17,900,000	▼ (338,601)
-	-		Prop Tax Allocation	-	-
2,023,764	▲ 1,444,592		Other Revenue	700,000	▲ 1,323,764
6,500	▼ (14,477)		Other Sources	-	▲ 6,500

January		Expenditures		January	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
28,557,558	▲ 1,277,916	4.7%	<b>Total Expenditures</b>	27,595,126	▲ 962,432
14,282,868	▲ 180,993		Salaries	14,508,155	▼ (225,287)
5,691,464	▼ (14,337)		Benefits	6,350,000	▼ (658,536)
6,849,027	▲ 546,711		Purchased Services	5,900,000	▲ 949,027
1,453,132	▲ 1,008,262		Supplies	417,134	▲ 1,035,998
159,706	▼ (459,054)		Capital	360,713	▼ (201,008)
46,361	▲ 23,424		Other Expenses	47,920	▼ (1,559)
75,000	▼ (8,084)		Other Uses & Debt	11,204	▲ 63,796

### Year-Over-Year Cash Balance Comparison

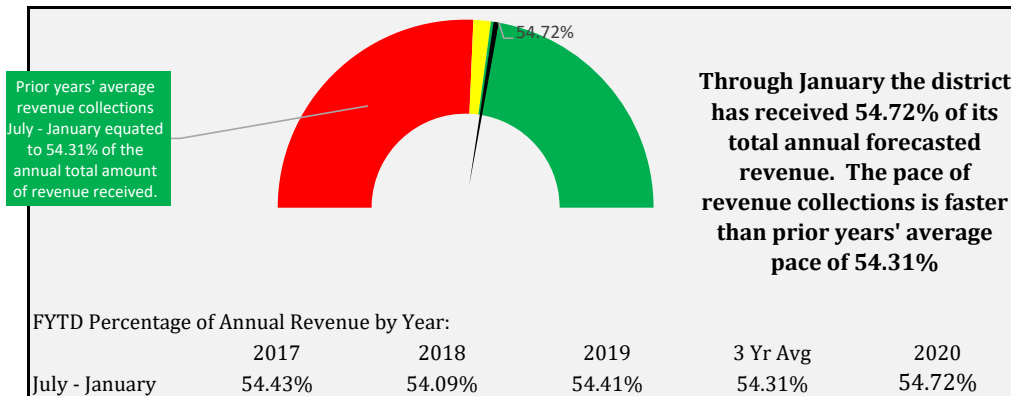
	FY 2019	FY 2020	Yr-Over-Yr Change
January, End of Month Cash Balance	55,951,083	54,498,445	(1,452,639)

Actual revenue for the month was up \$1,502,512 compared to last year, while actual revenue for the month was over the estimated. Actual expenditures for the month were up \$1,277,916 compared to last year. Actual expenditures for the month were over the estimate. The district's cash balance is down -\$1,452,639 compared to last year.

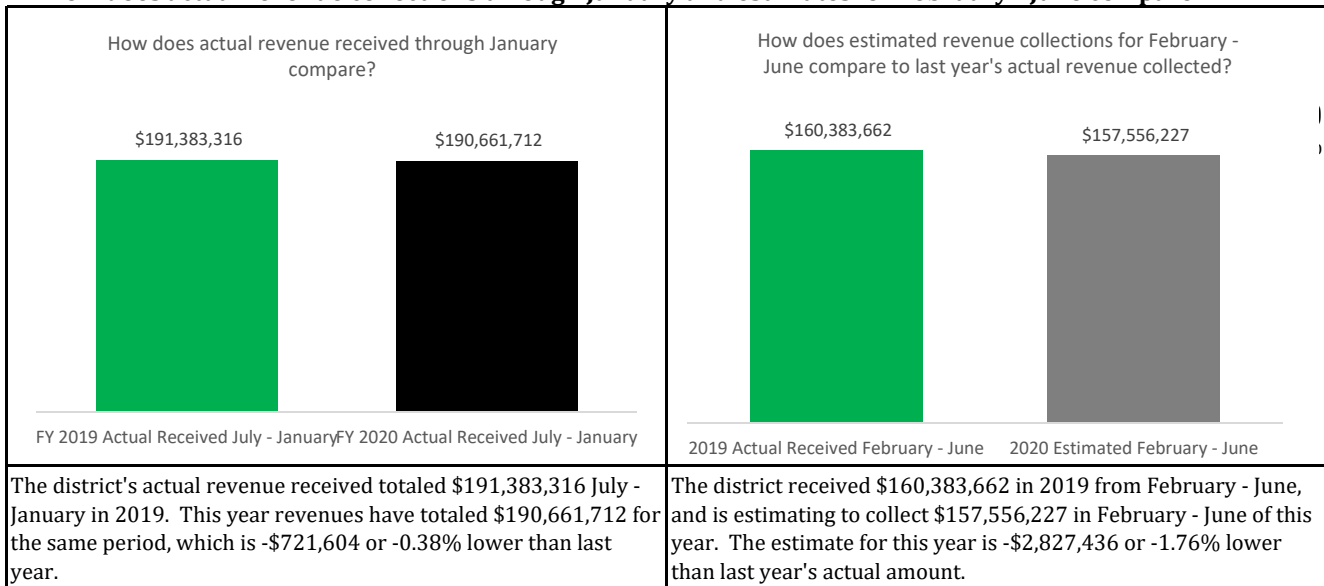
Revenue was down for the month compared to last year because of state revenue (but within estimated). The other revenue category is down because of payments in lieu of taxes from other governmental entities, this could be a timing issue.

Overall expenditures continue to trend slightly above the annual total forecasted amount (page 6).

**A. How does revenue received through January compare to the average of the three prior year average?**



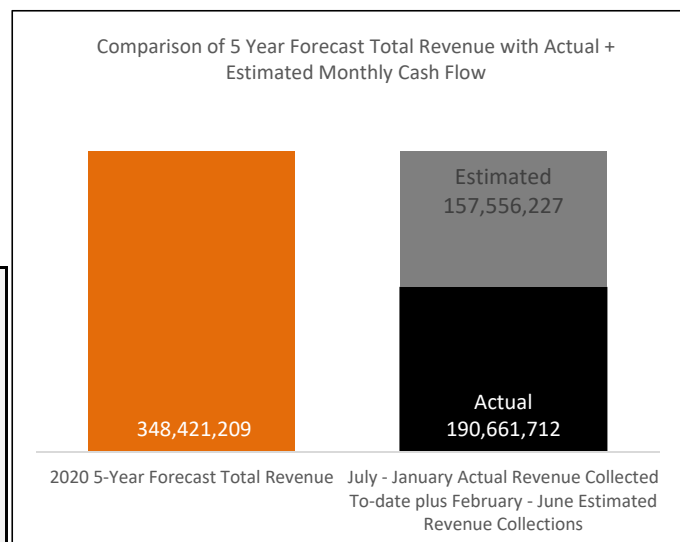
**B. How does actual revenue collections through January and estimates for February - June compare?**



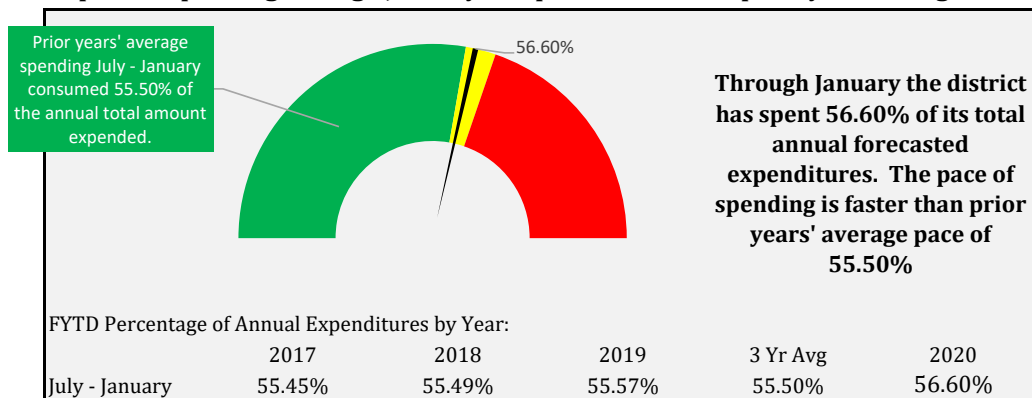
**C. Does through January actual revenue collections plus February - June estimated to be collected support the current FY 2020, 5-Year Forecast total revenue amount?**

The district's 5-year forecast for FY 2020 total revenue is \$348,421,209 which is \$203,270 over the cash flow total of 348,217,938.

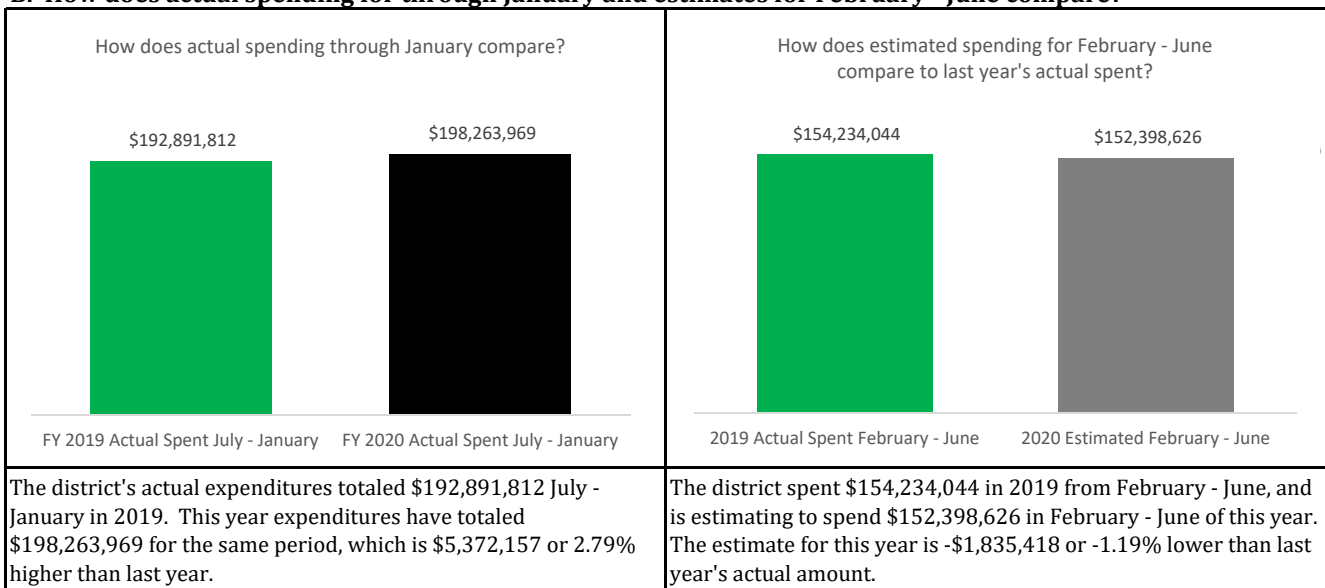
The cash flow is trending closely with the annual forecasted total revenue.



### A. How does the pace of spending through January compare to the three prior year average?



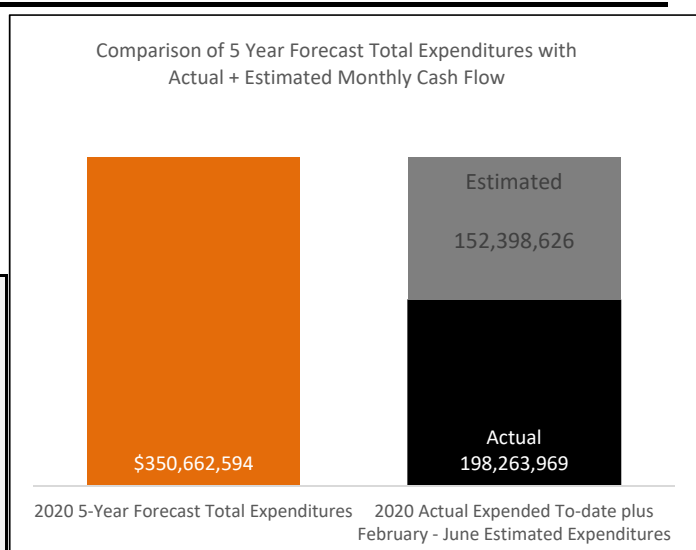
### B. How does actual spending for through January and estimates for February - June compare?



### C. Does through January actual expended plus February - June estimated support the current FY 2020, 5-Year Forecast total expenditure amount?

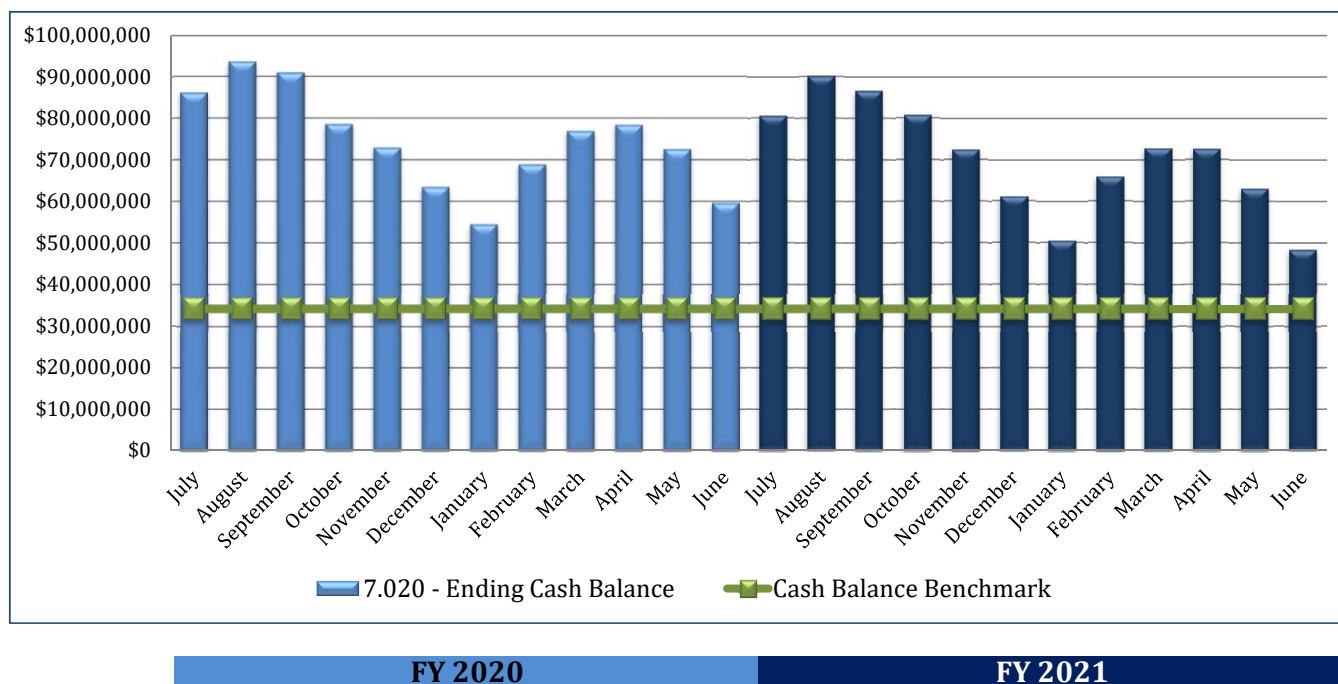
The district's 5-year forecast for FY 2020 total expenditures is \$350,316,638 which is -\$345,956 under the cash flow total of 350,662,594.

The district's cash flow is trending higher than the forecasted annual total expenditures. This could result in a modest unfavorable impact on the year-end cash balance.



## Monthly Cash Balance Projections

### Based on Annual Totals From 5 Year Forecast



The district's cash balance remains positive through June 30, 2021.

## 2019 New Construction Actual Results

Select Main County --> <b>Summit</b>															
Tax Year	Valuation Change Triennial Update/Reappraisal/BOR							Valuation Change New Construction/Exempted/Other							
	Agricultural	YOY	Residential	YOY	Class II (All)	YOY		Agricultural	YOY	Residential	YOY	Class II (All)	YOY	PP/PUPP	YOY
	YOY \$ Chg.	%	YOY \$ Chg.	%	YOY \$ Chg.	%		YOY \$ Chg.	%	YOY \$ Chg.	%	YOY \$ Chg.	%	YOY \$ Chg.	%
A 2013	(5,460)	-0.9%	(6,832,290)	-0.4%	(10,572,560)	-1.7%		(2,230)	-0.4%	(5,087,980)	-0.3%	(41,078,460)	-6.6%	10,277,860	10.7%
C 2014	126,990	21.0%	(84,786,350)	-5.0%	19,948,540	3.5%		(80,700)	-13.3%	(2,941,870)	-0.2%	9,701,420	1.7%	5,977,340	5.6%
T 2015	0	0.0%	(4,098,440)	-0.3%	(5,796,850)	-1.0%		(390)	-0.1%	(3,785,560)	-0.2%	(17,918,010)	-3.0%	3,342,690	3.0%
U 2016	(6,450)	-1.0%	(4,023,360)	-0.3%	7,173,820	1.2%		(2,670)	-0.4%	(4,187,610)	-0.3%	14,387,720	2.5%	14,375,750	12.4%
A 2017	(52,340)	-8.1%	22,684,840	1.4%	(30,620,200)	-5.1%		15,800	2.5%	(3,092,440)	-0.2%	15,194,580	2.5%	4,048,690	3.1%
L 2018	0	0.0%	(2,375,430)	-0.1%	1,876,800	0.3%		18,830	3.1%	(1,928,130)	-0.1%	20,364,210	3.5%	7,236,210	5.4%
A 2019	-	0.0%	(678,660)	0.0%	3,959,380	0.7%		61,450	9.8%	(2,959,810)	-0.1%	16,165,660	2.7%	8,568,550	6.1%
P 2020	-	0.0%	40,000,000	2.5%	6,001,034	1.0%		-	0.0%	(1,579,585)	-0.1%	12,500,000	2.0%	4,308,121	2.9%
R 2021	-	0.0%	(5,688,875)	-0.3%	(3,090,532)	-0.5%		-	0.0%	(1,625,393)	-0.1%	9,500,000	1.5%	4,437,364	2.9%
O 2022	-	0.0%	(6,475,741)	-0.4%	(3,128,161)	-0.5%		-	0.0%	(1,618,935)	-0.1%	9,500,000	1.5%	4,630,931	2.9%
J 2023	-	0.0%	30,000,000	1.9%	(3,200,000)	-0.5%		-	0.0%	(1,650,000)	-0.1%	9,500,000	1.4%	4,700,000	2.9%

Calendar year 2019 new construction totaled approximately \$16,165,660. This amount was more than the \$9,500,000 used in the November, 2019 projections. The favorable result generates approximately \$950,000 in additional annual revenue.

Note: The new construction reported by the county totaled almost \$118,000,000 because it included several parcels with exemptions that are pending for exemption from taxes.



**AKRON PUBLIC SCHOOLS**  
**MONTHLY RECONCILIATION**  
**Jan 2020**

Book Balance		Bank Balance	
<b>Munis Accounting System</b>		<b>Month End Bank Account Balances</b>	
Beginning Balance	133,863,247.89	007 - PNC Oma Evans	148,711.37
Plus Receipts	32,792,639.44	008 - HNB Schumacher	103.35
Less Expenditures	41,498,354.32	009 - STAR Ohio	10,527,960.61
Ending Balance	125,157,533.01	017 - HNB AP/Payroll/CN/SA	5,802,074.60
		018 - PNC Building Fund	1,053,962.37
<b>Outstanding Checks &amp; Direct Deposits</b>		021 - HNB FSA Account	608,955.70
017 - HNB Accounts Payable Checks	1,478,164.65	025 - KeyBank	10,444,684.89
017 - HNB Virtual Cards	794,939.44	037 - USBank Construction	35,017,144.27
017 - HNB Payroll Checks	38,540.48	038 - USBank PI Fund	15,910,205.24
017 - HNB Deposit Outstanding on Munis	-	039 - USBank General Fund	49,763,401.46
	2,311,644.57		129,277,203.86
		<b>Local Grant/Benefit CD's</b>	
<b>Pending Payroll Deductions</b>		029 - HNB CD	5,000.00
Federal/Medicare Withholding	700,349.24	030 - HNB CD	-
State Tax	137,873.72	032 - HNB CD	92,998.23
City Tax	397,640.22		97,998.23
SERS	10,883.97	<b>Escrow Accounts</b>	
Child Support Payments	6,640.72	x4897 Mid American Construction - HNB	5,625.82
School District Income Tax	2,885.50	x0884 MR Excavator - HNB	29,212.83
STRS	868,043.83	x1184 MR Excavator - HNB	51,189.12
AXA	52,197.00	x2897 Vendrick Construction - HNB	-
Valic	-	x6627 Hammond Construction - PNC	33,334.44
ING (Voya)	27,555.00	x7065 Tom Sexton & Assoc - PNC	0.18
MG Trust	13,271.50	x7069 Tom Sexton & Assoc - PNC	1.14
Ameriprise	2,252.50	x8540 Hammond Construction - PNC	53.09
Lincoln	5,263.00	x8839 Martin Public Seating - PNC	0.13
Ohio Deferred Comp	12,319.93	x8841 Penn Ohio Electrical Co - PNC	7.11
Towpath	-	x1301 Lockhart Concrete Co - PNC	13.43
	2,237,176.13	x7489 OSMIC Inc - PNC	-
<b>Miscellaneous Book Adjustments</b>		x3376 Hammond Construction - PNC	44,932.74
021 - Inventory Allowance	4,436.52	x7982 Welty Building Co - PNC	152,659.07
022 - Insurance Accrual	(108,581.98)		317,029.10
Timing Differences in Accounts Payable	5,539.27	<b>Flex Spending Account</b>	
Timing Differences in Accounts Receivable	-	Prefunded Account	-
HNB Escrow Statement	86,027.77	Withdrawals (Claims)	233,381.45
PNC Escrow Statement	230,909.11	Settlement Credit	148.00
Escrow Reconciling Item	92.22	Service Charges	-
	218,422.91		233,529.45
		<b>Miscellaneous Bank Adjustments</b>	
		Petty Cash	1,000.00
		Bank Charges to be Refunded	-
		Outstanding Items	(1,984.02)
			(984.02)
<b>Adjusted Book Balance</b>	\$ 129,924,776.62	<b>Adjusted Bank Balance</b>	\$ 129,924,776.62