



**Akron Public  
Schools®**

# **Monthly Financial Report**

**FY 2019 Cash Flow Activity Through: May**

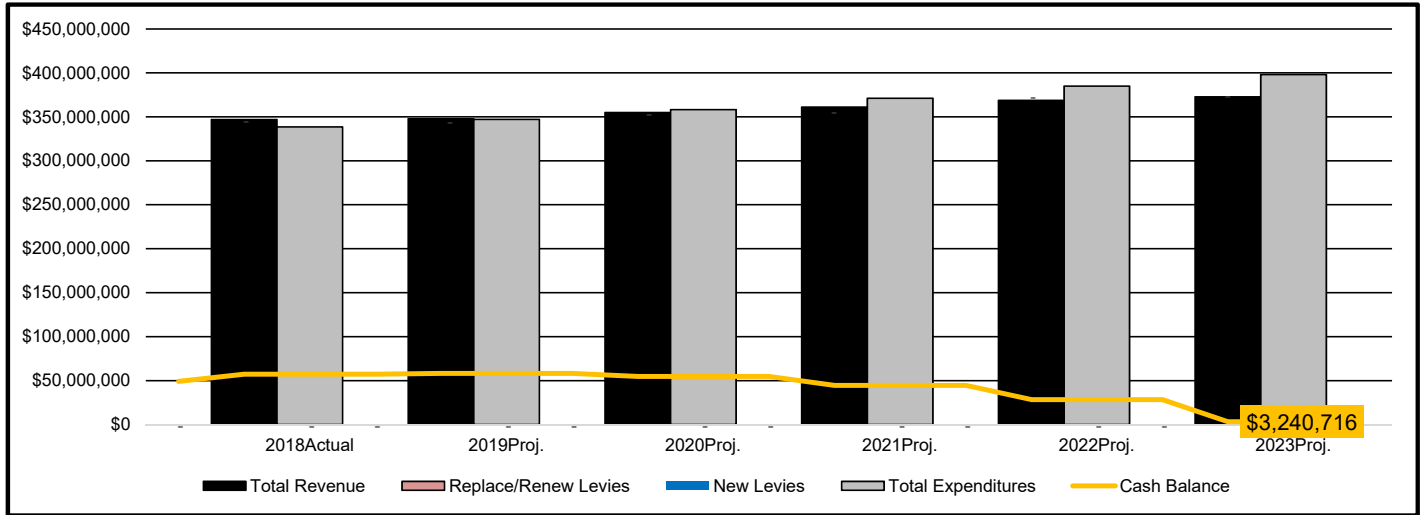
**Ryan Pendleton, CFO**

6/20/2019

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## Current Forecast Results through May

### Total Revenue, Total Expenditures, Cash Balance



The district continues to contain expenditure growth and improve cash balance stability. While the trend is toward revenue shortfall the cash reserves are adequate through FY 2021.

Revenue was down for the month of May when compared to last year and May estimated. However the Tax Incentive Financing (TIF) revenue from the county and city were received in June and will meet expectations. These TIF funds (\$2.6 million) were estimated for May but have been received in June. Expenditures could exceed forecasted primarily because of supply and capital expenses (page 6).

The district's enrollment remains stable compared to last year. There was only slight variance in the enrollment count from the April #2 state report to the May #2 report.

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

Includes Applicable Renewal Levies	Does not include proposed new levies.				
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenue Over/(Under)					
Expenditures (Line 6.01)	727,385	(3,388,411)	(10,088,718)	(16,199,528)	(25,269,591)

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

Projected revenue shortfalls occur at increasing levels beginning in FY 2020.

## FY 19 Analysis of Month of May Actual and Estimated

May		Revenue		May	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
24,603,121	▲ 110,511	0.5%	<b>Total Revenue</b>	18,757,239	▼ (1,301,399)
-	-		Real Estate Taxes	-	-
-	-		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
16,672,198	▲ 245,364		State Revenue	16,705,327	▼ (33,129)
7,052,275	▼ (93,342)		Prop Tax Allocation		▼ (95,006)
867,346	▼ (52,813)		Other Revenue	2,051,912	▼ (1,184,566)
11,302	▲ 11,302		Other Sources	-	▲ 11,302

May		Expenditures		May	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
33,676,543	▲ 4,020,681	13.6%	<b>Total Expenditures</b>	30,915,373	▲ 2,761,170
16,715,514	▲ 1,978,979	13.4%	Salaries	15,915,459	▲ 800,056
6,410,753	▲ 282,335	4.6%	Benefits	6,208,418	▲ 202,335
7,601,283	▼ (422,692)	-5.3%	Purchased Services	7,900,000	▼ (298,717)
1,601,055	▲ 1,036,293	183.5%	Supplies	576,058	▲ 1,024,998
1,287,696	▲ 1,117,196	655.2%	Capital	227,968	▲ 1,059,728
48,940	▲ 17,268	#DIV/0!	Other Expenses	87,471	▼ (38,532)
11,302	▲ 11,302		Other Uses & Debt	-	▲ 11,302

### Year-Over-Year Cash Balance Comparison

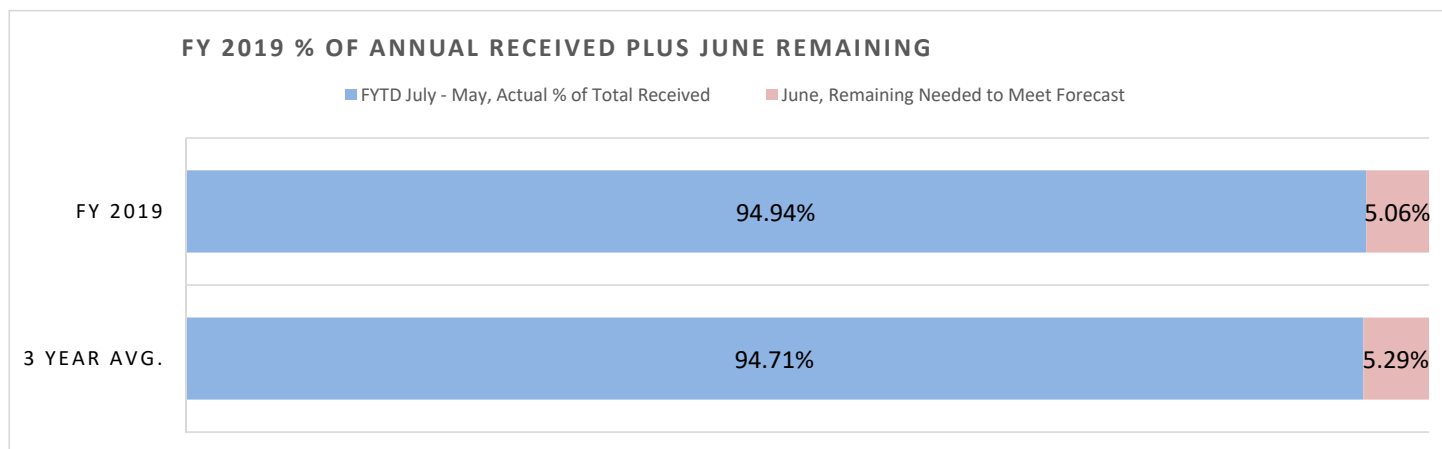
	FY 2018	FY 2019	Yr-Over-Yr Change
May, End of Month Cash Balance	71,006,475	71,809,760	803,286

Revenue is up slightly over last year but was under the estimate because of property tax incentive payments that were received in June instead of in May. The TIF revenue will be reflected in the June monthly summary.

Expenditures were up 13.6% over last year with salaries, supplies, and capital being up the most. These categories also exceeded estimates. The expenditure level for these three categories suggests that expenses will end the year \$2.5 million more than forecasted. The June cash flow will be the final indication.

The district's cash balance is up \$803,286 for the month when compared to last year.

## FY 19 Actual July - May Received As Percentage of Annual Total Revenue



## FY 19 Annual Revenue Forecast, FYTD Actual, and Remaining Cash Flow Estimate

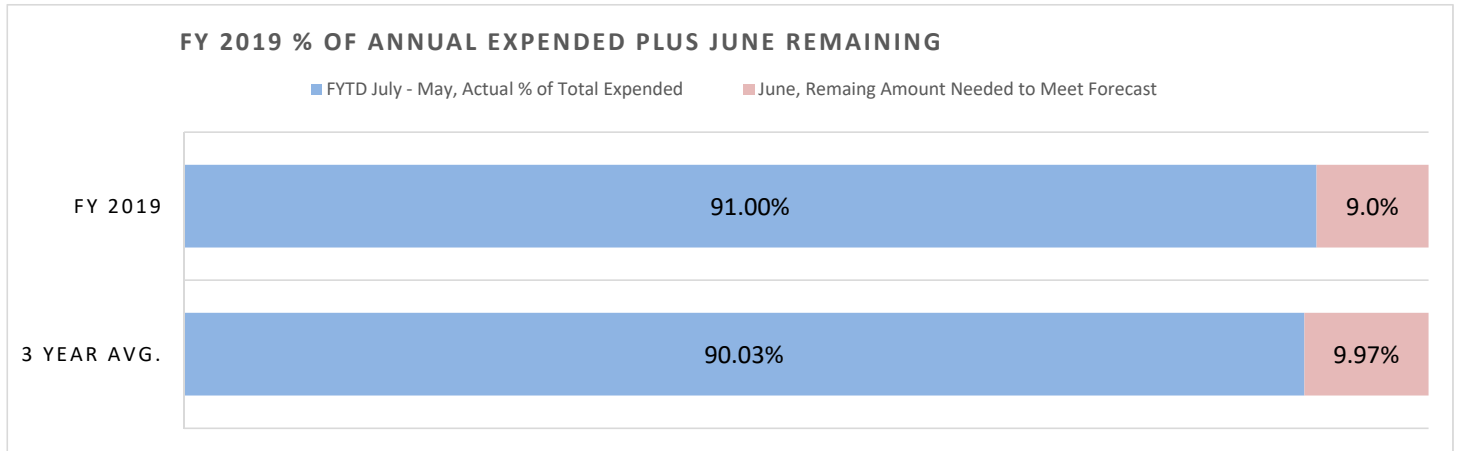
July - June Annual			July - May		June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
FY 2019 Forecast Amount	YOY Change		FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
347,793,121	▲ 0.3%		330,185,420	▲ 1.2%	18,704,515	▼ -10.5%	
<b>Total Revenue</b>							
102,349,917	▼ -0.9%	Real Estate Taxes	103,341,276	▲ 0.1%	(991,358)	0.0%	▲ 1
10,478,853	▲ 4.3%	Public Utility PP Taxes	10,478,853	▲ 4.3%	-	0.0%	-
-	0.0%	Income Tax	-	0.0%	-	0.0%	-
205,521,029	▲ 1.5%	State Funding	188,581,744	▲ 1.8%	16,705,327	▼ -3.3%	▼ (233,958)
14,318,596	▼ -0.6%	Property Tax Allocation	14,223,590	▼ -1.3%	-	0.0%	▼ (95,006)
14,900,189	▼ -7.1%	All Other Revenue	13,328,664	▲ 5.3%	2,986,000	▼ -11.8%	▲ 1,414,475
224,537	▼ -64.7%	Other Sources	231,293	▼ -63.4%	4,546	▲ 23.8%	▲ 11,302

Note: Remaining Estimated Cash Flow, if realized, would result in total revenue being \$1,096,814 higher than forecast.

The district has received 94.94% of its total annual revenue which is running slightly ahead of the three-year average.

The district's revenue could end favorably with the receipt of \$2.6 million in Tax Incentive Financing (TIF) revenue from the city and county in June. The monthly cash flow for June has been updated to reflect this TIF posting and trend currently is \$1,096,814 over the forecast.

## FY 19 Actual July - May Expended As Percentage of Annual Total Expenditures



## FY 19 Annual Expenditure Forecast, FYTD Actual, and Remaining Cash Flow Estimate

July - June Annual								July - May				June				Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast  ▲ 2,668,374															
FY 2019 Forecast				YOY Amount Change				FYTD 2019 Actual				YOY Amount Change					Remaining Cash Flow Estimate				YOY Amount Change										
347,065,736				▲ 2.5%				Total Expenditures				315,835,240					▲ 3.8%				33,898,870				▼ -0.9%						
176,839,728				▲ 5.9%				Salaries				160,089,797				▲ 6.1%				17,479,939				▲ 8.0%				▲ 730,008			
71,812,193				▼ -1.7%				Benefits				65,563,023				▼ -1.7%				6,434,182				▲ 1.3%				▲ 185,012			
79,036,364				▼ -1.8%				Purchased Services				70,535,428				▼ -2.1%				8,200,000				▼ -2.2%				▼ (300,936)			
8,610,863				▼ -1.5%				Supplies				8,742,765				▲ 14.9%				893,096				▼ -21.2%				▲ 1,024,998			
6,384,098				▲ 50.4%				Capital				6,693,826				>100%				750,000				▼ -31.0%				▲ 1,059,728			
4,203,730				▲ 41.9%				All Other Expenditures				4,034,613				▲ 45.2%				127,379				▼ -30.4%				▼ (41,738)			
178,760				▼ -91.5%				Other Uses				175,788				▼ -85.6%				14,274				▼ -98.4%				▲ 11,302			

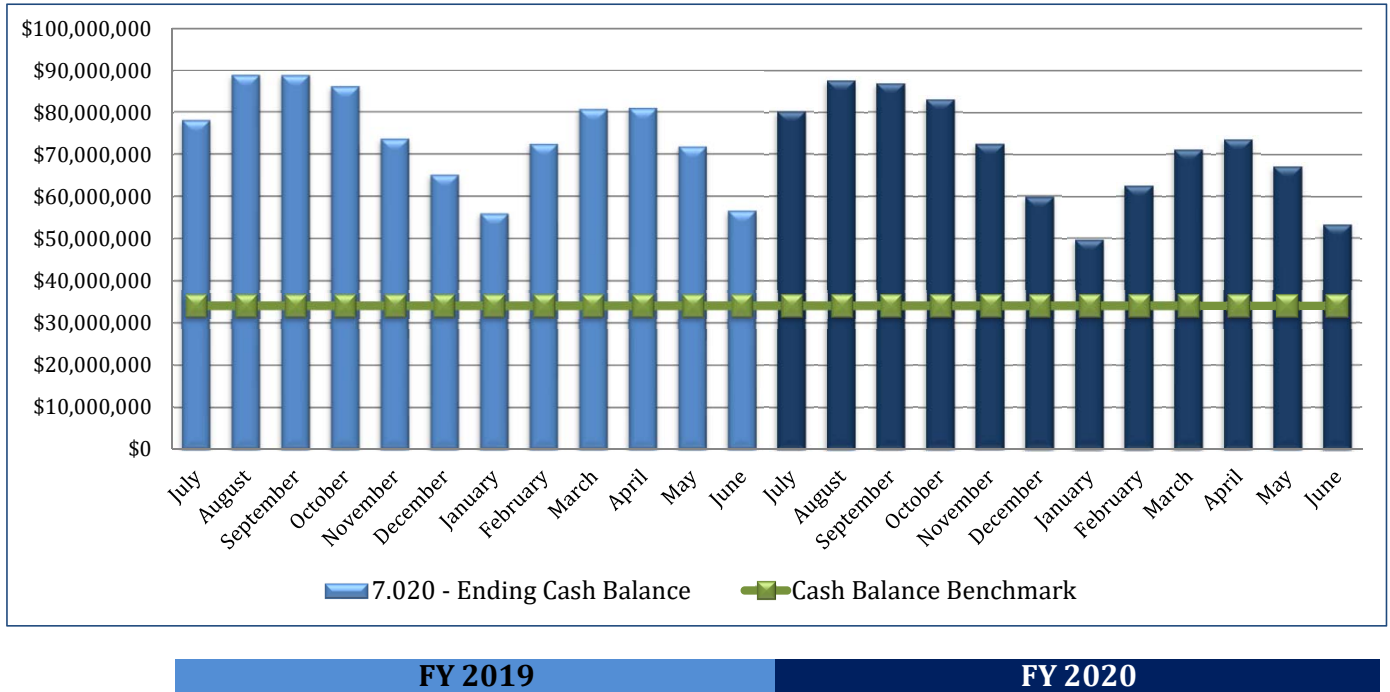
Note: Remaining Estimated Cash Flow, if realized, would result in total expenditures being \$2,668,374 higher than forecast.

The district has spent 91.0% of its total annual forecasted amount which is higher than the three-year average.

Expenditures are forecasted to be up 2.5% this year compared to last year. To-date the expenditures are up 3.8%.

The supply and capital line items could push the district's expenditures \$2.0 million higher than forecasted. At the same time, as reported on page 5 of this report, revenue is trending about \$1.1 million favorably.

## Monthly Cash Balance Projections



The district's cash balance is adequate through June 30, 2020.

## Enrollment Comparison - ODE SFPR

State Funding Enrollment Analysis  
Year-Over-Year Change per ODE SFPR



Akron City SD		SFPR Data						
							May #2	April #2
		FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FY 2019	FY 2019
								Mar #2
								FY 2019
Line								
1	Formula ADM	27,192.41	27,068.01	26,788.77	26,692.59	26,528.25	26,282.45	26,286.41
			-0.46%	-1.03%	-0.36%	-0.62%	-0.93%	0.02%
2	Resident / Adjusted Total ADM	27,192.81	27,067.00	26,788.47	26,692.23	26,528.11	26,282.79	26,286.75
			-0.46%	-1.03%	-0.36%	-0.61%	-0.92%	0.02%
3	Resident ADM (District Educated)	20,649.81	20,179.10	19,986.65	20,146.93	20,035.58	19,919.99	19,912.96
			-2.28%	-0.95%	0.80%	-0.55%	-0.58%	-0.04%
4	Total District Educated ADM	21,156.80	20,779.70	20,579.55	20,804.37	20,696.85	20,591.10	20,584.13
			-1.78%	-0.96%	1.09%	-0.52%	-0.51%	-0.03%
5	Open Enrollment In ADM	506.99	600.60	592.90	657.44	661.27	671.11	671.17
			18.46%	-1.28%	10.89%	0.58%	1.49%	0.01%
6	Open Enrollment Out ADM	1,755.93	1,871.69	1,981.31	2,080.91	2,064.61	1,992.86	1,992.43
			6.59%	5.86%	5.03%	-0.78%	-3.48%	-0.02%
7	Community School ADM	3,711.10	3,761.15	3,454.58	3,041.30	2,955.60	2,826.72	2,838.93
			1.35%	-8.15%	-11.96%	-2.82%	-4.36%	0.43%
8	Scholarship ADM	1,075.47	1,255.06	1,365.93	1,423.09	1,472.32	1,542.42	1,541.63
			16.70%	8.83%	4.18%	3.46%	4.76%	-0.05%
9	Career Tech ADM (Incl. Contract)	0.50	-	-	-	-	0.80	0.80
			-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Limited English Proficient ADM	1,185.15	1,363.07	1,513.93	1,738.17	1,862.91	1,869.19	1,867.57
			15.01%	11.07%	14.81%	7.18%	0.34%	-0.09%
11	Economic Disadvantaged ADM	24,697.31	24,555.37	24,160.72	24,106.94	23,883.33	23,642.78	23,631.69
			-0.57%	-1.61%	-0.22%	-0.93%	-1.01%	-0.05%
12	Economic Disadvantaged %	90.82%	90.72%	90.19%	90.31%	90.03%	89.96%	89.90%
			-0.11%	-0.58%	0.14%	-0.31%	-0.08%	-0.06%
13	Special Education ADM	4,632.92	4,678.30	4,646.49	4,537.93	4,617.30	4,771.19	4,758.55
			0.98%	-0.68%	-2.34%	1.75%	3.33%	-0.26%

\* Contract JVS not available on SFPR in FY2015

### Definitions

- Line 1 - Formula ADM: Number of students used in the per pupil funding calculations, includes students that are open enrollment out but not those that are open enrollment in. Also includes Community School, Scholarship, plus 20% of CTC students.
- Line 2 - Resident/Adjusted Total ADM: Includes resident students, including open enrollment out but not in, also resident community school and scholarship students.
- Line 3 -- Resident ADM (District Educated): The mathematical result of Line 2 less open enrollment out, community school, and scholarship.
- Line 4 - Total District Educated ADM: The mathematical results of Line 3 plus open enrollment in.
- Line 5 -- Open Enrollment in ADM: Students educated at/by district but resident of another district.
- Line 6 -- Open Enrollment Out ADM: District resident students attending another public school district.
- Line 7 -- Community School ADM: District resident students attending a community school.
- Line 8 -- Scholarship ADM: District resident students utilizing scholarship to attend elsewhere.
- Line 9 -- Career Tech ADM: Students, including contracted, attending a career technical school.
- Line 10 -- Limited English Proficient ADM
- Line 11 -- Economic Disadvantaged ADM
- Line 12 -- Percentage of Students Identified Economic Disadvantaged
- Line 13 -- Special Education ADM: Number of students in any special education weighting.

The district educated ADM (Line 4) is stable with last year and is down just -0.51% but reflects slightly more decline than the April #2 data.



**AKRON PUBLIC SCHOOLS**  
**MONTHLY RECONCILIATION**  
**May 2019**

Book Balance		Bank Balance	
<b>Munis Accounting System</b>		<b>Month End Bank Account Balances</b>	
Beginning Balance	165,638,549.54	007 - PNC Oma Evans	148,553.47
Plus Receipts	35,943,803.74	008 - HNB Schumacher	103.34
Less Expenditures	50,489,190.88	009 - STAR Ohio	10,396,076.08
Ending Balance	151,093,162.40	017 - HNB AP/Payroll/CN/SA	33,704,846.09
		018 - PNC Building Fund	2,019,050.78
<b>Outstanding Checks &amp; Direct Deposits</b>		021 - HNB FSA Account	298,513.73
017 - HNB Accounts Payable Checks	2,709,876.23	025 - KeyBank	10,261,184.50
017 - HNB Payroll Checks	43,936.54	037 - USBank Construction	34,418,567.21
017 - HNB Deposit Outstanding on Munis	-	038 - USBank PI Fund	15,706,389.63
	2,753,812.77	039 - USBank General Fund	49,085,987.04
			156,039,271.87
<b>Pending Payroll Deductions</b>		<b>Local Grant/Benefit CD's</b>	
Federal/Medicare Withholding	861,460.74	022 - HNB CD	40,436.24
State Tax	175,466.86	029 - HNB CD	5,000.00
City Tax	456,900.00	030 - HNB CD	-
SERS	183,446.13	032 - HNB CD	92,998.23
School District Income Tax	3,699.54		138,434.47
STRS	829,205.89		
AXA	50,946.31	<b>Escrow Accounts</b>	
Valic	-	x4897 Mid American Construction - HNB	5,623.00
ING (Voya)	(175.00)	x0884 MR Excavator - HNB	29,205.51
MG Trust	-	x1184 MR Excavator - HNB	51,176.29
Ameriprise	4,687.50	x2897 Vendrick Construction - HNB	229,861.61
Lincoln	-	x7065 Tom Sexton & Assoc - PNC	0.18
Ohio Deferred Comp	13,579.34	x7069 Tom Sexton & Assoc - PNC	1.14
Towpath	-	x8540 Hammond Construction - PNC	693,155.54
	2,579,217.31	x8839 Martin Public Seating - PNC	0.13
		x8841 Penn Ohio Electrical Co - PNC	56,406.47
<b>Miscellaneous Book Adjustments</b>		x1301 Lockhart Concrete Co - PNC	37,071.26
021 - Inventory Allowance	81,343.03	x7489 OSMIC Inc - PNC	-
022 - Insurance Accrual	(70,661.65)	x3376 Hammond Construction - PNC	44,872.49
Timing Differences in Accounts Payable	(465.02)	x7982 Welty Building Co - PNC	133,616.93
Timing Differences in Accounts Receivable	-		1,280,990.55
Escrow Adjustment	1,280,990.55		
	1,291,206.91	<b>Flex Spending Account</b>	
		Prefunded Account	-
		Withdrawals (Claims)	377,696.91
		Settlement Credit	574.10
		Service Charges	-
			378,271.01
		<b>Miscellaneous Bank Adjustments</b>	
		Petty Cash	1,000.00
		Bank Charges to be Refunded	-
		Outstanding Items	(120,568.51)
			(119,568.51)
<b>Adjusted Book Balance</b>	\$ 157,717,399.39	<b>Adjusted Bank Balance</b>	\$ 157,717,399.39