



**Akron Public
Schools.**

Monthly Financial Report

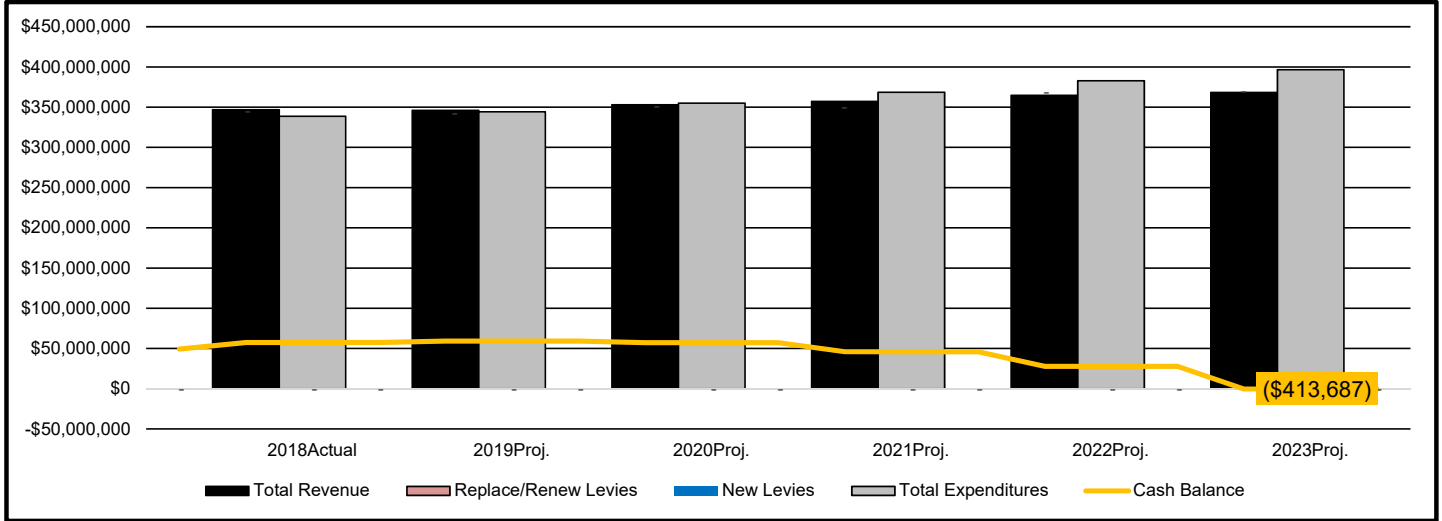
FY 2019 Cash Flow Activity Through: September

Ryan Pendleton, CFO

10/15/2018

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**Current Forecast Results through September
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 up in September because of Medicaid reimbursements and also because state revenue estimates for last year at this time were low.

Expenditures are up 2.0% over last year but in line with the annual forecasted increase of 1.6%.

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)	1,757,659	(1,890,533)	(11,474,722)	(18,140,250)	(28,125,420)

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



FY 19 Analysis of Month of September Actual and Estimated

September		Revenue		September	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
29,404,792	▲ 3,058,723	11.6%	Total Revenue	29,403,966	-
4,743,542	▲ 71,456		Real Estate Taxes	4,743,542	-
5,098,458	▲ 152,723		Public Utility PP Taxes	5,098,458	-
-	-		Income Tax	-	-
17,195,918	▲ 1,008,929		State Revenue	17,195,918	-
826	▲ 826		Prop Tax Allocation	-	-
2,356,084	▲ 1,814,824		Other Revenue	2,356,084	-
9,964	▲ 9,964		Other Sources	9,964	-

September		Expenditures		September	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
29,449,478	▲ 218,677	0.7%	Total Expenditures	29,449,478	-
14,411,263	▲ 520,172		Salaries	14,411,263	-
6,452,342	▼ (137,846)		Benefits	6,452,342	-
5,977,915	▲ 279,097		Purchased Services	5,977,915	-
709,188	▼ (1,068,678)		Supplies	709,188	-
788,991	▲ 316,724		Capital	788,991	-
1,109,778	▲ 309,208		Other Expenses	1,109,778	-
-	-		Other Uses & Debt	-	-

Year-Over-Year Cash Balance Comparison

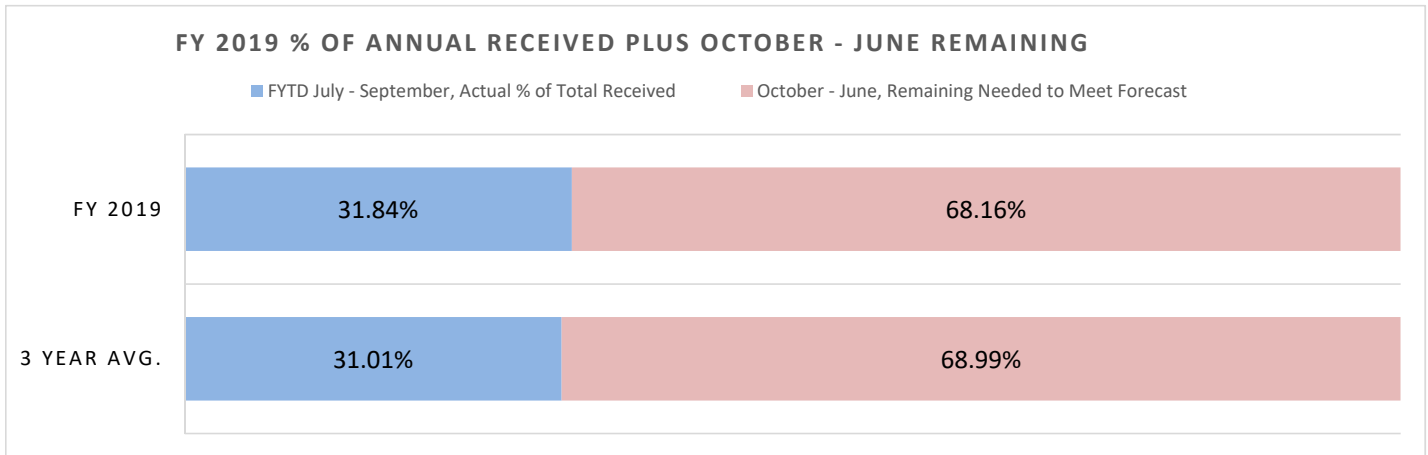
	FY 2018	FY 2019	Yr-Over-Yr Change
September, End of Month Cash Balance	77,190,534	88,664,718	11,474,184

Revenue is up for the month of September by 11.6% over last year. The increase is attributable to state funding (last year's monthly revenue was estimated by ODE and was therefore lower). Also, Medicaid reimbursement was received in September.

Expenditures are up 0.7% and in line with expectations except for purchased services. Purchased services were lower than last year, in part because of the state's estimate for charter schools (currently reflects a \$3.5 million decrease over FY 2018).

Note: The annual forecast was completed in October and therefore actual results for July, August, and September were used as "estimates" which explains there is no variance in the estimated amount for September compared to the actual.

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



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

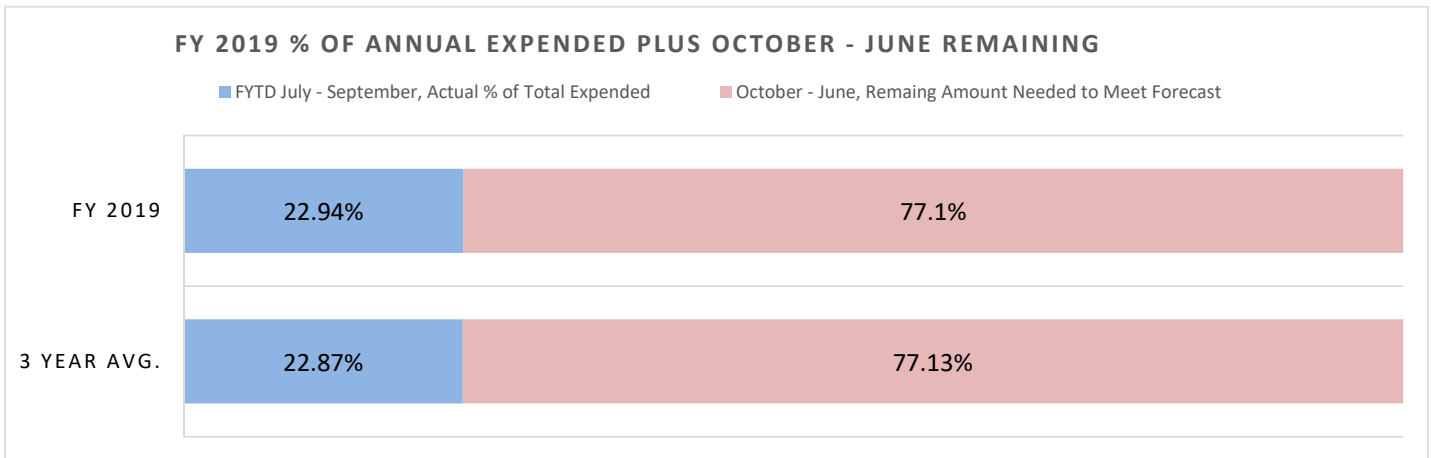
July - June Annual			July - September		October - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
Forecast Amount	YOY Change		FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
345,932,252	▼ -0.3%	Total Revenue	110,154,352	▲ 4.5%	235,777,899	▼ -2.4%	-
102,303,488	▼ -0.9%	Real Estate Taxes	48,457,135	▼ -0.1%	53,846,354	▼ -1.6%	-
10,377,219	▲ 3.2%	Public Utility PP Taxes	5,098,458	▲ 3.1%	5,278,761	▲ 3.4%	-
-	0.0%	Income Tax	-	0.0%	-	0.0%	-
205,569,723	▲ 1.5%	State Funding	51,747,647	▲ 4.5%	153,822,076	▲ 0.6%	-
14,304,214	▼ -0.7%	Property Tax Allocation	826	0.0%	14,303,388	▼ -0.7%	-
13,153,071	▼ -18.0%	All Other Revenue	4,658,776	▲ 95.5%	8,494,295	▼ -37.8%	-
224,537	▼ -64.7%	Other Sources	191,511	> 100%	33,026	▼ -94.7%	-

The forecast increase in revenue for FY 2019 is a slight decrease of -0.3% over FY 2018. The decrease is due to the timing of real estate revenue with respect to the 1st half (spring, FY 18) and 2nd half (fall, FY 19). Tax payments were likely paid earlier by taxpayers this year. All other revenue is projected to decline because of tax incentive payment arrears received in FY 2018 that are likely a one-time occurrence.

Revenue is up 4.5% through September because of state funding and all other revenue.

Revenue received through August totaled 31.84% of the annual projected total which is in line with the three-year average for prior years.

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



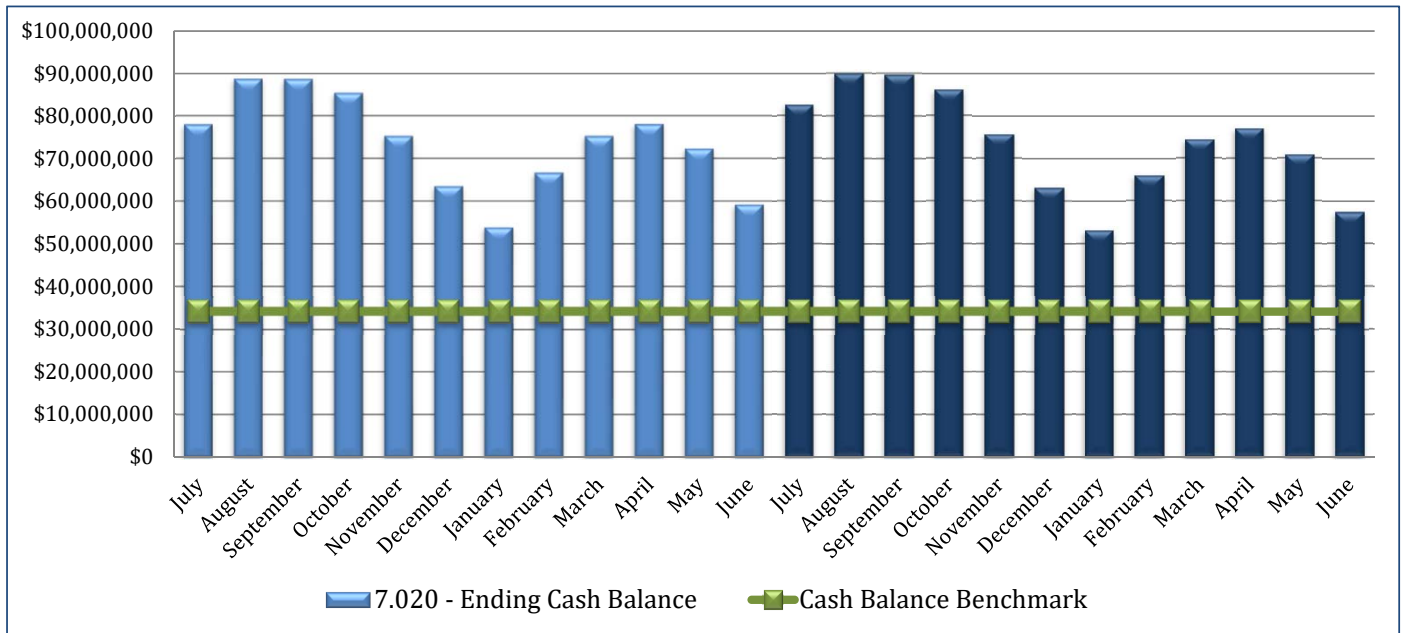
FY 19 Annual Expenditure Forecast, FYTD Actual, and Remaining Cash Flow Estimate

July - June Annual			July - September		October - 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	
344,174,593	▲ 1.6%	Total Expenditures	78,949,214	▲ 2.0%	265,225,379	▲ 1.6%	-
173,716,258	▲ 4.0%	Salaries	39,392,846	▲ 4.9%	134,323,412	▲ 3.7%	-
72,926,307	▼ -0.2%	Benefits	16,646,694	▼ -3.1%	56,279,613	▲ 0.7%	-
81,215,547	▲ 0.9%	Purchased Services	16,071,109	▼ -6.1%	65,144,438	▲ 2.8%	-
8,610,863	▼ -1.5%	Supplies	3,397,895	▲ 17.8%	5,212,969	▼ -11.0%	-
4,384,202	▲ 3.3%	Capital	1,998,084	▲ 21.8%	2,386,118	▼ -8.4%	-
3,191,416	▲ 7.7%	All Other Expenditures	1,367,586	▲ 31.2%	1,823,830	▼ -5.0%	-
130,000	▼ -93.8%	Other Uses	75,000	> 100%	55,000	▼ -97.4%	-

Total expenditures are projected to increase 1.6% in FY 2019 over FY 2018. Expenditures to-date are in line with past years and current projections.

Expenditures through September total 22.94% of the annual estimated total which is in line with the three-year average for prior years.

Monthly Cash Balance Projections



FY 2019 **FY 2020**

The district's cash balance is adequate through June 30, 2019

Step 2 - Projecting Collection Rate - Percent (%) of Current Levied Taxes Collected

CLASS I CURRENT TAXES	Tax Year >>>	2013	2014	2015	2016	2017
	Collection Year >>>	2014	2015	2016	2017	2018
Taxes Levied [Value x Rate]		85,148,479	83,305,591	83,026,228	82,726,814	82,659,360
Less Rollbacks & Homestead		(15,049,975)	(14,689,500)	(14,621,917)	(14,497,822)	(14,313,395)
Net Local Taxes Levied at 100%		70,098,504	68,616,092	68,404,311	68,228,991	68,345,965
Uncollected & Adjustments		(5,771,096)	(6,493,583)	(5,665,490)	(5,928,009)	(5,207,048)
Current Collected in FF Line 1.01		64,327,409	62,122,508	62,738,821	62,300,982	63,138,917
% of Levied Collected (Collection Rate)		91.77%	90.54%	91.72%	91.31%	
				Actual collection rate-both CY settlements in >>		92.38%
CLASS II CURRENT TAXES	Tax Year >>>	2013	2014	2015	2016	2017
	Collection Year >>>	2014	2015	2016	2017	2018
Taxes Levied at 100% [Value x Rate]		35,781,540	36,438,220	35,339,536	36,234,669	36,763,531
Uncollected & Adjustments		(4,377,653)	(3,105,138)	(1,975,485)	(2,486,736)	(2,854,003)
Current Collected in FF Line 1.01		31,403,888	33,333,082	33,364,052	33,747,933	33,909,528
% of Levied Collected (Collection Rate)		87.77%	91.48%	94.41%	93.14%	
						92.24%
Class I & II Current Real Estate Taxes		95,731,296	95,455,591	96,102,873	96,048,915	97,048,445

The county completed the 2nd half of property taxes for calendar year 2018. The results are encouraging in that the collection rates were slightly better than estimated. Class I (residential) was estimated at 91.5% and the actual results were 92.38%. The Class II (business) collection rate was 93.14% and 90% had been estimated.

		'19 v '18				
'19 v '18	11	12	13	14		
	Certified Salaries	Certified Leave	Certificated Other Comp	Classified Salaries	Classified Leave	
July	\$ 130,761	\$ -	\$ (500)	\$ 46,662	\$ -	
August	\$ 920,021	\$ -	\$ -	\$ 213,769	\$ -	
September	\$ -	\$ -	\$ -	\$ -	\$ -	
October	\$ -	\$ -	\$ -	\$ -	\$ -	
November	\$ -	\$ -	\$ -	\$ -	\$ -	
December	\$ -	\$ -	\$ -	\$ -	\$ -	
January	\$ -	\$ -	\$ -	\$ -	\$ -	
February	\$ -	\$ -	\$ -	\$ -	\$ -	
March	\$ -	\$ -	\$ -	\$ -	\$ -	
April	\$ -	\$ -	\$ -	\$ -	\$ -	
May	\$ -	\$ -	\$ -	\$ -	\$ -	
June	\$ -	\$ -	\$ -	\$ -	\$ -	
Total	\$ 1,050,782	\$ -	\$ (500)	\$ 260,431	\$ -	

Salaries paid in August spiked year-over-year and need researched. Certified was up \$920,021 for August and \$1,050,782 for the year, while classified was up \$213,769 in August and \$260,431 for the year.

**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
Sep 2017**

Book Balance		Bank Balance	
USAS Accounting System		Month End Bank Account Balances	
Beginning Balance	181,798,683.63	005 - PNC Practical Nursing	-
Plus Receipts	38,213,743.29	007 - PNC Oma Evans	150,180.29
Less Expenditures	41,824,739.92	008 - HNB Schumacher	85.60
Ending Balance	<u>178,187,687.00</u>	009 - STAR Ohio	10,057,275.83
		017 - HNB AP/Payroll/CN/SA	59,126,406.58
Outstanding Checks & Direct Deposits		018 - PNC Building Fund	2,012,853.57
005 - HNB Practical Nursing Checks	-	037 - USBank Construction	58,605,385.20
017 - HNB Accounts Payable Checks	522,670.74	038 - USBank PI Fund	15,305,607.92
017 - HNB Payroll Checks	239,473.78	039 - USBank General Fund	35,797,062.23
017 - HNB Deposit Outstanding on Munis	-		
	<u>762,144.52</u>		<u>181,054,857.22</u>
		Local Grant/Benefit CD's	
Pending Payroll Deductions		022 - HNB CD	35,313.60
Federal/Medicare Withholding	836,799.79	029 - HNB CD	5,000.00
State Tax	146,169.17	030 - HNB CD	-
City Tax	347,287.86	032 - HNB CD	92,388.38
SERS	34,399.86		<u>132,701.98</u>
School District Income Tax	2,148.10		
STRS	825,904.41	Investment Sweeps	
Valic	11,109.00	017 - HNB AP/Payroll/CN/SA	-
ING (Voya)	27,150.00		
Lincoln	5,568.00		<u>-</u>
Ohio Deferred Comp	10,844.94		
MG Trust (Aspire)	41,021.80		<u>-</u>
Towpath	-		
	<u>2,288,402.93</u>	Miscellaneous Bank Adjustments	
		Petty Cash	1,000.00
Miscellaneous Book Adjustments		Credit Card Charges to be Refunded	-
021 - Inventory Allowance	33,190.15	Outstanding Payroll Items	-
022 - Insurance Accrual	(84,719.31)	Outstanding Deposit	(1,138.16)
Timing Differences in Accounts Payable	513.40	Balancing Adj	(203.39)
	<u>(51,015.76)</u>		<u>(341.55)</u>
Adjusted Book Balance	\$ 181,187,218.69	Adjusted Bank Balance	\$ 181,187,217.65