



Akron Public Schools®

Monthly Financial Report

For the F.Y. 2018 Month Ending: May

Ryan Pendleton, CFO

Table of Contents

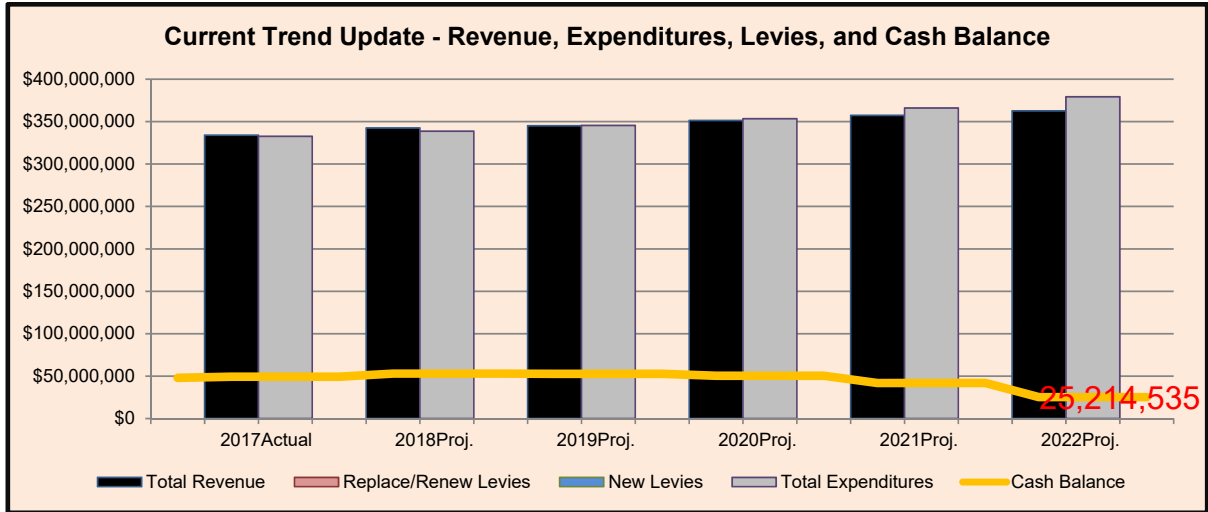
Overview	3
Updated Forecast Trend For The Month of May, F.Y. 2018	4
Fiscal Year To Date -- Year-Over-Year Revenue Comparison	5
Fiscal Year To Date -- Year-Over-Year Expenditure Comparison	6
Fiscal Year To Date (July - May) Actual Revenue Compared to Estimates	7
Fiscal Year To Date (July - May) Actual Expenditures Compared to Estimates	8
Monthly Cash Balance Estimates Fiscal Years 2018 and 2019	9
Enrollment Review - SFPR	10

Overview

The district's forecast was updated in May, 2018 and actual cash flow results in may are positive relative to the forecasted amounts.

The district's enrollment according to the district data submitted to the Ohio Department of Education has generated consistent results in recent weeks. The data also reveals a stabilizing enrollment environment (see page 10).

Updated Forecast Trend For The Month of May, F.Y. 2018



Projected Revenue Surplus/(Shortfall) by Year

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenue Surplus/ (Shortfall)	\$3,720,839	(\$412,131)	(\$2,167,258)	(\$8,585,643)	(\$16,577,785)

Forecast Updated Trend
Compared to Updated Trend Forecast as of 6/13/2018

Variance between Prior and Current Forecast:	2018	2019	2020
Current Forecast Revenue Trend OVER/ UNDER Prior	0.00%	-0.03%	-0.03%
Current Forecast Expenditure Trend OVER/ UNDER Prior	0.00%	0.00%	0.00%
Cumulative Variance \$\$\$ Impact on Ending Cash Balance	\$1,968	(\$88,674)	(\$182,201)

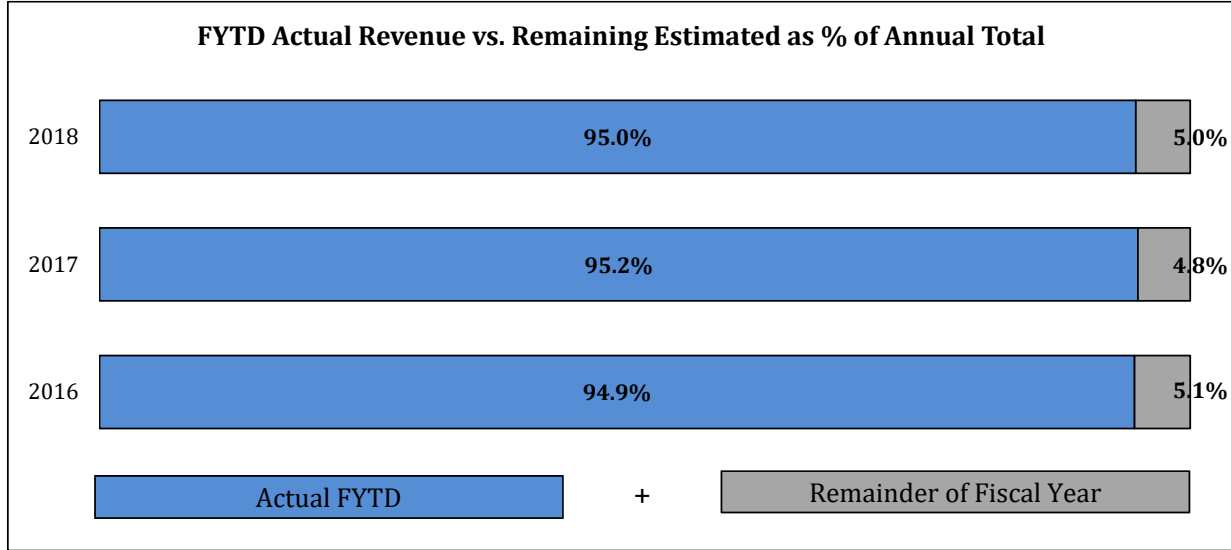
What are the current forecast trends?

The district's forecast was updated in May and continues a trend toward growing revenue shortfall.

The district is expected to operate at a revenue surplus in this fiscal year ending June 30, 2018. The surplus is attributed to budget cuts started in prior years. These prior year cuts are helping the district to contain growth in the revenue shortfall and preserve a positive cash balance through FY 2020.

Fiscal Year To Date -- Year-Over-Year Revenue Comparison

Analysis of actual revenue for the fiscal year period July - May.



Percent of Annual Total		Actual Fiscal Year To Date Revenue, July - May			F.Y. 2018	
		2016 FYTD	2017 FYTD	2018 FYTD	YOY Change	
30.1%	Real Estate Taxes	101,059,345	104,085,484	103,248,883	\$ (836,601)	-0.8%
0.0%	Public Utility PP Taxes	8,566,739	9,355,002	10,051,180	\$ 696,177	7.4%
0.0%	Income Tax	-	-	-	\$ -	0.0%
58.8%	State Aid (Formula + Rest)	178,128,082	180,201,438	185,159,195	\$ 4,957,757	2.8%
4.2%	State Tax Reimb.	17,486,398	14,561,203	14,410,473	\$ (150,730)	-1.0%
3.9%	Other Revenue	11,701,029	9,837,916	12,642,155	\$ 2,804,238	28.5%
0.0%	Other Sources	45,635	21,003	632,431	\$ 611,428	2911.1%
100%	Total Revenue	316,987,229	318,062,046	326,144,316	\$ 8,082,269	2.5%
Total YOY Percentage Change					2.5%	

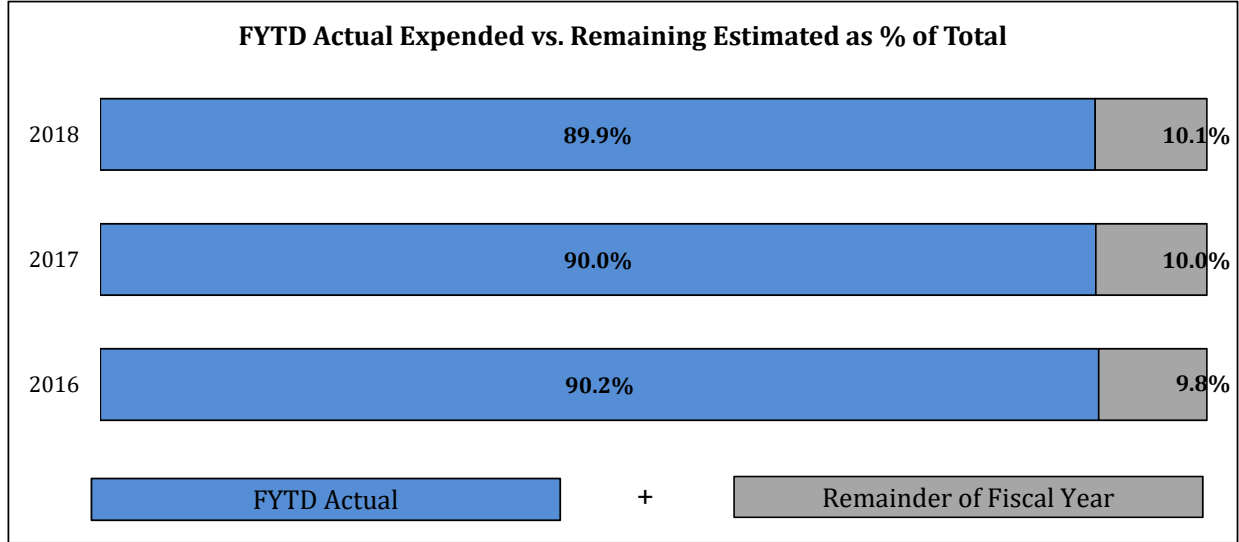
How does fiscal year-to-date revenue compare to prior years?

The district's has received 95% of its annual FY 2018 revenue through May, 2018. This is only slightly behind last year's pace level of 95.2%,

Total revenue is up 2.5% over last year led by the increase in State Aid and Other Revenue. The State Aid is in line with projections. Other revenue mostly increased because of Tax Incentive Payments from the City of Akron.

Fiscal Year To Date -- Year-Over-Year Expenditure Comparison

Analysis of Actual Expenditures for the fiscal year period July - May.

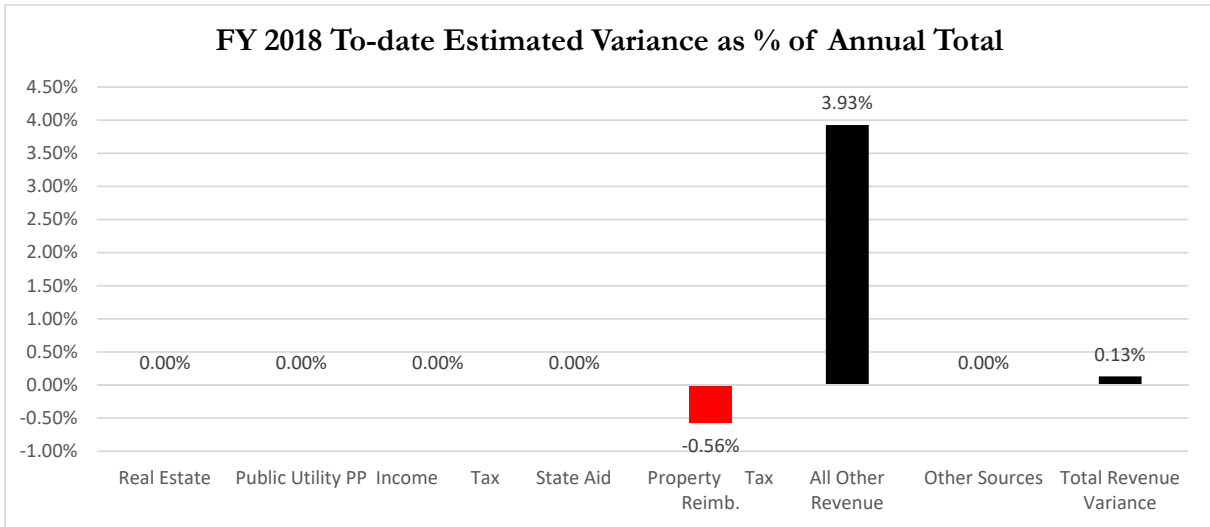


Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - May			F.Y. 2018	
		2016 FYTD	2017 FYTD	2018 FYTD	YOY Change	
49.9%	Salaries	145,322,688	148,272,233	150,849,254	\$ 2,577,022	1.7%
21.5%	Benefits	62,092,184	66,930,750	66,698,148	\$ (232,602)	-0.3%
23.7%	Purchased Services	71,622,855	72,711,562	72,109,814	\$ (601,748)	-0.8%
2.6%	Supplies	4,254,939	6,417,825	7,709,458	\$ 1,291,634	20.1%
1.2%	Capital	3,147,783	1,530,872	3,157,232	\$ 1,626,360	106.2%
0.0%	Debt, Intergov	-	-	-	\$ -	0.0%
0.9%	Other Objects	3,086,193	3,215,678	2,778,920	\$ (436,757)	-13.6%
0.2%	Other Uses	26,815	267,648	1,220,707	\$ 953,058	356.1%
100%	Total Expenditures	289,553,458	299,346,568	304,523,534	\$ 5,176,966	
Total YOY Percentage Change						1.7%

How do fiscal year-to-date expenditures compare to prior years?

Expenditures are up just 1.7% over last year in response to cost containment efforts including health insurance and building closures. Expenditures through May total 89.9% of the annual forecasted total.

Fiscal Year To Date (July - May) Actual Revenue Compared to Estimates

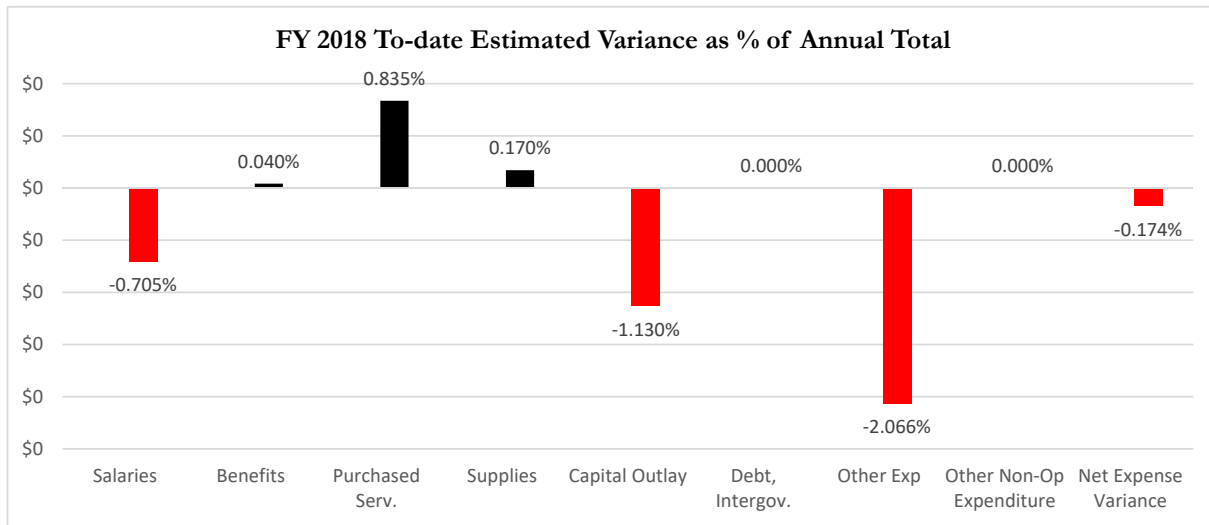


		2018 FYTD	2018 FYTD	2018 FYTD
		Actual	Estimated	Actual Over/
		July	July	(Under)
		through	through	Estimated
		May	May	Variance
Revenue:				
For the F.Y. 2018 Period: July - May				
K	Real Estate Taxes	103,248,883	103,248,883	-
L	Public Utility PP Taxes	10,051,180	10,051,180	-
M	Income Tax	-	-	-
N	State Aid (Formula + Restricted)	185,159,195	185,154,395	4,800
P	State Tax Reimb.	14,410,473	14,492,222	(81,749)
Q	Other Revenue	12,642,155	12,121,996	520,158
R	Total Operating Revenue	325,511,885	325,068,676	443,209
S	Other Non-Op Revenue	632,431	632,431	-
T	Total Operating Revenue Plus Other Sources	326,144,316	325,701,106	443,209

How do FYTD revenue cash flow estimates compare to actual?

Other revenue exceeded the May estimated amount by \$520,158 because of investment earnings and tuition.

Fiscal Year To Date (July - May) Actual Expenditures Compared to Estimates

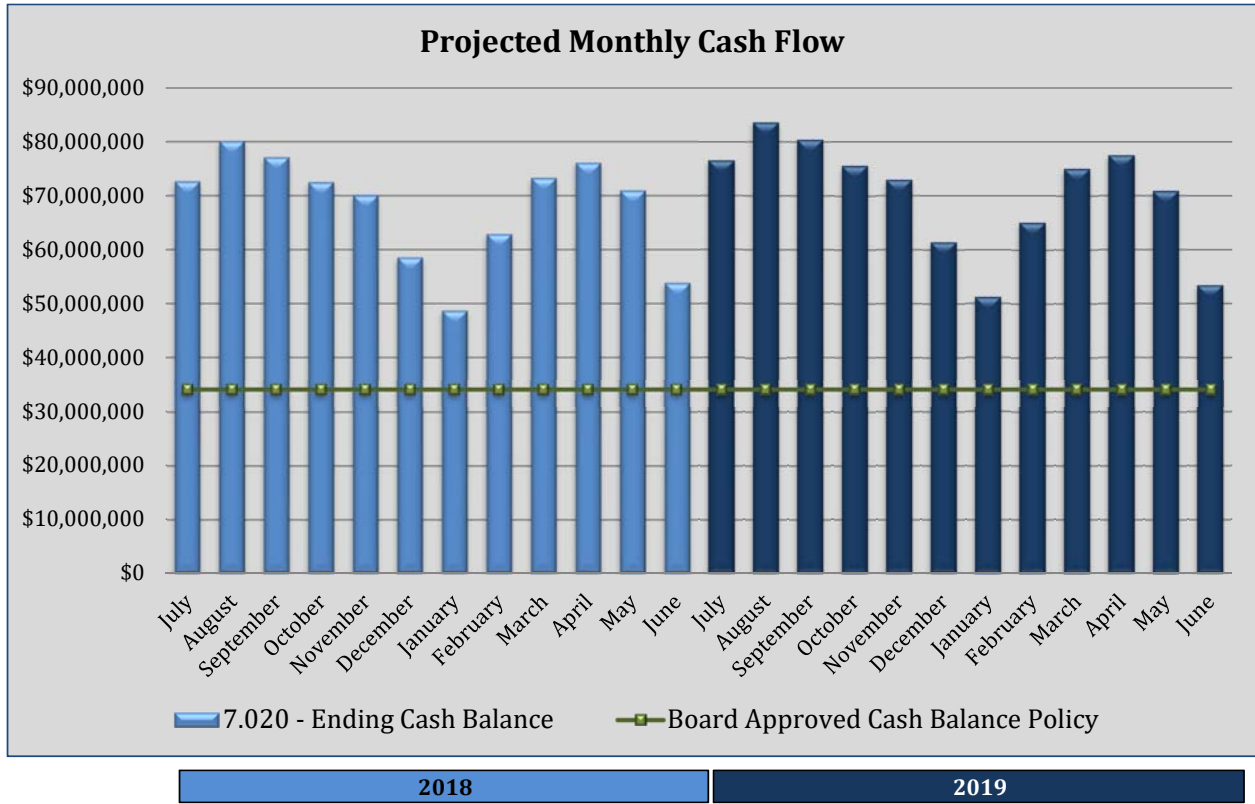


Expenditures:		Actual	Estimated	Actual Over/ (Under) Estimate Variance
For the F.Y. 2018 Period: July - May		July - May	July - May	
K	Salaries	150,849,254	152,041,719	(1,192,464)
L	Benefits	66,698,148	66,668,830	29,318
M	Purchased Services	72,109,814	71,440,387	669,427
N	Supplies	7,709,458	7,694,549	14,909
O	Capital	3,157,232	3,204,732	(47,500)
P	Debt, Intergov.	-	-	-
Q	Other Objects	2,778,920	2,840,403	(61,482)
R	Total Operating Expenditures	303,302,827	303,890,620	(587,793)
S	Other Non-Op Expenditures	1,220,707	1,220,707	-
T	Total Operating Expenditures Plus Other Uses	304,523,534	305,111,327	(587,793)

How do FYTD expenditure cash flow estimates compare to actual?

Net expenditures are under estimated and led by salaries. Part of the favorable salary results are offset by increase purchased services costs.

Monthly Cash Balance Estimates Fiscal Years 2018 and 2019



Monthly cash flow estimates

Cash reserves are adequate to cover monthly fluctuation.

Enrollment Review

Akron City SD

Line	FYE 2016	FYE 2017	FY 2018	
			April #1	April #2
1 Formula ADM	26,789	26,693	26,587	26,610
2 Resident / Adjusted Total ADM	26,788	26,692	26,587	26,610
3 Resident ADM (District Educated)	19,988	20,147	20,014	20,031
4 Open Enrollment In ADM	593	657	653	649
5 Open Enrollment Out ADM	1,981	2,081	2,069	2,069
6 Community School ADM	3,455	3,041	3,034	3,040
7 Scholarship ADM	1,363	1,421	1,470	1,470
8 Career Tech ADM (Incl. Contract)	2	2	1	1
9 Limited English Proficient ADM	1,514	1,738	1,840	1,850
10 Special Education ADM	4,646	4,538	4,564	4,586
11 Economic Disadvantaged ADM	24,161	24,107	23,933	23,949
12 Economic Disadvantaged %	90.2%	90.3%	90.0%	90.0%

The enrollment data that the district has submitted to the Ohio Department of Education has remained consistent the past several weeks.

The data at the end of April reveals that formula ADM continues to increase since FY 2016. Tuition students have also stabilized. Community school enrollment has decreased significantly since FY 2016.

If the stabilizing enrollment and restrained tuition student growth continues, it will contribute toward a more sustainable operating pattern.



**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
May 2018**

Book Balance	Bank Balance
USAS Accounting System	Month End Bank Account Balances
Beginning Balance 180,052,826.45	005 - PNC Practical Nursing -
Plus Receipts 41,792,704.93	007 - PNC Oma Evans 150,300.80
Less Expenditures 52,018,496.03	008 - HNB Schumacher 103.34
Ending Balance <u>169,827,035.35</u>	009 - STAR Ohio 10,157,850.68
	017 - HNB AP/Payroll/CN/SA 48,835,337.83
Outstanding Checks & Direct Deposits	018 - PNC Building Fund 2,014,309.68
005 - HNB Practical Nursing Checks -	021 - HNB FSA Account 262,678.11
017 - HNB Accounts Payable Checks 851,677.17	025 - KeyBank 9,982,512.15
017 - HNB Payroll Checks 127,730.96	037 - USBank Construction 42,458,066.31
017 - HNB Deposit Outstanding on Munis -	038 - USBank PI Fund 15,450,049.95
<u>979,408.13</u>	039 - USBank General Fund 43,172,499.77
	<u>172,483,708.62</u>
Pending Payroll Deductions	Local Grant/Benefit CD's
Federal/Medicare Withholding 628,528.11	022 - HNB CD 35,313.60
State Tax 131,246.49	029 - HNB CD 5,000.00
City Tax 407,999.03	030 - HNB CD -
SERS 29,709.86	032 - HNB CD 92,669.39
School District Income Tax 1,693.01	<u>132,982.99</u>
STRS 765,508.99	
AXA 35,939.00	Flex Spending Account
Valic 11,141.00	Prefunded Account 20,000.00
Ameriprise 6,252.50	Withdrawals (Claims) 167,345.84
Lincoln -	Settlement Credit (6.95)
Ohio Deferred Comp 9,316.60	Service Charges 40.00
MG Trust (Aspire) (125.00)	<u>187,378.89</u>
Towpath (42,588.97)	
<u>1,984,620.62</u>	
Miscellaneous Book Adjustments	Miscellaneous Bank Adjustments
021 - Inventory Allowance 54,678.06	Petty Cash 1,000.00
022 - Insurance Accrual (42,280.06)	Bank Charges to be Refunded -
Timing Differences in Accounts Payable 268.99	Outstanding Items (1,339.41)
Timing Differences in Accounts Receivable -	<u>(339.41)</u>
<u>12,666.99</u>	
Adjusted Book Balance \$ 172,803,731.09	Adjusted Bank Balance \$ 172,803,731.09