



**Akron Public
Schools.**

Monthly Financial Report

FY 2019 Cash Flow Activity Through: August

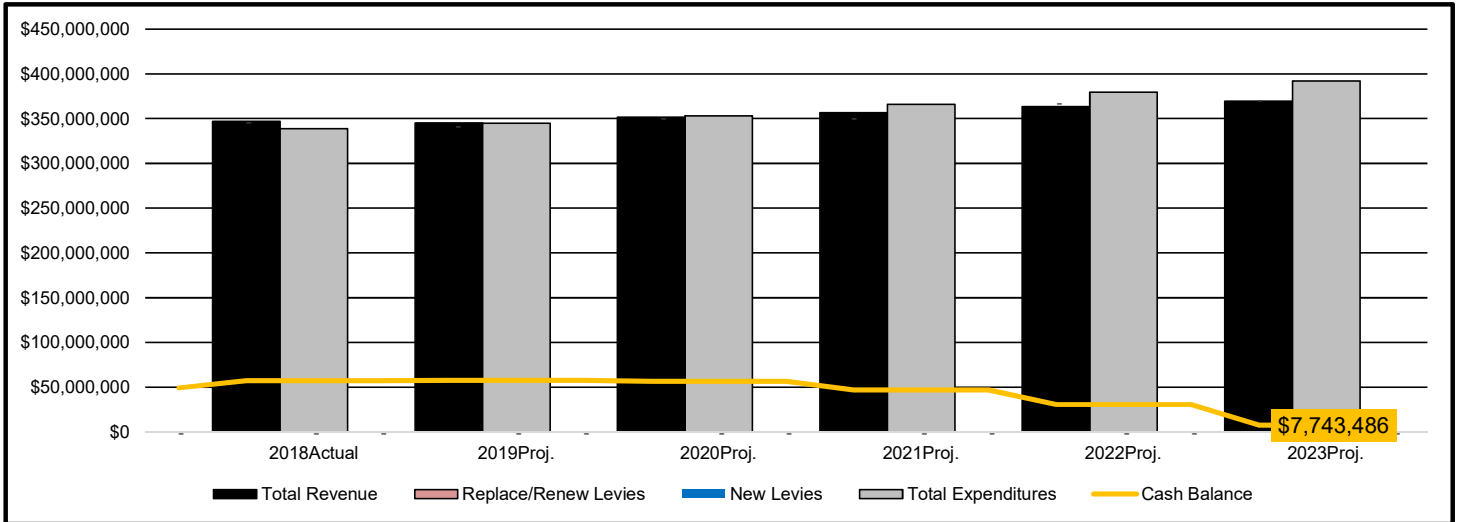
Ryan Pendleton, CFO

9/16/2018

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Current Forecast Results through August
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.

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)	317,236	(1,336,886)	(9,436,953)	(16,294,945)	(22,964,545)

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

FY 19 Analysis of Month of August Actual and Estimated

August		Revenue		August	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
36,813,011	▲ 3,982,735	12.1%	Total Revenue	36,813,011	▼ (0)
17,637,464	▲ 2,766,162		Real Estate Taxes	17,637,464	-
-	-		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
17,770,426	▲ 620,275		State Revenue	17,770,426	▲ 0
-	-		Prop Tax Allocation	-	-
1,230,584	▲ 421,761		Other Revenue	1,230,584	-
174,537	▲ 174,537		Other Sources	174,537	▼ (0)

August		Expenditures		August	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
26,139,029	▲ 834,540	3.3%	Total Expenditures	26,139,029	-
13,152,128	▲ 1,134,478		Salaries	13,152,128	-
5,208,800	▼ (132,333)		Benefits	5,208,800	-
5,343,457	▼ (1,322,876)		Purchased Services	5,343,457	-
1,721,140	▲ 883,102		Supplies	1,721,140	-
597,284	▲ 384,052		Capital	597,284	-
41,220	▼ (186,884)		Other Expenses	41,220	-
75,000	▲ 75,000		Other Uses & Debt	75,000	-

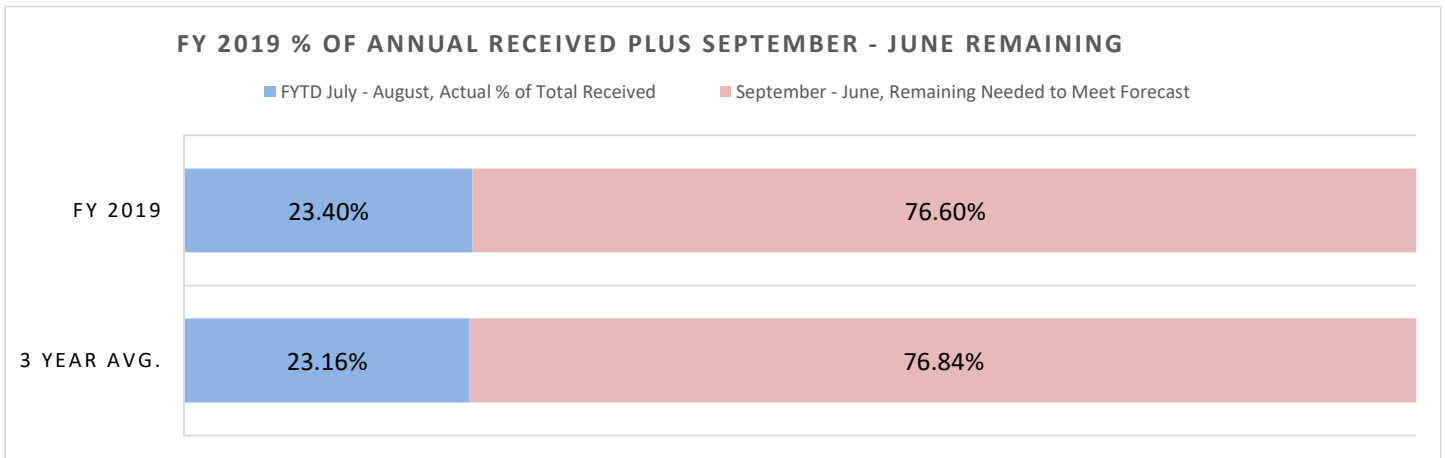
Year-Over-Year Cash Balance Comparison

	FY 2018	FY 2019	Yr-Over-Yr Change
August, End of Month Cash Balance	80,075,267	88,709,404	8,634,138

Revenue is up for the month of August by 12.1% over last year. The increase is attributable to the timing of real estate revenue received from the county auditor. Also, state funding is up primarily because of a \$360,000 correction from FY 2018 that was received in August.

Expenditures are up 3.3% and in line with expectations except for purchased services. Purchased services were lower than last year because of the state's estimate for charter schools (currently reflects a \$3.5 million decrease over FY 2018).

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



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

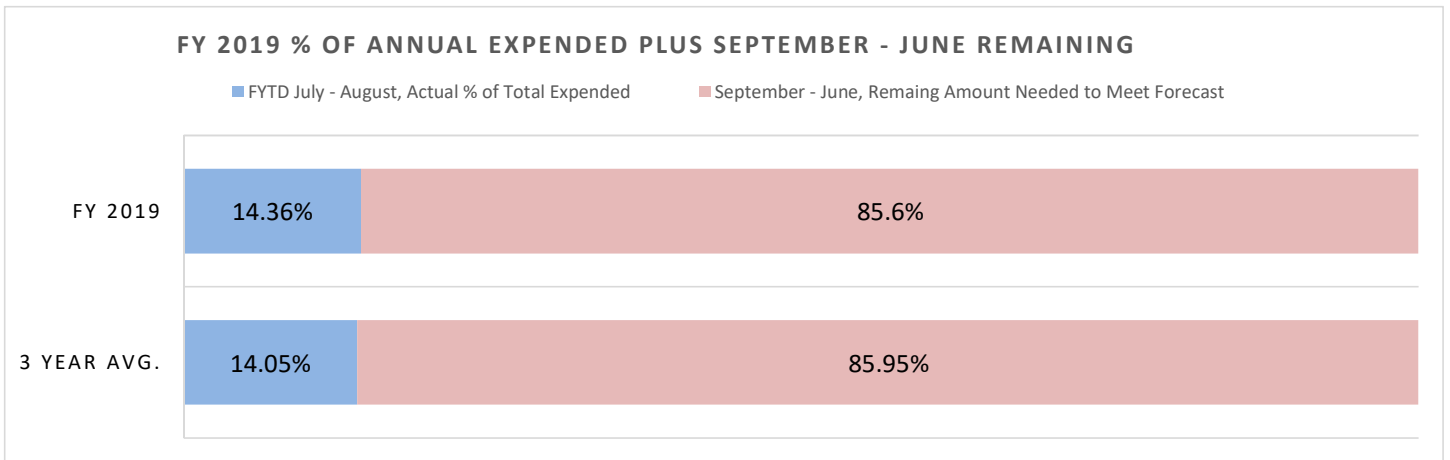
July - June Annual		July - August		September - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
FY 2019 Forecast Amount	YOY Change	FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
345,046,875	▼ -0.5%	80,749,561	▲ 2.2%	264,297,315	▼ -1.3%	-
Total Revenue						
102,303,488	▼ -0.9%	43,713,593	▼ -0.3%	58,589,896	▼ -1.4%	-
10,377,219	▲ 3.2%	-	0.0%	10,377,219	▲ 3.2%	-
-	0.0%	-	0.0%	-	0.0%	-
204,419,772	▲ 1.0%	34,551,729	▲ 3.6%	169,868,043	▲ 0.5%	-
14,304,214	▼ -0.7%	-	0.0%	14,304,214	▼ -0.7%	-
13,435,645	▼ -16.2%	2,302,692	▲ 25.0%	11,132,953	▼ -21.6%	-
206,537	▼ -67.5%	181,547	> 100%	24,989	▼ -96.0%	-

The forecast increase in revenue for FY 2019 is a slight decrease of -0.5% 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 2.2% through August because of state funding and all other revenue.

Revenue received through August totaled 23.40% of the annual projected total which is in line with prior years.

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

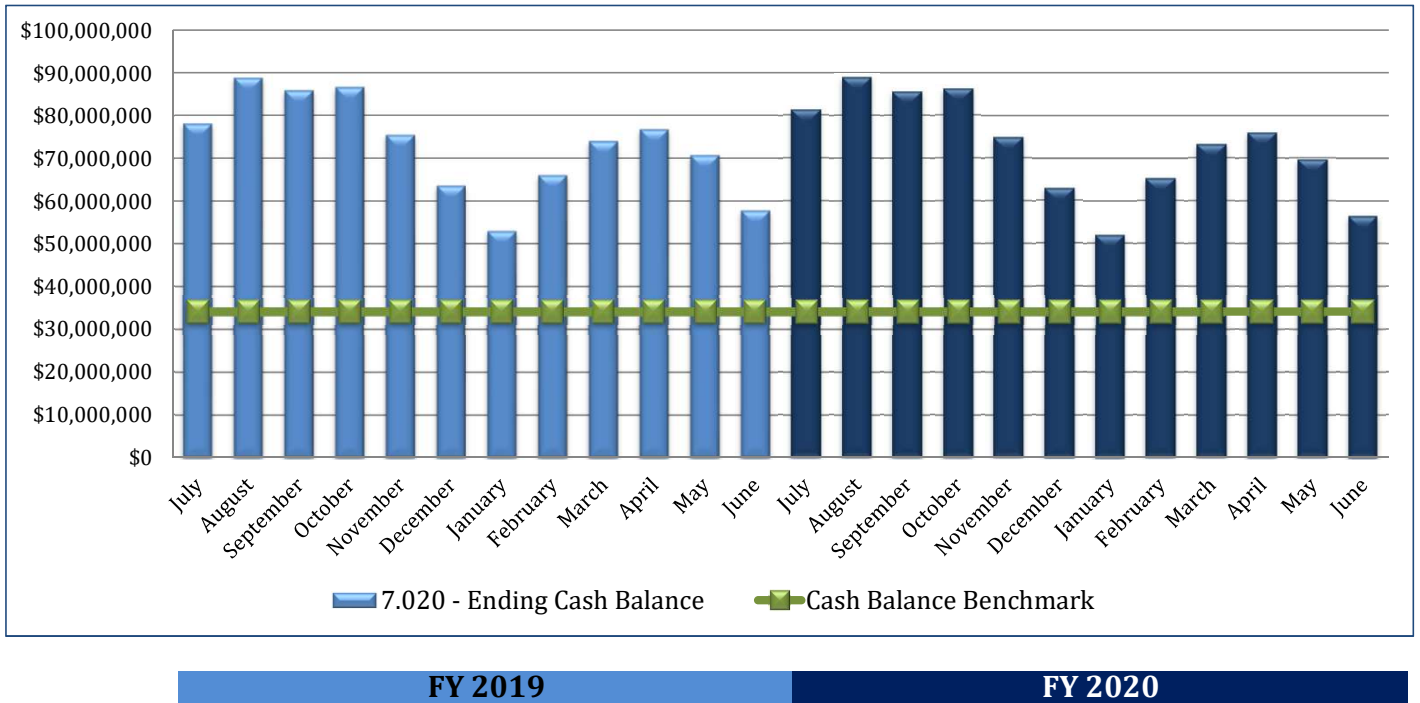


FY 19 Annual Expenditure Forecast, FYTD Actual, and Remaining Cash Flow Estimate

July - June Annual			July - August		September - 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	
344,729,639	▲ 1.8%	Total Expenditures	49,499,736	▲ 2.7%	295,229,902	▲ 1.7%	-
173,109,009	▲ 3.6%	Salaries	24,981,583	▲ 5.5%	148,127,426	▲ 3.3%	-
74,182,515	▲ 1.5%	Benefits	10,194,352	▼ -3.8%	63,988,163	▲ 2.4%	-
81,304,511	▲ 1.1%	Purchased Services	10,093,194	▼ -11.6%	71,211,317	▲ 3.1%	-
8,427,986	▼ -3.6%	Supplies	2,688,707	>100%	5,739,279	▼ -24.8%	-
4,384,202	▲ 3.3%	Capital	1,209,093	▲ 3.5%	3,175,109	▲ 3.2%	-
3,191,416	▲ 7.7%	All Other Expenditures	257,808	▲ 6.7%	2,933,609	▲ 7.8%	-
130,000	▼ -93.8%	Other Uses	75,000	> 100%	55,000	▼ -97.4%	-

Total expenditures are projected to increase 1.8% in FY 2019 over FY 2018. Expenditures to-date are in line with past years and current projections.

Monthly Cash Balance Projections



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.

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 will be 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
Aug 2018**

Book Balance	Bank Balance
USAS Accounting System	Month End Bank Account Balances
Beginning Balance 179,392,461.51	005 - PNC Practical Nursing -
Plus Receipts 44,139,239.85	007 - PNC Oma Evans 150,364.60
Less Expenditures 38,696,429.98	008 - HNB Schumacher 103.34
Ending Balance <u>184,835,271.38</u>	009 - STAR Ohio 10,210,109.68
	017 - HNB AP/Payroll/CN/SA 72,370,222.99
Outstanding Checks & Direct Deposits	018 - PNC Building Fund 2,015,345.78
005 - HNB Practical Nursing Checks -	021 - HNB FSA Account 164,364.28
017 - HNB Accounts Payable Checks 882,428.54	025 - KeyBank 10,025,002.67
017 - HNB Payroll Checks 76,962.80	037 - USBank Construction 33,857,771.98
017 - HNB Deposit Outstanding on Munis -	038 - USBank PI Fund 15,473,179.91
<u>959,391.34</u>	039 - USBank General Fund 43,332,015.16
	<u>187,598,480.39</u>
Pending Payroll Deductions	Local Grant/Benefit CD's
Federal/Medicare Withholding 621,945.25	022 - HNB CD 40,436.24
State Tax 129,987.74	029 - HNB CD 5,000.00
City Tax 353,348.20	030 - HNB CD -
SERS 6,979.15	032 - HNB CD 92,669.39
School District Income Tax 1,488.62	<u>138,105.63</u>
STRS 759,485.48	
AXA 34,459.00	Flex Spending Account
Valic 36,628.28	Prefunded Account -
ING (VOYA) 28,539.00	Withdrawals (Claims) 62,220.08
Ameriprise 4,252.50	Settlement Credit 200.38
Lincoln 5,513.51	Service Charges -
Ohio Deferred Comp 9,426.60	<u>62,420.46</u>
MG Trust (Aspire) 16,422.13	
<u>2,008,475.46</u>	
Miscellaneous Book Adjustments	Miscellaneous Bank Adjustments
021 - Inventory Allowance 67,410.97	Petty Cash 1,000.00
022 - Insurance Accrual (64,814.10)	Bank Charges to be Refunded 30.00
Timing Differences in Accounts Payable (270.00)	Outstanding Items 5,428.57
Timing Differences in Accounts Receivable -	<u>6,458.57</u>
<u>2,326.87</u>	
Adjusted Book Balance \$ 187,805,465.05	Adjusted Bank Balance \$ 187,805,465.05