



**Akron Public
Schools.**

Monthly Financial Report

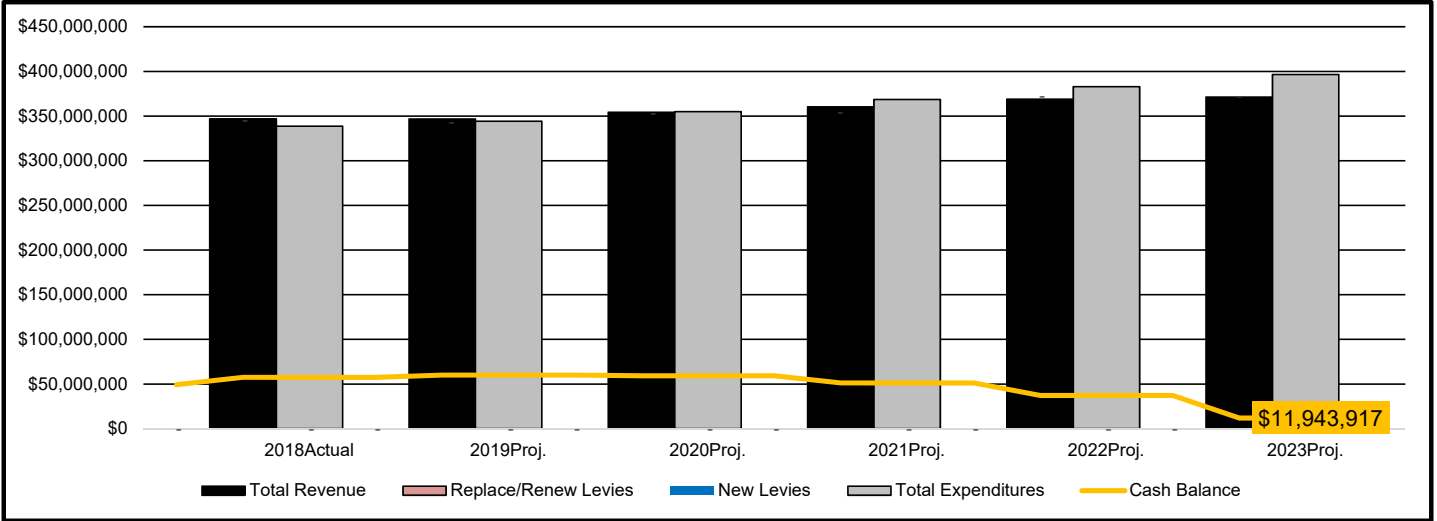
FY 2019 Cash Flow Activity Through: November

Ryan Pendleton, CFO

12/20/2018

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Current Forecast Results through November
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 in November primarily because of the timing of property tax allocation.

Total FY 2019 expenditures through November are running higher than estimated and as page 6 indicates the expenditures could top the original forecasted amounts.

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)	2,560,919	(697,189)	(8,216,086)	(13,947,037)	(25,216,269)

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



FY 19 Analysis of Month of November Actual and Estimated

November		Revenue		November	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
17,987,248	▼ (6,607,708)	-26.9%	Total Revenue	17,341,754	▲ 645,494
-	-		Real Estate Taxes	-	-
-	▼ (4,700)		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
17,157,544	▲ 409,174		State Revenue	16,917,479	▲ 240,065
-	▼ (7,261,870)		Prop Tax Allocation	-	-
829,704	▲ 264,004		Other Revenue	424,275	▲ 405,429
-	▼ (14,317)		Other Sources	-	-

November		Expenditures		November	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
30,387,692	▲ 3,498,181	13.0%	Total Expenditures	27,512,961	▲ 2,874,732
16,251,491	▲ 2,431,702		Salaries	14,338,031	▲ 1,913,460
6,535,262	▲ 309,692		Benefits	6,165,570	▲ 369,692
6,776,472	▲ 554,574		Purchased Services	6,396,111	▲ 380,361
696,084	▲ 342,021		Supplies	361,145	▲ 334,940
93,261	▼ (109,339)		Capital	202,600	▼ (109,339)
35,123	▼ (16,152)		Other Expenses	48,147	▼ (13,024)
-	▼ (14,317)		Other Uses & Debt	1,358	▼ (1,358)

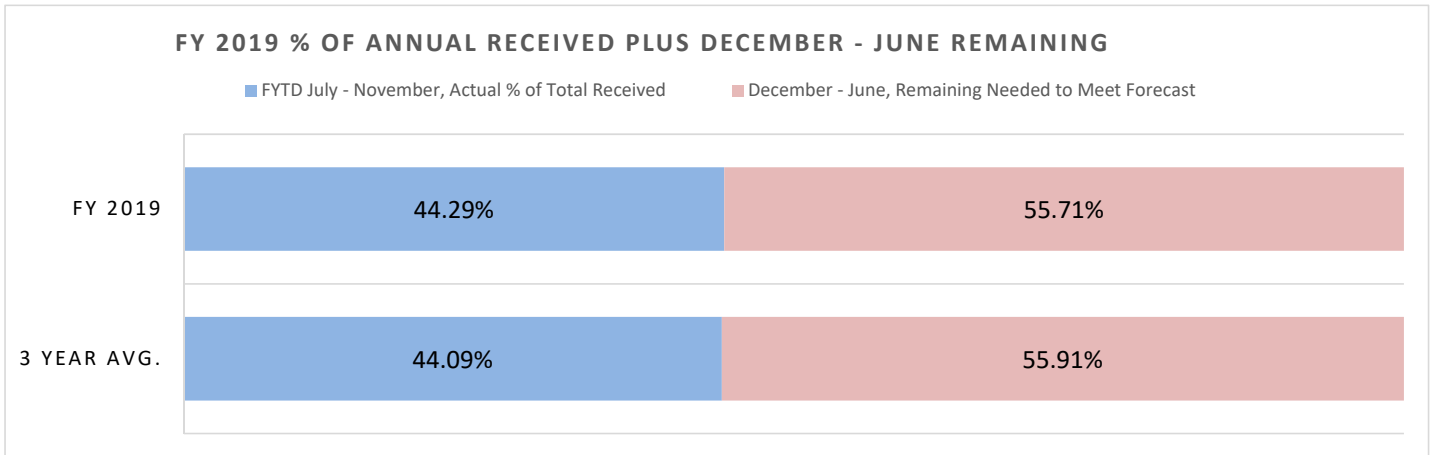
Year-Over-Year Cash Balance Comparison

	FY 2018	FY 2019	Yr-Over-Yr Change
November, End of Month Cash Balance	70,365,986	73,572,156	3,206,170

Revenue through November was down -26.9% but this was primarily due to the timing of property tax allocation payments from the state that was received in October of this year versus November of last year. Actual revenue exceeded estimates for the month, the overall variance is small and is likely timing for the categories of state revenue and other revenue.

Expenditures are up 13.0% over last year.

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



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

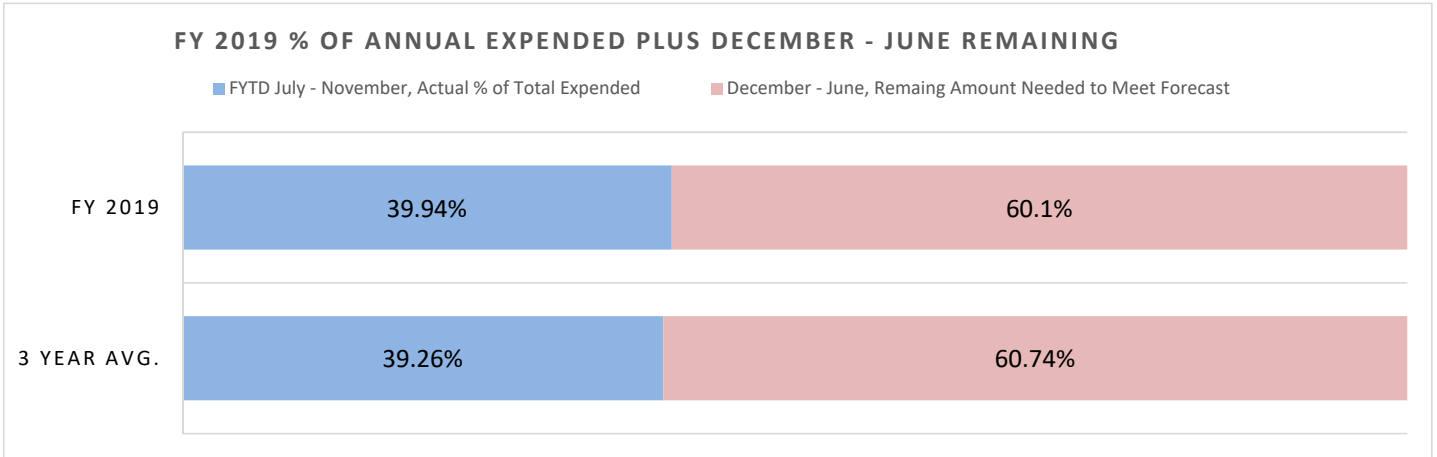
July - June Annual			July - November		December - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
FY 2019 Forecast Amount	YOY Change		FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
346,735,512	▼ 0.0%	Total Revenue	153,574,475	▲ 0.6%	193,163,033	▼ -0.5%	▲ 1,995
102,763,145	▼ -0.5%	Real Estate Taxes	48,457,135	▼ -0.1%	54,306,011	▼ -0.8%	▲ 1
10,473,035	▲ 4.2%	Public Utility PP Taxes	5,098,458	▲ 3.0%	5,374,577	▲ 5.4%	-
-	0.0%	Income Tax	-	0.0%	-	0.0%	-
205,803,128	▲ 1.7%	State Funding	86,491,804	▲ 1.7%	119,311,324	▲ 1.6%	-
14,318,596	▼ -0.6%	Property Tax Allocation	7,171,315	▼ -1.3%	7,147,281	▲ 0.0%	-
13,153,071	▼ -18.0%	All Other Revenue	6,162,258	▼ -10.4%	6,990,814	▼ -23.7%	-
224,537	▼ -64.7%	Other Sources	193,505	> 100%	33,026	▼ -94.2%	▲ 1,994

Note: Remaining Estimated Cash Flow, if realized, would result in total revenue being \$1,995 higher than forecast.

The district has received 44.29% of its total annual revenue which is similar to the three-year average of 44.09%.

The actual plus remaining estimated cash flow support the annual projections.

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



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

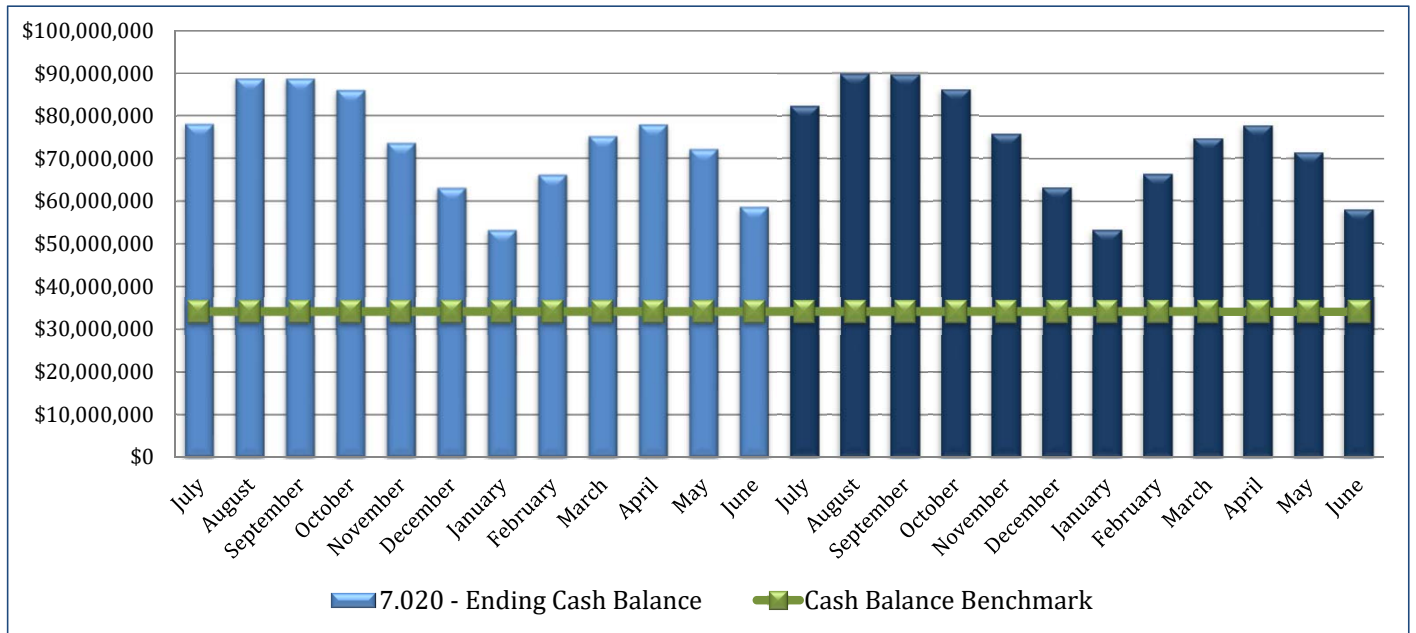
July - June Annual			July - November		December - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
FY 2019 Forecast Amount	YOY Change		FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
344,174,593	▲ 1.6%	Total Expenditures	137,461,899	▲ 4.5%	208,103,487	▲ 0.5%	▲ 1,390,793
173,716,258	▲ 4.0%	Salaries	70,324,248	▲ 7.7%	104,281,304	▲ 2.5%	▲ 889,294
72,926,307	▼ -0.2%	Benefits	29,208,583	▼ -1.5%	43,936,013	▲ 1.2%	▲ 218,290
81,215,547	▲ 0.9%	Purchased Services	29,091,294	▼ -1.7%	52,327,263	▲ 2.8%	▲ 203,010
8,610,863	▼ -1.5%	Supplies	5,030,733	▲ 27.1%	3,720,130	▼ -22.3%	▲ 140,000
4,384,202	▲ 3.3%	Capital	2,280,449	▲ 15.0%	2,043,388	▼ -9.6%	▼ (60,365)
3,191,416	▲ 7.7%	All Other Expenditures	1,450,698	▲ 28.4%	1,741,747	▼ -4.9%	▲ 1,029
130,000	▼ -93.8%	Other Uses	75,894	> 100%	53,642	▼ -97.4%	▼ (464)

Note: Remaining Estimated Cash Flow, if realized, would result in total expenditures being \$1,390,793 higher than forecast.

The district has expended 39.94% of the annual forecasted total for FY 2019 which is higher than the three-year average of 39.26%. This acceleration in the timing of expenditures could lead to some increase to the forecasted FY 2019.

The forecasted FY 2019 expenditure are expected to grow 1.6% but spending to-date is up 4.5%. The salary and benefit categories are contributing the most to the potential forecast variance of \$1,390,793.

Monthly Cash Balance Projections



FY 2019 **FY 2020**

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



Line	Akron City SD	SFPR Data							
		FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	Nov #2 FY 2019	Oct #2 FY 2019	Sept #2 FY 2019
1	Formula ADM	27,192.41	27,068.01	26,788.77	26,692.59	26,527.63	26,528.36	26,467.26	26,110.75
			-0.46%	-1.03%	-0.36%	-0.62%	0.00%	-0.23%	-1.35%
2	Resident / Adjusted Total ADM	27,192.81	27,067.00	26,788.47	26,692.23	26,527.49	26,528.75	26,467.75	26,110.61
			-0.46%	-1.03%	-0.36%	-0.62%	0.00%	-0.23%	-1.35%
3	Resident ADM (District Educated)	20,649.81	20,179.10	19,986.65	20,146.93	20,035.59	20,097.27	20,099.03	20,034.86
			-2.28%	-0.95%	0.80%	-0.55%	0.31%	0.01%	-0.32%
4	Total District Educated ADM	21,156.80	20,779.70	20,579.55	20,804.37	20,696.86	20,751.63	20,740.50	20,696.13
			-1.78%	-0.96%	1.09%	-0.52%	0.26%	-0.05%	-0.21%
5	Open Enrollment In ADM	506.99	600.60	592.90	657.44	661.27	654.36	641.47	661.27
			18.46%	-1.28%	10.89%	0.58%	-1.04%	-1.97%	3.09%
6	Open Enrollment Out ADM	1,755.93	1,871.69	1,981.31	2,080.91	2,064.61	2,001.54	1,985.07	2,064.61
			6.59%	5.86%	5.03%	-0.78%	-3.05%	-0.82%	4.01%
7	Community School ADM	3,711.10	3,761.15	3,454.58	3,041.30	2,955.60	2,879.84	2,839.50	2,538.73
			1.35%	-8.15%	-11.96%	-2.82%	-2.56%	-1.40%	-10.59%
8	Scholarship ADM	1,075.47	1,255.06	1,365.93	1,423.09	1,471.69	1,549.55	1,544.10	1,471.69
			16.70%	8.83%	4.18%	3.42%	5.29%	-0.35%	-4.69%
9	Career Tech ADM (Incl. Contract)	0.50	-	-	-	-	0.55	0.05	0.72
			-100.00%	0.00%	0.00%	0.00%	0.00%	-90.91%	1340.00%
10	Limited English Proficient ADM	1,185.15	1,363.07	1,513.93	1,738.17	1,862.91	1,862.90	1,863.35	1,857.91
			15.01%	11.07%	14.81%	7.18%	0.00%	0.02%	-0.29%
11	Economic Disadvantaged ADM	24,697.31	24,555.37	24,160.72	24,106.94	23,883.34	23,500.63	23,500.63	23,500.63
			-0.57%	-1.61%	-0.22%	-0.93%	-1.60%	0.00%	0.00%
12	Economic Disadvantaged %	90.82%	90.72%	90.19%	90.31%	90.03%	88.59%	88.79%	90.00%
			-0.11%	-0.58%	0.14%	-0.31%	-1.61%	0.23%	1.37%
13	Special Education ADM	4,632.92	4,678.30	4,646.49	4,537.93	4,617.31	4,675.32	4,569.33	4,532.44
			0.98%	-0.68%	-2.34%	1.75%	1.26%	-2.27%	-0.81%

* Contract JVS not available on SFPR in FY2015

The first four lines of enrollment data above indicate very little year-over-year change in terms of formula ADM and students served.

The tuition based, or outgoing students reveal favorable net results so far, compared to FY 2018 year-end. The Line 6 open enrollment 'out' ADM is down 63, line 7 community school ADM is down 76, line 8 scholarship ADM is up 70 students.

The economic disadvantaged percentage has slipped 1.61%, special education ADM is up 58 students.

Salary Projection Review

3.01 Salaries	FY2017 July - November	FY2018 July - November	FY2019 July - November	Year over Year Change from 2017 to 2018	YOY % Change 2017 to 2018	Year over Year Change from 2018 to 2019	YOY % Change 2018 to 2019
111 - Regular Certified Salaries	\$49,765,629	\$51,010,862	\$53,595,780	\$1,245,233	2.50%	\$2,584,918	5.07%
112-119 All Other Certified Salaries	\$1,859,017	\$1,966,591	\$2,029,137	\$107,574	5.79%	\$62,546	3.18%
120 - 129 Certified Compensated Absences	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
130 - 139 Certified Other Compensation	\$2,000	\$8,250	\$15,500	\$6,250	312.50%	\$7,250	87.88%
141 Regular Classified Salaries	\$10,318,005	\$10,546,541	\$12,663,794	\$228,536	2.21%	\$2,117,253	20.08%
142 - 149 All Other Classified Salaries	\$1,632,494	\$1,717,771	\$1,982,678	\$85,277	5.22%	\$264,907	15.42%
151 - 159 Classified Compensated Absences	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
161 - 169 Classified Other Compensation	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
170 - 190 - Other Wages and Salaries	\$28,893	\$29,521	\$37,358	\$629	2.18%	\$7,837	26.55%
Total	\$63,606,038	\$65,279,537	\$70,324,248	\$1,673,499	2.63%	\$5,044,710	7.73%

Salaries are projected to increase 4.0% in FY 2019 but are up 7.7% through November. The classified salaries are up 20.0% and certified salaries are up 5.07%. Some of this variance is timing but the FYTD results could indicate a higher salary level for FY 2019.

**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
Nov 2018**

Book Balance	Bank Balance
USAS Accounting System	Month End Bank Account Balances
Beginning Balance 182,461,696.19	005 - PNC Practical Nursing -
Plus Receipts 28,407,686.07	007 - PNC Oma Evans 148,427.61
Less Expenditures 42,379,920.26	008 - HNB Schumacher 103.34
Ending Balance <u>168,489,462.00</u>	009 - STAR Ohio 10,267,134.89
	017 - HNB AP/Payroll/CN/SA 51,234,055.89
Outstanding Checks & Direct Deposits	018 - PNC Building Fund 2,016,613.42
005 - HNB Practical Nursing Checks -	021 - HNB FSA Account 111,006.01
017 - HNB Accounts Payable Checks 1,051,057.32	025 - KeyBank 10,078,445.00
017 - HNB Payroll Checks 111,456.94	037 - USBank Construction 34,041,652.30
017 - HNB Deposit Outstanding on Munis -	038 - USBank PI Fund 15,570,989.36
<u>1,162,514.26</u>	039 - USBank General Fund 48,543,608.39
	<u>172,012,036.21</u>
Pending Payroll Deductions	Local Grant/Benefit CD's
Federal/Medicare Withholding 861,875.17	022 - HNB CD 40,436.24
State Tax 178,792.46	029 - HNB CD 5,000.00
City Tax 452,483.14	030 - HNB CD -
SERS 182,478.91	032 - HNB CD 92,669.39
School District Income Tax 1,775.71	<u>138,105.63</u>
STRS 826,322.70	
AXA 43,034.31	Flex Spending Account
Valic -	Prefunded Account -
MG Trust 21,733.29	Withdrawals (Claims) 115,705.18
Ameriprise 4,687.50	Settlement Credit 73.55
Lincoln -	Service Charges -
Ohio Deferred Comp 14,282.68	<u>115,778.73</u>
Towpath -	
<u>2,587,465.87</u>	
	Miscellaneous Bank Adjustments
Miscellaneous Book Adjustments	Petty Cash 1,000.00
021 - Inventory Allowance 83,975.20	Bank Charges to be Refunded -
022 - Insurance Accrual (57,989.26)	Outstanding Items (2,427.32)
Timing Differences in Accounts Payable (934.82)	<u>(1,427.32)</u>
Timing Differences in Accounts Receivable -	
<u>25,051.12</u>	
Adjusted Book Balance \$ 172,264,493.25	Adjusted Bank Balance \$ 172,264,493.25