



**Akron Public  
Schools®**

## **Monthly Financial Report**

*For the F.Y. 2018 Month Ending: August*

9/21/2017

***Ryan Pendleton, CFO***



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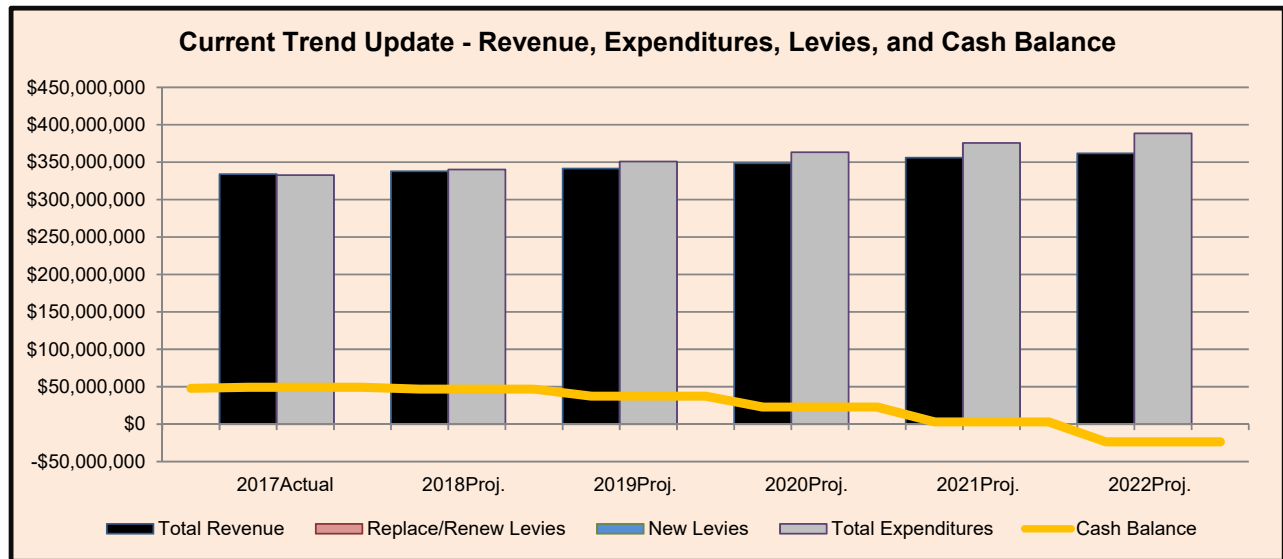
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## Overview

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



Projected Revenue Surplus/(Shortfall) by Year					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenue Surplus/ (Shortfall)	(\$2,427,967)	(\$9,364,570)	(\$14,627,851)	(\$19,682,127)	(\$26,746,572)

Forecast Updated Trend			
Compared to Updated Trend Forecast as of 9/21/2017			
Variance between Prior and Current Forecast:	2018	2019	2020
Current Forecast Revenue Trend OVER/UNDER Prior	-1.58%	-1.30%	-1.76%
Current Forecast Expenditure Trend OVER/UNDER Prior	-0.21%	-0.31%	-0.46%
Cumulative Variance \$\$\$ Impact on Ending Cash Balance	(\$4,756,026)	(\$8,171,628)	(\$12,743,815)

What are the current forecast trends?

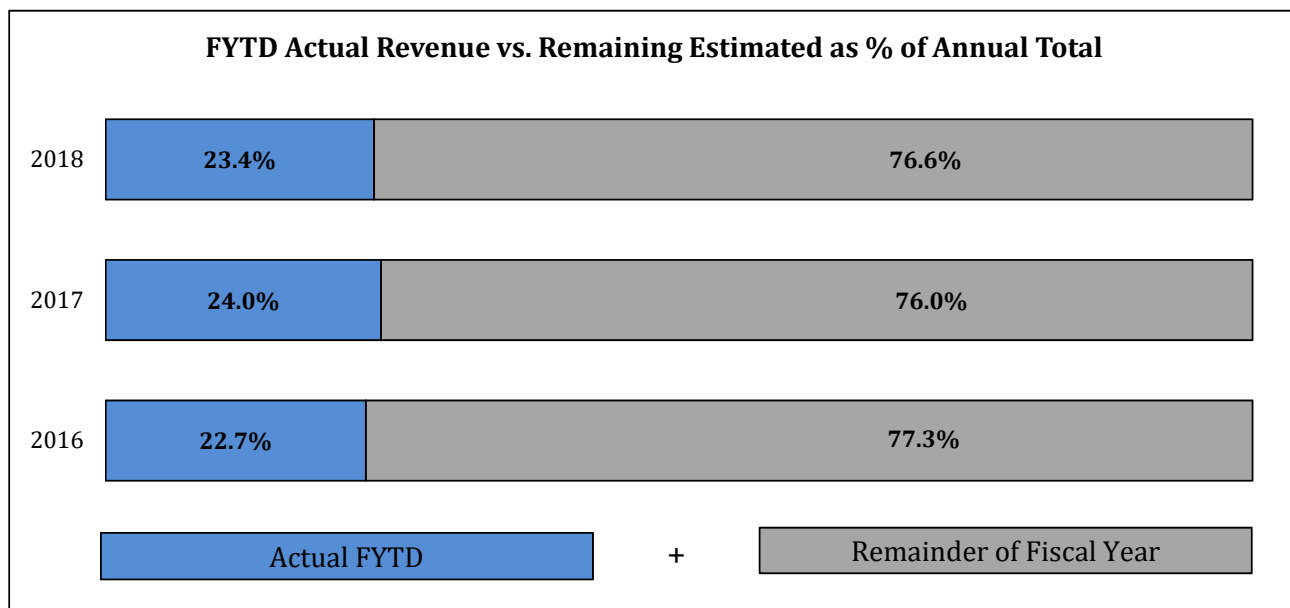
The current forecast for October is a work-in-progress. The trend continues toward revenue shortfall with the addition of FY 2022, and remains the same direction and slightly worsening relative to the overall budget. This trend was discussed in the June monthly report.

A critical element to the October forecast is enrollment. The modeling that is reflected in the forecasted amounts above is one of declining enrollment. A reversal of this declining enrollment trend would improve state funding estimates.

The district's 2018 building realignment and personnel reductions are modeled.

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

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



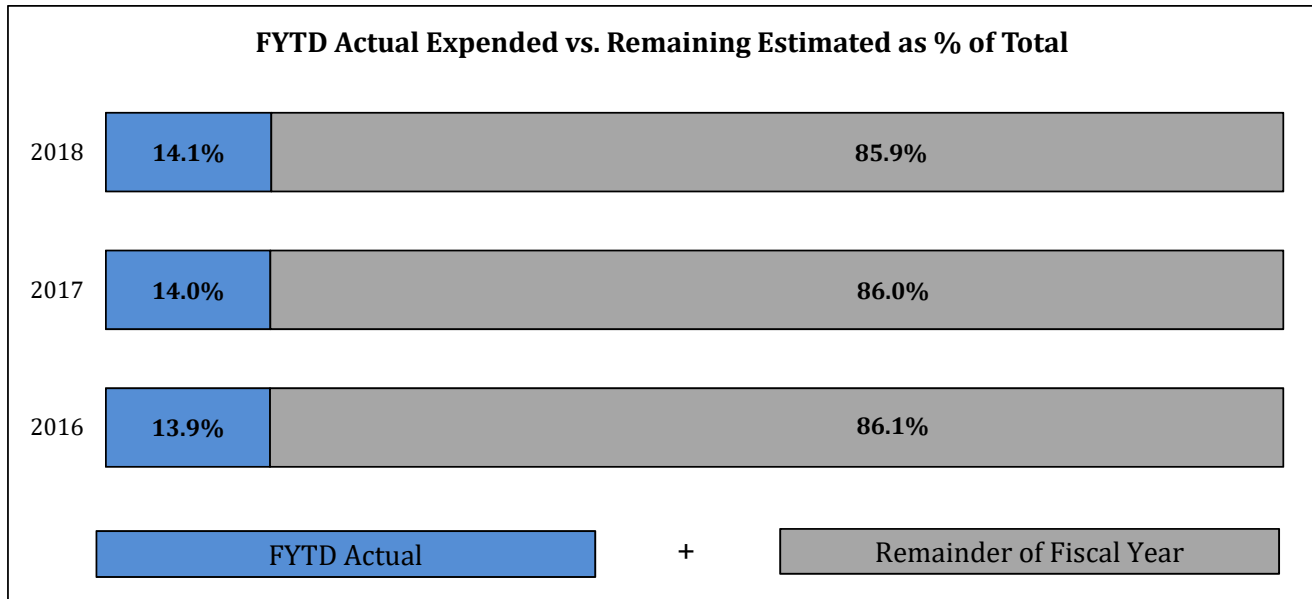
Percent of Annual Total		Actual Fiscal Year To Date Revenue, July - August			F.Y. 2018	
		2016 FYTD	2017 FYTD	2018 FYTD	YOY Change	
30.2%	Real Estate Taxes	42,786,477	45,913,752	43,840,521	\$ (2,073,231)	-4.5%
0.0%	Public Utility PP Taxes	-	-	-	\$ -	0.0%
0.0%	Income Tax	-	-	-	\$ -	0.0%
59.5%	State Aid (Formula + Rest)	30,419,663	33,131,657	33,340,711	\$ 209,054	0.6%
4.3%	State Tax Reimb.	1,394,067	-	-	\$ -	0.0%
3.0%	Other Revenue	1,190,711	1,133,476	1,841,692	\$ 708,216	62.5%
0.0%	Other Sources	10,517	-	11,003	\$ 11,003	0.0%
100%	<b>Total Revenue</b>	<b>75,801,434</b>	<b>80,178,886</b>	<b>79,033,928</b>	<b>\$ (1,144,958)</b>	<b>-1.4%</b>
		<b>Total YOY Percentage Change</b>			<b>-1.4%</b>	

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

Revenue for the first two months of the fiscal year is down primarily because of the timing of real estate advance payments from the county auditor. The settlement is expected in the month of September. Other revenue is up because of tuition payments made to the district.

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

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

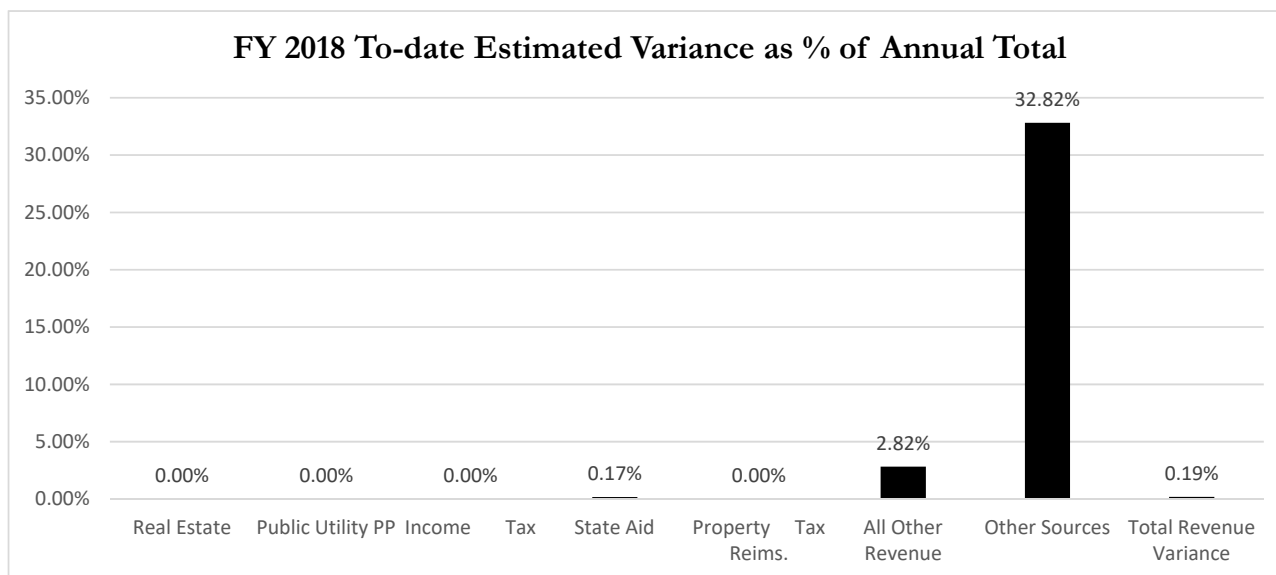


Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - August			F.Y. 2018	
		2016 FYTD	2017 FYTD	2018 FYTD	YOY Change	
48.6%	Salaries	22,297,525	23,323,166	23,670,897	\$ 347,731	1.5%
22.3%	Benefits	9,382,107	10,504,520	10,592,291	\$ 87,771	0.8%
24.6%	Purchased Services	11,366,372	11,278,265	11,414,719	\$ 136,454	1.2%
2.2%	Supplies	358,542	540,774	1,129,200	\$ 588,426	108.8%
1.2%	Capital	1,072,979	445,555	1,168,250	\$ 722,695	162.2%
0.0%	Debt, Intergov	-	-	-	\$ -	0.0%
1.1%	Other Objects	245,832	236,403	241,719	\$ 5,316	2.2%
0.0%	Other Uses	9,484	175,000	501	\$ (174,499)	-99.7%
100%	<b>Total Expenditures</b>	<b>44,732,843</b>	<b>46,503,684</b>	<b>48,217,578</b>	<b>\$ 1,713,894</b>	
<b>Total YOY Percentage Change</b>					<b>3.7%</b>	

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

Fiscal year to-date expenditures are up 3.7% over last year. The variance is primarily explained in capital outlay and the timing of purchases. Capital orders placed in FY 2017 were deferred to the current fiscal year for payment.

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

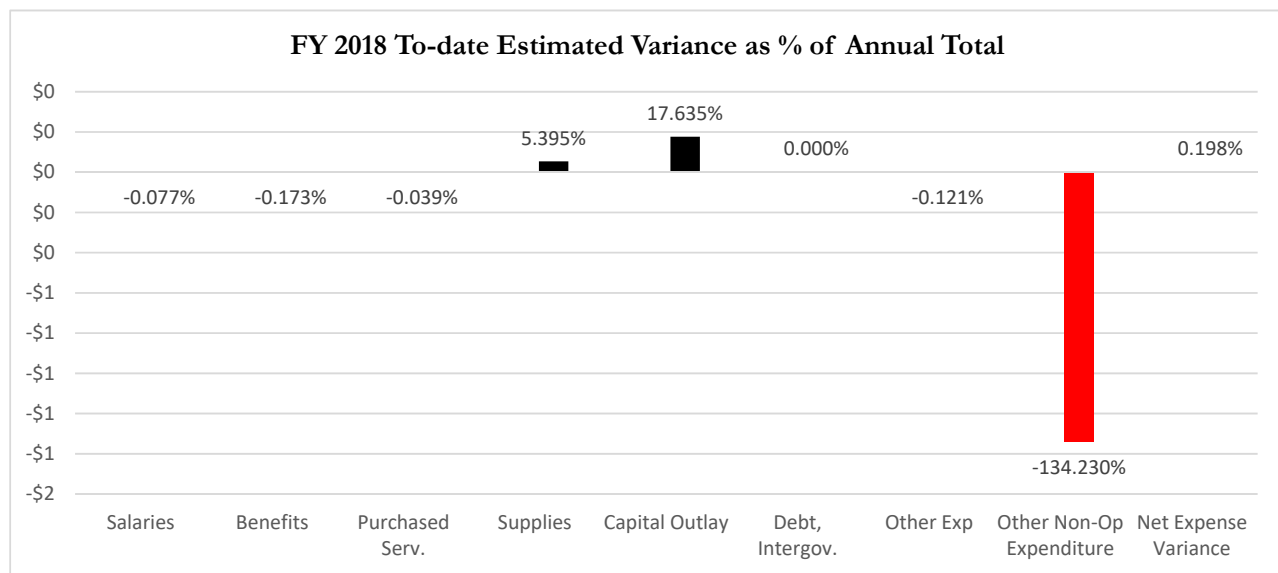


		2018 FYTD	2018 FYTD	2018 FYTD
		Actual	Estimated	Actual Over/
		July	July	(Under)
		through	through	Estimated
		August	August	Variance
Revenue:				
For the F.Y. 2018 Period: July - August				
K	Real Estate Taxes	43,840,521	43,840,521	-
L	Public Utility PP Taxes	-	-	-
M	Income Tax	-	-	-
N	State Aid (Formula + Restricted)	33,340,711	32,992,395	348,317
P	State Tax Reimb.	-	-	-
Q	Other Revenue	1,841,692	1,556,097	285,595
R	Total Operating Revenue	79,022,925	78,389,013	633,912
S	Other Non-Op Revenue	11,003	501	10,501
T	Total Operating Revenue Plus Other Sources	79,033,928	78,389,515	644,413

How do FYTD revenue cash flow estimates compare to actual?

The real estate tax variance is due to the timing of settlement from the county auditor. The complete tax settlement should occur in September and will be reflected in next month's report.

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



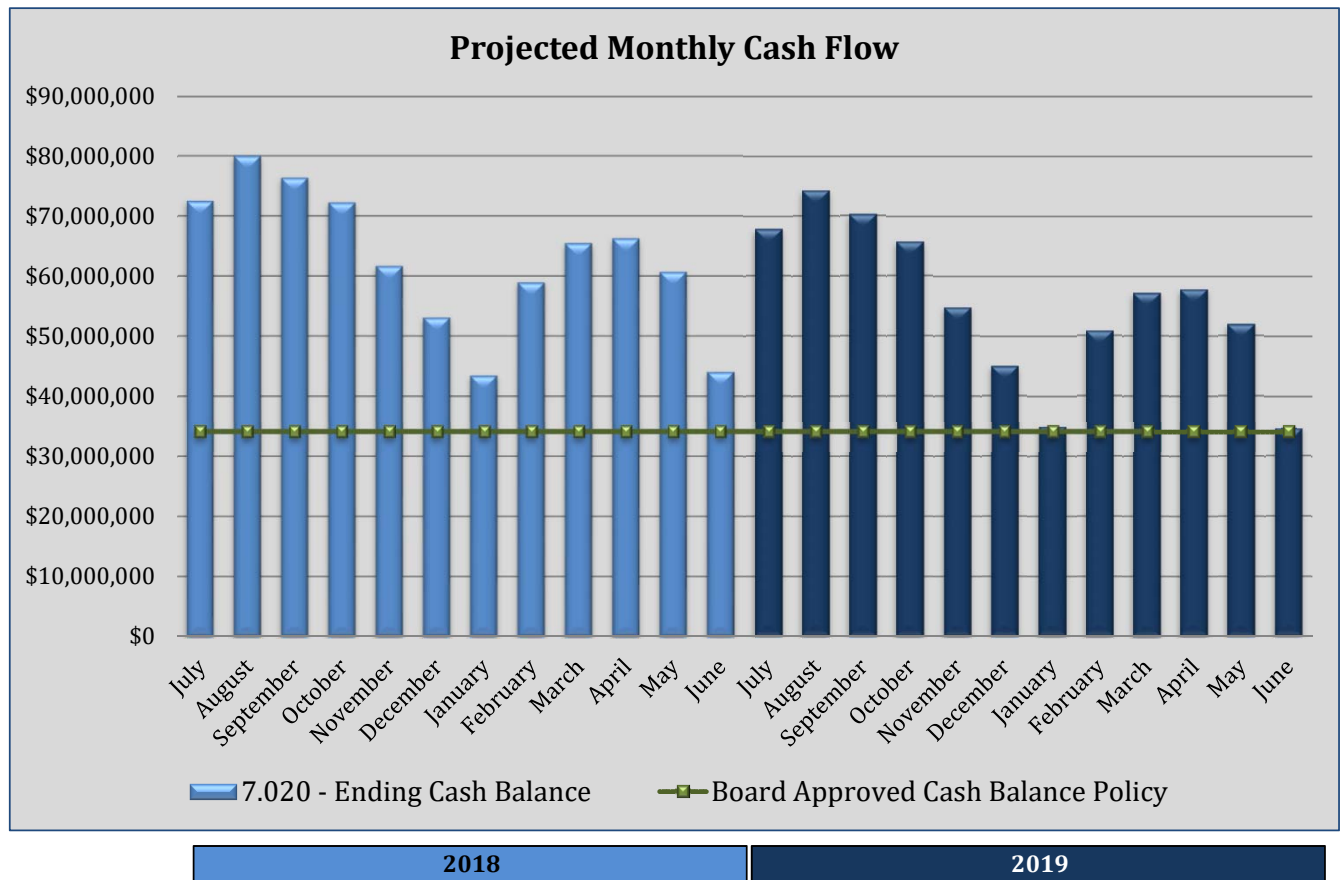
		Actual	Estimated	Actual Over/ (Under) Estimate Variance
		July - August	July - August	
Expenditures:				
For the F.Y. 2018 Period: July - August				
K	Salaries	23,670,897	23,798,090	(127,193)
L	Benefits	10,592,291	10,723,573	(131,282)
M	Purchased Services	11,414,719	11,447,212	(32,493)
N	Supplies	1,129,200	721,806	407,394
O	Capital	1,168,250	431,549	736,702
P	Debt, Intergov.	-	-	-
Q	Other Objects	241,719	246,056	(4,336)
R	Total Operating Expenditures	48,217,077	47,368,286	848,791
S	Other Non-Op Expenditures	501	175,000	(174,499)
T	Total Operating Expenditures Plus Other Uses	48,217,578	47,543,286	674,292

How do FYTD expenditure cash flow estimates compare to actual?

Supply and capital outlay expenditures are up as a result of timing of payments and subsequent monthly estimates will be adjusted accordingly.



## Monthly Cash Balance Estimates Fiscal Years 2018 and 2019



### Monthly cash flow estimates

Monthly cash flow reserves are adequate to cover the monthly fluctuation between revenue and expenditure timing for current fiscal year and next.

**AKRON PUBLIC SCHOOLS**  
**MONTHLY RECONCILIATION**  
**Aug 2017**

Book Balance		Bank Balance	
<b>USAS Accounting System</b>		<b>Month End Bank Account Balances</b>	
Beginning Balance	178,503,976.30	005 - PNC Practical Nursing	60.00
Plus Receipts	40,609,403.27	007 - PNC Oma Evans	150,165.97
Less Expenditures	37,314,695.94	008 - HNB Schumacher	85.60
Ending Balance	181,798,683.63	009 - STAR Ohio	10,047,348.16
		017 - HNB AP/Payroll/CN/SA	6,500,401.00
<b>Outstanding Checks &amp; Direct Deposits</b>		018 - PNC Building Fund	2,012,735.15
005 - HNB Practical Nursing Checks	-	037 - USBank Construction	58,604,780.59
017 - HNB Accounts Payable Checks	806,638.04	038 - USBank PI Fund	15,302,226.58
017 - HNB Payroll Checks	104,922.67	039 - USBank General Fund	35,797,730.12
017 - HNB Deposit Outstanding on Munis	-		
	911,560.71		128,415,533.17
<b>Pending Payroll Deductions</b>		<b>Local Grant/Benefit CD's</b>	
Federal/Medicare Withholding	670,980.29	022 - HNB CD	30,160.78
State Tax	120,552.09	029 - HNB CD	5,000.00
City Tax	292,240.17	030 - HNB CD	-
SERS	4,794.13	032 - HNB CD	92,388.38
School District Income Tax	1,472.48		127,549.16
STRS	697,896.99	<b>Investment Sweeps</b>	
Valic	11,284.00	017 - HNB AP/Payroll/CN/SA	55,939,431.23
ING (Voya)	26,172.00		
Lincoln	7,168.00		55,939,431.23
Ohio Deferred Comp	8,489.94		
MG Trust (Aspire)	6,192.50		
Towpath	-	<b>Miscellaneous Bank Adjustments</b>	
	1,847,242.59	Petty Cash	1,000.00
<b>Miscellaneous Book Adjustments</b>		Credit Card Charges to be Refunded	59.80
021 - Inventory Allowance	12,508.51	Outstanding Payroll Items	4,055.00
022 - Insurance Accrual	(69,375.31)	Outstanding Deposit	(6,520.20)
Timing Differences in Accounts Payable	(14,404.60)	Balancing Adj	5,107.37
	(71,271.40)		3,701.97
<b>Adjusted Book Balance</b>	\$ 184,486,215.53	<b>Adjusted Bank Balance</b>	\$ 184,486,215.53