



**Akron Public
Schools®**

Monthly Financial Report

For the F.Y. 2017 Month Ending: April

5/17/2017

Ryan Pendleton, CFO



Table of Contents

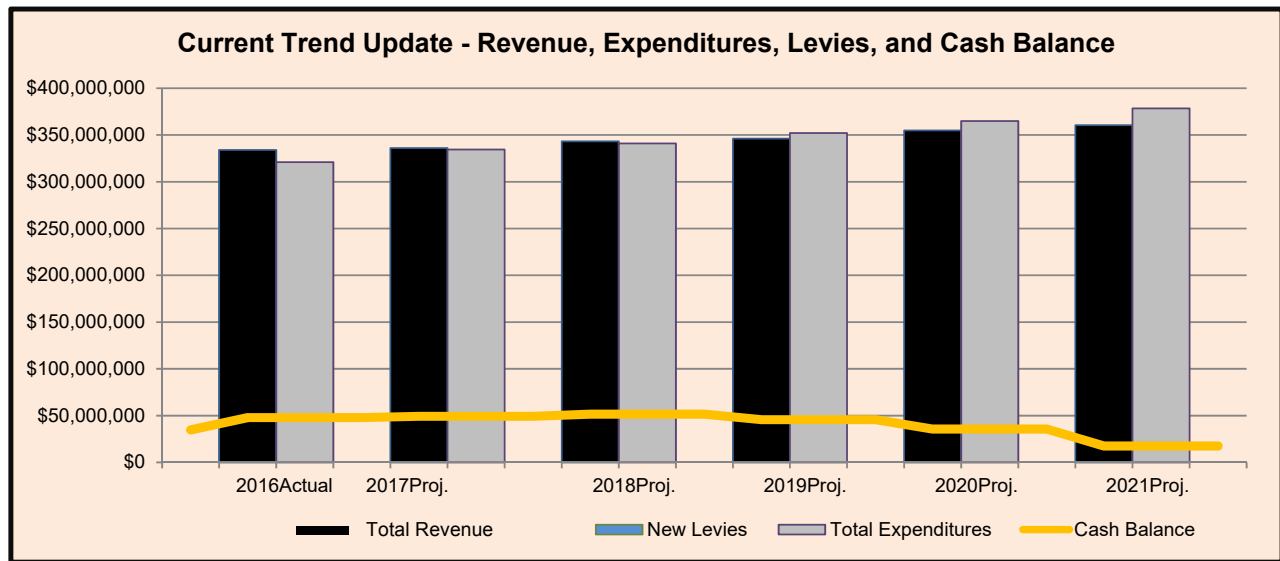
Overview	3
Updated Forecast Trend For The Month of April, F.Y. 2017	4
Fiscal Year To Date -- Year-Over-Year Revenue Comparison	5
Fiscal Year To Date -- Year-Over-Year Expenditure Comparison	6
Fiscal Year To Date (July - April) Actual Revenue Compared to Estimates	7
Fiscal Year To Date (July - April) Actual Expenditures Compared to Estimates	8
Monthly Cash Balance Estimates Fiscal Years 2017 and 2018	9

Overview

Page

- 4 What are the current forecast trends?
- 5 How does fiscal year-to-date revenue compare to prior years?
- 6 How do fiscal year-to-date expenditures compare to prior years?
- 7 How do FYTD revenue cash flow estimates compare to actual?
- 8 How do FYTD expenditure cash flow estimates compare to actual?
- 9 Monthly cash flow estimates

Updated Forecast Trend For The Month of April, F.Y. 2017



Projected Revenue Surplus/(Shortfall) by Year					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenue Surplus/ (Shortfall)	\$1,397,143	\$2,260,336	(\$5,948,968)	(\$10,055,663)	(\$17,991,504)

Forecast Updated Trend			
Compared to Updated Trend Forecast as of 5/17/2017			
Variance between Prior and Current Forecast:	2017	2018	2019
Current Forecast Revenue Trend OVER/ UNDER Prior	0.31%	0.46%	-0.45%
Current Forecast Expenditure Trend OVER/ UNDER Prior	-0.38%	-1.09%	-1.43%
Cumulative Variance \$\$\$ Impact on Ending Cash Balance	\$2,338,775	\$7,675,053	\$11,235,405

What are the current forecast trends?

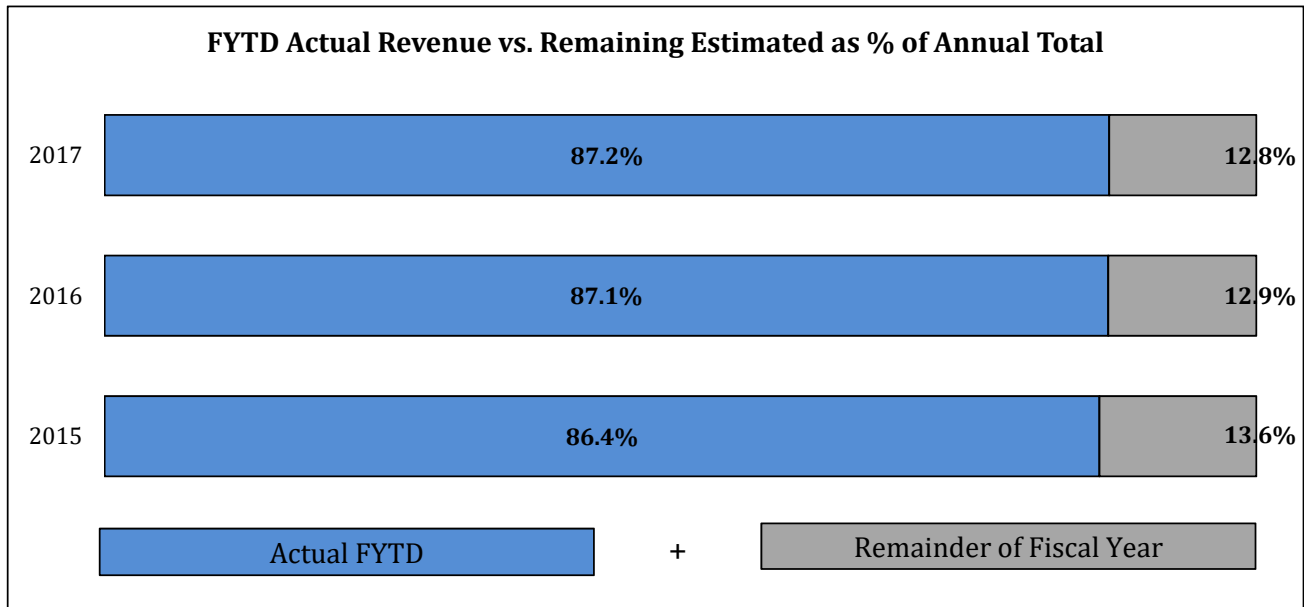
The monthly cash flow estimates for April through June plus the actual cash flow to-date reflect positive variance in the salary, purchased services, and capital categories.

Consistent with previous forecast the trend is toward revenue shortfall.

The forecast above reflects the May forecast update which will be explained in further detail during the update process.

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

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



Percent of Annual Total	Actual Fiscal Year To Date Revenue, July - April				F.Y. 2017	
		2015 FYTD	2016 FYTD	2017 FYTD	YOY Change	
30.8%	Real Estate Taxes	102,149,605	101,059,345	104,085,484	\$ 3,026,138	3.0%
0.0%	Public Utility PP Taxes	8,333,138	8,566,739	9,355,002	\$ 788,263	9.2%
0.0%	Income Tax	-	-	-	\$ -	0.0%
58.6%	State Aid (Formula + Rest)	152,106,139	162,816,731	164,215,721	\$ 1,398,989	0.9%
4.3%	State Tax Reimb.	10,622,285	8,791,384	7,324,485	\$ (1,466,899)	-16.7%
3.5%	Other Revenue	6,266,327	9,768,241	8,027,123	\$ (1,741,118)	-17.8%
0.0%	Other Sources	17,937	27,847	20,317	\$ (7,530)	-27.0%
100%	Total Revenue	279,495,431	291,030,288	293,028,132	\$ 1,997,844	0.7%
Total YOY Percentage Change					0.7%	

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

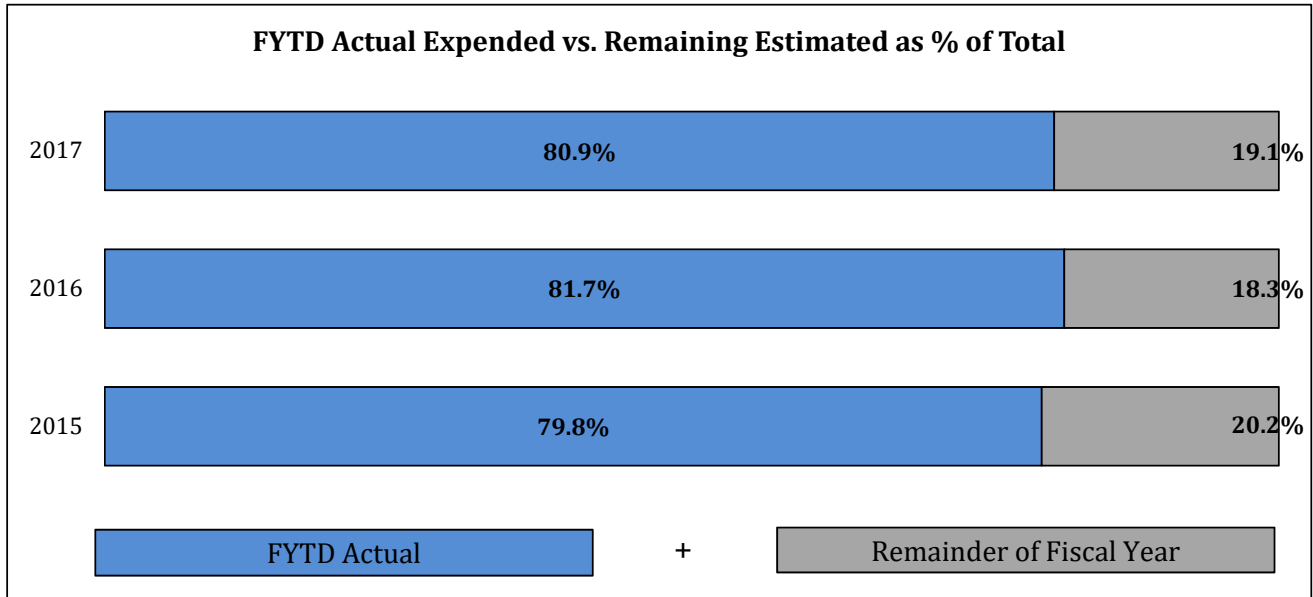
Total revenue is nearly even with last year with a variance of just 0.7%. As referenced in past reports, other revenue is down because of the timing of Tax Incentive Financing (TIF) payments from the city. The treasurer's office has confirmed with the city the last remaining payment which will occur in May.

The district's 1st half 2017 local property tax settlement is now complete and the revenue was up about \$1.6 million over last year. This increase is in line with expectations after the county filed their actual property values in December, 2016.

The state aid revenue variance is attributed to the per pupil funding increases originally forecasted and therefore expected. State tax reimbursements are down only because of the state's elimination this year of tangible personal property tax reimbursement.

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

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



Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - April			F.Y. 2017	
		2015 FYTD	2016 FYTD	2017 FYTD	YOY Change	
49.1%	Salaries	127,533,288	131,091,262	132,642,789	\$ 1,551,527	1.2%
22.0%	Benefits	51,106,533	56,173,454	60,549,287	\$ 4,375,833	7.8%
24.3%	Purchased Services	60,686,749	63,718,052	65,349,502	\$ 1,631,450	2.6%
2.2%	Supplies	5,053,302	5,271,332	5,860,957	\$ 589,624	11.2%
1.3%	Capital	1,731,414	2,999,424	1,330,499	\$ (1,668,924)	-55.6%
0.0%	Debt, Intergov	-	-	-	\$ -	0.0%
1.0%	Other Objects	2,843,974	2,981,737	3,055,794	\$ 74,057	2.5%
0.1%	Other Uses	89,839	26,815	266,269	\$ 239,455	893.0%
100%	Total Expenditures	249,045,099	262,262,076	269,055,097	\$ 6,793,021	
Total YOY Percentage Change					2.6%	

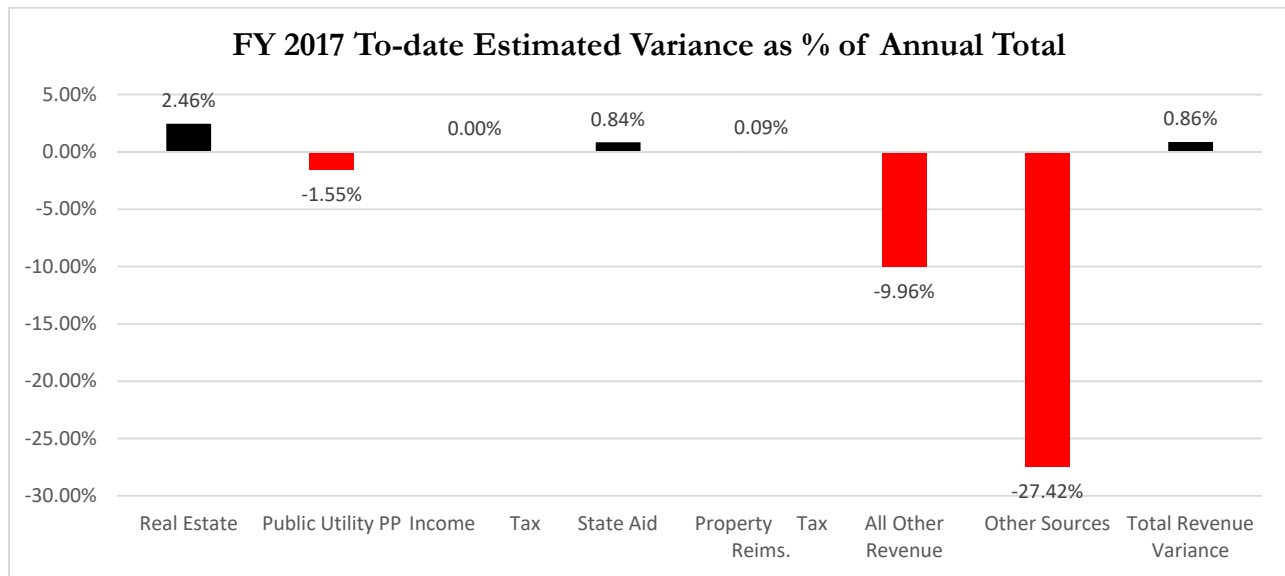
How do fiscal year-to-date expenditures compare to prior years?

Fiscal year to-date expenditures are up 2.6% over last year at this time. The variance would be higher except that capital outlay expenses are down significantly as a result of timing. It is possible that some of these projected cost will be paid early in next fiscal year which could improve year-end June 30, 2017 cash balance reserves while having no impact by June 30, 2018 with the deferred payment. It is believed that the year-over-year increase is in-line with annual projections.

Salaries are up just 1.2% for the fiscal year. The forecasted increase for this year is 2.19%. Negotiations are now complete and some retroactive payment will occur which will align actual cost with original projections. Benefits are up 7.8% for the first nine months of the fiscal year and are projected to be up 8.3% for the full year.

Purchased services, while up 2.6% year-over-year are actually trending less than projections. Actual costs are lower than projected because of utilities and repair and maintenance

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

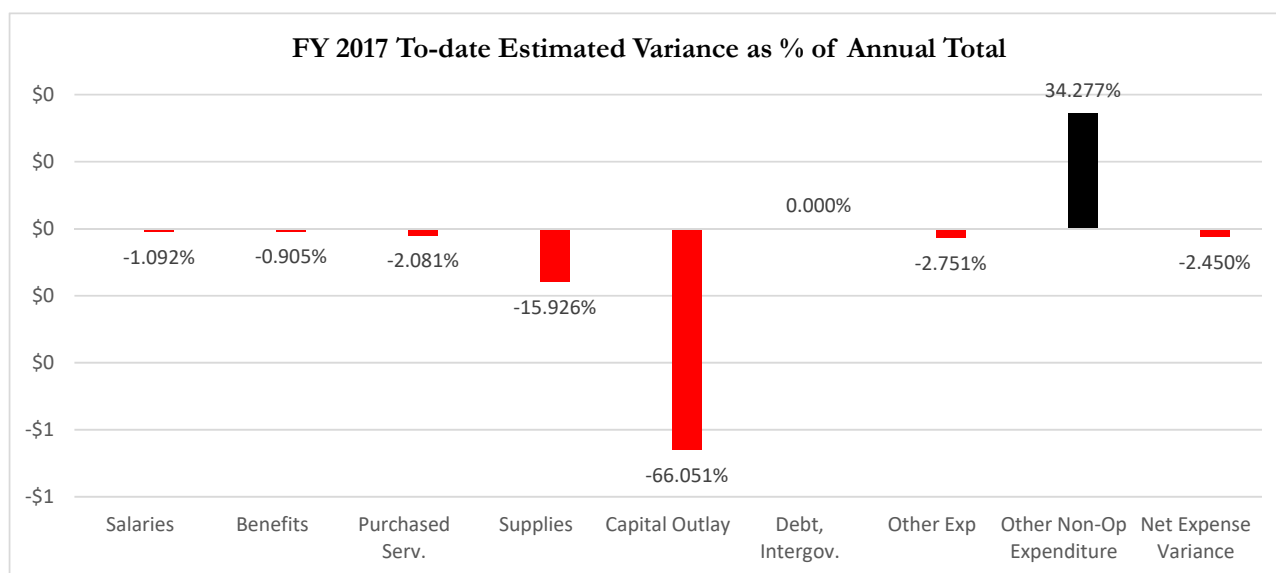


		2017 FYTD	2017 FYTD	2017 FYTD
		Actual	Estimated	Actual Over/
		July	July	(Under)
		through	through	Estimated
		April	April	Variance
Revenue:				
For the F.Y. 2017 Period: July - April				
K	Real Estate Taxes	104,085,484	101,534,105	2,551,378
L	Public Utility PP Taxes	9,355,002	9,500,000	(144,997)
M	Income Tax	-	-	-
N	State Aid (Formula + Restricted)	164,215,721	162,570,535	1,645,186
P	State Tax Reimb.	7,324,485	7,310,958	13,527
Q	Other Revenue	8,027,123	9,188,223	(1,161,100)
R	Total Operating Revenue	293,007,815	290,103,821	2,903,994
S	Other Non-Op Revenue	20,317	29,091	(8,774)
T	Total Operating Revenue Plus Other Sources	293,028,132	290,132,912	2,895,220

How do FYTD revenue cash flow estimates compare to actual?

Revenue is within +0.86% of estimated. The other revenue category is \$1,526,673 less than estimated because of tax incentive payments from the city and the county. The timing of these receipts are delayed relative to last year but have been confirmed by the APS treasurer's office.

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



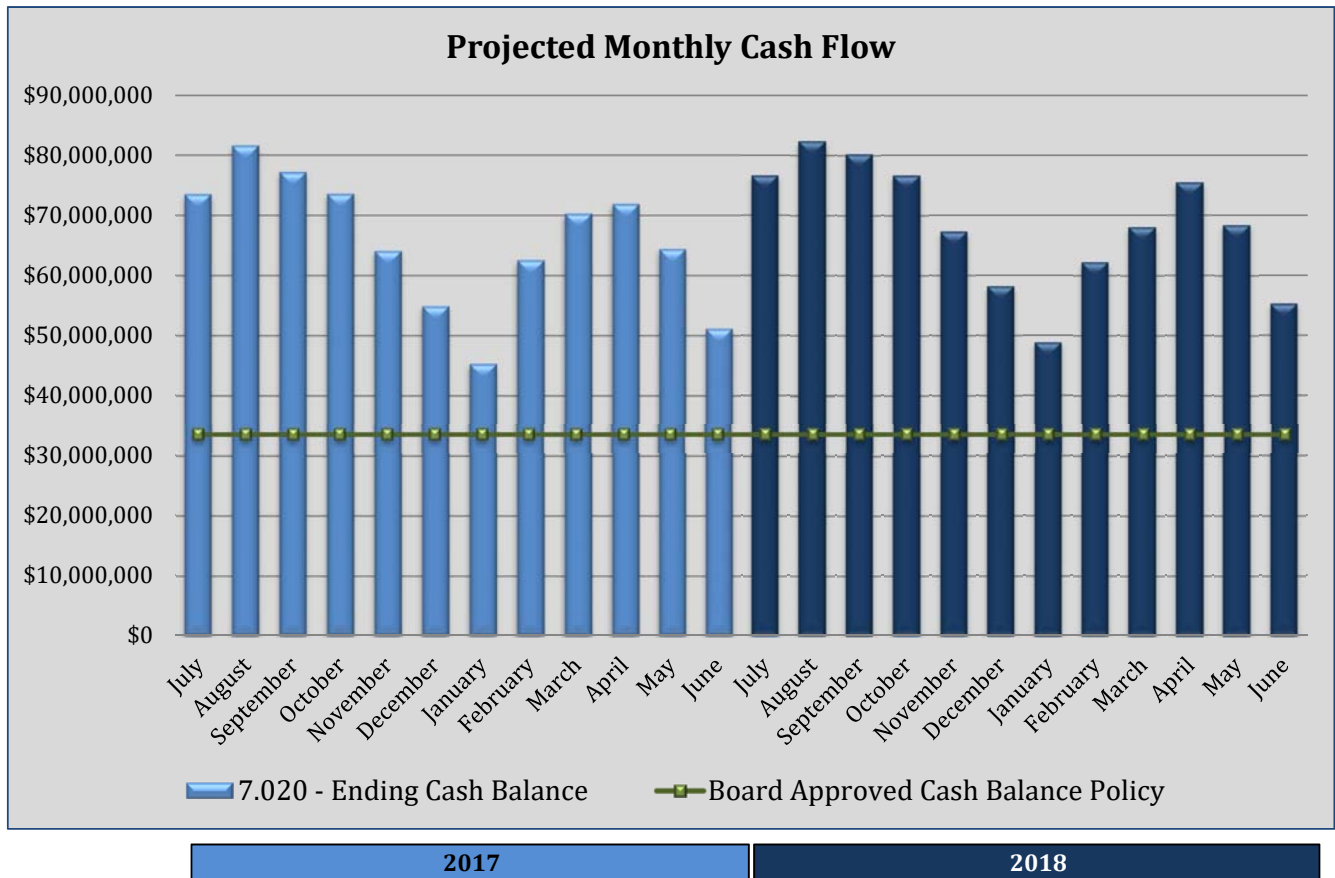
		Actual	Estimated	Actual Over/ (Under) Estimate Variance
Expenditures:		July - April	July - April	
For the F.Y. 2017 Period: July - April				
K	Salaries	132,642,789	134,437,568	(1,794,779)
L	Benefits	60,549,287	61,214,911	(665,624)
M	Purchased Services	65,349,502	67,037,920	(1,688,417)
N	Supplies	5,860,957	7,045,401	(1,184,444)
O	Capital	1,330,499	4,191,021	(2,860,521)
P	Debt, Intergov.	-	-	-
Q	Other Objects	3,055,794	3,148,792	(92,998)
R	Total Operating Expenditures	268,788,827	277,075,612	(8,286,784)
S	Other Non-Op Expenditures	266,269	175,000	91,269
T	Total Operating Expenditures Plus Other Uses	269,055,097	277,250,612	(8,195,515)

How do FYTD expenditure cash flow estimates compare to actual?

Total actual expenditures are -2.45% less than estimated. The supply and capital categories are the majority of the variance and these categories are still reflected at the original October forecasted amounts with the expectation that payments will occur by June 30, 2017 or be obligated by June 30, 2017 and paid in FY 2018.

Purchased services are trending less than originally estimated and are expected to add to cash reserves and reduce ongoing cost projections in FY 2018 through FY 2021.

Monthly Cash Balance Estimates Fiscal Years 2017 and 2018



Monthly cash flow estimates

Monthly cash flow reserves are adequate to cover the monthly fluctuation between revenue and expenditure timing.

AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
April 2017

Book Balance		Bank Balance	
USAS Accounting System		Month End Bank Account Balances	
Beginning Balance	177,577,127.11	002 - HNB Student Activity	-
Plus Receipts	40,864,669.53	005 - PNC Practical Nursing	4,362.00
Less Expenditures	40,284,724.43	007 - PNC Oma Evans	150,104.28
Ending Balance	178,157,072.21	008 - HNB Schumacher	62.79
		009 - STAR Ohio	10,010,360.44
Outstanding Checks & Direct Deposits		017 - HNB AP/Payroll/CN/SA	6,505,903.00
005 - HNB Practical Nursing Checks	-	018 - PNC Building Fund	2,012,283.64
017 - HNB Accounts Payable Checks	786,555.22	037 - USBank Construction	58,229,241.06
017 - HNB Payroll Checks	180,724.68	038 - USBank PI Fund	15,233,871.88
017 - HNB Deposit Outstanding on Munis	-	039 - USBank General Fund	35,632,933.64
018 - PNC Building Fund Checks	-		
	967,279.90		127,779,122.73
Pending Payroll Deductions		Local Grant/Benefit CD's	
Federal/Medicare Withholding	804,763.60	022 - HNB CD	30,160.78
State Tax	140,882.21	029 - HNB CD	5,000.00
City Tax	344,864.84	030 - HNB CD	-
SERS	30,033.71	032 - HNB CD	91,968.78
School District Income Tax	1,511.77		127,129.56
STRS	813,624.03	Investment Sweeps	
Valic	-	017 - HNB AP/Payroll/CN/SA	53,417,369.73
ING (Voya)	-		53,417,369.73
Lincoln	-		
Ohio Deferred Comp	9,229.94	Miscellaneous Bank Adjustments	
MG Trust (Aspire)	4,042.50	Petty Cash	1,000.00
Towpath	-	Bank Charges to be Refunded	1,125.31
	2,148,952.60	Outstanding Payroll Items	213.91
Miscellaneous Book Adjustments		Outstanding Deposit	(9,767.65)
021 - Inventory Allowance	48,824.30	Balancing Adj	6.80
022 - Insurance Accrual	(5,830.92)		(7,421.63)
Timing Differences in Accounts Payable	(97.70)		
	42,895.68		
Adjusted Book Balance	\$ 181,316,200.39	Adjusted Bank Balance	\$ 181,316,200.39