



**Akron Public
Schools®**

Monthly Financial Report

For the F.Y. 2018 Month Ending: November

Ryan Pendleton, CFO

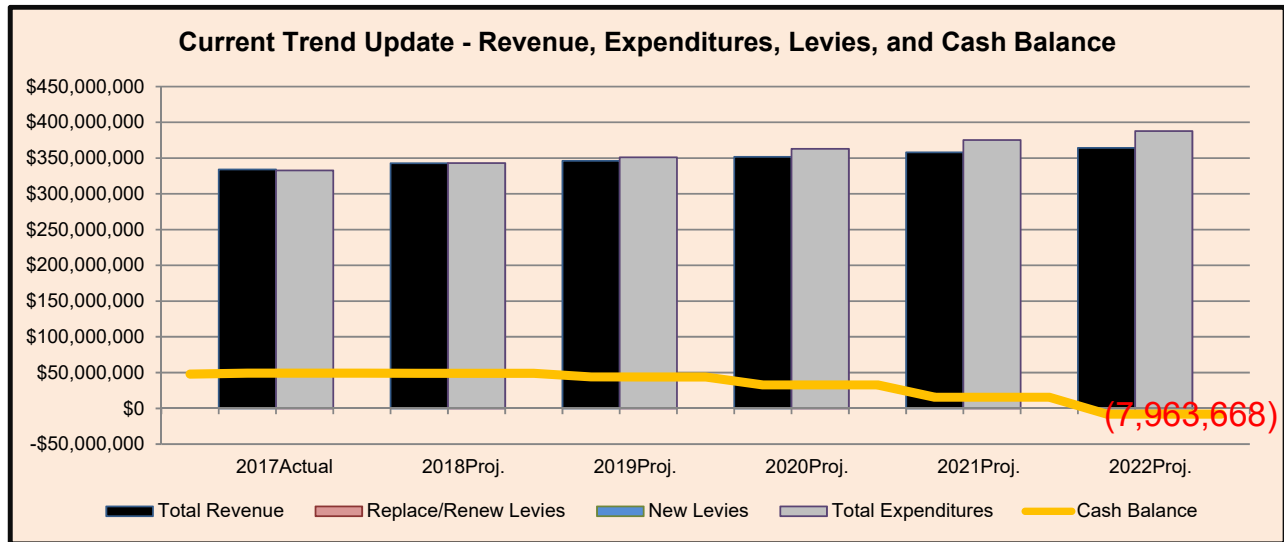
Table of Contents

Overview	3
Updated Forecast Trend For The Month of November, 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 - November) Actual Revenue Compared to Estimates	7
Fiscal Year To Date (July - November) Actual Expenditures Compared to Estimates	8
Monthly Cash Balance Estimates Fiscal Years 2018 and 2019	9
Enrollment	10
Purchased Services Special Report	11

Overview

Enrollment continues to remain stable but not reflective of year-over-year growth (see page 10). Expenditures are trending lower than projections, especially in the purchased services category (see page 11). This trend will likely have favorable impact on the district's operating margin and cash balance going through FY 2022 projections. The projections will be updated as part of the May, 2018 update.

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



Projected Revenue Surplus/(Shortfall) by Year					
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenue Surplus/ (Shortfall)	(\$166,144)	(\$5,081,226)	(\$11,172,139)	(\$17,162,989)	(\$23,617,684)

Forecast Updated Trend			
Compared to Updated Trend Forecast as of 12/18/2017			
Variance between Prior and Current Forecast:	2018	2019	2020
Current Forecast Revenue Trend OVER/ UNDER Prior	0.02%	0.13%	0.12%
Current Forecast Expenditure Trend OVER/ UNDER Prior	-0.22%	-0.23%	-0.23%
Cumulative Variance \$\$\$ Impact on Ending Cash Balance	\$831,082	\$2,090,857	\$3,338,973

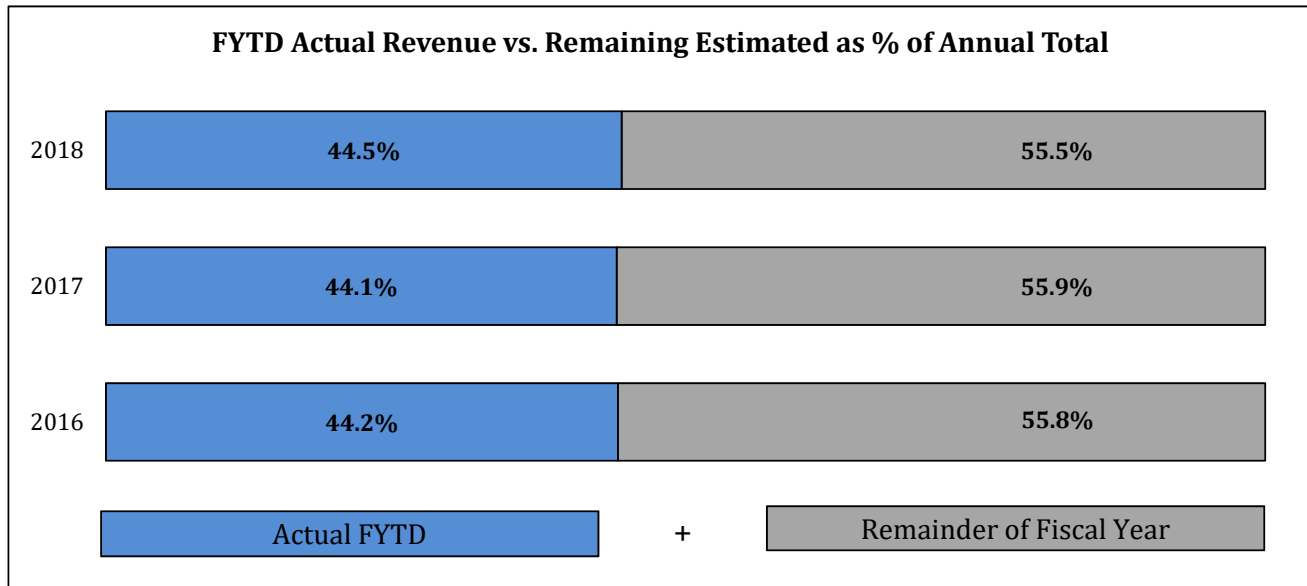
What are the current forecast trends?

The district's tuition expense to-date is trending less than estimated and is reflected in the middle table above with a favorable impact on the cash balance at June 30, 2018. The improvement could be greater if ongoing EMIS submissions continue to support the current level of scholarship, open enrollment out, and community school enrollment (tuition cost). Additional adjustment has not been made to the forecast at this time however an updated cash flow and special report is provided on page 11.



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

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



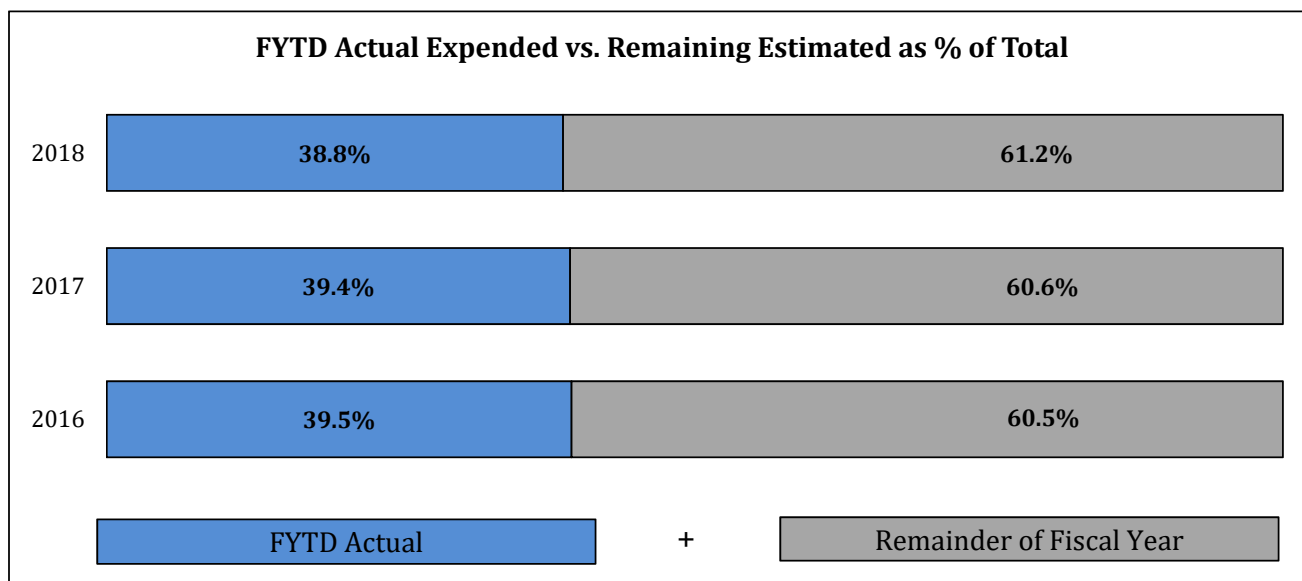
Percent of Annual Total		Actual Fiscal Year To Date Revenue, July - November			F.Y. 2018	
		2016 FYTD	2017 FYTD	2018 FYTD	YOY Change	
30.0%	Real Estate Taxes	48,389,843	49,409,779	48,512,607	\$ (897,171)	-1.8%
0.0%	Public Utility PP Taxes	4,175,142	4,398,371	4,950,435	\$ 552,063	12.6%
0.0%	Income Tax	-	-	-	\$ -	0.0%
58.8%	State Aid (Formula + Rest)	80,689,218	82,883,507	85,051,666	\$ 2,168,159	2.6%
4.2%	State Tax Reimb.	8,791,384	7,324,485	7,264,856	\$ (59,629)	-0.8%
4.0%	Other Revenue	5,459,533	3,212,204	6,877,075	\$ 3,664,870	114.1%
0.0%	Other Sources	37,306	13,784	64,079	\$ 50,295	364.9%
100%	Total Revenue	147,542,425	147,242,130	152,720,717	\$ 5,478,588	3.7%
Total YOY Percentage Change					3.7%	

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

It was reported last month that revenue was down because of the timing of state tax reimbursements, these funds were received in November. Other revenue is up because of the receipt of tax incentive payments. State revenue is up and in line with projections.

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

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

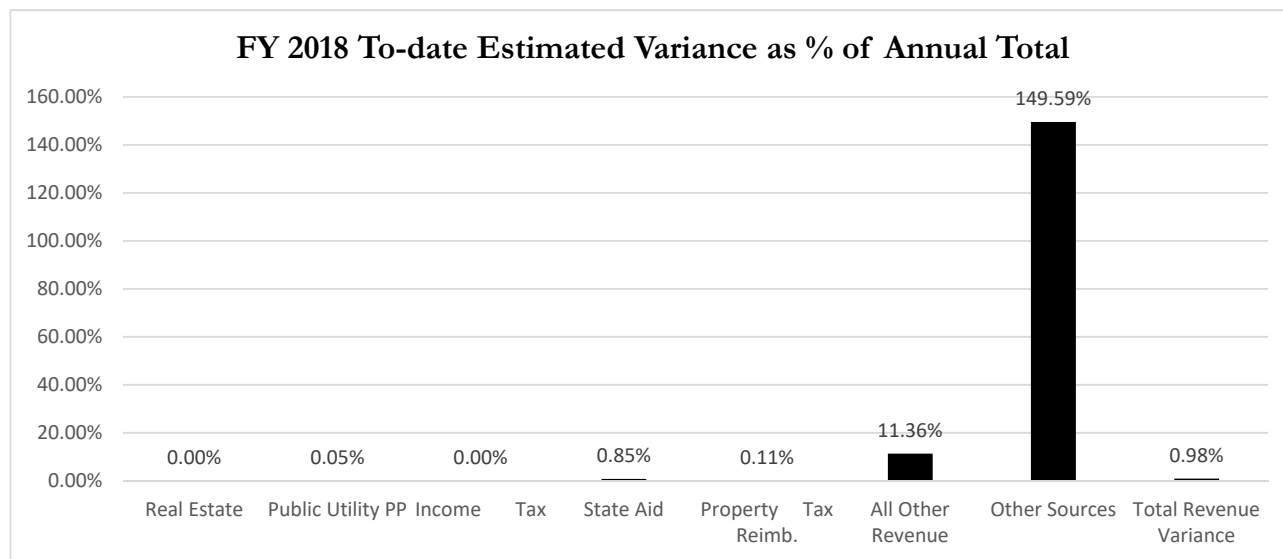


Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - November			F.Y. 2018	
		2016 FYTD	2017 FYTD	2018 FYTD	YOY Change	
48.9%	Salaries	62,677,394	63,606,038	65,278,543	\$ 1,672,505	2.6%
22.3%	Benefits	27,134,278	29,228,893	29,641,079	\$ 412,186	1.4%
24.2%	Purchased Services	31,551,812	32,692,489	29,617,120	\$ (3,075,369)	-9.4%
2.4%	Supplies	1,914,666	3,250,028	4,278,279	\$ 1,028,251	31.6%
1.2%	Capital	2,189,062	833,311	1,983,247	\$ 1,149,936	138.0%
0.0%	Debt, Intergov	-	-	-	\$ -	0.0%
1.0%	Other Objects	1,346,095	1,305,755	1,129,706	\$ (176,050)	-13.5%
0.0%	Other Uses	18,486	181,130	14,818	\$ (166,312)	-91.8%
100%	Total Expenditures	126,831,792	131,097,645	131,942,792	\$ 845,147	
Total YOY Percentage Change					0.6%	

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

Expenditures are up just 0.6% over last year led by a decrease in purchased services. Special education tuition and community school tuition combined continue to reflect a reduction of approximately \$2.0 million. In addition, other purchased service categories are trending favorably (see special report on page 11).

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

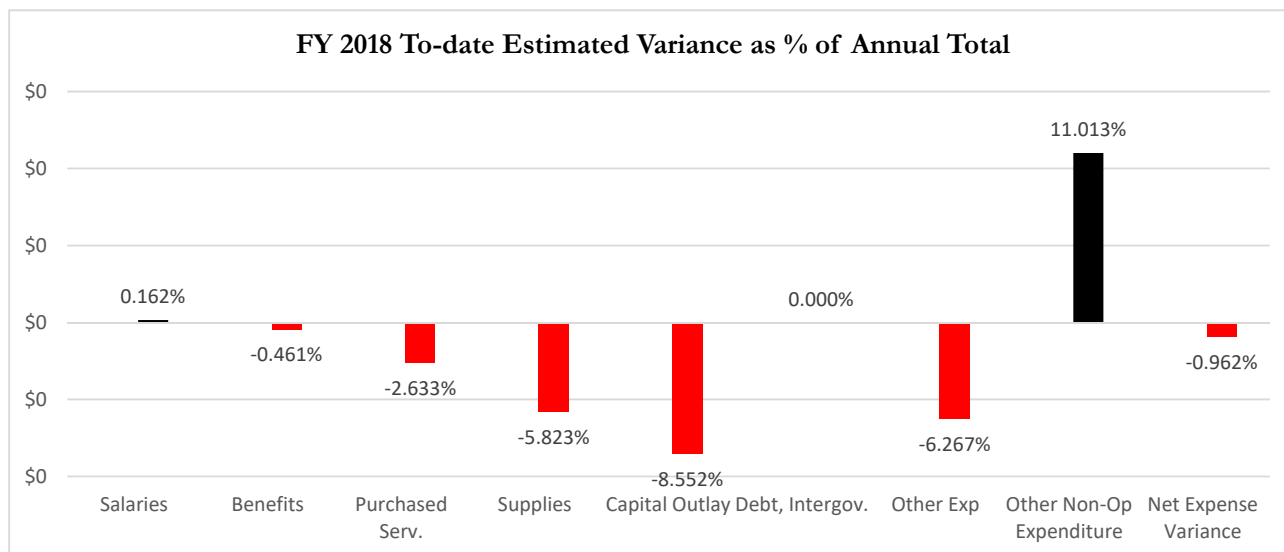


		2018 FYTD	2018 FYTD	2018 FYTD
		Actual	Estimated	Actual Over/
		July through	July through	(Under)
		November	November	Estimated
				Variance
Revenue:				
For the F.Y. 2018 Period: July - November				
K	Real Estate Taxes	48,512,607	48,512,607	-
L	Public Utility PP Taxes	4,950,435	4,945,735	4,700
M	Income Tax	-	-	-
N	State Aid (Formula + Restricted)	85,051,666	83,333,094	1,718,572
P	State Tax Reimb.	7,264,856	7,248,911	15,945
Q	Other Revenue	6,877,075	5,330,164	1,546,910
R	Total Operating Revenue	152,656,638	149,370,511	3,286,127
S	Other Non-Op Revenue	64,079	501	63,578
T	Total Operating Revenue Plus Other Sources	152,720,717	149,371,013	3,349,705

How do FYTD revenue cash flow estimates compare to actual?

Actual revenue is within 0.98 through November. Other revenue is up because of the TIF payments received in November.

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

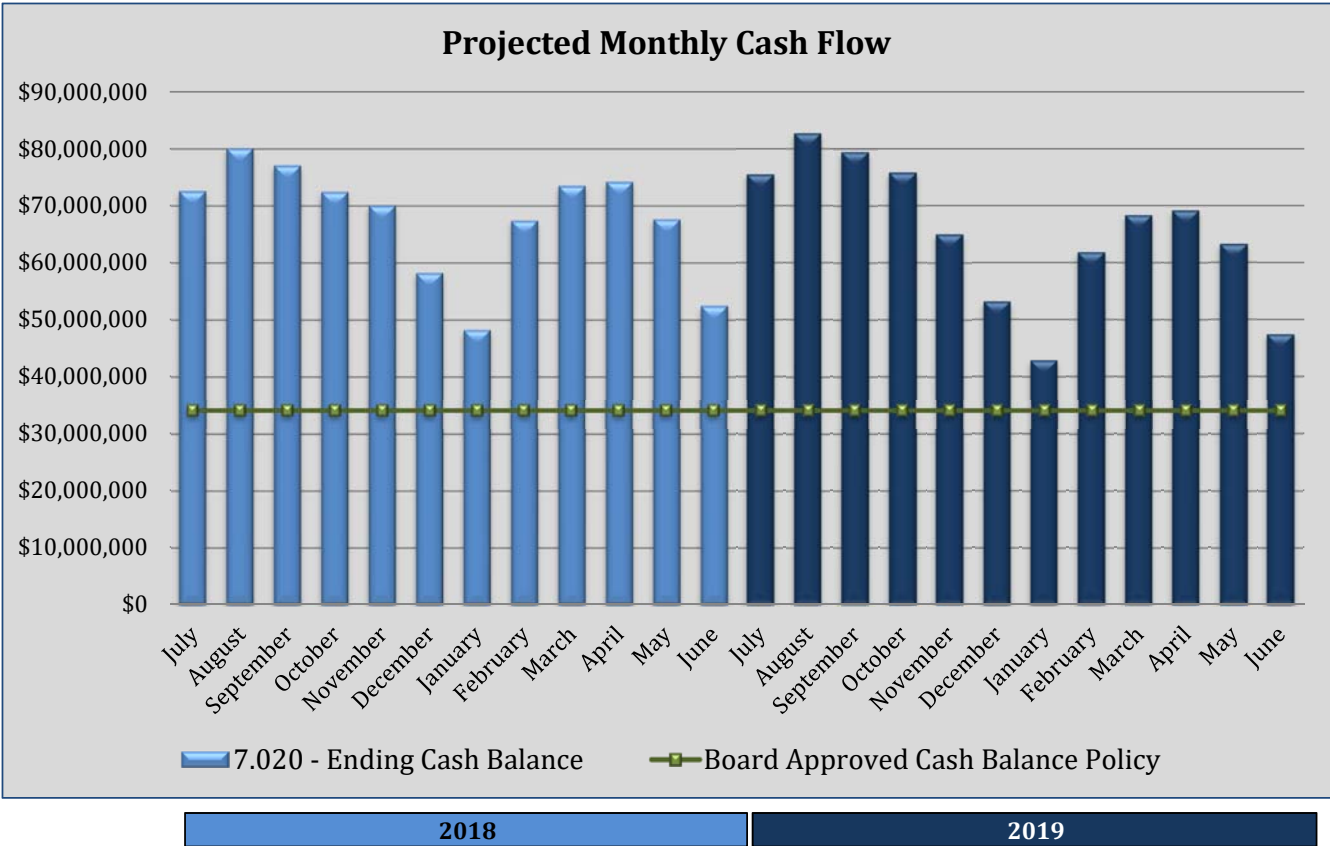


		Actual	Estimated	Actual Over/
		July - November	July - November	(Under) Estimate Variance
Expenditures:				
For the F.Y. 2018 Period: July - November				
K	Salaries	65,278,543	65,006,993	271,551
L	Benefits	29,641,079	29,994,152	(353,073)
M	Purchased Services	29,617,120	31,799,348	(2,182,229)
N	Supplies	4,278,279	4,757,219	(478,939)
O	Capital	1,983,247	2,340,518	(357,270)
P	Debt, Intergov.	-	-	-
Q	Other Objects	1,129,706	1,342,290	(212,584)
R	Total Operating Expenditures	131,927,974	135,240,519	(3,312,545)
S	Other Non-Op Expenditures	14,818	501	14,317
T	Total Operating Expenditures Plus Other Uses	131,942,792	135,241,021	(3,298,228)

How do FYTD expenditure cash flow estimates compare to actual?

While expenditures are within -0.962% of estimated, the updated cash flow estimates reflect that purchased services could trend favorably through the end of the fiscal year. If this occurs, the district's cash balance could improve -- see special report on page 11.

Monthly Cash Balance Estimates Fiscal Years 2018 and 2019



Monthly cash flow estimates

Cash reserves are adequate to cover monthly fluctuation.

Enrollment Per Ohio Department of Education Funding Reports

	ODE SFPR FY 2017 Nov #1	ODE SFPR FY 2017 Final # 2	ODE SFPR FY 2018 Nov # 1	ODE SFPR FY 2018 Dec # 1
Formula ADM	26,792	26,693	26,632	26,772
Resident ADM (Educated by Akron)	21,976	22,231	22,218	22,182

According to the district's submitted enrollment data through November, 2017 the overall enrollment is about equal with last year. Funded enrollment is up 79 students to 26,772. Resident student count (ODE's closest estimate of "headcount") dropped 49 students to 22,182. The early results do not support an increase in enrollment.

Purchased Service - Cash Flow Update

3.030 - Purchased Services				
Cash Flow Analysis				
	Actual Fiscal Year Expenditures			Est./Actual
	2015	2016	2017	2018
July	4,607,601	5,019,194	4,759,804	4,748,190
August	5,491,584	6,347,178	6,518,461	6,666,529
September	6,883,434	7,376,309	7,756,809	5,698,811
October	6,032,245	6,053,840	7,086,543	6,279,095
November	5,033,161	6,755,290	6,570,872	6,224,495
December	5,663,490	6,409,941	6,280,433	6,703,977
January	5,885,620	5,696,034	6,208,924	6,594,760
February	5,345,673	6,006,277	6,124,362	6,415,251
March	7,141,260	7,077,297	7,226,340	8,190,786
April	8,602,681	6,976,716	6,904,621	7,340,755
May	9,073,408	7,904,778	7,274,393	7,183,715
June	9,601,967	6,740,594	8,497,218	7,971,168
Actual Cash Flow, July - November	28,048,025	31,551,812	32,692,489	29,617,120
Cash Flow, December - June	51,314,099	46,811,637	48,516,291	50,400,412
Annual Cash Flow Total	79,362,124	78,363,449	81,208,780	80,017,532
Current Forecast Amount				82,868,974
Forecast Over/(Under) Cash Flow Total				2,851,442

The district's purchased services are trending lower than last year because of Excess Cost (Object 474). The charges for last year included 'catch-up' payments from FY 2016 which explains the payments in the early months of FY 2017.

Community school costs continue to trend approximately \$1.4 million less than FY 2017. Open enrollment is lower because of a FY 2016 payment correction that ODE charged the district in FY 2017.

The district's transportation expense continues to trend \$1.0 million less than FY 2016. These costs were lower in FY 2017 and FY 2018 actual to-date is confirming that these costs are sustainably trending lower.

These current trends are all positive and will likely add to the district's June 30, 2018 cash balance as well as reduce expenditure levels in subsequent projected years.

AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
Nov 2017

Book Balance		Bank Balance	
USAS Accounting System		Month End Bank Account Balances	
Beginning Balance	171,302,356.20	005 - PNC Practical Nursing	-
Plus Receipts	38,987,985.66	007 - PNC Oma Evans	150,210.90
Less Expenditures	42,690,899.27	008 - HNB Schumacher	85.60
Ending Balance	167,599,442.59	009 - STAR Ohio	10,077,981.46
		017 - HNB AP/Payroll/CN/SA	49,337,574.54
		018 - PNC Building Fund	2,013,079.42
Outstanding Checks & Direct Deposits		037 - USBank Construction	58,600,632.77
005 - HNB Practical Nursing Checks	-	038 - USBank PI Fund	15,342,930.32
017 - HNB Accounts Payable Checks	1,927,755.20	039 - USBank General Fund	35,883,580.34
017 - HNB Payroll Checks	117,158.60		
017 - HNB Deposit Outstanding on Munis	-		
	2,044,913.80		171,406,075.35
Pending Payroll Deductions		Local Grant/Benefit CD's	
Federal/Medicare Withholding	730,477.06	022 - HNB CD	35,313.60
State Tax	130,934.57	029 - HNB CD	5,000.00
City Tax	347,579.34	030 - HNB CD	-
SERS	4,798.69	032 - HNB CD	92,388.38
School District Income Tax	1,549.47		132,701.98
STRS	760,175.22		
Valic	-	Investment Sweeps	
ING (Voya)	25,858.00	017 - HNB AP/Payroll/CN/SA	-
Lincoln	-		
Ohio Deferred Comp	-		-
MG Trust (Aspire)	(250.00)		
Towpath	(42,298.11)		
	1,958,824.24	Miscellaneous Bank Adjustments	
		Petty Cash	1,000.00
Miscellaneous Book Adjustments		Bank Charges to be Refunded	325.00
021 - Inventory Allowance	2,904.73	Credit Card Charges to be Refunded	(7,347.13)
022 - Insurance Accrual	(70,942.04)	Outstanding Payroll Items	535.54
Timing Differences in Accounts Payable	607.82	Outstanding Deposit	2,530.00
	(67,429.49)	Balancing Adj	(69.60)
			(3,026.19)
Adjusted Book Balance	\$ 171,535,751.14	Adjusted Bank Balance	\$ 171,535,751.14