



**Akron Public
Schools.**

Monthly Financial Report

For the F.Y. 2016 Month Ending: October

11/17/2015



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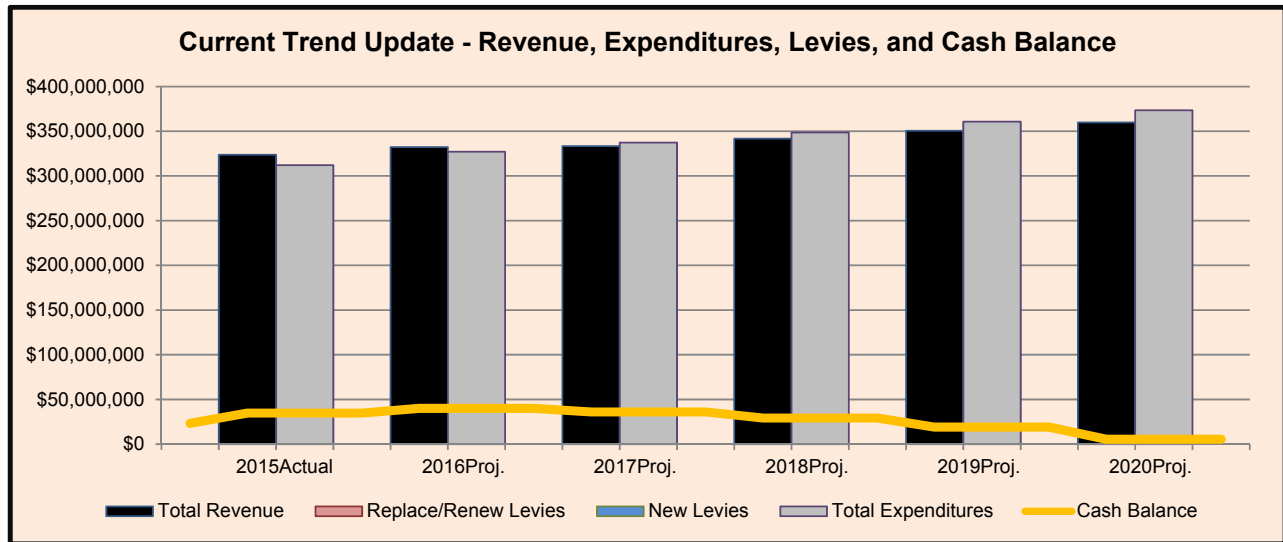
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Overview

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Updated Forecast Trend For The Month of October, F.Y. 2016



Projected Revenue Surplus/(Shortfall) by Year

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue Surplus/ (Shortfall)	\$5,239,641	(\$4,020,330)	(\$6,797,347)	(\$10,248,468)	(\$13,592,581)

Forecast Updated Trend
Compared to Updated Trend Forecast as of 11/17/2015

Variance between Prior and Current Forecast:	2016	2017	2018
Current Forecast Revenue Trend OVER/ UNDER Prior	0.00%	-0.63%	-0.40%
Current Forecast Expenditure Trend OVER/ UNDER Prior	0.00%	0.00%	0.00%
Cumulative Variance \$\$\$ Impact on Ending Cash Balance	\$0	(\$2,116,075)	(\$3,486,947)

What are the current forecast trends?

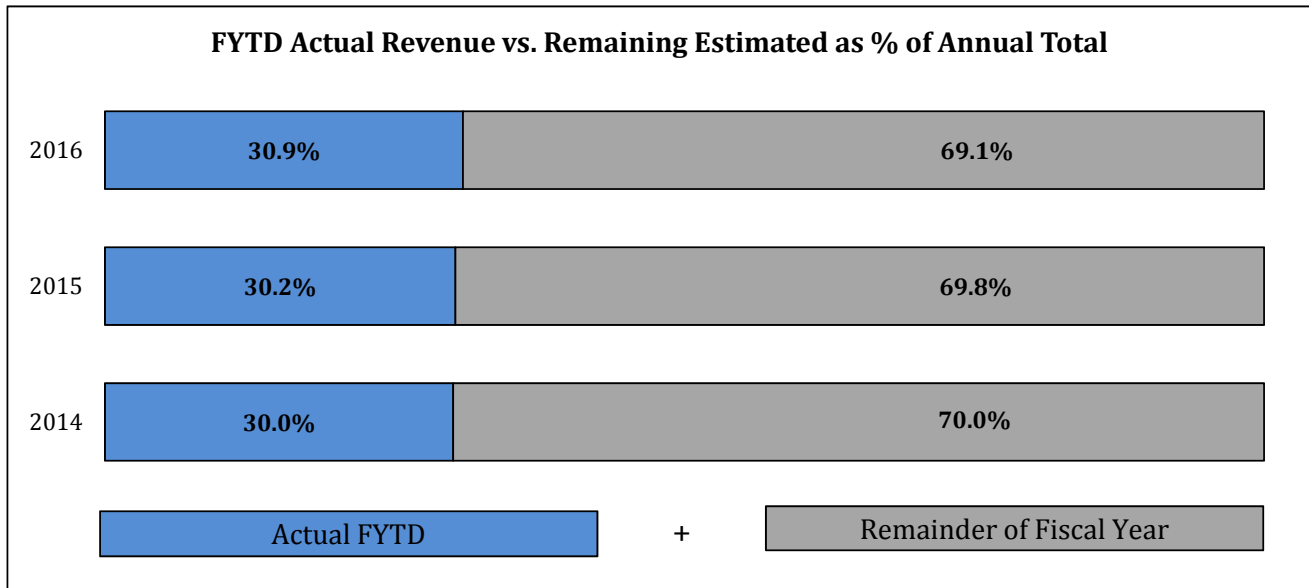
Actual financial results through October support the forecast. There is a slight difference in the methodology used to calculate state funding revenue, which has generated a negative revenue variance of -0.63% in FY 2017, and -0.40% in FY 2018.

Senate Bill 208 was recently passed to provide some relief to districts impacted by the phase-out of tangible personal property reimbursement. The results of SB208 were modeled for the district, but there was no change in revenue.

The district's trend toward operating revenue shortfalls continues.

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

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



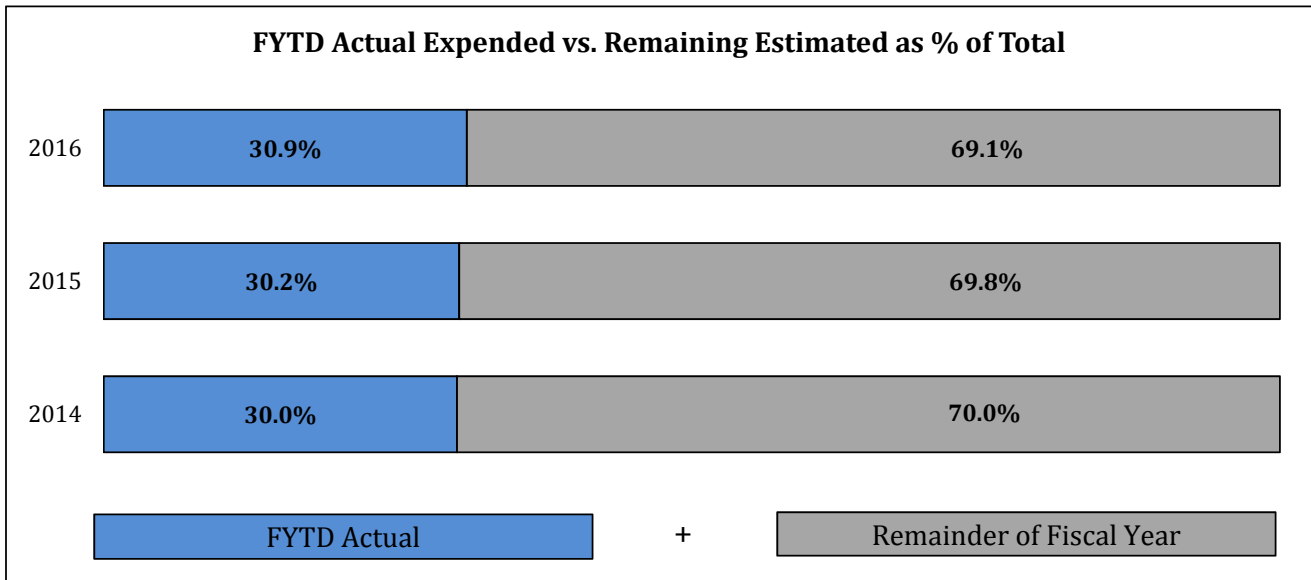
Percent of Annual Total		Actual Fiscal Year To Date Revenue, July - October			F.Y. 2016	
		2014 FYTD	2015 FYTD	2016 FYTD	YOY Change	
30.6%	Real Estate Taxes	49,860,433	48,751,304	48,389,844	\$ (361,460)	-0.7%
0.0%	Public Utility PP Taxes	3,650,816	4,043,994	4,174,991	\$ 130,997	3.2%
0.0%	Income Tax	-	-	-	\$ -	0.0%
58.3%	State Aid (Formula + Rest)	54,774,015	60,847,301	64,653,803	\$ 3,806,503	6.3%
5.2%	State Tax Reimb.	2,360	7,545,377	1,394,067	\$ (6,151,310)	-81.5%
3.2%	Other Revenue	4,030,300	2,136,750	5,042,292	\$ 2,905,543	136.0%
0.0%	Other Sources	8,465	3,980	18,035	\$ 14,055	353.1%
100%	Total Revenue	112,326,390	123,328,704	123,673,032	\$ 344,328	0.3%
Total YOY Percentage Change					0.3%	

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

The district's year-over-year revenue variance is positive 0.3%. The variance would have been greater had the state's tax reimbursement been received in October, as it was last fiscal year. This timing contributes about \$6.1 million in delayed revenue that is now expected in November.

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

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

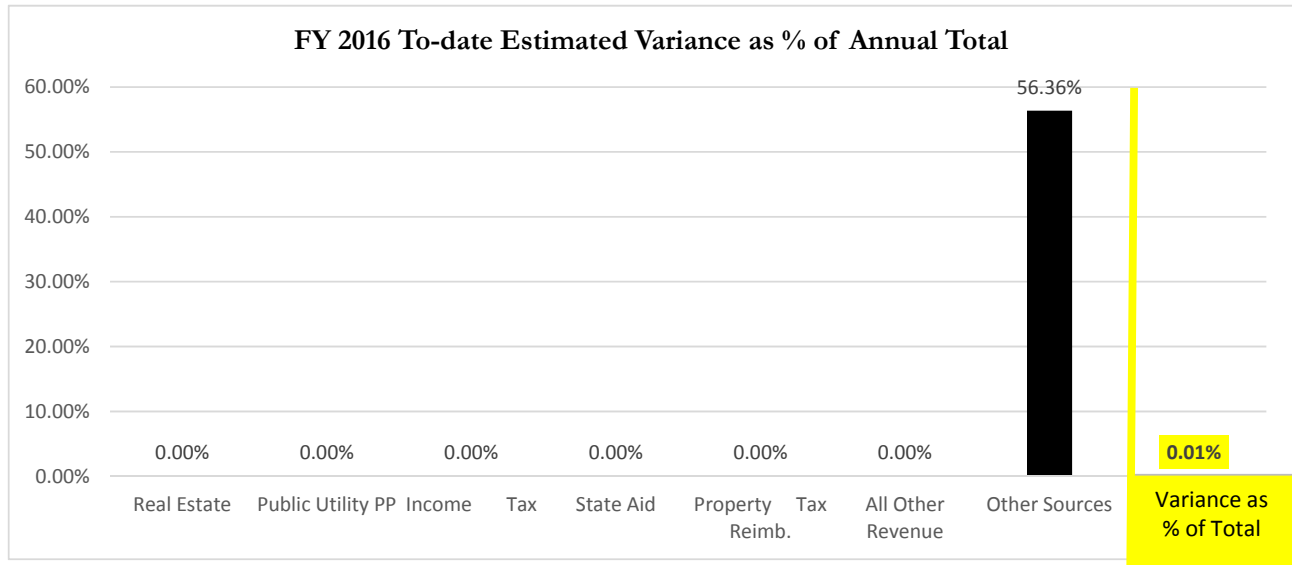


Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - October			F.Y. 2016	
		2014 FYTD	2015 FYTD	2016 FYTD	YOY Change	
49.2%	Salaries	44,447,511	47,778,991	49,240,506	\$ 1,461,515	3.1%
20.7%	Benefits	20,432,590	19,399,983	21,367,069	\$ 1,967,086	10.1%
25.6%	Purchased Services	19,035,708	23,014,864	24,796,521	\$ 1,781,657	7.7%
2.3%	Supplies	2,852,065	2,342,415	2,265,603	\$ (76,812)	-3.3%
1.2%	Capital	2,058,882	591,365	2,096,759	\$ 1,505,394	254.6%
0.0%	Debt, Intergov	-	-	-	\$ -	0.0%
1.0%	Other Objects	1,210,776	1,137,117	1,240,371	\$ 103,254	9.1%
0.0%	Other Uses	59,633	75,954	17,003	\$ (58,951)	-77.6%
100%	Total Expenditures	90,097,164	94,340,689	101,023,832	\$ 6,683,143	
					Total YOY Percentage Change	7.1%

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

Expenditures are up 7.1% over the same period last year. The capital outlay line item is up because of the timing of purchases, and is expected to be less in subsequent months relative to last year.

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

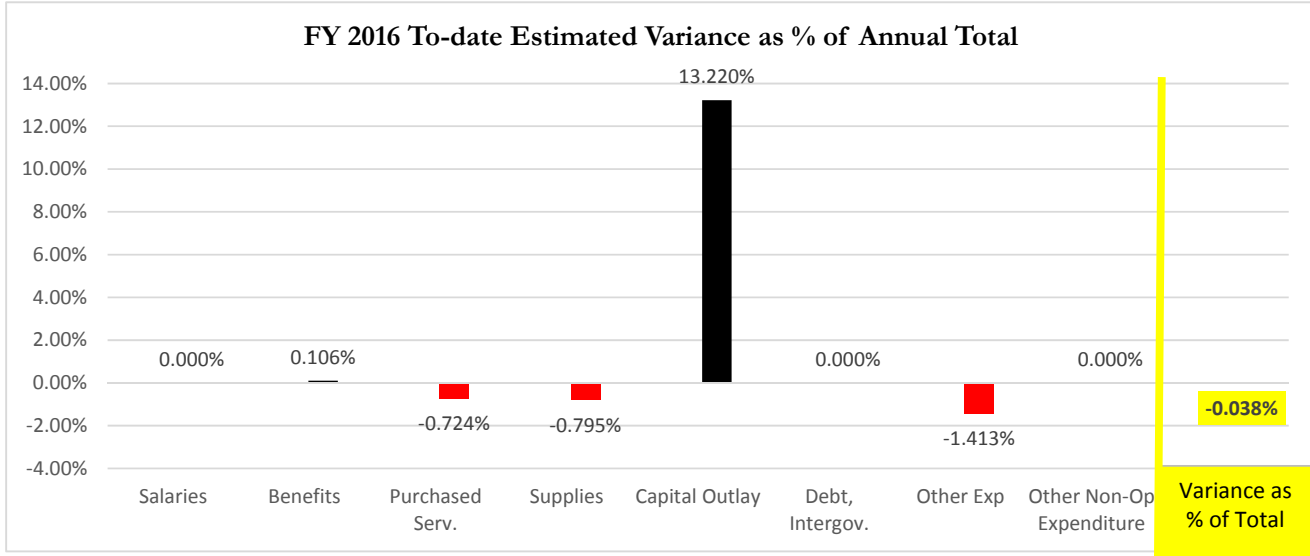


		2016 FYTD	2016 FYTD	2016 FYTD
		Actual	Estimated	Actual Over/
		July	July	(Under)
		through	through	Estimated
		October	October	Variance
Revenue:				
For the F.Y. 2016 Period: July - October				
K	Real Estate Taxes	48,389,844	48,389,844	-
L	Public Utility PP Taxes	4,174,991	4,174,991	-
M	Income Tax	-	-	-
N	State Aid (Formula + Restricted)	64,653,803	64,653,803	-
P	State Tax Reimb.	1,394,067	1,394,067	-
Q	Other Revenue	5,042,292	5,042,292	-
R	Total Operating Revenue	123,654,997	123,654,997	-
S	Other Non-Op Revenue	18,035	-	18,035
T	Total Operating Revenue Plus Other Sources	123,673,032	123,654,997	18,035

How do FYTD revenue cash flow estimates compare to actual?

Estimated revenue is in-line with actual results through October.

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

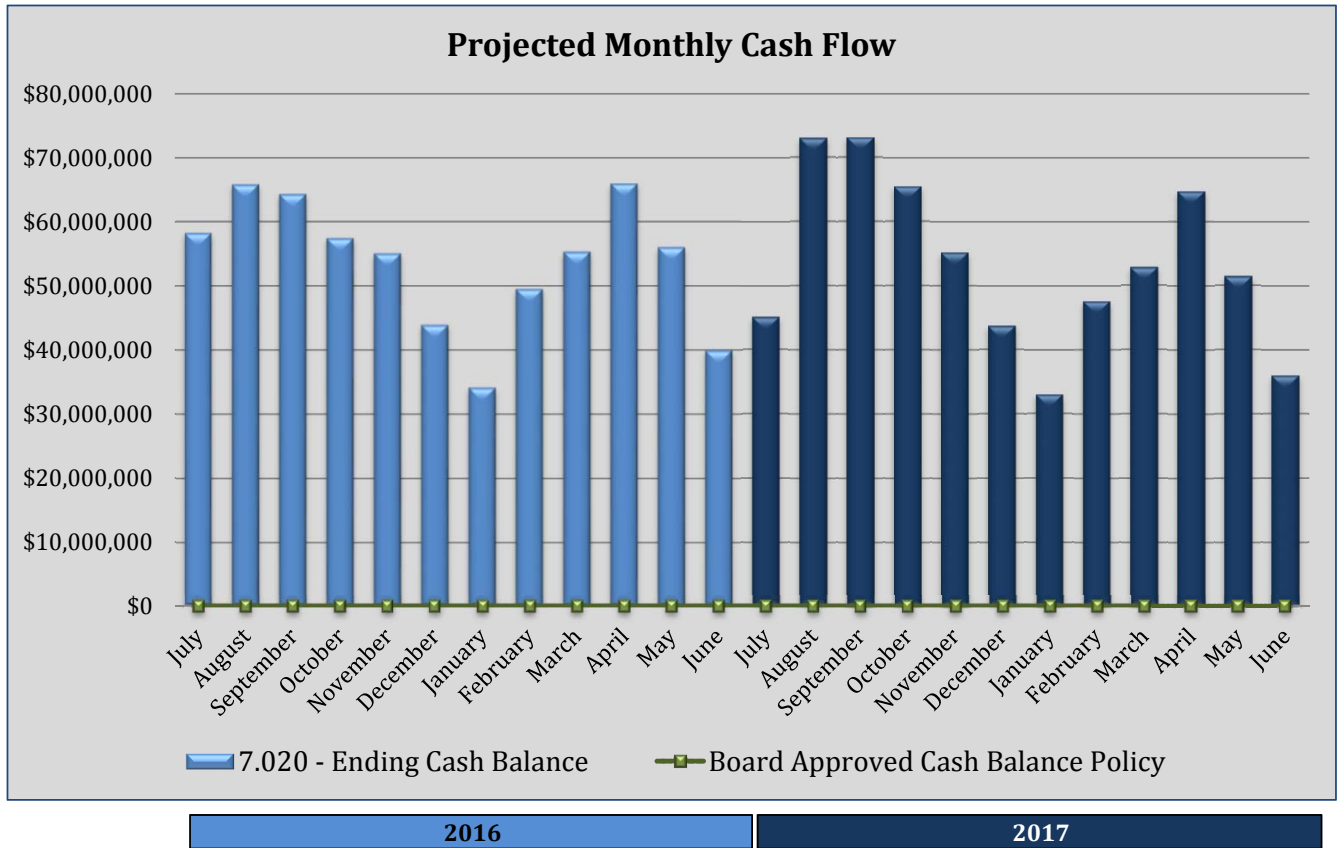


Expenditures:		Actual	Estimated	Actual Over/ (Under) Estimate Variance
For the F.Y. 2016 Period: July - October		July - October	July - October	
K	Salaries	49,240,506	49,240,506	-
L	Benefits	21,367,069	21,295,251	71,818
M	Purchased Services	24,796,521	25,402,280	(605,758)
N	Supplies	2,265,603	2,326,539	(60,936)
O	Capital	2,096,759	1,581,718	515,041
P	Debt, Intergov.	-	-	-
Q	Other Objects	1,240,371	1,285,915	(45,544)
R	Total Operating Expenditures	101,006,829	101,132,209	(125,379)
S	Other Non-Op Expenditures	17,003	17,003	-
T	Total Operating Expenditures Plus Other Uses	101,023,832	101,149,212	(125,379)

How do FYTD expenditure cash flow estimates compare to actual?

Total estimated expenditures are -0.038% lower than actual. Purchased services trended lower in October compared to the estimate and will be monitored for further fluctuation. Capital outlay, as mentioned earlier, is a function of timing.

Monthly Cash Balance Estimates Fiscal Years 2016 and 2017



Monthly cash flow estimates

Monthly cash flow balances are adequate through June 30, 2017.



PFR's CFO News

Ohio's Estimated Revenue and Budget Impact

From the PFR Team

November 13, 2015

Estimated Revenue

Ohio's estimated general fund revenue is trending very close to estimated. According to the Office of Budget Management, the revenue variance is slightly positive at 0.3% for the first four months of the fiscal year. The table below provides OBM's breakdown of the actual versus estimated variance by revenue category.

GRF Revenue Sources Relative to Monthly Estimates – October 2015 (\$ in millions)

Individual Revenue Sources Above Estimate		Individual Revenue Sources Below Estimate	
Cigarette and Other Tobacco Tax	\$17.9	Non-Auto Sales and Use Tax	(\$2.2)
Corporate Franchise	\$3.3	Auto Sales and Use Tax	(\$0.6)
Kilowatt Hour Tax	\$1.1	Personal Income Tax	(\$12.3)
Federal Grants	\$388.3	Financial Institutions Tax	(\$1.5)
Other Income	\$27.5	Commercial Activity Tax	(\$1.5)
Transfers In – Other	\$9.6	Public Utility	(\$4.1)
Alcoholic Beverage	\$5.1	Foreign Insurance Tax	(\$2.3)
Earning on Investments	\$2.5	License & Fees	(\$1.2)
Other Sources Above Estimate	\$0.9	Other Sources Below Estimate	(\$0.0)
Total above	\$456.2	Total below	(\$25.7)

Data Source

http://www.obm.ohio.gov/Budget/monthlyfinancial/doc/2015-11_mfr.pdf

The state's actual revenue performance through October, 2015 indicates that estimated is being met and should lend itself to state budget stability.

For additional information reference the full October, 2015 report at the site above.

**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
October 2015**

Book Balance		Bank Balance	
USAS Accounting System		Month End Bank Account Balances	
Beginning Balance	147,830,292.46	002 - First Merit Student Activity	700,632.42
Plus Receipts	29,596,343.42	005 - PNC Practical Nursing	-
Less Expenditures	39,994,691.52	007 - PNC Oma Evans	151,833.35
Ending Balance	<u>137,431,944.36</u>	008 - First Merit Schumacher	52.62
		015 - PNC Judy Resnik	5,241.73
		017 - First Merit AP/Payroll/CN	6,004,625.84
Outstanding Checks & Direct Deposits		018 - PNC Building Fund	5,925,000.00
002 - First Merit Student Activity Checks	74,012.59	026 - 5th/3rd	250,009.46
005 - PNC Practical Nursing Checks	-	034 - PNC General Fund Money Market	-
015 - PNC Judy Resnik Checks	-	037 - USBank Construction	33,231,012.51
017 - First Merit Accounts Payable Checks	888,700.26	038 - USBank PI Fund	15,039,218.48
017 - First Merit Payroll Checks	187,615.33	039 - USBank General Fund	20,291,820.75
017 - First Merit Payroll Direct Deposits	-		
018 - PNC Building Fund Checks	6,085.37		<u>81,599,447.16</u>
	<u>1,156,413.55</u>		
		Local Grant/Benefit CD's	
Pending Payroll Deductions		022 - First Merit CD	25,109.72
Federal/Medicare Withholding	810,038.10	029 - First Merit CD	5,000.00
State Tax	142,941.08	030 - First Merit CD	176,376.32
City Tax	360,016.69	032 - First Merit CD	91,782.16
SERS	377,632.48		<u>298,268.20</u>
School District Income Tax	1,454.39		
STRS	756,296.90	Investment Sweeps	
Valic	-	002 - First Merit Student Activity	1,035,000.00
ING (Voya)	-	017 - First Merit AP/Payroll/CN	49,490,000.00
Lincoln	-	018 - PNC Building Fund	8,624,847.43
Ohio Deferred Comp	11,464.94		<u>59,149,847.43</u>
MG Trust (Aspire)	-		
Towpath	-	Miscellaneous Bank Adjustments	
	<u>2,459,844.58</u>	Petty Cash	1,000.00
		Bank Charges to be Refunded	374.58
Miscellaneous Book Adjustments		Student Activity Payroll Deposit to 017	30,152.16
021 - Inventory Allowance	44,346.60	Building Fund Payroll Deposit to 017	233.87
022 - Insurance Accrual	(13,231.19)	Student Activity Deposit Not on Books	-
	<u>31,115.41</u>	Child Nutrition Deposit- Bank Error	(5.50)
		Deposit-in-Transit for Payroll	-
			<u>31,755.11</u>
Adjusted Book Balance	<u>\$ 141,079,317.90</u>	Adjusted Bank Balance	<u>\$ 141,079,317.90</u>