



**Akron Public
Schools.**

Monthly Financial Report

For the F.Y. 2016 Month Ending: November
12/11/2015

Ryan Pendleton, CFO



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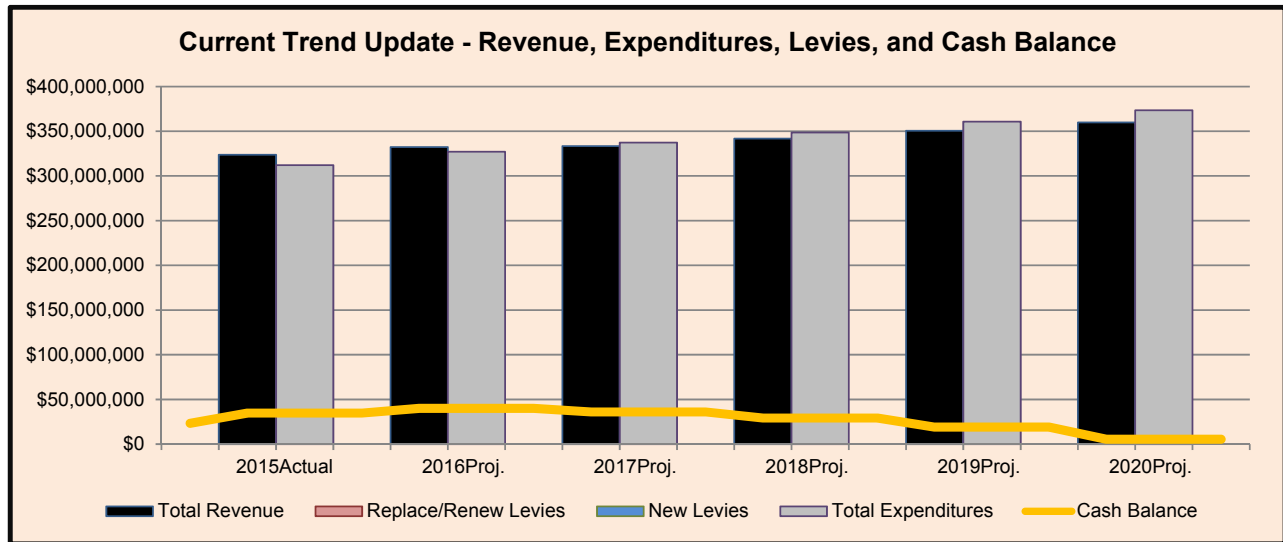
Overview

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Updated Forecast Trend For The Month of November, 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 12/11/2015 | | | |
| 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?

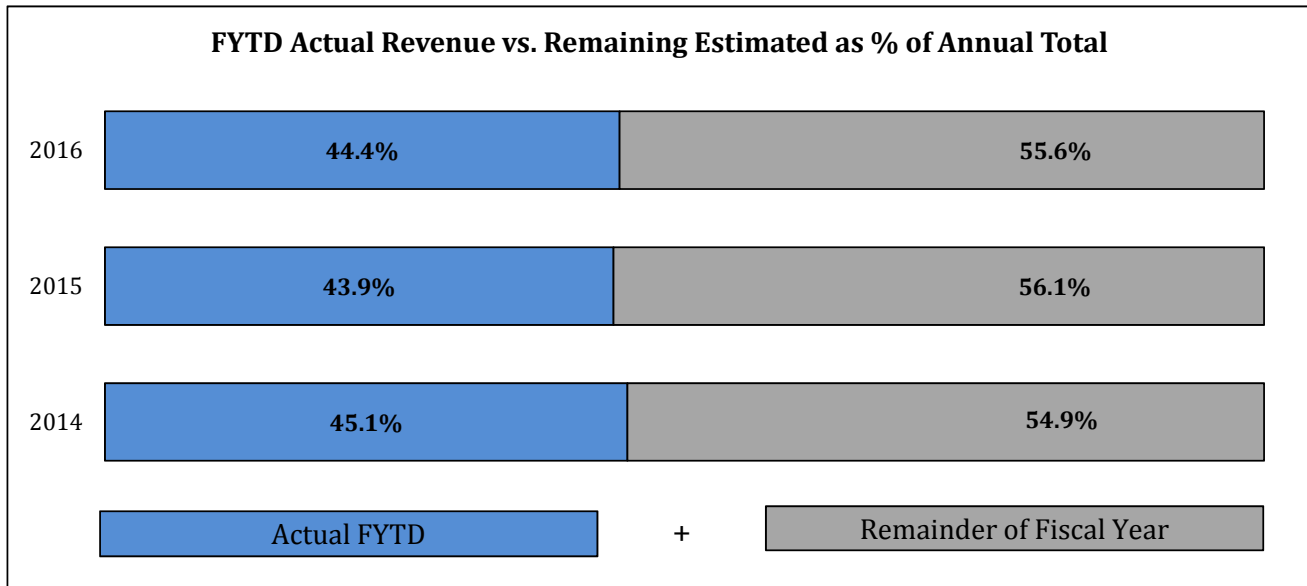
Current forecast trends show a slight decrease in revenue (-0.63% in FY 2017, and -0.40% in FY 2018). The cumulative impact of this decrease is \$3,486,947 through FY 2018.

The district's forecast continues to trend toward revenue shortfalls that could grow to \$13,592,581 in FY 2020.



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. 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 | 4,175,142 | \$ 131,148 | 3.2% |
| 0.0% | Income Tax | - | - | - | \$ - | 0.0% |
| 58.3% | State Aid (Formula + Rest) | 71,046,407 | 75,877,634 | 80,689,218 | \$ 4,811,584 | 6.3% |
| 5.2% | State Tax Reimb. | 10,379,111 | 10,622,285 | 8,787,802 | \$ (1,834,483) | -17.3% |
| 3.2% | Other Revenue | 4,578,714 | 2,671,069 | 5,480,903 | \$ 2,809,834 | 105.2% |
| 0.0% | Other Sources | 8,529 | 4,234 | 19,518 | \$ 15,284 | 361.0% |
| 100% | Total Revenue | 139,524,010 | 141,970,519 | 147,542,426 | \$ 5,571,907 | 3.9% |
| Total YOY Percentage Change | | | | | 3.9% | |

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

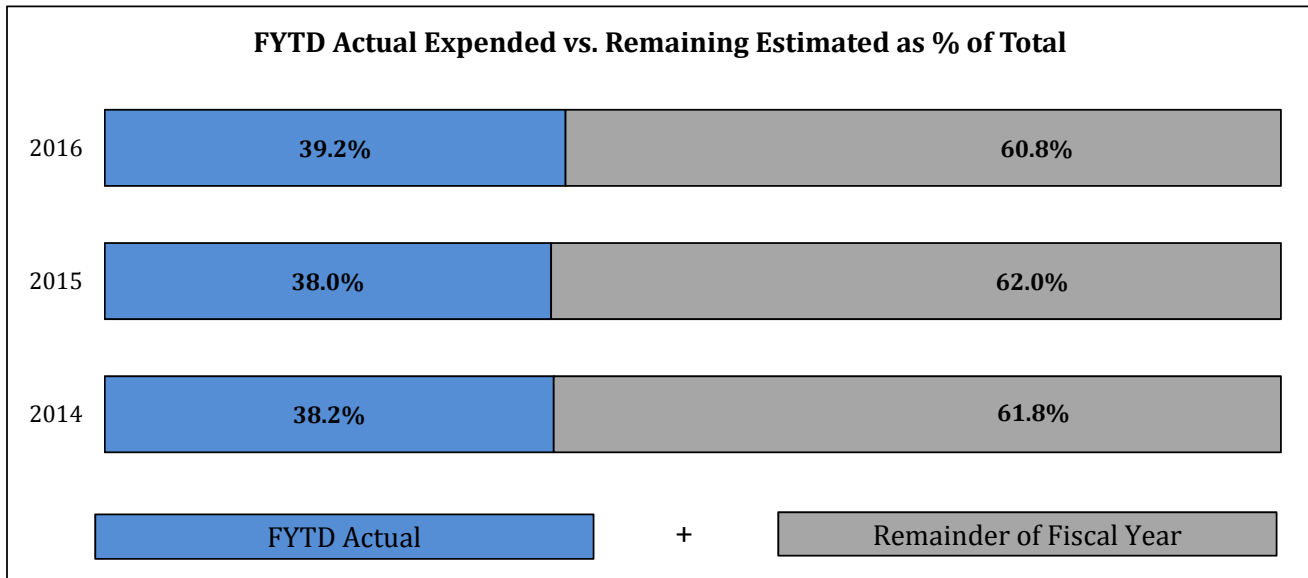
Revenue is up 3.9% over last year.

The primary contributors to the revenue increase are state funding (formula) and local payments in lieu of taxes (Other Revenue). The increases through November are in-line with the annual forecasted amounts.

Property tax allocation is down because of the state's reduction in its tangible personal property tax reimbursement payments. These payments are being phased-out with the new, current budget. Visually, the table above shows that while the state increased formula funding \$4.8 million through November, it also reduced its reimbursements by \$1.8 million.

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

Analysis of actual expenditures for the fiscal year period July - November



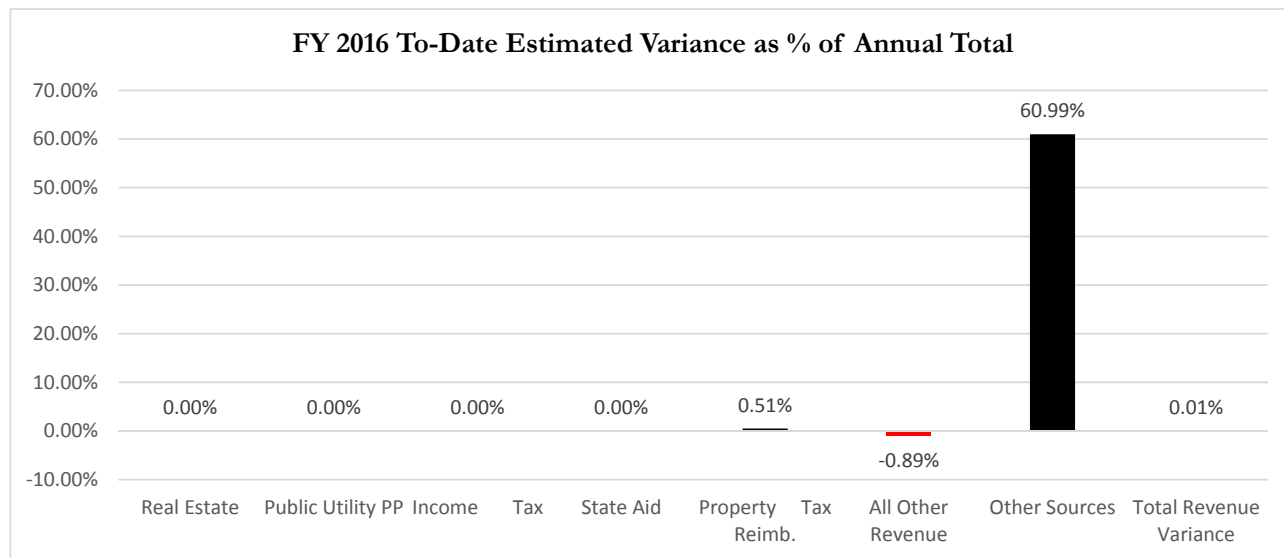
| Percent of Annual Total | | Actual Fiscal Year To Date Expenditures, July - November | | | F.Y. 2016 | |
|------------------------------------|---------------------------|--|--------------------|--------------------|---------------------|--------|
| | | 2014 FYTD | 2015 FYTD | 2016 FYTD | YOY Change | |
| 49.2% | Salaries | 57,086,340 | 61,026,507 | 62,677,394 | \$ 1,650,887 | 2.7% |
| 20.7% | Benefits | 26,017,229 | 24,667,977 | 27,134,279 | \$ 2,466,301 | 10.0% |
| 25.6% | Purchased Services | 24,563,373 | 28,048,025 | 31,551,812 | \$ 3,503,787 | 12.5% |
| 2.3% | Supplies | 3,414,346 | 2,842,579 | 3,247,126 | \$ 404,547 | 14.2% |
| 1.2% | Capital | 2,084,482 | 658,560 | 2,189,061 | \$ 1,530,501 | 232.4% |
| 0.0% | Debt, Intergov | - | - | - | \$ - | 0.0% |
| 1.0% | Other Objects | 1,307,676 | 1,173,093 | 1,346,095 | \$ 173,002 | 14.7% |
| 0.0% | Other Uses | 59,794 | 75,954 | 18,485 | \$ (57,469) | -75.7% |
| 100% | Total Expenditures | 114,533,240 | 118,492,695 | 128,164,251 | \$ 9,671,556 | |
| Total YOY Percentage Change | | | | | 8.2% | |

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

Actual expenditures through November are up 8.2% over last year.

All increases are in-line with expectations. Capital is up because of the timing of purchases, but is still trending in-line with expectations for FY 2016.

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

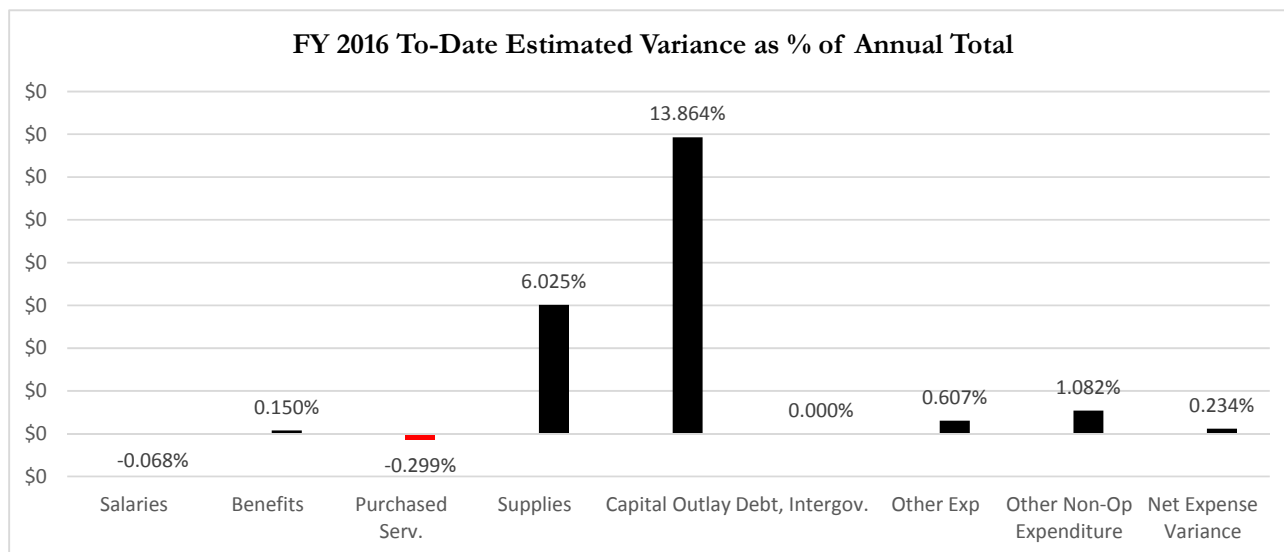


| | | 2016 FYTD | 2016 FYTD | 2016 FYTD |
|--|--|--------------|--------------|-------------------|
| | | Actual | Estimated | Actual Over/ |
| | | July through | July through | (Under) Estimated |
| | | November | November | Variance |
| Revenue: | | | | |
| For the F.Y. 2016 Period: July - November | | | | |
| K | Real Estate Taxes | 48,389,844 | 48,389,844 | - |
| L | Public Utility PP Taxes | 4,175,142 | 4,174,991 | 151 |
| M | Income Tax | - | - | - |
| N | State Aid (Formula + Restricted) | 80,689,218 | 80,683,960 | 5,258 |
| P | State Tax Reimb. | 8,787,802 | 8,699,773 | 88,029 |
| Q | Other Revenue | 5,480,903 | 5,576,611 | (95,708) |
| R | Total Operating Revenue | 147,522,908 | 147,525,178 | (2,270) |
| S | Other Non-Op Revenue | 19,518 | - | 19,518 |
| T | Total Operating Revenue Plus Other Sources | 147,542,426 | 147,525,178 | 17,247 |

How do FYTD revenue cash flow estimates compare to actual?

Actual revenue is trending within 0.01% of estimated.

Fiscal Year To Date (through) Actual Expenditures Compared to Estimates

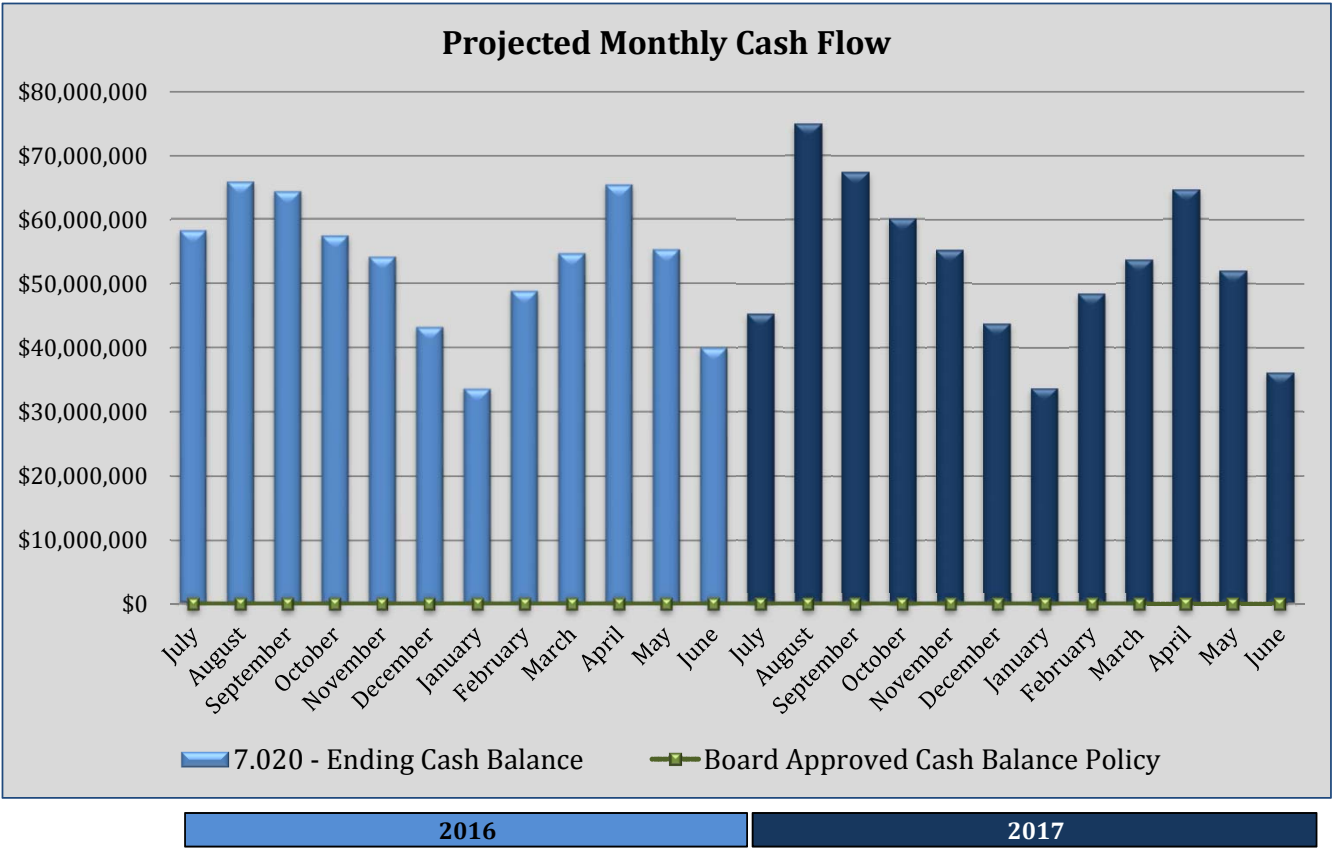


| | | Actual | Estimated | Actual Over/ |
|---|--|-----------------------|-----------------------|----------------------------|
| | | July through November | July through November | (Under) Estimated Variance |
| Expenditures: | | | | |
| For the F.Y. 2016 Period: July - November | | | | |
| K | Salaries | 62,677,394 | 62,786,091 | (108,696) |
| L | Benefits | 27,134,279 | 27,032,623 | 101,655 |
| M | Purchased Services | 31,551,812 | 31,802,280 | (250,468) |
| N | Supplies | 3,247,126 | 2,785,214 | 461,912 |
| O | Capital | 2,189,061 | 1,648,913 | 540,148 |
| P | Debt, Intergov. | - | - | - |
| Q | Other Objects | 1,346,095 | 1,326,546 | 19,549 |
| R | Total Operating Expenditures | 128,145,766 | 127,381,667 | 764,099 |
| S | Other Non-Op Expenditures | 18,485 | 17,078 | 1,407 |
| T | Total Operating Expenditures Plus Other Uses | 128,164,251 | 127,398,745 | 765,506 |

How do FYTD expenditure cash flow estimates compare to actual?

Actual expenditures through November have trended within 0.234% of estimated.

Monthly Cash Balance Estimates Fiscal Years 2016 and 2017



Monthly cash flow estimates

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

**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
November 2015**

| Book Balance | | Bank Balance | |
|---|--------------------------|---|--------------------------|
| USAS Accounting System | | Month End Bank Account Balances | |
| Beginning Balance | 137,431,944.36 | 002 - First Merit Student Activity | 703,104.79 |
| Plus Receipts | 35,649,887.68 | 005 - PNC Practical Nursing | 1,088.00 |
| Less Expenditures | 40,472,368.47 | 007 - PNC Oma Evans | 151,848.82 |
| Ending Balance | 132,609,463.57 | 008 - First Merit Schumacher | 52.62 |
| | | 015 - PNC Judy Resnik | 5,241.73 |
| | | 017 - First Merit AP/Payroll/CN | 6,001,110.84 |
| | | 018 - PNC Building Fund | 5,925,000.00 |
| Outstanding Checks & Direct Deposits | | 026 - 5th/3rd | 250,009.46 |
| 002 - First Merit Student Activity Checks | 58,126.23 | 034 - PNC General Fund Money Market | - |
| 005 - PNC Practical Nursing Checks | 1,086.00 | 037 - USBank Construction | 33,296,253.43 |
| 015 - PNC Judy Resnik Checks | - | 038 - USBank PI Fund | 15,064,483.34 |
| 017 - First Merit Accounts Payable Checks | 355,007.85 | 039 - USBank General Fund | 20,295,190.24 |
| 017 - First Merit Payroll Checks | 114,488.29 | | |
| 017 - First Merit Payroll Direct Deposits | - | | |
| 018 - PNC Building Fund Checks | 182,739.30 | | 81,693,383.27 |
| | 711,447.67 | | |
| | | Local Grant/Benefit CD's | |
| Pending Payroll Deductions | | 022 - First Merit CD | 25,109.72 |
| Federal/Medicare Withholding | 710,548.48 | 029 - First Merit CD | 5,000.00 |
| State Tax | 127,671.93 | 030 - First Merit CD | 176,376.32 |
| City Tax | 342,784.57 | 032 - First Merit CD | 91,782.16 |
| SERS | 341,174.48 | | 298,268.20 |
| School District Income Tax | 1,465.45 | | |
| STRS | 684,273.37 | Investment Sweeps | |
| Valic | - | 002 - First Merit Student Activity | 1,000,000.00 |
| ING (Voya) | - | 017 - First Merit AP/Payroll/CN | 46,980,000.00 |
| Lincoln | - | 018 - PNC Building Fund | 5,537,886.23 |
| Ohio Deferred Comp | - | | 53,517,886.23 |
| MG Trust (Aspire) | - | | |
| Towpath | - | Miscellaneous Bank Adjustments | |
| | 2,207,918.28 | Petty Cash | 1,000.00 |
| | | Bank Charges to be Refunded | 272.65 |
| Miscellaneous Book Adjustments | | Student Activity Payroll Deposit to 017 | 8,304.78 |
| 021 - Inventory Allowance | 4,553.67 | Building Fund Payroll Deposit to 017 | 372.55 |
| 022 - Insurance Accrual | (14,374.71) | Student Activity Deposit - Bank Error | 0.21 |
| | (9,821.04) | Deposit-in-Transit for Payroll | (479.41) |
| | | | 9,470.78 |
| Adjusted Book Balance | \$ 135,519,008.48 | Adjusted Bank Balance | \$ 135,519,008.48 |