



Monthly Financial Report

Akron City School District -

For the F.Y. 2015 Month Ending: January

Ryan Pendleton

Treasurer/CFO

rpendlet@akron.k12.oh.us





Table of Contents

Overview	3
Updated Forecast Trend For The Month of January, F.Y. 2015	4
Fiscal Year To Date -- Year-Over-Year Revenue Comparison	5
Fiscal Year To Date -- Year-Over-Year Expenditure Comparison	6
Month of January Actual Revenue Compared to Estimates	7
Fiscal Year To Date (July - January) Actual Revenue Compared to Estimates	8
Month of January Actual Expenditures Compared to Estimates	9
Fiscal Year To Date (July - January) Actual Expenditures Compared to Estimates	10
Fiscal Year 2015 Actual Revenue Plus Remaining Estimated	11
Fiscal Year 2015 Actual Expenditure Plus Remaining Estimated	12
Monthly Cash Balance Estimates Fiscal Years 2015 and 2016	13
Supplement - Executive Budget as Proposed	14



Overview

Page

- 4 The forecast reflects improved property values for 2015 tax collections.
- 5 Revenue is up 2.7% over last fiscal year due to state funding.
- 6 Expenditures are up 3.9% over last year due to staff bargaining agreements.
- 7 Unrestricted aid monthly estimates for January did not include casino revenue received.
- 8 Revenue for the period July through January is within -0.6% of estimated.
- 9 Actual expenditures for the month of January are in-line with the original estimates.
- 10 Overall, actual expenditures remain in-line with year-to-date estimates.
- 11 The district has received 54.1% of its projected F.Y. 2015 revenue.
- 12 The district has spent 54.7% of its annual projected expenditures.
- 13 Monthly cash flow balances remain adequate through June 30, 2016.





Updated Forecast Trend For The Month of January, F.Y. 2015

Forecasted Revenue and Expenditures			
Updated (if applicable)			
For the interim forecast period FY 2015 through FY 2017			
	PROJECTED		
	2015	2016	2017
Total Revenue	\$322,149,859	\$326,632,711	\$331,255,285
Replace/Renew Levies	\$0	\$0	\$0
New Levies	\$0	\$0	\$0
Total Expenditures	\$318,446,195	\$325,392,607	\$335,631,914
Revenue Over/(Under)			
Expenditures	\$3,703,664	\$1,240,103	(\$4,376,630)
Cash Balance	\$26,988,785	\$28,228,888	\$23,852,258

Variance between Updated and Filed Forecasts

	2015	2016	2017
Total Revenues			
Filed Forecast as of 10/23/2014:	\$321,242,760	\$324,418,814	\$328,836,218
Updated Forecast as of 2/12/2015:	\$322,149,859	\$326,632,711	\$331,255,285
Variance:	\$907,099	\$2,213,897	\$2,419,067
Total Expenditures			
Filed Forecast as of 10/23/2014:	\$315,356,691	\$322,303,103	\$332,542,410
Updated Forecast as of 2/12/2015:	\$318,446,195	\$325,392,607	\$335,631,914
Variance:	\$3,089,504	\$3,089,504	\$3,089,504
Cash Balance			
Filed Forecast as of 10/23/2014:	\$29,171,189	\$31,286,900	\$27,580,708
Updated Forecast as of 2/12/2015:	\$26,988,785	\$28,228,888	\$23,852,258
Variance:	(\$2,182,405)	(\$3,058,012)	(\$3,728,449)

In Perspective:

The forecast reflects improved property values for 2015 tax collections.

As reported earlier, property values have improved over estimates, which should cause the subsequent revenue to increase.

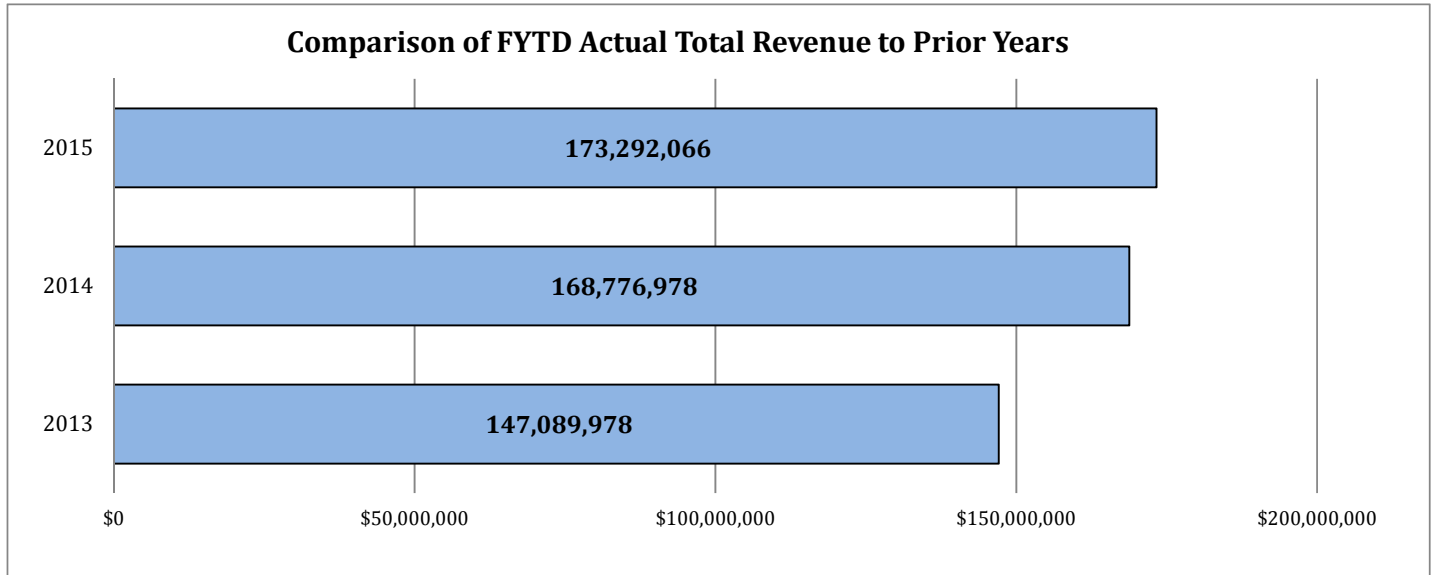
At the same time, some expenditures lines are trending higher than estimated, which will offset the revenue gain.

The above information does not include any proposed change to state funding as introduced in the Governor's Executive Budget.



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

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



Percent of Annual Total		Actual Fiscal Year To Date Revenue, July - January			F.Y. 2015
		2013 FYTD	2014 FYTD	2015 FYTD	YOY Change
31.6%	Real Estate Taxes	39,569,629	49,860,433	48,751,304	\$ (1,109,130)
2.6%	Public Utility PP Taxes	2,999,537	3,652,833	4,043,994	\$ 391,161
0.0%	Income Tax	-	-	-	\$ -
47.6%	Unrestricted State-Aid	88,083,195	82,680,382	90,135,768	\$ 7,455,386
8.6%	Restricted State-Aid	2,426,427	16,314,734	16,153,467	\$ (161,267)
6.4%	State Tax Reimb.	9,202,734	10,379,111	10,622,285	\$ 243,174
3.3%	Other Revenue	4,797,689	5,864,248	3,577,736	\$ (2,286,512)
0.0%	Other Sources	10,768	25,237	7,512	\$ (17,725)
100%	Total Revenue	147,089,978	168,776,978	173,292,066	\$ 4,515,088
Total YOY Percentage Change					2.7%

How does revenue compare to prior years?

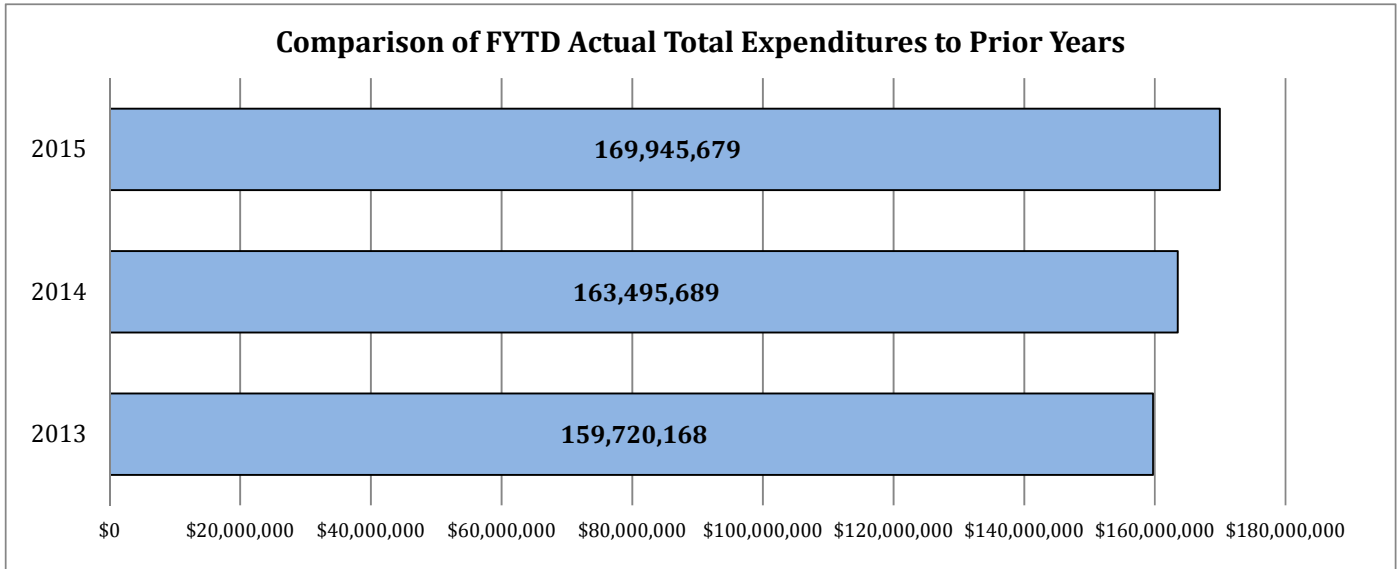
Revenue is up 2.7% over last fiscal year due to state funding.

The district's state funding is up almost \$7.4 million; however, "other revenue" and "real estate" are both down for the period. Other revenue is down primarily because of tax exemption payments and donations. Research is underway to determine the dynamics of the negotiated tax incentive agreements and their impact upon future revenue.



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

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



Percent of Annual Total		Actual Fiscal Year To Date Expenditures, July - January			F.Y. 2015
		2013 FYTD	2014 FYTD	2015 FYTD	YOY Change
50.0%	Salaries	83,635,473	82,596,131	88,458,494	\$ 5,862,362
20.1%	Benefits	37,908,295	36,828,445	35,350,605	\$ (1,477,840)
23.6%	Purchased Services	33,431,559	35,740,709	39,597,392	\$ 3,856,683
3.8%	Supplies	3,352,698	4,046,704	3,805,731	\$ (240,973)
1.4%	Capital	165,582	2,771,523	1,328,098	\$ (1,443,425)
0.0%	Intergov., Debt, Interest	-	-	-	\$ -
1.1%	Other Objects	1,216,659	1,435,833	1,322,532	\$ (113,301)
0.0%	Other Uses	9,902	76,343	82,828	\$ 6,484
100%	Total Expenditures	159,720,168	163,495,689	169,945,679	\$ 6,449,990
Total YOY Percentage Change					3.9%

How do expenditures compare to prior years?

Expenditures are up 3.9% over last year due to staff bargaining agreements.

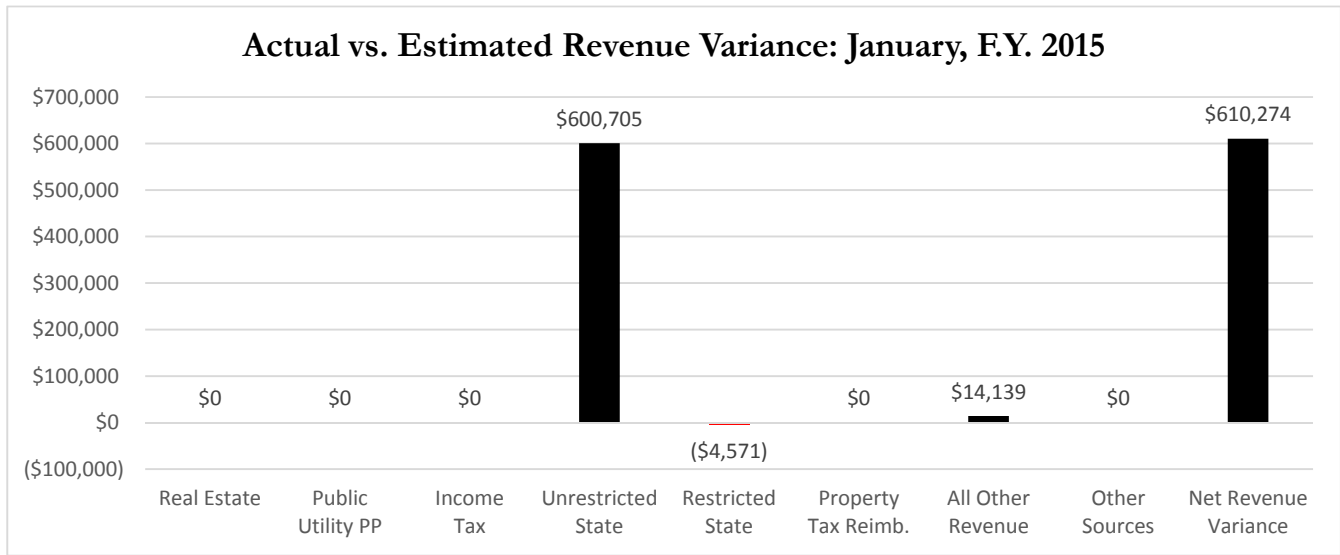
Expenditures continue to trend about 4.0% over last year. Purchased services reflect the impact of community school tuition in large part.

The reduction in benefits reflects negotiated plan design changes.

These items are being monitored, and may indicate the need for increasing the salary and purchased services cost estimates in the five year forecast when updated for the board in May.



Month of January Actual Revenue Compared to Estimates



Ref	Revenue:	Actual for the Month of January	Estimated for the Month of January	Actual Over/ (Under) Estimate Variance
Row	For the F.Y. 2015 Month Ending: January			
A	1.010 - General Property Tax (Real Estate)	-	-	-
B	1.020 - Public Utility Personal Property	-	-	-
C	1.030 - Income Tax	-	-	-
D	1.035 - Unrestricted Grants-in-Aid	13,219,324	12,618,619	600,705
E	1.040 - 1.045 - Restricted Grants-in-Aid	2,238,953	2,243,524	(4,571)
F	1.050 - Property Tax Allocation	-	-	-
G	1.060 - All Other Operating Revenues	529,199	515,060	14,139
H	1.070 - Total Revenue	15,987,476	15,377,202	610,274
I	2.070 - Total Other Financing Sources	-	-	-
J	2.080 - Total Revenues and Other Financing Sources	15,987,476	15,377,202	610,274
				4.0%

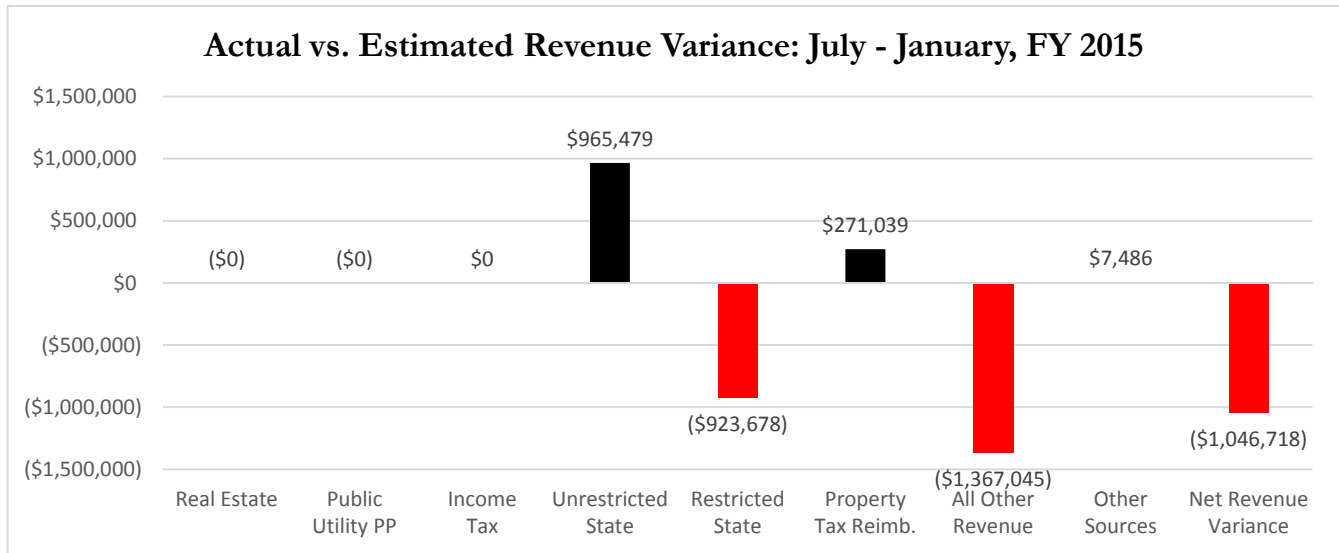
How do revenue cash flow estimates for the month compare to actual?

Unrestricted aid monthly estimates for January did not include casino revenue received.

Casino revenue is about \$1.3 million for the district. The revenue was included in the annual forecast, but was not reflected in the monthly cash flow estimates.



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



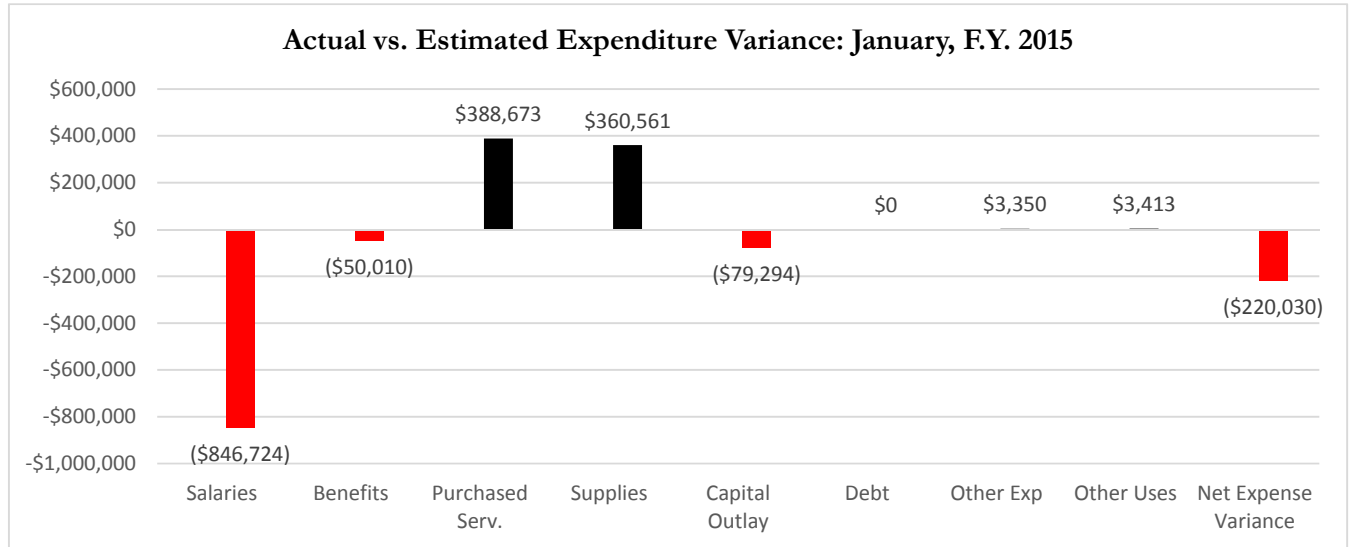
		Actual	Estimated	Actual Over/ (Under) Estimate Variance
		July - January	July - January	
Revenue:				
For the F.Y. 2015 Period: July - January				
K	1.010 - General Property Tax (Real Estate)	48,751,304	48,751,304	(0)
L	1.020 - Public Utility Personal Property	4,043,994	4,043,994	(0)
M	1.030 - Income Tax	-	-	-
N	1.035 - Unrestricted Grants-in-Aid	90,135,768	89,170,289	965,479
O	1.040 - 1.045 - Restricted Grants-in-Aid	16,153,467	17,077,144	(923,678)
P	1.050 - Property Tax Allocation	10,622,285	10,351,246	271,039
Q	1.060 - All Other Operating Revenues	3,577,736	4,944,781	(1,367,045)
R	1.070 - Total Revenue	173,284,554	174,338,758	(1,054,204)
S	2.070 - Total Other Financing Sources	7,512	26	7,486
T	2.080 - Total Revenues and Other Financing Sources	173,292,066	174,338,784	(1,046,718)
				-0.6%

How do revenue cash flow estimates FYTD compare to actual?

Revenue for the period July through January is within -0.6% of estimated.



Month of January Actual Expenditures Compared to Estimates



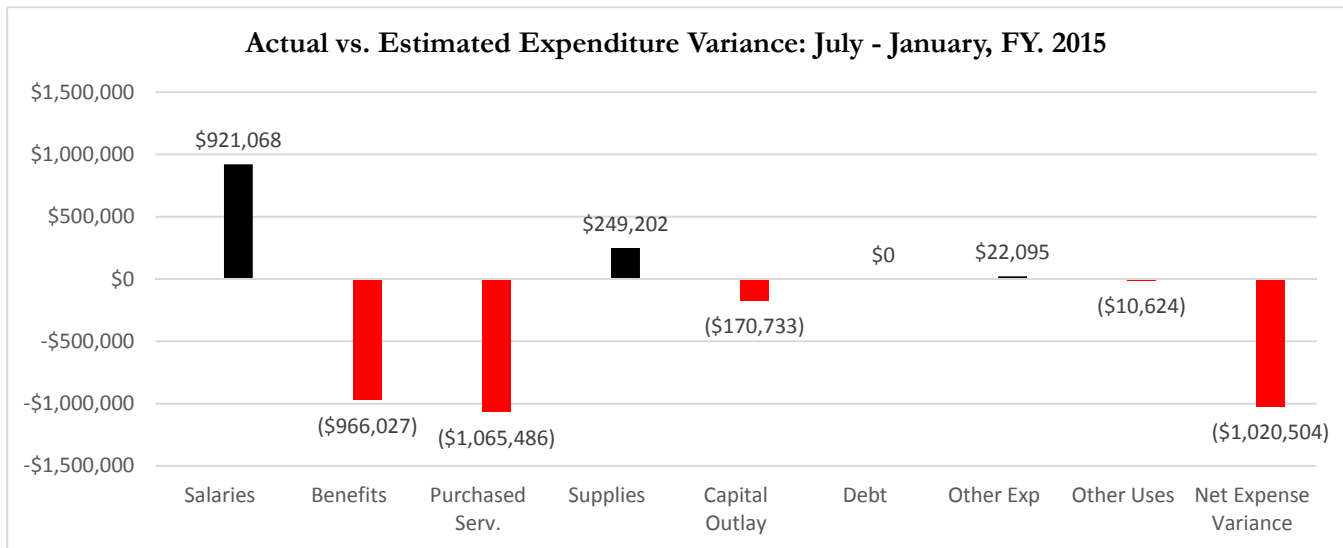
Ref	Expenditures:	Actual for the Month of January	Estimated for the Month of January	Actual Over/ (Under) Estimate Variance
Row	For the F.Y. 2015 Month Ending: January			
A	3.010 - Personnel Services	13,140,329	13,987,053	(846,724)
B	3.020 - Employees' Retirement/Insurance Benefits	5,218,683	5,268,693	(50,010)
C	3.030 - Purchased Services	5,885,620	5,496,947	388,673
D	3.040 - Supplies and Materials	605,518	244,957	360,561
E	3.050 - Capital Outlay	543,547	622,841	(79,294)
F	3.060 - 4.060 - Intergovernmental, Debt & Interest	-	-	-
G	4.300 - Other Objects	122,446	119,097	3,350
H	4.500 - Total Expenditures	25,516,143	25,739,586	(223,444)
I	5.040 - Total Other Financing Uses	3,413	-	3,413
J	5.050 - Total Expenditures and Other Financing Uses	25,519,556	25,739,586	(220,030)
				-0.9%

How do expenditure cash flow estimates for the month compare to actual?

Actual expenditures for the month of January are in-line with the original estimates.



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



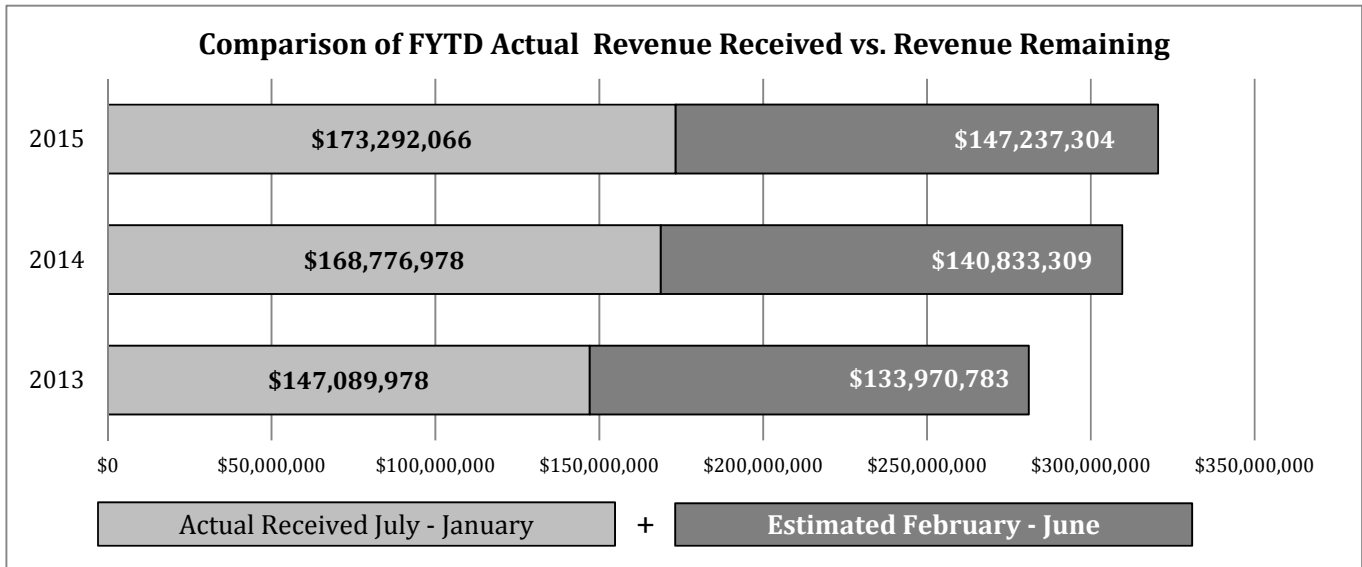
		Actual	Estimated	Actual Over/ (Under) Estimate Variance
		July - January	July - January	
Expenditures:				
For the F.Y. 2015 Period: July - January				
K	3.010 - Personnel Services	88,458,494	87,537,426	921,068
L	3.020 - Employees' Retirement/Insurance Benefits	35,350,605	36,316,631	(966,027)
M	3.030 - Purchased Services	39,597,392	40,662,878	(1,065,486)
N	3.040 - Supplies and Materials	3,805,731	3,556,529	249,202
O	3.050 - Capital Outlay	1,328,098	1,498,830	(170,733)
P	3.060 - 4.060 - Intergovernmental, Debt & Interest	-	-	-
Q	4.300 - Other Objects	1,322,532	1,300,437	22,095
R	4.500 - Total Expenditures	169,862,851	170,872,731	(1,009,880)
S	5.040 - Total Other Financing Uses	82,828	93,452	(10,624)
T	5.050 - Total Expenditures and Other Financing Uses	169,945,679	170,966,183	(1,020,504)
				-0.6%

How do expenditure cash flow estimates FYTD compare to actual?

Overall, actual expenditures remain in-line with year-to-date estimates.



Fiscal Year 2015 Actual Revenue Plus Remaining Estimated



Revenue for FY 2015	FYTD 2015 Actual through July - January	<u>Estimated for</u> Remaining Months February - June	Total Annual Projected from Actual/Est. Cash Flow
1.010 - General Property Tax (Real Estate)	48,751,304	52,934,556	101,685,860
1.020 - Tangible Personal Property Tax	4,043,994	4,272,450	8,316,444
1.030 - Income Tax	-	-	-
1.035 - Unrestricted Grants-in-Aid	90,135,768	63,093,093	153,228,861
1.040 - 1.045 - Restricted Grants-in-Aid	16,153,467	11,217,618	27,371,085
1.050 - Property Tax Allocation	10,622,285	10,167,284	20,789,569
1.060 - All Other Operating Revenues	3,577,736	5,520,329	9,098,065
1.070 - Total Revenue	173,284,554	147,205,330	320,489,884
2.070 - Total Other Financing Sources	7,512	31,974	39,486
2.080 - Total Rev. and Other Financing Sources	173,292,066	147,237,304	320,529,370
	Percentage of Annual Total	54.1%	45.9%

How does FYTD revenue received compare to prior years?

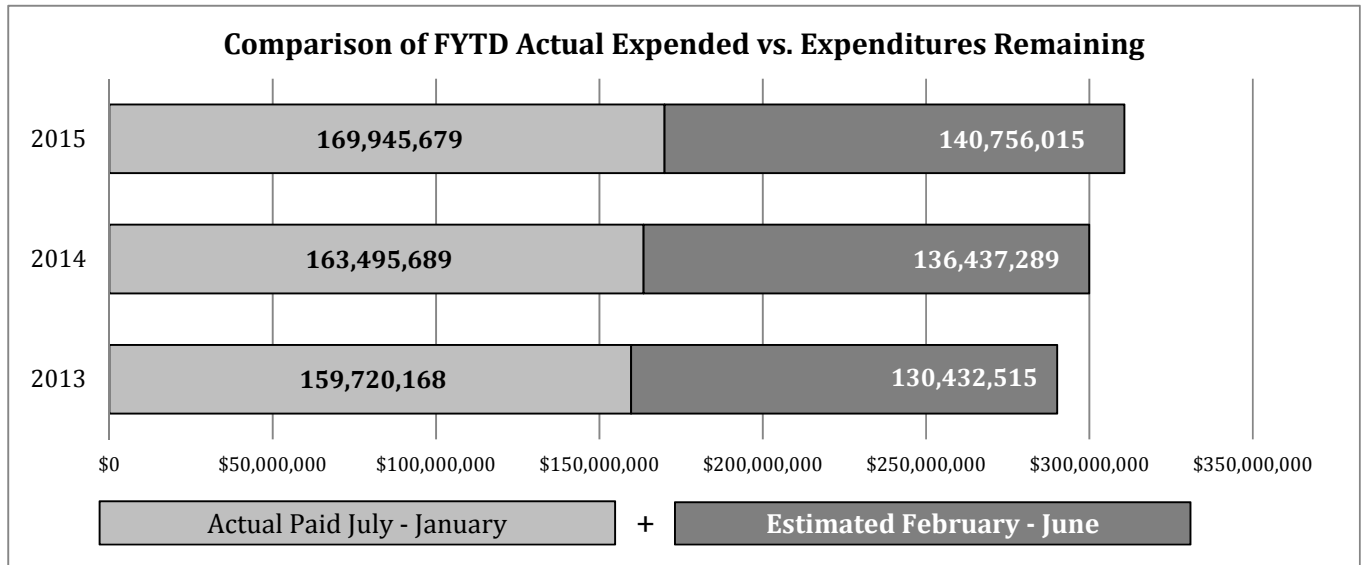
The district has received 54.1% of its projected F.Y. 2015 revenue.

The district has received 54.1% of its annual projected fiscal year 2015 revenue, which is similar to last year's same period percentage of 54.5%. The district is projecting to receive 45.9% of its annual fiscal year 2015 in the remaining months of February through June, 2015.

	% of Annual Total Received July - January	% of Annual Remaining February - June
F.Y. 2015	54.1%	45.9%
F.Y. 2014	54.5%	45.5%
F.Y. 2013	52.3%	47.7%



Fiscal Year 2015 Actual Expenditure Plus Remaining Estimated



Expenditures for FY 2015	FYTD 2015 Actual through July - January	<u>Estimated</u> for Remaining Months February - June	Total Annual Projected from Actual/Est. Cash Flow
3.010 - Personnel Services	88,458,494	68,591,416	157,049,910
3.020 - Employees' Retirement/Insurance Benefits	35,350,605	26,930,006	62,280,611
3.030 - Purchased Services	39,597,392	35,273,091	74,870,483
3.040 - Supplies and Materials	3,805,731	5,013,025	8,818,755
3.050 - Capital Outlay	1,328,098	3,015,830	4,343,928
3.060 - 4.060 - Intergovernmental, Debt & Interest	-	-	-
4.300 - Other Objects	1,322,532	1,902,599	3,225,131
4.500 - Total Expenditures	169,862,851	140,725,966	310,588,818
5.040 - Total Other Financing Uses	82,828	30,048	112,876
5.050 - Total Expenditures and Other Financing Uses	169,945,679	140,756,015	310,701,694
Percentage of Annual Total	54.7%	45.3%	

How does FYTD expenditures compare to prior years?

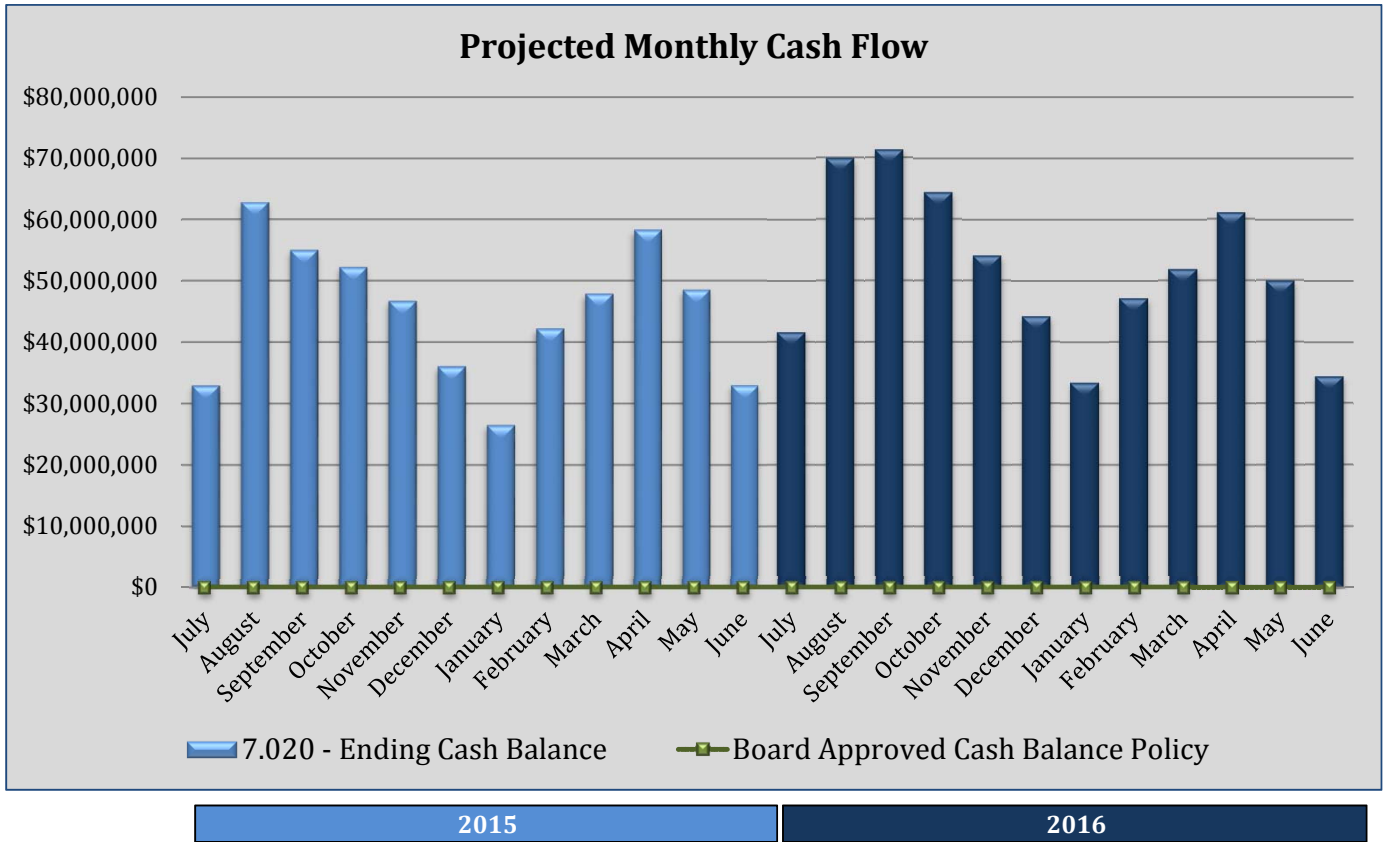
The district has spent 54.7% of its annual projected expenditures.

The district has expended 54.7% of its annual total projected budget in 2015, which compares to 54.5% for the same period last year. Overall expenditures are trending very similar to last year.

	% of Annual Total Expended July - January	% of Annual Remaining February - June
F.Y. 2015	54.7%	45.3%
F.Y. 2014	54.5%	45.5%
F.Y. 2013	55.0%	45.0%



Monthly Cash Balance Estimates Fiscal Years 2015 and 2016



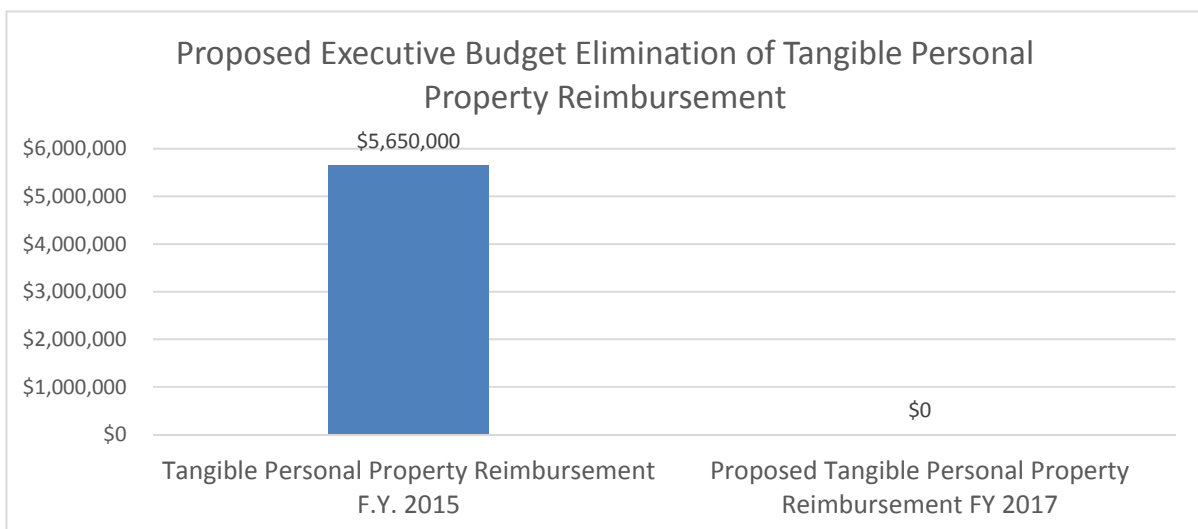
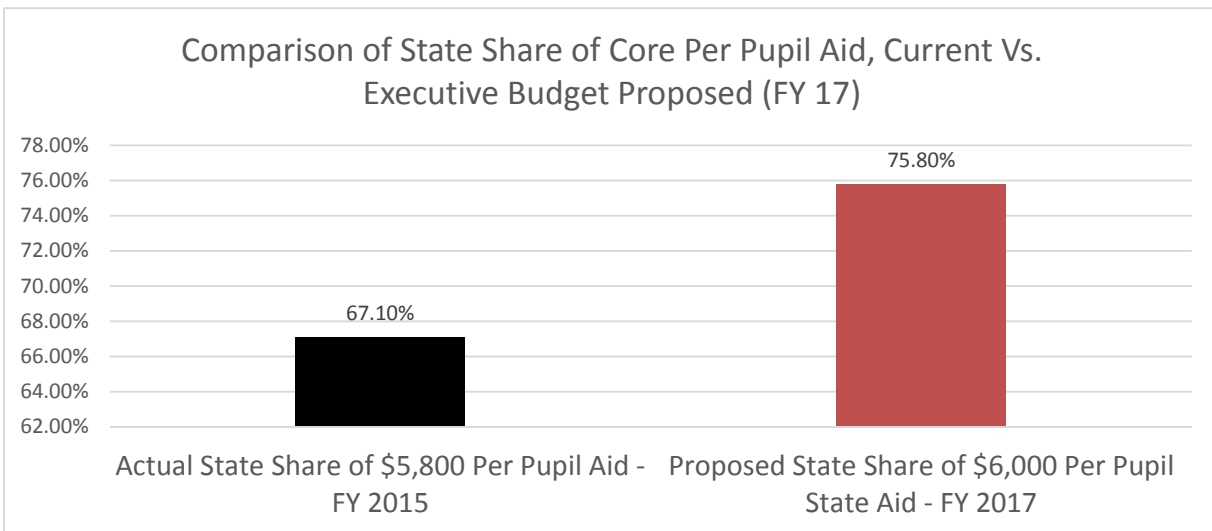
In Perspective:

Monthly cash flow balances remain adequate through June 30, 2016.

Finance committee is reviewing cash reserve best practices.



Supplement - Executive Budget as Proposed



Governor Kasich's **Proposed** Executive Budget was introduced in early February. State share as calculated is proposed to change dramatically. In addition, the Executive Budget proposes to phase-out the reimbursement for tangible personal property taxes taken from districts in 2005.

The executive budget proposes to increase the state's share of per pupil funding for Akron, and to allow a higher year-over-year funding increase (increasing the cap). If this is to occur it could increase FY 2016 revenue by \$17,641,428, and FY 2017 revenue by an additional \$14,577,481.

Akron receives \$5.65 million in TPP reimbursement. This revenue would be eliminated over the next two years.

The state budget process is complicated and lengthy, proposals will almost undoubtedly change, however, the Executive Budget as introduced is favorable to the district.



**AKRON PUBLIC SCHOOLS
MONTHLY RECONCILIATION
January 2015**

Book Balance		Bank Balance	
USAS Accounting System		Month End Bank Account Balances	
Beginning Balance	129,076,108.00	002 - First Merit Student Activity	579,311.67
Plus Receipts	26,441,146.16	005 - PNC Practical Nursing	-
Less Expenditures	38,356,040.09	007 - PNC Oma Evans	151,620.65
Ending Balance	<u>117,161,214.07</u>	008 - First Merit Schumacher	42.48
Outstanding Checks & Direct Deposits		015 - PNC Judy Resnik	6,241.73
002 - First Merit Student Activity Checks	64,655.52	017 - First Merit AP/Payroll/CN	6,007,783.22
005 - PNC Practical Nursing Checks	-	018 - PNC Building Fund	5,350,000.00
015 - PNC Judy Resnik Checks	-	026 - 5th/3rd	15,359,187.67
017 - First Merit Accounts Payable Checks	1,852,247.41	034 - PNC General Fund Money Market	20,312,050.55
017 - First Merit Payroll Checks	273,925.91	036 - PNC Building Fund Money Market	<u>32,170,860.29</u>
017 - First Merit Payroll Direct Deposits	-		<u>79,937,098.26</u>
018 - PNC Building Fund Checks	7,098.00	Local Grant/Benefit CD's	
	<u>2,197,926.84</u>	022 - First Merit CD	20,069.02
Pending Payroll Deductions		029 - First Merit CD	5,000.00
Federal/Medicare Withholding	869,332.99	030 - First Merit CD	178,015.34
State Tax	161,823.08	032 - First Merit CD	91,782.16
City Tax	322,009.15		<u>294,866.52</u>
SERS	311,750.66	Investments	
STRS	-	002 - First Merit Student Activity Sweep	1,255,000.00
Valic	-	017 - First Merit AP/Payroll/CN Sweep	23,285,000.00
ING (Voya)	-	018 - PNC Building Fund Sweep	16,265,581.50
Lincoln	7,372.00		<u>40,805,581.50</u>
Ohio Deferred Comp	11,604.94	Miscellaneous Bank Adjustments	
MG Trust (Aspire)	125.00	Petty Cash	1,000.00
Towpath	-	Bank Charges to be Refunded	186.63
	<u>1,684,017.82</u>	Student Activity Payroll Deposit to 017	13,939.59
Miscellaneous Book Adjustments		Building Fund Payroll Deposit to 017	-
021 - Inventory Allowance	(14,270.43)	Returned Checks to be Redeposited	-
022 - Insurance Accrual	23,984.20	Bank Error on NSF Check	200.00
	<u>9,713.77</u>		<u>15,326.22</u>
Adjusted Book Balance	<u>\$ 121,052,872.50</u>	Adjusted Bank Balance	<u>\$ 121,052,872.50</u>