



Agenda Request Form

Meeting Date	Agenda Item Number
May 18, 2023	D-1

Title	
April 2023 Financial Report and Sales Tax Update	
Requested Action	
School Board Consideration of Superintendent's Recommendation for Approval of April 2023 Financial Report and Sales Tax Update	
Summary Explanation and Background	
Financial Report for April 2023 See Attached Reports	
Priority Area	
Organizational and Operational Effectiveness	
Financial Impact	
N/A	
Exhibits: (List)	
Financial Report and Sales Tax Update	
Source of Additional Information	
Kenneth Owen	770.479.1871
Dr. Brian V. Hightower	770.479.1871

CHEROKEE COUNTY BOARD OF EDUCATION

Dr. Brian V. Hightower, Superintendent

Kenneth Owen, Chief Financial Officer

FINANCIAL REPORT

APRIL 2023

General Fund

For the month ending April 30, 2023, the tenth month of the 2022-23 Fiscal Year, the School District's Operating Account (General Fund) has received \$402,350,299 in revenue (year-to-date) consisting of state funds of \$165,293,832 (70% of budget), \$233,096,147 local revenues (98% of budget), and other funds of \$3,960,320 (292% of budget). All operating expenditures of \$364,349,995 (77% of budget) are within the Board of Education's approved 2022-23 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of \$95,601,915 as of April 30, 2023 reflects Special Purpose Local Option Sales Tax for Education (Ed-SPLOST) collections, proceeds of bond sales for capital outlay purposes, and transfers from the General Fund less bond refundings, bond issuance costs, transfers of Ed-SPLOST to the Debt Service Fund and capital outlay expenses paid.

Cherokee County School District received \$5,419,587 for sales tax collections received in April 2023, for the month of March 2023, the sixth month of 60 monthly sales tax collections for the 2022-2027 SPLOST. Collections received were above projections for the month by \$1,094,211 and above cumulative projections by \$4,561,047.

Ed-SPLOST collections are accumulated within the Building Fund to be used for specified capital outlay purchases (limited pay-as-you-go) and transferred to the Debt Service Fund at the appropriate time to meet annual bond obligations (January and July). Excess Ed-SPLOST collections above projections are used to meet critical capital outlay needs and/or transferred to the Debt Service Fund as a safeguard against future negative economic conditions, assuring the School District can meet future bond payments.

Debt Service Fund

The Debt Service Fund balance as of April 30, 2023 is \$58,006,379 representing funds accumulated from Ed-SPLOST collections, collections from the 1.5 mills of property tax approved by the School Board, interest earned from investments and Invested Sinking Fund earnings. The Invested Sinking Fund is attached to the Series 2010B Bond issuance and is structured to fully pay the annual debt service on the Series 2010B bonds through January 2028. Annual Debt Service payments are made in February and August of each year, according to the Debt Service Schedule published annually in the Cherokee County School District Budget Book.

Federal/State/Competitive Grants and School Nutrition Funds

The School Nutrition Fund Balance as of April 30, 2023 is \$18,936,571 and represents the difference between revenues from all sources and all expenditures. This amount is held in reserve to cover potential funding shortfalls or unexpected expenses.

Federal, State and Competitive grant funds are annually awarded to the School District based on funding formulas (Federal Title Programs) and/or program applications (State and competitive grants). As funds are expended, reimbursements are sought from the various programs. Local funds are not intended to cover shortfalls within grant programs nor are grants intended to carry a fund balance.

**CHEROKEE COUNTY SCHOOL DISTRICT
FINANCIAL REPORT
AS OF APRIL 30, 2023**

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 164,363,141	\$ 29,399,764	\$ 95,871,028	\$ 12,099,474	\$ 301,733,407
Investments	-	27,987,591	-	-	27,987,591
Receivables	1,043,031	619,024	-	8,825,968	10,488,023
Inventories	114,513	-	-	803,361	917,874
TOTAL ASSETS	\$ 165,520,685	\$ 58,006,379	\$ 95,871,028	\$ 21,728,803	\$ 341,126,895
LIABILITIES					
Accounts Payable	\$ 296,292	\$ -	\$ 269,113	\$ 1,515,823	\$ 2,081,228
Salaries and Benefits Payable	20,725,563	-	-	1,276,409	22,001,972
FUND BALANCE	144,498,830	58,006,379	95,601,915	18,936,571	317,043,695
TOTAL LIABILITIES AND FUND BALANCE	\$ 165,520,685	\$ 58,006,379	\$ 95,871,028	\$ 21,728,803	\$ 341,126,895
REVENUE AND EXPENSE					
REVENUE	\$ 402,350,299	\$ 22,724,127	\$ 50,896,943	\$ 47,820,129	\$ 523,791,498
EXPENDITURES	364,341,995	44,059,254	27,790,338	46,839,345	483,030,932
EXCESS REVENUE OVER EXPENDITURES	38,008,304	(21,335,127)	23,106,605	980,784	40,760,566
OTHER FINANCING SOURCES (USES)	(315,084)	34,764,818	(27,097,264)	-	7,352,470
BEGINNING FUND BALANCE	106,805,610	44,576,688	99,592,574	17,955,787	268,930,659
ENDING FUND BALANCE	\$ 144,498,830	\$ 58,006,379	\$ 95,601,915	\$ 18,936,571	\$ 317,043,695

**CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - APRIL 30, 2023**

	2022-2023 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 237,452,907	\$ 233,096,147		\$ 4,356,760
State Revenue	234,849,043	165,293,832		69,555,211
Federal Revenue	199,068	187,892		11,176
Investment Earnings	105,058	3,653,967		(3,548,909)
Miscellaneous Revenue	1,053,566	118,461		935,105
TOTAL REVENUE	473,659,642	402,350,299		71,309,343
EXPENDITURES				
Instructional Services	322,016,221	245,097,491	\$ 418,391	76,500,339
Pupil Services	18,841,138	15,652,080	3,274	3,185,784
Improvement of Instructional Services	17,317,296	15,033,944	2,928,036	(644,684)
Instructional Staff Training	824,962	431,453	23,787	369,722
Educational Media Services	5,419,035	4,267,588	42,846	1,108,601
General Administration	3,724,817	3,272,079	15	452,723
School Administration	29,215,572	24,562,830	11,829	4,640,913
Support Services-Business	3,268,430	2,822,693	81,063	364,674
Maintenance & Operation of Plant Services	37,931,033	28,899,152	1,238,975	7,792,906
Student Transportation Services	27,133,593	19,309,562	125,441	7,698,590
Support Services-Central	5,465,341	4,672,326	2,220	790,795
School Nutrition Program	166,039	320,797	-	(154,758)
TOTAL EXPENDITURES	471,323,477	364,341,995	4,875,877	102,105,605
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	140,237	8,052,470		(7,912,233)
Accounts Transfers Out	(1,929,146)	(8,367,554)		6,438,408
TOTAL OTHER FIN SOURCES (USES)	(1,788,909)	(315,084)		(1,473,825)
NET CHANGE FUND BALANCES	\$ 547,256	\$ 37,693,220	\$ (4,875,877)	\$ (32,270,087)

**CHEROKEE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - APRIL 30, 2023**

	2022-2023 BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	\$ 17,891,756	\$ 19,574,542	\$ (1,682,786)
Investment Earnings	1,025,948	1,408,617	(382,669)
Miscellaneous Revenue	2,936,976	1,740,968	1,196,008
TOTAL REVENUE	21,854,680	22,724,127	(869,447)
EXPENDITURES			
Debt Service	44,057,895	44,059,254	(1,359)
TOTAL EXPENDITURES	44,057,895	44,059,254	(1,359)
OTHER FINANCING SOURCES (USES)			
Accounts Transfers In	34,764,818	34,764,818	-
TOTAL OTHER FIN SOURCES (USES)	34,764,818	34,764,818	-
NET CHANGE FUND BALANCES	\$ 12,561,603	\$ 13,429,691	\$ (868,088)

**CHEROKEE COUNTY SCHOOL DISTRICT
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - APRIL 30, 2023**

	2022-2023 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 56,262,984	\$ 48,440,839		\$ 7,822,145
State Revenue	8,100,000	-		8,100,000
Investment Earnings	36,920	2,456,104		(2,419,184)
TOTAL REVENUE	64,399,904	50,896,943		13,502,961
EXPENDITURES				
Instructional Services	34,137,792	8,195,027	\$ 1,968,283	23,974,482
Facilities Acquisition and Construction Svcs.	100,936,029	19,595,311	4,560,607	76,780,111
TOTAL EXPENDITURES	135,073,821	27,790,338	6,528,890	100,754,593
OTHER FINANCING SOURCES (USES)				
Bond Issuance	115,000,000	-		115,000,000
Premiums on Bonds Sold	17,250,000	-		17,250,000
Accounts Transfers In	-	7,667,554		(7,667,554)
Accounts Transfers Out	(34,764,818)	(34,764,818)		-
TOTAL OTHER FIN SOURCES (USES)	97,485,182	(27,097,264)		124,582,446
NET CHANGE FUND BALANCES	\$ 26,811,265	\$ (3,990,659)	\$ (6,528,890)	\$ 37,330,814

**CHEROKEE COUNTY SCHOOL DISTRICT
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2022 - APRIL 30, 2023**

	2022-2023 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 7,651,393	\$ 6,487,914		\$ 1,163,479
State Revenue	1,343,074	1,471,800		(128,726)
Federal Revenue	43,348,526	39,327,332		4,021,194
Investment Earnings	15,000	533,083		(518,083)
TOTAL REVENUE	52,357,993	47,820,129		4,537,864
EXPENDITURES				
Instructional Services	23,616,084	17,908,165	\$ 774,877	4,933,042
Pupil Services	6,603,948	6,485,788	27,238	90,922
Improvement of Instructional Services	1,557,857	932,994	159	624,704
Instructional Staff Training	2,707,984	1,909,691	55,093	743,200
School Administration	9,802	700	492	8,610
Maintenance & Operation of Plant Services	780,000	538,532	-	241,468
Student Transportation Services	483,530	400,808	-	82,722
Support Services-Central	35,000	50,539	-	(15,539)
School Nutrition Program	17,976,598	18,612,128	393,983	(1,029,513)
TOTAL EXPENDITURES	53,770,803	46,839,345	1,251,842	5,679,616
OTHER FINANCING SOURCES (USES)				
Accounts Transfers In	1,425,400	-		1,425,400
TOTAL OTHER FIN SOURCES (USES)	1,425,400	-		1,425,400
NET CHANGE FUND BALANCES	\$ 12,590	\$ 980,784	\$ (1,251,842)	\$ 283,648

CHEROKEE COUNTY SCHOOL DISTRICT
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
COMPARISON OF COLLECTIONS
THROUGH APRIL 30, 2023

REPORTING MONTH	60 MONTH COLLECTION MONTH	PERIOD	PROJECTED COLLECTIONS	ACTUAL COLLECTIONS	DIFFERENCE ACTUAL AND PROJECTED COLLECTIONS
November 2022	October 2022	1	\$ 4,636,009	\$ 5,328,786	\$ 692,777
December 2022	November 2022	2	4,807,242	5,405,654	598,412
January 2023	December 2022	3	5,104,524	6,617,076	1,512,552
February 2023	January 2023	4	4,824,820	4,852,679	27,859
March 2023	February 2023	5	4,062,238	4,697,475	635,237
April 2023	March 2023	6	4,325,376	5,419,587	1,094,211
			<u>\$ 27,760,210</u>	<u>\$ 32,321,257</u>	<u>\$ 4,561,047</u>

2022-2027 Ed-SPLOST Projected Collections

	2022	2023	2024	2025	2026	2027	TOTAL
January	-	4,824,820	4,921,317	5,019,743	5,120,138	5,222,541	25,108,558
February	-	4,062,238	4,143,483	4,226,353	4,310,880	4,397,097	21,140,052
March	-	4,325,376	4,411,884	4,500,122	4,590,124	4,681,927	22,509,432
April	-	4,448,443	4,537,412	4,628,160	4,720,723	4,815,138	23,149,876
May	-	4,604,100	4,696,182	4,790,105	4,885,907	4,983,625	23,959,919
June	-	4,818,522	4,914,893	5,013,191	5,113,455	5,215,724	25,075,784
July	-	4,787,586	4,883,338	4,981,005	5,080,625	5,182,237	24,914,790
August	-	4,848,609	4,945,582	5,044,493	5,145,383	5,248,291	25,232,358
September	-	4,619,404	4,711,792	4,806,027	4,902,148	5,000,191	24,039,561
October	4,636,009	4,766,013	4,861,333	4,958,560	5,057,731	-	24,279,647
November	4,807,242	4,899,541	4,997,532	5,097,482	5,199,432	-	25,001,229
December	5,104,524	5,403,573	5,511,645	5,621,878	5,734,315	-	27,375,934
TOTALS	\$ 14,547,775	\$ 56,408,226	\$ 57,536,391	\$ 58,687,118	\$ 59,860,861	\$ 44,746,770	\$ 291,787,141