



Agenda Request Form

Meeting Date	Agenda Item Number
December 14, 2023	D-1

Title
November 2023 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of November 2023 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for November 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

NOVEMBER 2023

General Fund

For the month ending November 30, 2023, the fifth month of the 2023-24 Fiscal Year, the School District's Operating Account (General Fund) has received \$243,855,819 in revenue (year-to-date) consisting of state funds of \$72,860,207 (28% of budget), \$169,514,537 local revenues (61% of budget), and other funds of \$1,481,075 (46% of budget). All operating expenditures of \$198,249,407 (37% of budget) are within the Board of Education's approved 2023-24 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of \$62,266,457 as of November 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 \$5,652,592 for sales tax collections received in November 2023, for the month of October 2023, the 13th month of 60 monthly sales tax collections for the 2022-2027 SPLOST. Collections received were above projections for the month by \$886,579 and above cumulative projections by \$10,159,156.

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 November 30, 2023 is \$62,227,140 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 November 30, 2023 is \$19,627,857 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 NOVEMBER 30, 2023**

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 175,030,282	\$ 32,854,293	\$ 62,266,457	\$ 9,522,751	\$ 279,673,783
Investments	-	27,864,245	-	-	27,864,245
Receivables	868,187	1,508,602	-	11,375,331	13,752,120
Inventories	1,083,403	-	-	805,748	1,889,151
TOTAL ASSETS	\$ 176,981,872	\$ 62,227,140	\$ 62,266,457	\$ 21,703,830	\$ 323,179,299
LIABILITIES					
Accounts Payable	\$ 137,117	\$ -	\$ -	\$ 1,184,314	\$ 1,321,431
Salaries and Benefits Payable	16,164,935	-	-	891,659	17,056,594
FUND BALANCE	160,679,820	62,227,140	62,266,457	19,627,857	304,801,274
TOTAL LIABILITIES AND FUND BALANCE	\$ 176,981,872	\$ 62,227,140	\$ 62,266,457	\$ 21,703,830	\$ 323,179,299
REVENUE AND EXPENSE					
REVENUE	\$ 243,855,819	\$ 15,156,153	\$ 23,262,605	\$ 21,416,490	\$ 303,691,067
EXPENDITURES	198,249,407	30,435,660	35,819,676	21,295,190	285,799,933
EXCESS REVENUE OVER EXPENDITURES	45,606,412	(15,279,507)	(12,557,071)	121,300	17,891,134
OTHER FINANCING SOURCES (USES)	218,692	17,255,484	(17,255,484)	-	218,692
BEGINNING FUND BALANCE	114,854,716	60,251,163	92,079,012	19,506,557	286,691,448
ENDING FUND BALANCE	\$ 160,679,820	\$ 62,227,140	\$ 62,266,457	\$ 19,627,857	\$ 304,801,274

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

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 278,889,605	\$ 169,514,537		\$ 109,375,068
State Revenue	261,331,178	72,860,207		188,470,971
Federal Revenue	199,068	217,661		(18,593)
Investment Earnings	2,615,553	1,263,414		1,352,139
Miscellaneous Revenue	424,258	-		424,258
TOTAL REVENUE	543,459,662	243,855,819		299,603,843
EXPENDITURES				
Instructional Services	372,167,165	129,447,009	\$ 350,352	242,369,804
Pupil Services	22,830,491	8,197,013	8,659	14,624,819
Improvement of Instructional Services	19,065,691	9,806,059	1,048,394	8,211,238
Instructional Staff Training	824,962	352,514	5,896	466,552
Educational Media Services	5,909,656	2,242,964	65,993	3,600,699
General Administration	4,029,126	1,582,728	434	2,445,964
School Administration	32,571,787	13,509,598	20,396	19,041,793
Support Services-Business	3,670,470	1,491,843	46,509	2,132,118
Maintenance & Operation of Plant Services	41,919,858	16,135,518	2,155,107	23,629,233
Student Transportation Services	29,231,913	12,889,034	1,552,105	14,790,774
Support Services-Central	5,673,995	2,283,778	51,786	3,338,431
School Nutrition Program	170,190	311,349	-	(141,159)
TOTAL EXPENDITURES	538,065,304	198,249,407	5,305,631	334,510,266
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	154,611	318,692		(164,081)
Accounts Transfers Out	(29,756,126)	(100,000)		(29,656,126)
TOTAL OTHER FIN SOURCES (USES)	(29,601,515)	218,692		(29,820,207)
NET CHANGE FUND BALANCES	\$ (24,207,157)	\$ 45,825,104	\$ (5,305,631)	\$ (64,726,630)

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

	2023-2024 BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	\$ 19,469,523	\$ 14,363,124	\$ 5,106,399
Investment Earnings	1,186,018	541,595	644,423
Miscellaneous Revenue	2,936,976	251,434	2,685,542
TOTAL REVENUE	23,592,517	15,156,153	8,436,364
EXPENDITURES			
Debt Service	44,860,790	30,435,660	14,425,130
TOTAL EXPENDITURES	44,860,790	30,435,660	14,425,130
OTHER FINANCING SOURCES (USES)			
Accounts Transfers In	25,425,105	17,255,484	8,169,621
TOTAL OTHER FIN SOURCES (USES)	25,425,105	17,255,484	8,169,621
NET CHANGE FUND BALANCES	\$ 4,156,832	\$ 1,975,977	\$ 2,180,855

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

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 57,052,068	\$ 21,954,687		\$ 35,097,381
State Revenue	2,500,000	-		2,500,000
Investment Earnings	2,719,957	1,307,918		1,412,039
TOTAL REVENUE	62,272,025	23,262,605		39,009,420
EXPENDITURES				
Instructional Services	26,465,978	8,587,197	\$ 1,198,737	16,680,044
Facilities Acquisition and Construction Svcs.	162,371,770	27,232,479	2,030,961	133,108,330
TOTAL EXPENDITURES	188,837,748	35,819,676	3,229,698	149,788,374
OTHER FINANCING SOURCES (USES)				
Bond Issuance	75,000,000	-		75,000,000
Premiums on Bonds Sold	11,250,000	-		11,250,000
Accounts Transfers In	27,935,234	-		27,935,234
Accounts Transfers Out	(25,425,105)	(17,255,484)		(8,169,621)
TOTAL OTHER FIN SOURCES (USES)	88,760,129	(17,255,484)		106,015,613
NET CHANGE FUND BALANCES	\$ (37,805,594)	\$ (29,812,555)	\$ (3,229,698)	\$ (4,763,341)

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

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 7,897,437	\$ 2,377,370		\$ 5,520,067
State Revenue	1,666,380	721,370		945,010
Federal Revenue	45,207,663	18,025,115		27,182,548
Investment Earnings	25,000	292,635		(267,635)
TOTAL REVENUE	54,796,480	21,416,490		33,379,990
EXPENDITURES				
Instructional Services	23,040,667	8,773,070	\$ 55,503	14,212,094
Pupil Services	8,911,315	3,330,296	19,283	5,561,736
Improvement of Instructional Services	1,219,313	492,827	-	726,486
Instructional Staff Training	2,358,070	809,290	422,528	1,126,252
School Administration	13,209	-	-	13,209
Maintenance & Operation of Plant Services	593,502	111,621	15	481,866
Student Transportation Services	592,591	136,154	-	456,437
Support Services-Central	187,212	65,520	2,233	119,459
School Nutrition Program	21,593,231	7,576,412	309,115	13,707,704
TOTAL EXPENDITURES	58,509,110	21,295,190	808,677	36,405,243
OTHER FINANCING SOURCES (USES)				
Accounts Transfers In	1,265,587	-		1,265,587
TOTAL OTHER FIN SOURCES (USES)	1,265,587	-		1,265,587
NET CHANGE FUND BALANCES	\$ (2,447,043)	\$ 121,300	\$ (808,677)	\$ (1,759,666)

CHEROKEE COUNTY SCHOOL DISTRICT
 SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
 COMPARISON OF COLLECTIONS
 THROUGH NOVEMBER 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
May 2023	April 2023	7	4,448,443	5,296,122	847,679
June 2023	May 2023	8	4,604,100	5,494,145	890,045
July 2023	June 2023	9	4,818,522	5,509,360	690,838
August 2023	July 2023	10	4,787,586	5,922,789	1,135,203
September 2023	August 2023	11	4,848,609	5,339,709	491,100
October 2023	September 2023	12	4,619,404	5,276,069	656,665
November 2023	October 2023	13	4,766,013	5,652,592	886,579
			<u>\$ 60,652,887</u>	<u>\$ 70,812,043</u>	<u>\$ 10,159,156</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