



Agenda Request Form

Meeting Date	Agenda Item Number
January 18, 2024	D-1

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

DECEMBER 2023

General Fund

For the month ending December 31, 2023, the sixth month of the 2023-24 Fiscal Year, the School District's Operating Account (General Fund) has received \$354,042,478 in revenue (year-to-date) consisting of state funds of \$98,660,850 (37% of budget), \$253,695,119 local revenues (91% of budget), and other funds of \$1,686,509 (52% of budget). All operating expenditures of \$245,637,477 (45% of budget) are within the Board of Education's approved 2023-24 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of \$58,754,709 as of December 31, 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 \$5,628,151 for sales tax collections received in December 2023, for the month of November 2023, the 14th month of 60 monthly sales tax collections for the 2022-2027 SPLOST. Collections received were above projections for the month by \$728,610 and above cumulative projections by \$10,887,767.

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 December 31, 2023 is \$70,274,060 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 December 31, 2023 is \$18,707,388 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 DECEMBER 31, 2023**

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 238,247,049	\$ 40,812,903	\$ 58,754,709	\$ 3,980,362	\$ 341,795,023
Investments	-	27,952,555	-	-	27,952,555
Receivables	1,002,775	1,508,602	-	16,286,855	18,798,232
Inventories	1,027,699	-	-	913,253	1,940,952
TOTAL ASSETS	\$ 240,277,523	\$ 70,274,060	\$ 58,754,709	\$ 21,180,470	\$ 390,486,762
LIABILITIES					
Accounts Payable	\$ 141,331	\$ -	\$ -	\$ 1,520,299	\$ 1,661,630
Salaries and Benefits Payable	16,842,612	-	-	952,783	17,795,395
FUND BALANCE	223,293,580	70,274,060	58,754,709	18,707,388	371,029,737
TOTAL LIABILITIES AND FUND BALANCE	\$ 240,277,523	\$ 70,274,060	\$ 58,754,709	\$ 21,180,470	\$ 390,486,762
REVENUE AND EXPENSE					
REVENUE	\$ 354,042,478	\$ 23,203,073	\$ 31,589,530	\$ 27,428,252	\$ 436,263,333
EXPENDITURES	245,637,477	30,435,660	47,658,349	28,227,421	351,958,907
EXCESS REVENUE OVER EXPENDITURES	108,405,001	(7,232,587)	(16,068,819)	(799,169)	84,304,426
OTHER FINANCING SOURCES (USES)	33,863	17,255,484	(17,255,484)	-	33,863
BEGINNING FUND BALANCE	114,854,716	60,251,163	92,079,012	19,506,557	286,691,448
ENDING FUND BALANCE	\$ 223,293,580	\$ 70,274,060	\$ 58,754,709	\$ 18,707,388	\$ 371,029,737

**CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - DECEMBER 31, 2023**

	2023-2024			
	AMENDED BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 278,889,605	\$ 253,695,119		\$ 25,194,486
State Revenue	264,876,178	98,660,850		166,215,328
Federal Revenue	199,068	217,661		(18,593)
Investment Earnings	2,615,553	1,468,848		1,146,705
Miscellaneous Revenue	424,258	-		424,258
TOTAL REVENUE	547,004,662	354,042,478		192,962,184
EXPENDITURES				
Instructional Services	375,996,791	162,262,346	\$ 230,066	213,504,379
Pupil Services	23,117,465	10,531,046	7,058	12,579,361
Improvement of Instructional Services	19,222,327	11,546,703	999,259	6,676,365
Instructional Staff Training	832,628	407,889	12,294	412,445
Educational Media Services	5,954,556	2,750,681	80,749	3,123,126
General Administration	4,040,735	1,874,050	-	2,166,685
School Administration	32,927,844	16,536,924	18,269	16,372,651
Support Services-Business	3,702,207	1,809,932	22,942	1,869,333
Maintenance & Operation of Plant Services	42,017,294	18,929,519	2,206,042	20,881,733
Student Transportation Services	29,728,947	15,539,732	1,300,989	12,888,226
Support Services-Central	5,696,983	3,124,409	1,928	2,570,646
School Nutrition Program	477,001	324,246	-	152,755
TOTAL EXPENDITURES	543,714,778	245,637,477	4,879,596	293,197,705
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	154,611	333,863		(179,252)
Accounts Transfers Out	(29,756,126)	(300,000)		(29,456,126)
TOTAL OTHER FIN SOURCES (USES)	(29,601,515)	33,863		(29,635,378)
NET CHANGE FUND BALANCES	\$ (26,311,631)	\$ 108,438,864	\$ (4,879,596)	\$ (129,870,899)

**CHEROKEE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - DECEMBER 31, 2023**

	2023-2024 BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	\$ 19,469,523	\$ 22,193,469	\$ (2,723,946)
Investment Earnings	1,186,018	758,170	427,848
Miscellaneous Revenue	2,936,976	251,434	2,685,542
TOTAL REVENUE	23,592,517	23,203,073	389,444
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	\$ 10,022,897	\$ (5,866,065)

**CHEROKEE COUNTY SCHOOL DISTRICT
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - DECEMBER 31, 2023**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 57,052,068	\$ 27,591,658		\$ 29,460,410
State Revenue	2,500,000	2,230,503		269,497
Investment Earnings	2,719,957	1,767,369		952,588
TOTAL REVENUE	62,272,025	31,589,530		30,682,495
EXPENDITURES				
Instructional Services	26,465,978	10,104,856	\$ 889,775	15,471,347
Facilities Acquisition and Construction Svcs.	162,371,770	37,553,493	2,619,504	122,198,773
TOTAL EXPENDITURES	188,837,748	47,658,349	3,509,279	137,670,120
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)	\$ (33,324,303)	\$ (3,509,279)	\$ (972,012)

**CHEROKEE COUNTY SCHOOL DISTRICT
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - DECEMBER 31, 2023**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 7,897,437	\$ 2,421,768		\$ 5,475,669
State Revenue	1,666,380	830,407		835,973
Federal Revenue	45,207,663	23,758,232		21,449,431
Investment Earnings	25,000	417,845		(392,845)
TOTAL REVENUE	54,796,480	27,428,252		27,368,228
EXPENDITURES				
Instructional Services	23,040,667	11,192,155	\$ 55,929	11,792,583
Pupil Services	8,911,315	4,107,823	129,373	4,674,119
Improvement of Instructional Services	1,219,313	600,490	-	618,823
Instructional Staff Training	2,358,070	1,016,784	359,189	982,097
School Administration	13,209	-	-	13,209
Maintenance & Operation of Plant Services	593,502	134,457	-	459,045
Student Transportation Services	592,591	203,840	-	388,751
Support Services-Central	187,212	77,696	-	109,516
School Nutrition Program	21,593,231	10,894,176	377,097	10,321,958
TOTAL EXPENDITURES	58,509,110	28,227,421	921,588	29,360,101
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)	\$ (799,169)	\$ (921,588)	\$ (726,286)

CHEROKEE COUNTY SCHOOL DISTRICT
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
COMPARISON OF COLLECTIONS
THROUGH DECEMBER 31, 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
December 2023	November 2023	14	4,899,541	5,628,151	728,610
			<u>\$ 65,552,427</u>	<u>\$ 76,440,194</u>	<u>\$ 10,887,767</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