



Agenda Request Form

Meeting Date	Agenda Item Number
February 15, 2024	D-1

Title
January 2024 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of January 2024 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for January 2024 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

JANUARY 2024

General Fund

For the month ending January 31, 2024, the seventh month of the 2023-24 Fiscal Year, the School District's Operating Account (General Fund) has received \$383,723,361 in revenue (year-to-date) consisting of state funds of \$120,021,076 (46% of budget), \$261,199,076 local revenues (94% of budget), and other funds of \$2,503,209 (77% of budget). All operating expenditures of \$287,757,738 (53% of budget) are within the Board of Education's approved 2023-24 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of \$47,520,081 as of January 31, 2024 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 \$6,715,254 for sales tax collections received in January 2024, for the month of December 2023, the 15th month of 60 monthly sales tax collections for the 2022-2027 SPLOST. Collections received were above projections for the month by \$1,311,681 and above cumulative projections by \$12,199,447.

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 January 31, 2024 is \$66,313,029 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 January 31, 2024 is \$20,759,310 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 JANUARY 31, 2024**

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 225,960,124	\$ 34,779,960	\$ 47,773,621	\$ 2,860,124	\$ 311,373,829
Investments	-	30,023,518	-	-	30,023,518
Receivables	917,123	1,509,551	-	20,268,214	22,694,888
Inventories	996,072	-	-	933,722	1,929,794
TOTAL ASSETS	\$ 227,873,319	\$ 66,313,029	\$ 47,773,621	\$ 24,062,060	\$ 366,022,029
LIABILITIES					
Accounts Payable	\$ 485,572	\$ -	\$ 253,540	\$ 2,378,986	\$ 3,118,098
Salaries and Benefits Payable	16,749,150	-	-	923,764	17,672,914
FUND BALANCE	210,638,597	66,313,029	47,520,081	20,759,310	345,231,017
TOTAL LIABILITIES AND FUND BALANCE	\$ 227,873,319	\$ 66,313,029	\$ 47,773,621	\$ 24,062,060	\$ 366,022,029
REVENUE AND EXPENSE					
REVENUE	\$ 383,723,361	\$ 25,482,175	\$ 40,387,407	\$ 35,104,894	\$ 484,697,837
EXPENDITURES	287,757,738	44,845,414	59,521,233	33,852,141	425,976,526
EXCESS REVENUE OVER EXPENDITURES	95,965,623	(19,363,239)	(19,133,826)	1,252,753	58,721,311
OTHER FINANCING SOURCES (USES)	(181,742)	25,425,105	(25,425,105)	-	(181,742)
BEGINNING FUND BALANCE	114,854,716	60,251,163	92,079,012	19,506,557	286,691,448
ENDING FUND BALANCE	\$ 210,638,597	\$ 66,313,029	\$ 47,520,081	\$ 20,759,310	\$ 345,231,017

**CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - JANUARY 31, 2024**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 278,889,605	\$ 261,199,076		\$ 17,690,529
State Revenue	261,331,178	120,021,076		141,310,102
Federal Revenue	199,068	217,661		(18,593)
Investment Earnings	2,615,553	2,285,548		330,005
Miscellaneous Revenue	424,258	-		424,258
TOTAL REVENUE	543,459,662	383,723,361		159,736,301
EXPENDITURES				
Instructional Services	372,167,165	191,066,229	\$ 103,983	180,996,953
Pupil Services	22,830,491	12,537,335	10,191	10,282,965
Improvement of Instructional Services	19,065,691	13,013,079	954,546	5,098,066
Instructional Staff Training	824,962	436,275	3,251	385,436
Educational Media Services	5,909,656	3,238,548	27,525	2,643,583
General Administration	4,029,126	2,161,780	-	1,867,346
School Administration	32,571,787	19,222,296	17,204	13,332,287
Support Services-Business	3,670,470	2,100,297	12,376	1,557,797
Maintenance & Operation of Plant Services	41,919,858	22,456,636	525,513	18,937,709
Student Transportation Services	29,231,913	17,590,150	1,065,211	10,576,552
Support Services-Central	5,673,995	3,610,867	-	2,063,128
School Nutrition Program	170,190	324,246	-	(154,056)
TOTAL EXPENDITURES	538,065,304	287,757,738	2,719,800	247,587,766
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	154,611	418,788		(264,177)
Accounts Transfers Out	(29,756,126)	(600,530)		(29,155,596)
TOTAL OTHER FIN SOURCES (USES)	(29,601,515)	(181,742)		(29,419,773)
NET CHANGE FUND BALANCES	\$ (24,207,157)	\$ 95,783,881	\$ (2,719,800)	\$ (117,271,238)

**CHEROKEE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - JANUARY 31, 2024**

	2023-2024 BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	\$ 19,469,523	\$ 22,707,836	\$ (3,238,313)
Investment Earnings	1,186,018	1,012,406	173,612
Miscellaneous Revenue	2,936,976	1,761,933	1,175,043
TOTAL REVENUE	23,592,517	25,482,175	(1,889,658)
EXPENDITURES			
Debt Service	44,860,790	44,845,414	15,376
TOTAL EXPENDITURES	44,860,790	44,845,414	15,376
OTHER FINANCING SOURCES (USES)			
Accounts Transfers In	25,425,105	25,425,105	-
TOTAL OTHER FIN SOURCES (USES)	25,425,105	25,425,105	-
NET CHANGE FUND BALANCES	\$ 4,156,832	\$ 6,061,866	\$ (1,905,034)

**CHEROKEE COUNTY SCHOOL DISTRICT
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - JANUARY 31, 2024**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 57,052,068	\$ 34,314,028		\$ 22,738,040
State Revenue	2,500,000	3,930,165		(1,430,165)
Investment Earnings	2,719,957	2,143,214		576,743
TOTAL REVENUE	62,272,025	40,387,407		21,884,618
EXPENDITURES				
Instructional Services	26,465,978	12,206,959	\$ 502,686	13,756,333
Facilities Acquisition and Construction Svcs.	162,371,770	47,314,274	3,863,647	111,193,849
TOTAL EXPENDITURES	188,837,748	59,521,233	4,366,333	124,950,182
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)	(25,425,105)		-
TOTAL OTHER FIN SOURCES (USES)	88,760,129	(25,425,105)		114,185,234
NET CHANGE FUND BALANCES	\$ (37,805,594)	\$ (44,558,931)	\$ (4,366,333)	\$ 11,119,670

**CHEROKEE COUNTY SCHOOL DISTRICT
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - JANUARY 31, 2024**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 7,897,437	\$ 4,635,372		\$ 3,262,065
State Revenue	1,666,380	1,175,087		491,293
Federal Revenue	45,207,663	28,781,793		16,425,870
Investment Earnings	25,000	512,642		(487,642)
TOTAL REVENUE	54,796,480	35,104,894		19,691,586
EXPENDITURES				
Instructional Services	23,040,667	13,033,880	\$ 112,292	9,894,495
Pupil Services	8,911,315	5,036,992	54,423	3,819,900
Improvement of Instructional Services	1,219,313	494,640	-	724,673
Instructional Staff Training	2,358,070	1,454,443	368,884	534,743
School Administration	13,209	-	-	13,209
Maintenance & Operation of Plant Services	593,502	157,446	2,731	433,325
Student Transportation Services	592,591	223,811	-	368,780
Support Services-Central	187,212	87,492	-	99,720
School Nutrition Program	21,593,231	13,363,437	653,917	7,575,877
TOTAL EXPENDITURES	58,509,110	33,852,141	1,192,247	23,464,722
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)	\$ 1,252,753	\$ (1,192,247)	\$ (2,507,549)

CHEROKEE COUNTY SCHOOL DISTRICT
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
COMPARISON OF COLLECTIONS
THROUGH JANUARY 31, 2024

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
January 2024	December 2023	15	5,403,573	6,715,254	1,311,681
			<u>\$ 70,956,001</u>	<u>\$ 83,155,448</u>	<u>\$ 12,199,447</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