



Agenda Request Form

Meeting Date	Agenda Item Number
March 21, 2024	D-1

Title
February 2024 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of February 2024 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for February 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
Mary Elizabeth Davis, PhD 770.479.1871 Kenneth Owen 770.479.1871

CHEROKEE COUNTY BOARD OF EDUCATION

Mary Elizabeth Davis PhD, Superintendent

Kenneth Owen, Chief Financial Officer

FINANCIAL REPORT

FEBRUARY 2024

General Fund

For the month ending February 29, 2024, the eighth month of the 2023-24 Fiscal Year, the School District's Operating Account (General Fund) has received \$414,335,559 in revenue (year-to-date) consisting of state funds of \$141,783,774 (54% of budget), \$268,377,269 local revenues (96% of budget), and other funds of \$4,174,516 (129% of budget). All operating expenditures of \$329,612,038 (61% of budget) are within the Board of Education's approved 2023-24 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of \$41,322,147 as of February 29, 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 \$5,110,321 for sales tax collections received in February 2024, for the month of January 2024, the 16th month of 60 monthly sales tax collections for the 2022-2027 SPLOST. Collections received were above projections for the month by \$189,004 and above cumulative projections by \$12,388,452.

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 February 29, 2024 is \$67,217,769 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 February 29, 2024 is \$20,640,385 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 FEBRUARY 29, 2024**

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 214,968,311	\$ 35,536,197	\$ 41,418,147	\$ 10,885,098	\$ 302,807,753
Investments	-	30,172,021	-	-	30,172,021
Receivables	844,219	1,509,551	-	11,566,864	13,920,634
Inventories	1,002,665	-	-	964,804	1,967,469
TOTAL ASSETS	\$ 216,815,195	\$ 67,217,769	\$ 41,418,147	\$ 23,416,766	\$ 348,867,877
LIABILITIES					
Accounts Payable	\$ 1,231,294	\$ -	\$ 96,000	\$ 1,767,580	\$ 3,094,874
Salaries and Benefits Payable	16,179,122	-	-	1,008,801	17,187,923
FUND BALANCE	199,404,779	67,217,769	41,322,147	20,640,385	328,585,080
TOTAL LIABILITIES AND FUND BALANCE	\$ 216,815,195	\$ 67,217,769	\$ 41,418,147	\$ 23,416,766	\$ 348,867,877
REVENUE AND EXPENSE					
REVENUE	\$ 414,335,559	\$ 26,386,915	\$ 50,427,671	\$ 39,925,253	\$ 531,075,398
EXPENDITURES	329,612,038	44,845,414	75,759,431	39,091,955	489,308,838
EXCESS REVENUE OVER EXPENDITURES	84,723,521	(18,458,499)	(25,331,760)	833,298	41,766,560
OTHER FINANCING SOURCES (USES)	(173,458)	25,425,105	(25,425,105)	300,530	127,072
BEGINNING FUND BALANCE	114,854,716	60,251,163	92,079,012	19,506,557	286,691,448
ENDING FUND BALANCE	\$ 199,404,779	\$ 67,217,769	\$ 41,322,147	\$ 20,640,385	\$ 328,585,080

**CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - FEBRUARY 29, 2024**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 278,889,605	\$ 268,377,269		\$ 10,512,336
State Revenue	261,331,178	141,783,774		119,547,404
Federal Revenue	199,068	217,661		(18,593)
Investment Earnings	2,615,553	3,956,855		(1,341,302)
Miscellaneous Revenue	424,258	-		424,258
TOTAL REVENUE	543,459,662	414,335,559		129,124,103
EXPENDITURES				
Instructional Services	372,167,165	220,048,624	\$ 124,855	151,993,686
Pupil Services	22,830,491	14,526,269	34,908	8,269,314
Improvement of Instructional Services	19,065,691	14,489,897	882,278	3,693,516
Instructional Staff Training	824,962	572,480	3,450	249,032
Educational Media Services	5,909,656	3,682,781	44,146	2,182,729
General Administration	4,029,126	2,448,460	300	1,580,366
School Administration	32,571,787	21,876,324	15,210	10,680,253
Support Services-Business	3,670,470	2,381,550	13,637	1,275,283
Maintenance & Operation of Plant Services	41,919,858	25,657,725	2,044,269	14,217,864
Student Transportation Services	29,231,913	19,724,066	693,131	8,814,716
Support Services-Central	5,673,995	3,877,703	2,215	1,794,077
School Nutrition Program	170,190	326,159	-	(155,969)
TOTAL EXPENDITURES	538,065,304	329,612,038	3,858,399	204,594,867
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	154,611	427,072		(272,461)
Accounts Transfers Out	(29,756,126)	(600,530)		(29,155,596)
TOTAL OTHER FIN SOURCES (USES)	(29,601,515)	(173,458)		(29,428,057)
NET CHANGE FUND BALANCES	\$ (24,207,157)	\$ 84,550,063	\$ (3,858,399)	\$ (104,898,821)

**CHEROKEE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - FEBRUARY 29, 2024**

	2023-2024 BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	\$ 19,469,523	\$ 23,164,709	\$ (3,695,186)
Investment Earnings	1,186,018	1,460,273	(274,255)
Miscellaneous Revenue	2,936,976	1,761,933	1,175,043
TOTAL REVENUE	23,592,517	26,386,915	(2,794,398)
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	\$ 6,966,606	\$ (2,809,774)

**CHEROKEE COUNTY SCHOOL DISTRICT
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - FEBRUARY 29, 2024**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 57,052,068	\$ 39,424,349		\$ 17,627,719
State Revenue	2,500,000	8,223,566		(5,723,566)
Investment Earnings	2,719,957	2,779,756		(59,799)
TOTAL REVENUE	62,272,025	50,427,671		11,844,354
EXPENDITURES				
Instructional Services	26,465,978	16,653,680	\$ 3,439,953	6,372,345
Facilities Acquisition and Construction Svcs.	162,371,770	59,105,751	2,842,585	100,423,434
TOTAL EXPENDITURES	188,837,748	75,759,431	6,282,538	106,795,779
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)	\$ (50,756,865)	\$ (6,282,538)	\$ 19,233,809

**CHEROKEE COUNTY SCHOOL DISTRICT
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2023 - FEBRUARY 29, 2024**

	2023-2024 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	\$ 7,897,437	\$ 4,453,861		\$ 3,443,576
State Revenue	1,666,380	1,363,453		302,927
Federal Revenue	45,207,663	33,441,388		11,766,275
Investment Earnings	25,000	666,551		(641,551)
TOTAL REVENUE	54,796,480	39,925,253		14,871,227
EXPENDITURES				
Instructional Services	23,040,667	15,133,955	\$ 64,586	7,842,126
Pupil Services	8,911,315	5,817,293	115,061	2,978,961
Improvement of Instructional Services	1,219,313	814,219	15	405,079
Instructional Staff Training	2,358,070	1,531,673	252,361	574,036
School Administration	13,209	-	-	13,209
Maintenance & Operation of Plant Services	593,502	181,707	244,781	167,014
Student Transportation Services	592,591	285,858	-	306,733
Support Services-Central	187,212	101,532	626	85,054
School Nutrition Program	21,593,231	15,225,718	594,141	5,773,372
TOTAL EXPENDITURES	58,509,110	39,091,955	1,271,571	18,145,584
OTHER FINANCING SOURCES (USES)				
Accounts Transfers In	1,265,587	300,530		965,057
TOTAL OTHER FIN SOURCES (USES)	1,265,587	300,530		965,057
NET CHANGE FUND BALANCES	\$ (2,447,043)	\$ 1,133,828	\$ (1,271,571)	\$ (2,309,300)

CHEROKEE COUNTY SCHOOL DISTRICT
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
COMPARISON OF COLLECTIONS
THROUGH FEBRUARY 29, 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
February 2024	January 2024	16	4,921,317	5,110,321	189,004
			<u>\$ 75,877,317</u>	<u>\$ 88,265,769</u>	<u>\$ 12,388,452</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