



# Akron Public Schools.

## Monthly Financial Report

Fiscal Year 2023 Revenue and Expenditure Activity Through February

Todd Adkins, Interim CFO/Treasurer

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## FISCAL YEAR 2023 REVENUE AND EXPENDITURE ANALYSIS THROUGH FEBRUARY

### 1. ACTUAL COMPARED TO FORECAST VARIANCE AND NET FAVORABILITY ANALYSIS

**CURRENT YEAR-TO-DATE REVENUE COLLECTIONS INDICATE A**

**\$3,601,751**

**UNFAVORABLE COMPARED TO FORECAST**

**CURRENT YEAR-TO-DATE EXPENDITURES INDICATE A**

**\$3,609,847**

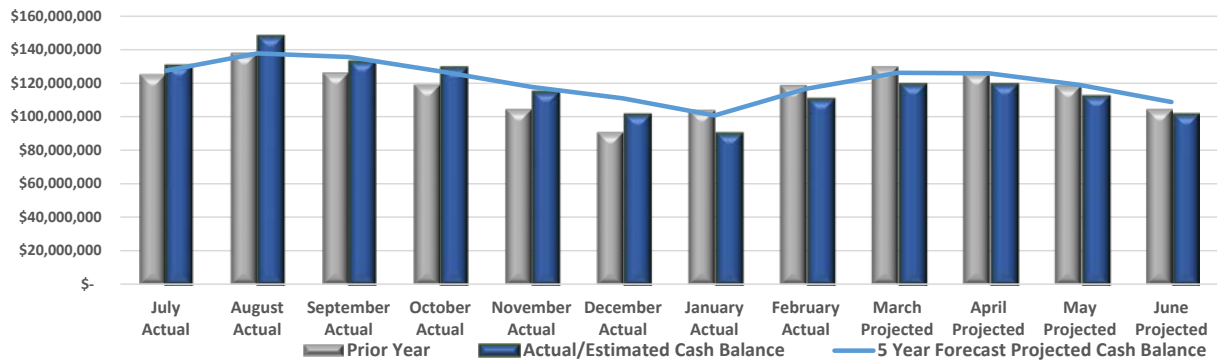
**UNFAVORABLE COMPARED TO FORECAST**

**POTENTIAL NET IMPACT WOULD RESULT IN A**

**\$7,211,597**

**UNFAVORABLE IMPACT ON THE CASH BALANCE**

### 2. VARIANCE AND CASH BALANCE COMPARISON



**CURRENT MONTHLY CASH FLOW ESTIMATES A JUNE 30, 2023 CASH BALANCE OF**

**\$101,560,571**

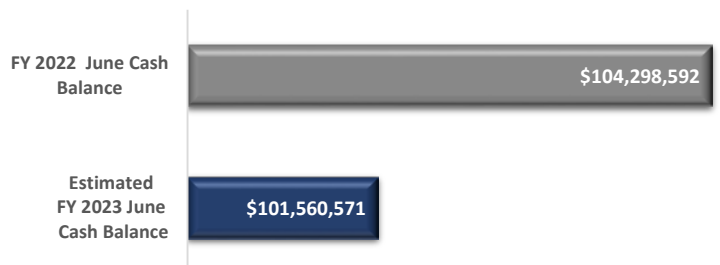
Current monthly cash flow estimates, including actual data through February indicate that the June 30, 2023 cash balance will be \$101,560,571, which is \$7,211,597 less than the five year forecast of \$108,772,168.

**June 30 ESTIMATED CASH BALANCE IS**

**\$(7,211,597)**

**LESS THAN THE FORECAST/BUDGET AMOUNT**

### 3. FISCAL YEAR 2023 REVENUE SHORTFALL/SURPLUS ANALYSIS (BASED UPON ACTUAL/ESTIMATED VARIANCE)



**OPERATING DEFICIT OF**

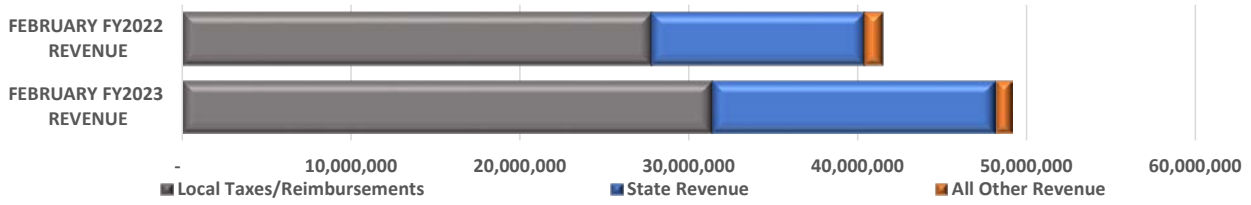
**\$(2,738,021)**

**WILL DECREASE THE CASH BALANCE BY THE END OF THE FISCAL YEAR**

Current cash flow monthly trend-estimates indicate this year's ending June 30 cash balance will DECREASE \$2,738,021 compared to last fiscal year ending June 30. This shortfall outcome is the result of the cash flow revenue estimate of \$331,429,916 totaling more than estimated cash flow expenditures of \$334,167,937.

# FISCAL YEAR 2023 MONTHLY REVENUE ANALYSIS - FEBRUARY

## 1. FEBRUARY REVENUE COLLECTIONS COMPARED TO PRIOR YEAR



	Actual Revenue Collections For February	Prior Year Revenue Collections		Actual Compared to Last Year
Local Taxes/Reimbursements	31,353,833	27,750,430	▲	<b>3,603,403</b>
State Revenue	16,762,483	12,638,228	▲	<b>4,124,255</b>
All Other Revenue	1,009,920	1,137,614	▼	<b>(127,694)</b>
<b>Total Revenue</b>	<b>49,126,236</b>	<b>41,526,272</b>	▲	<b>7,599,964</b>

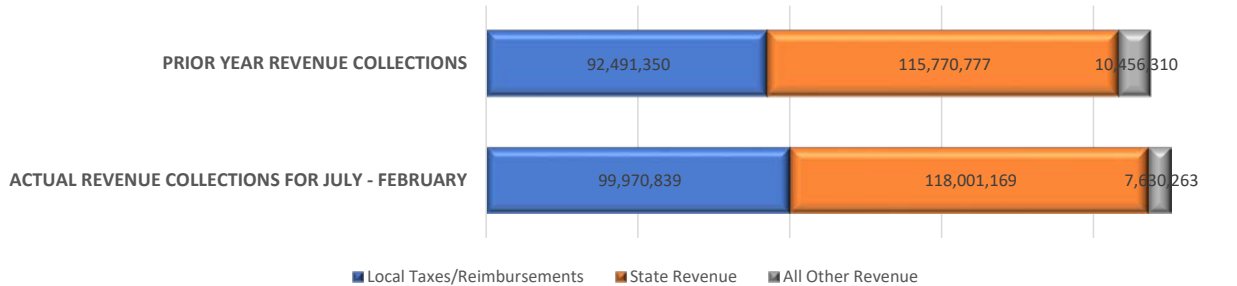
Actual revenue for the month was up

**\$7,599,964**

compared to last year.

Overall total revenue for February is up 18.3% (\$7,599,964). The largest change in this February's revenue collected compared to February of FY2022 is higher local taxes (\$3,603,403) and higher unrestricted grants in aid (\$2,255,276). A single month's results can be skewed compared to a prior year because of the timing of revenue received. The fiscal year-to-date results, when involving additional months of revenue activity can provide more insight.

## 2. ACTUAL REVENUE RECEIVED THROUGH FEBRUARY COMPARED TO THE PRIOR YEAR



	Actual Revenue Collections For July - February	Prior Year Revenue Collections For July - February		Current Year Compared to Last Year
Local Taxes/Reimbursements	99,970,839	92,491,350	▲	<b>7,479,489</b>
State Revenue	118,001,169	115,770,777	▲	<b>2,230,391</b>
All Other Revenue	7,630,263	10,456,310	▼	<b>(2,826,048)</b>
<b>Total Revenue</b>	<b>225,602,270</b>	<b>218,718,438</b>	▲	<b>6,883,832</b>

COMPARED TO THE SAME PERIOD, TOTAL REVENUES ARE

**\$6,883,832**

HIGHER THAN THE PREVIOUS YEAR

Fiscal year-to-date General Fund revenue collected totaled \$225,602,270 through February, which is \$6,883,832 or 3.1% higher than the amount collected last year. The largest difference in revenue when comparing current year-to-date revenue collected through February to the same period last year is local taxes revenue coming in \$7,545,576 higher compared to the previous year, followed by restricted aid state coming in \$3,139,426 higher.

## FISCAL YEAR 2023 REVENUE ANALYSIS - JULY - FEBRUARY

### 3. POSSIBLE CASH FLOW VARIANCE FROM FORECAST DUE TO FYTD ACTUAL RESULTS

CURRENT YEAR-TO-DATE REVENUE  
COLLECTIONS INDICATE A

**\$3,601,751**

UNFAVORABLE COMPARED TO  
FORECAST

	Forecast Annual Revenue Estimates	Cash Flow Actual/Estimated Calculated Annual Amount	Current Year Forecast Compared to Actual/Estimated
Loc. Taxes/Reimbur.	139,662,621	144,049,331	4,386,710
State Revenue	173,679,268	174,863,412	1,184,144
All Other Revenue	21,689,778	12,517,173	(9,172,605)
Total Revenue	335,031,667	331,429,916	(3,601,751)

The top two categories (refund of prior year expense and local taxes), represents 18.4% of the variance between current revenue estimates and the amounts projected in the five year forecast.

The total variance of \$3,601,751 (current revenue estimates vs. amounts projected in the five year forecast) is equal to 1.08% forecast annual revenue

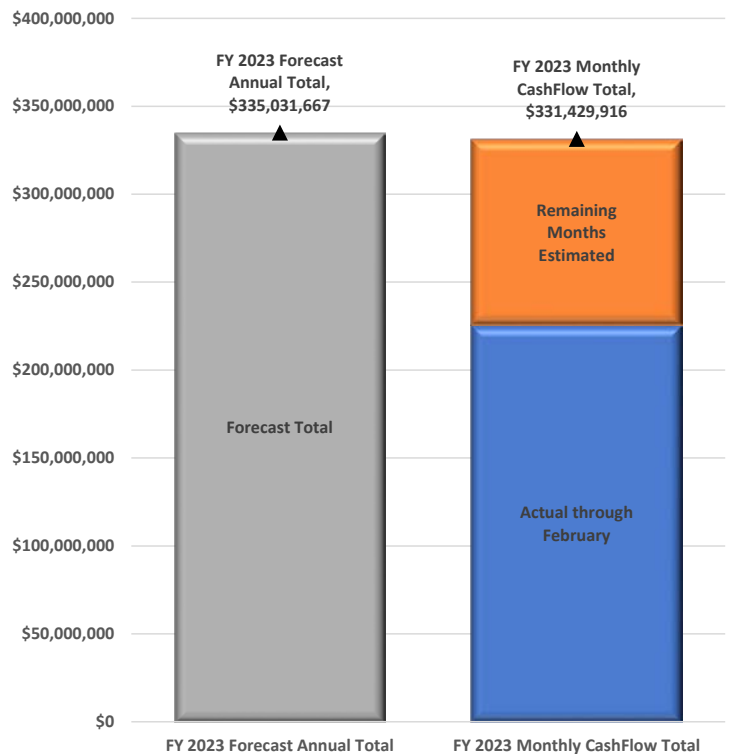
#### Top Forecast vs. Cash Flow Actual/Estimated Amounts

Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Refund of Prior Year Expense ▼	(5,091,988)
Local Taxes ▲	4,429,245
Revenue in Lieu of Taxes ▼	(2,099,721)
Unrestricted Fed ▼	(1,299,732)
All Other Revenue Categories ▲	460,445
Total Revenue ▼	(3,601,750)

### 4. REVENUE VARIANCE ANALYSIS OF POTENTIAL IMPACT

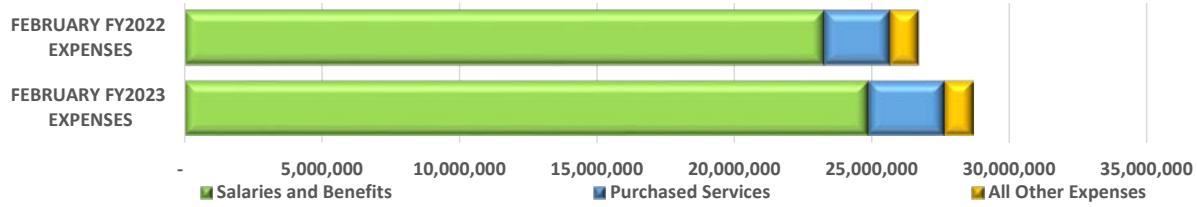
Results through February indicate an unfavorable variance of \$3,601,751 compared to the forecast total annual revenue. This means the forecast cash balance could be reduced.

The fiscal year is 67% complete. Monthly cash flow, comprised of 8 actual months plus 4 estimated months indicates revenue totaling \$331,429,916 which is -\$3,601,751 less than total revenue projected in the district's current forecast of \$335,031,667



## FISCAL YEAR 2023 MONTHLY EXPENDITURE ANALYSIS - FEBRUARY

### 1. FEBRUARY EXPENDITURES COMPARED TO PRIOR YEAR



	Actual Expenses For February	Prior Year Expenditure Incurred		Actual Compared to Last Year
Salaries and Benefits	24,846,204	23,257,975	▲	<b>1,588,229</b>
Purchased Services	2,777,473	2,395,629	▲	<b>381,844</b>
All Other Expenses	1,076,249	1,053,770	▲	<b>22,479</b>
<b>Total Expenditures</b>	<b>28,699,926</b>	<b>26,707,375</b>	▲	<b>1,992,551</b>

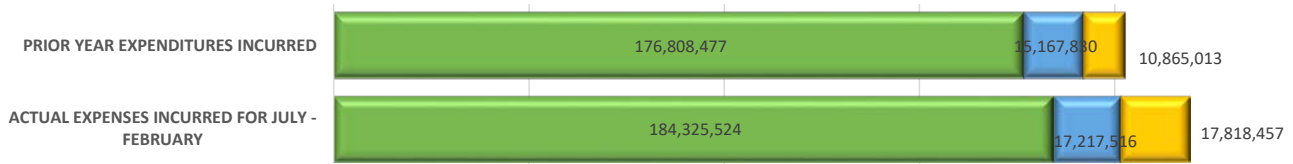
Actual expenses for the month was up

**\$1,992,551**

compared to last year.

Overall total expenses for February are up 7.5% (\$1,992,551). The largest change in this February's expenses compared to February of FY2022 is higher all other certified salaries (\$681,984), higher regular certified salaries (\$502,747) and higher pupil transportation (\$414,076). A single month's results can be skewed compared to a prior year because of the timing when expenses are incurred. The fiscal year-to-date results, when involving additional months of expense activity can provide more insight.

### 2. ACTUAL EXPENSES INCURRED THROUGH FEBRUARY COMPARED TO THE PRIOR YEAR



	Actual Expenses For July - February	Prior Year Expenditures Incurred		Actual Compared to Last Year
Salaries and Benefits	184,325,524	176,808,477	▲	<b>7,517,047</b>
Purchased Services	17,217,516	15,167,830	▲	<b>2,049,685</b>
All Other Expenses	17,818,457	10,865,013	▲	<b>6,953,444</b>
<b>Total Expenditures</b>	<b>219,361,497</b>	<b>202,841,320</b>	▲	<b>16,520,176</b>

Compared to the same period, total expenditures are

**\$16,520,176**

higher than the previous year

Fiscal year-to-date General Fund expenses totaled \$219,361,497 through February, which is \$16,520,176 or 8.1% higher than the amount expended last year. The largest difference in expenditures when comparing current year-to-date expenditures through February to the same period last year is that textbooks costs are \$6,288,558 higher compared to the previous year, followed by regular certified salaries coming in \$2,518,536 higher and all other certified salaries coming in \$2,299,252 higher.

## FISCAL YEAR 2023 EXPENDITURE ANALYSIS - JULY - FEBRUARY

### 3. POSSIBLE CASH FLOW VARIANCE FROM FORECAST DUE TO FYTD ACTUAL RESULTS

CURRENT YEAR-TO-DATE  
EXPENDITURES INDICATE A

**\$3,609,847**

UNFAVORABLE COMPARED TO  
FORECAST

	Forecasted Annual Expenses	Cash Flow Actual/Estimated Calculated Annual Amount	Forecasted amount compared to Actual/Estimated
Salaries and Benefits	285,001,928	278,784,669	▼ (6,217,259)
Purchased Services	27,954,144	29,321,954	▲ 1,367,809
All Other Expenses	17,602,019	26,061,315	▲ 8,459,296
<b>Total Expenditures</b>	<b>330,558,091</b>	<b>334,167,937</b>	<b>▲ 3,609,847</b>

The top two categories (textbooks and regular certified salaries), represents 64.3% of the variance between current expense estimates and the amounts projected in the five year forecast.

The total variance of \$3,609,847 (current expense estimates vs. amounts projected in the five year forecast) is equal to 1.1% of the total Forecasted annual expenses.

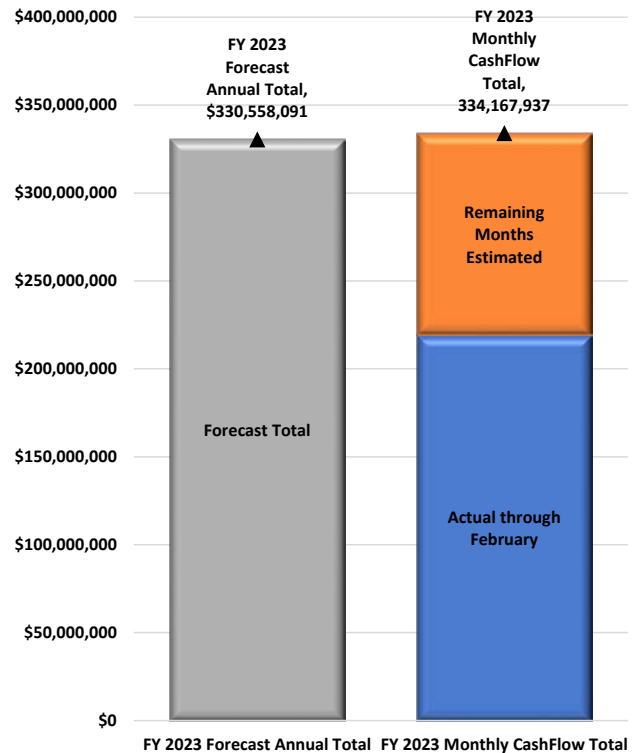
#### Top Forecast vs. Cash Flow Actual/Estimated Amounts

Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Textbooks ▲	<b>6,143,318</b>
Regular Certified Salaries ▼	<b>(3,821,809)</b>
All Other Certified Salaries ▲	<b>3,034,756</b>
Insurance Certified ▼	<b>(1,639,670)</b>
All Other Expense Categories ▼	<b>(106,748)</b>
<b>Total Expenses ▲</b>	<b>3,609,847</b>

### 4. EXPENDITURE VARIANCE ANALYSIS OF POTENTIAL IMPACT

Results through February indicate that Fiscal Year 2023 actual/estimated expenditures could total \$334,167,937 which has a unfavorable expenditure variance of \$3,609,847. This means the forecast cash balance could be reduced.

The fiscal year is approximately 67% complete. Monthly cash flow, comprised of 8 actual months plus 4 estimated months indicates expenditures totaling \$334,167,937 which is \$3,609,847 more than total expenditures projected in the district's current forecast of \$330,558,091



**AKRON PUBLIC SCHOOLS  
MONTHLY RECONCILIATION  
February 2023**

Book Balance	Bank Balance
<b>Munis Accounting System</b>	<b>Month End Bank Account Balances</b>
Beginning Balance 152,393,522.11	007 - PNC Oma Evans 147,999.12
Plus Receipts 65,301,743.82	008 - HNB Schumacher 103.35
Less Expenditures 44,939,427.35	009 - Star Ohio 10,280,439.04
Ending Balance <u>172,755,838.58</u>	017 - HNB AP/Payroll/CN 32,392,809.82
<b>Outstanding Checks &amp; Direct Deposits</b>	018 - PNC Building Fund 1,044,638.01
017 - HNB Accounts Payable Checks 984,989.71	021 - HNB FSA Account 122,735.47
017 - HNB Virtual Cards 1,288,331.01	037 - USBank Construction 20,882,516.63
017 - HNB Payroll Checks 19,258.97	038 - USBank PI Fund 16,285,366.38
017 - HNB Deposit Outstanding on Munis -	039 - USBank General Fund 80,185,663.82
<u>2,292,579.69</u>	040 - USBank Benefits Fund 10,701,416.54
	<u>172,043,688.18</u>
<b>Pending Payroll Deductions</b>	<b>Local Grant/Benefit CD's</b>
Federal/Medicare Withholding -	029 - HNB CD 5,005.31
State Tax -	032 - HNB CD 94,890.62
City Tax -	<u>99,895.93</u>
SERS -	<b>Escrow Accounts</b>
Child Support Payments -	x4897 Mid American Construction - HNB 5,635.02
School District Income Tax -	x2897 Vendrick Construction - HNB -
STRS -	x8540 Hammond Construction - PNC 53.61
AXA -	x8839 Martin Public Seating - PNC 0.13
Valic -	x8841 Penn Ohio Electrical Co - PNC 7.19
ING (Voya) -	x1301 Lockhart Concrete Co - PNC 13.57
MG Trust -	x7489 OSMIC Inc - PNC -
Ameriprise -	x3376 Hammond Construction - PNC 0.75
Lincoln -	x7982 Welty Building Co - PNC 0.12
Ohio Deferred Comp -	x6627 Hammond Construction - PNC 870,417.43
Towpath -	x5262 Hammond Construction - PNC 0.19
<u>-</u>	x7065 Tom Sexton & Assoc - PNC 0.18
	x7069 Tom Sexton & Assoc - PNC 1.16
	<u>876,129.35</u>
<b>Miscellaneous Book Adjustments</b>	<b>Flex Spending Account</b>
021 - Inventory Allowance (998.54)	Prefunded Account 470,687.85
022 - Insurance Accrual (2,503,108.89)	Withdrawals (Claims) (66,874.36)
Timing Differences in Accounts Payable 45.00	Settlement Credit -
Timing Differences in Accounts Receivable -	Service Charges <u>403,813.49</u>
HNB Escrow Statement 5,631.90	
PNC Escrow Statement 863,232.05	<b>Miscellaneous Bank Adjustments</b>
Escrow Reconciling Item 7,265.40	Petty Cash 1,000.00
<u>(1,627,933.08)</u>	Bank Charges to be Refunded -
	Outstanding Items (4,041.76)
	<u>(3,041.76)</u>
<b>Adjusted Book Balance</b> \$ 173,420,485.19	<b>Adjusted Bank Balance</b> \$ 173,420,485.19