



**Akron Public Schools**

# December 2024 Financial Report

Fiscal Year 2025 Revenue and Expenditure Activity Through December

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## FISCAL YEAR 2025 REVENUE, EXPENDITURES, AND CASH BALANCE ANALYSIS THROUGH

### 1. YEAR-TO-DATE ACTUALS COMPARED TO PREVIOUS YEAR

TOTAL REVENUES ARE

**\$2,088,319**

HIGHER THAN THE PREVIOUS  
YEAR

TOTAL EXPENDITURES ARE

**\$11,382,065**

HIGHER THAN THE PREVIOUS  
YEAR

THE CASH BALANCE IS

**\$1,795,596**

HIGHER THAN THE PREVIOUS YEAR

### 2. CURRENT ACTUAL/ESTIMATE TREND COMPARED TO FORECAST -- VARIANCE ANALYSIS

REVENUE IS TRENDING

**\$2,107,490**

FAVORABLE COMPARED TO  
FORECAST

EXPENDITURE TREND IS

**\$5,470,415**

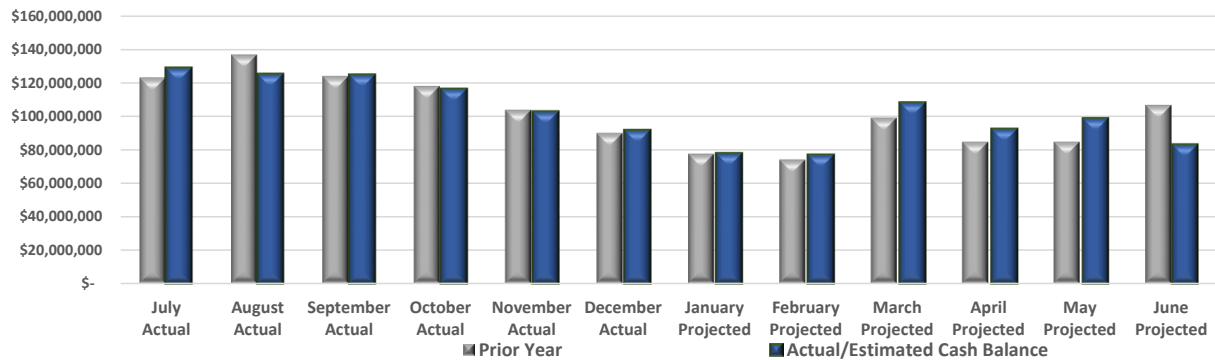
UNFAVORABLE COMPARED TO  
FORECAST

NET POTENTIAL TREND IS

**\$3,362,925**

UNFAVORABLE IMPACT ON THE  
CASH BALANCE

### 3. VARIANCE AND CASH BALANCE COMPARISON



JUNE 30 ACTUAL CASH  
BALANCE WAS  
**\$106,584,614**  
AT THE END OF THE PREVIOUS  
FISCAL YEAR

JUNE 30 CASH BALANCE IS  
ESTIMATED TO BE  
**\$83,094,319**  
AT THE END OF THE CURRENT  
FISCAL YEAR

## FISCAL YEAR 2025 MONTHLY REVENUE ANALYSIS - DECEMBER

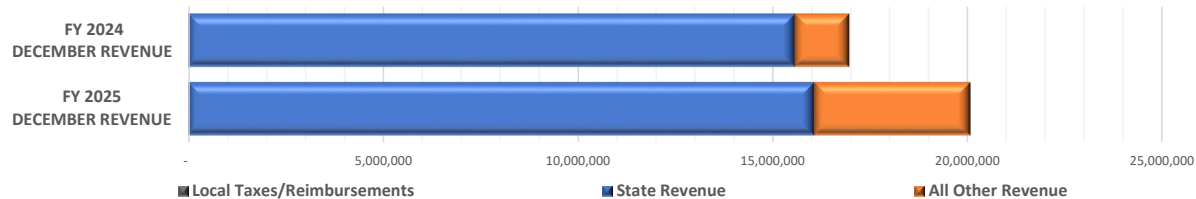
### 1. DECEMBER REVENUE COLLECTIONS COMPARED TO PRIOR YEAR

Month to Date	Actual Revenue Collections For December	Prior Year Revenue Collections	Actual Compared to Last Year
Local Taxes/Reimbursements	-	1,166	(1,166)
State Revenue	16,080,266	15,582,144	498,123
All Other Revenue	3,991,343	1,394,087	2,597,256
<b>Total Revenue</b>	<b>20,071,609</b>	<b>16,977,396</b>	<b>3,094,213</b>

Actual revenue for the month was up

**\$3,094,213**

compared to last year.



Actual revenue for the month was up \$3,094,213 compared to last year. Categories with the largest variance included: higher revenue in lieu of taxes of \$3,371,740, and higher other revenue not above of \$960,554. Fiscal year-to-date results below, with additional months of revenue activity can provide more insight.

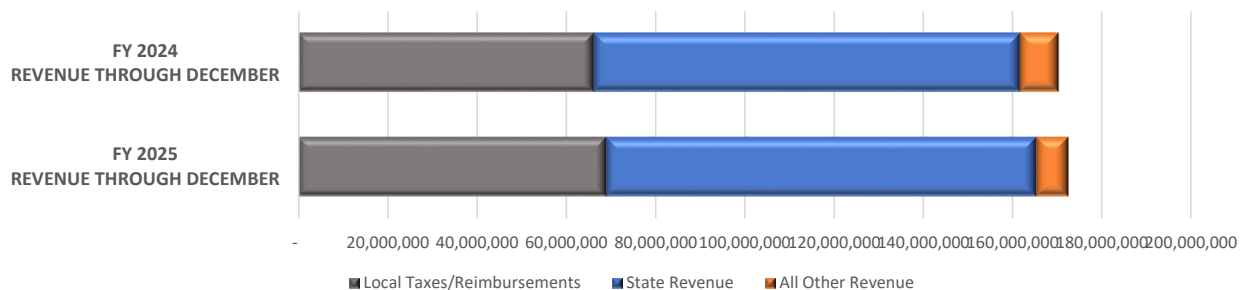
### 2. ACTUAL REVENUE RECEIVED THROUGH DECEMBER COMPARED TO THE PRIOR YEAR

Fiscal Year to Date	Actual Revenue Collections For July - December	Prior Year Revenue Collections For July - December	Current Year Compared to Last Year
Local Taxes/Reimbursements	68,879,154	66,121,342	2,757,812
State Revenue	96,526,915	95,697,273	829,642
All Other Revenue	7,063,194	8,562,330	(1,499,136)
<b>Total Revenue</b>	<b>172,469,263</b>	<b>170,380,944</b>	<b>2,088,319</b>

TOTAL REVENUES ARE

**\$2,088,319**

HIGHER THAN THE PREVIOUS YEAR



Revenue through December totaled \$172,469,263, which is \$2,088,319 or 1.2% higher than the amount collected last year. Through December, the largest categorical variances when compared to last year, are: real estate taxes higher by \$2,668,364, and unrestricted state aid higher by \$2,610,082.

## FISCAL YEAR 2025 MONTHLY EXPENDITURE ANALYSIS - DECEMBER

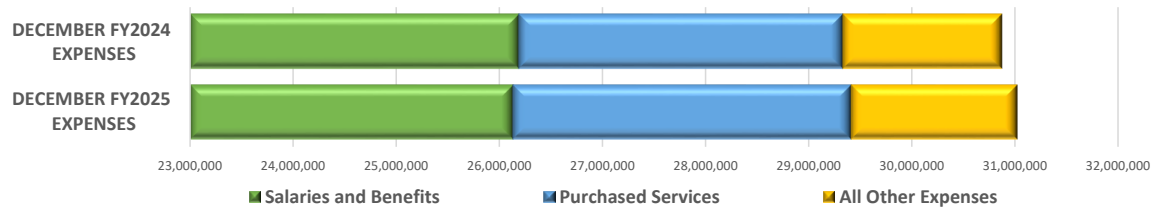
### 1. DECEMBER EXPENDITURES COMPARED TO PRIOR YEAR

Month to Date	Actual Expenses For December	Prior Year Expenditure Incurred	Actual Compared to Last Year
Salaries and Benefits	26,135,044	26,192,848	(57,804)
Purchased Services	3,274,481	3,137,442	137,039
All Other Expenses	1,617,248	1,545,927	71,321
<b>Total Expenditures</b>	<b>31,026,773</b>	<b>30,876,217</b>	<b>150,556</b>

Actual expenses for the month were up

**\$150,556**

compared to last year.



Actual expenses for the month were up \$150,556 compared to last year. Categories with the largest variance included: higher cellaneous expenditures of \$1,153,839, and higher buildings of \$821,221. 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.

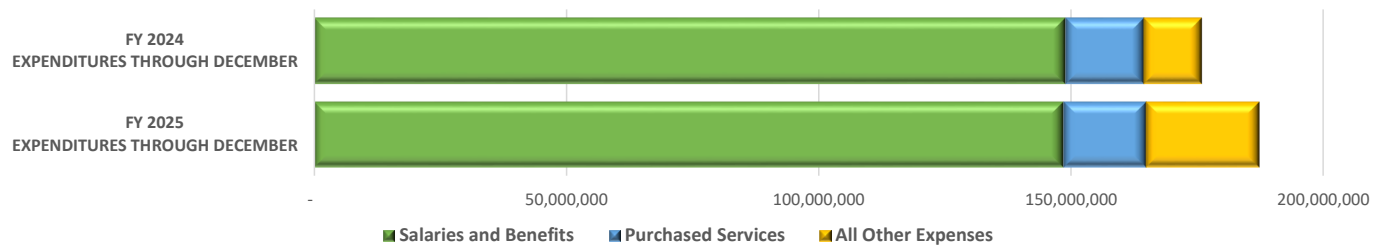
### 2. ACTUAL EXPENSES INCURRED THROUGH DECEMBER COMPARED TO THE PRIOR YEAR

Fiscal Year to Date	Actual Expenses For July - December	Prior Year Expenditures Incurred	Actual Compared to Last Year
Salaries and Benefits	148,568,634	148,960,021	(391,387)
Purchased Services	16,284,412	15,472,204	812,209
All Other Expenses	22,535,053	11,573,810	10,961,243
<b>Total Expenditures</b>	<b>187,388,100</b>	<b>176,006,035</b>	<b>11,382,065</b>

TOTAL EXPENDITURES ARE

**\$11,382,065**

HIGHER THAN THE PREVIOUS YEAR



Fiscal year-to-date General Fund expenses totaled \$187,388,100 through December, which is \$11,382,065 or 6.5% higher than the amount expended last year. Through December, the largest categorical variances when compared to last year, are: textbooks higher by \$5,078,468, and general supplies higher by \$1,755,955.

## FISCAL YEAR 2025 FORECAST TREND VARIANCE ANALYSIS - JULY - DECEMBER

### 3. REVENUE ANALYSIS

REVENUE IS TRENDING

**\$2,107,490**

FAVORABLE COMPARED TO FORECAST

#### Revenue Forecast Compare

	Forecast Annual Revenue Estimates	Cash Flow Actual/Estimated Calculated Annual Amount	Current Year Forecast Compared to Actual/Estimated
Loc. Taxes/Reimbur.	157,394,627	157,396,733	2,106
State Revenue	191,384,909	193,302,960	1,918,051
All Other Revenue	15,954,242	16,141,575	187,333
<b>Total Revenue</b>	<b>364,733,778</b>	<b>366,841,268</b>	<b>2,107,490</b>

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

Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Unrestricted State Aid	1,080,526
Other Revenue Not Above	(960,667)
Restricted State Aid	837,525
Revenue in Lieu of Taxes	816,359
All Other Revenue Categories	333,747
<b>Total Revenue</b>	<b>2,107,490</b>

The top two categories (unrestricted state aid and other revenue not above), represents 5.7% of the variance between current revenue estimates and the amounts projected in the five year forecast.

The total variance of \$2,107,490 (current revenue estimates vs. amounts projected in the five year forecast) is equal to .58% of the total Forecasted annual revenue

### 4. EXPENDITURE ANALYSIS

EXPENDITURE TREND IS

**\$5,470,415**

UNFAVORABLE COMPARED TO  
FORECAST

#### Expenditure Forecast Compare

	Forecasted Annual Expenses	Cash Flow Actual/Estimated Calculated Annual Amount	Forecasted amount compared to Actual/Estimated
Salaries and Benefits	313,659,140	312,237,203	(1,421,937)
Purchased Services	36,613,092	38,666,997	2,053,905
All Other Expenses	34,588,916	39,427,362	4,838,446
<b>Total Expenditures</b>	<b>384,861,148</b>	<b>390,331,563</b>	<b>5,470,415</b>

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

Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Non-building Improvements	2,365,992
Professional and Technical Services	1,299,504
All Other Salaries	(1,025,106)
Certified Regular Salaries	974,804
All Other Expense Categories	1,855,220
<b>Total Expenses</b>	<b>5,470,415</b>

The top category (non-building improvements) represents 43.3% of the variance between current expense estimates and the amounts projected in the five year forecast.

The total variance of \$5,470,415 (current expense estimates vs. amounts projected in the five year forecast) is equal to 1.4% of the total Forecasted annual expenses.

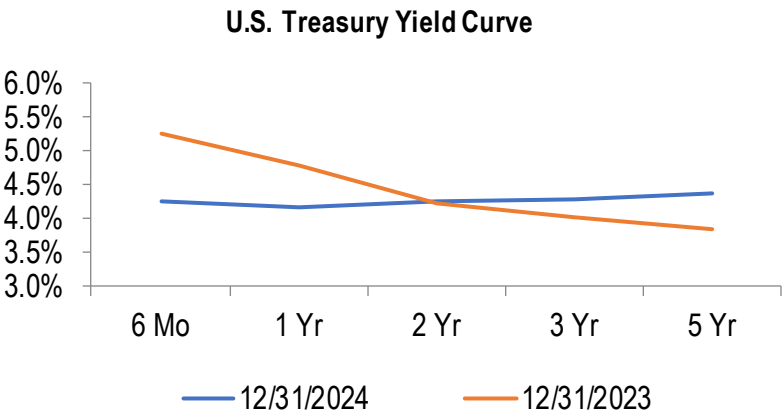
**AKRON PUBLIC SCHOOLS**  
**MONTHLY RECONCILIATION**  
**December 2024**

Book Balance		Bank Balance	
<b>Munis Accounting System</b>		<b>Month End Bank Account Balances</b>	
Beginning Balance	197,054,770.99	007 - PNC Oma Evans	150,799.04
Plus Receipts	50,484,097.73	008 - HNB Schumacher	103.35
Less Expenditures	42,643,998.47	009 - Star Ohio	24,353,772.68
Ending Balance	204,894,870.25	017 - HNB AP/Payroll/CN	15,202,689.75
		018 - PNC Building Fund	1,037,896.94
		021 - HNB FSA Account	348,316.39
<b>Outstanding Checks &amp; Direct Deposits</b>		037 - USBank Construction	17,570,464.69
017 - HNB Accounts Payable Checks	720,705.55	038 - USBank PI Fund	11,781,954.99
017 - HNB Virtual Cards	225,793.79	039 - USBank General Fund	65,223,986.55
017 - HNB Payroll Checks	61,597.03	040 - USBank Benefits Fund	11,458,455.69
017 - HNB Deposit Outstanding on Munis	-	041 - USBank COPs Proceeds	40,944,540.43
	1,008,096.37	042 - HNB CAP-I Lease	3,933.97
		043 - USBank 2024 Note Proceeds	14,875,124.83
<b>Pending Payroll Deductions</b>			202,952,039.30
Federal/Medicare Withholding	-	<b>Local Grant/Benefit CD's</b>	
State Tax	-	029 - HNB CD	5,053.52
City Tax	-	032 - HNB CD	95,804.60
SERS	-		100,858.12
Child Support Payments	-	<b>Escrow Accounts</b>	
School District Income Tax	-	x4897 Mid American Construction - HNB	
STRS	-	x2897 Vendrick Construction - HNB	-
AXA	-	x8540 Hammond Construction - PNC	55.79
Valic	-	x8839 Martin Public Seating - PNC	0.14
ING (Voya)	-	x8841 Penn Ohio Electrical Co - PNC	7.41
MG Trust	-	x1301 Lockhart Concrete Co - PNC	14.13
Ameriprise	-	x7489 OSMIC Inc - PNC	-
Lincoln	-	x3376 Hammond Construction - PNC	0.80
Ohio Deferred Comp	-	x7982 Welty Building Co - PNC	0.13
Towpath	-	x6627 Hammond Construction - PNC	8,657.40
	-	x5262 Hammond Construction - PNC	0.20
		x7065 Tom Sexton & Assoc - PNC	0.19
		x7069 Tom Sexton & Assoc - PNC	1.24
<b>Miscellaneous Book Adjustments</b>			8,737.43
021 - Inventory Allowance	5,116.37	<b>Flex Spending Account</b>	
022 - Insurance Accrual	(2,505,080.15)	Prefunded Account	398,809.42
Timing Differences in Accounts Payable	1,426.53	Withdrawals (Claims)	(51,811.17)
Timing Differences in Accounts Receivable	-	Settlement Credit	
HNB Escrow Statement	5,646.30	Service Charges	-
PNC Escrow Statement	8,723.33		346,998.25
Escrow Reconciling Item	(5,632.20)		
	(2,489,799.82)	<b>Miscellaneous Bank Adjustments</b>	
		Petty Cash	1,000.00
		Bank Charges to be Refunded	-
		Outstanding Items	3,533.70
			4,533.70
<b>Adjusted Book Balance</b>	\$ 203,413,166.80	<b>Adjusted Bank Balance</b>	\$ 203,413,166.80

Economic & Market Update

- The Federal Reserve has continued to cut rates at their November and December meetings. Forecast for 2025 has been revised as the Fed intends to slow the pace of further rate cuts considerably.
- Inflation data has once again proven to be tougher to improve than the Fed would like. Providing a pathway for the Fed to leave rates unchanged for the near future.
  - Now expected to see two rate cuts in 2025. Down from four cuts anticipated a few months ago.
- 3rd Quarter GDP came in stronger than originally estimated.
- We expect yields to remain elevated for the time being given the anticipated halt in rate movement from the Fed.

Current Market Data



Source: U.S. Treasury

Account	Market Value	Yield	Weighted Average Maturity
General Fund	\$65,110,901	3.66%	1.95
Construction Funds	\$17,817,252	4.72%	0.36
Permanent Improvement	\$11,972,252	4.81%	0.33
024 Benefits	\$11,648,712	4.75%	0.81
2023 COPs Proceeds	\$41,652,200	4.89%	0.30
2024 Note Proceeds	\$15,010,234	4.32%	3.15



## Portfolio Updates

## Akron PSD - General Fund

<b>Activity</b>	<ul style="list-style-type: none"> <li>Reinvestment continued to pick up with recent maturity schedule.</li> <li>Similar balanced reinvestment approach as we remain focused on locking in higher yields for longer where it makes the most sense.</li> <li>Portion of these funds were reinvested short-term as commercial paper remains the best shorter liquidity option.</li> <li>The portfolio will see several lower yielding securities mature in the coming months with expected reinvestment to occur at significantly higher rates.</li> </ul>
<b>Investment Results</b>	<ul style="list-style-type: none"> <li>Portfolio yield increased to 3.66%.</li> <li>Net income was \$537,490 throughout the quarter and projected gross income through next 12 months is \$1,960,000*</li> </ul>

## Akron PSD – Construction Funds

<b>Activity</b>	<ul style="list-style-type: none"> <li>Portfolio will continue to maintain liquidity for any further funding needs.</li> </ul>
<b>Investment Results</b>	<ul style="list-style-type: none"> <li>Portfolio yield decreased to 4.72%</li> <li>Portfolio has realized net investment income of \$6.88 million since inception in February 2015, includes City portfolio.</li> <li>Projected gross income through the next 12 months is \$524,000*</li> </ul>

## Akron PSD – Permanent Improvement

<b>Activity</b>	<ul style="list-style-type: none"> <li>Similar to other portfolios, there is ample liquidity to meet any upcoming funding needs.</li> </ul>
<b>Investment Results</b>	<ul style="list-style-type: none"> <li>Portfolio yield decreased to 4.81%.</li> <li>Portfolio has realized net investment income of \$2.58 million since inception in February 2015</li> <li>Projected gross income through the next 12 months is \$300,000*</li> </ul>

## Akron PSD - 024 Benefits

<b>Activity</b>	<ul style="list-style-type: none"> <li>Focus continues to be on maintaining higher levels of liquidity while locking in higher yields in the 2-3yr maturity window.</li> </ul>
<b>Investment Results</b>	<ul style="list-style-type: none"> <li>Portfolio yield decreased to 4.75%.</li> <li>Projected gross income through the next 12 months is \$420,000.</li> </ul>

## Akron PSD – 2023 COPs Proceeds

<b>Activity</b>	<ul style="list-style-type: none"> <li>Portfolio remains fully invested with the majority of funds in commercial paper positions north of 4.5%</li> <li>Recent reinvestment to mid 2025.</li> </ul>
<b>Investment Results</b>	<ul style="list-style-type: none"> <li>Portfolio yield sits at 4.89%.</li> <li>Projected gross income through the next 12 months is \$1,190,000</li> </ul>

## Akron PSD – 2024 Note Proceeds

<b>Activity</b>	<ul style="list-style-type: none"> <li>Portfolio fully invested to match longer end of the projects spending schedule.</li> <li>Majority of portfolio invested in higher coupon US Treasuries to maximize interest.</li> </ul>
<b>Investment Results</b>	<ul style="list-style-type: none"> <li>Portfolio yield sits at 4.32%</li> <li>Projected gross income through the next 12 months is \$589,000.</li> </ul>

\*Projected income assumes securities are to be held to final maturity and gross of investment management fees.