



# Akron Public Schools

## September 2025 Financial Report

Fiscal Year 2026 Revenue and Expenditure Activity Through September

R. Wayne Bowers II, CFO/Treasurer

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## FISCAL YEAR 2026 REVENUE, EXPENDITURES, AND CASH BALANCE ANALYSIS THROUGH

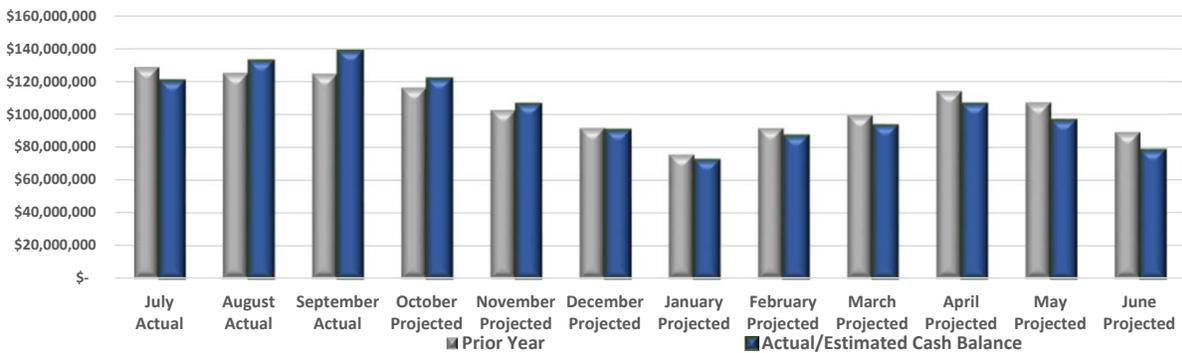
### 1. YEAR-TO-DATE ACTUALS COMPARED TO PREVIOUS YEAR



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



### 3. VARIANCE AND CASH BALANCE COMPARISON



JUNE 30 ACTUAL CASH BALANCE WAS  
**\$89,186,335**  
 AT THE END OF THE PREVIOUS FISCAL YEAR

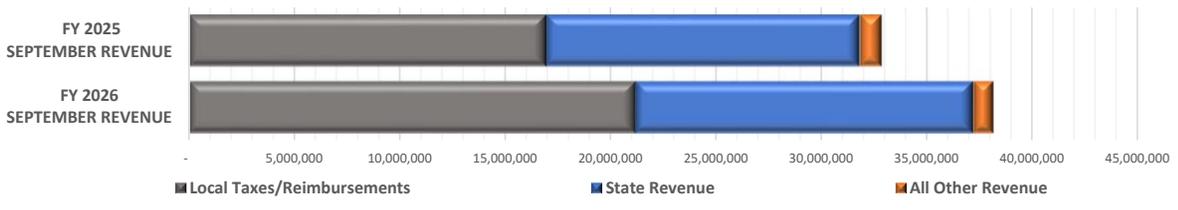
JUNE 30 CASH BALANCE IS ESTIMATED TO BE  
**\$78,413,961**  
 AT THE END OF THE CURRENT FISCAL YEAR

# FISCAL YEAR 2026 MONTHLY REVENUE ANALYSIS - SEPTEMBER

## 1. SEPTEMBER REVENUE COLLECTIONS COMPARED TO PRIOR YEAR

Month to Date	Actual Revenue Collections For September	Prior Year Revenue Collections	Actual Compared to Last Year
Local Taxes/Reimbursements	21,176,175	16,940,399	● 4,235,776
State Revenue	16,045,962	14,895,148	● 1,150,815
All Other Revenue	942,854	1,029,198	● (86,344)
<b>Total Revenue</b>	<b>38,164,991</b>	<b>32,864,745</b>	<b>● 5,300,246</b>

Actual revenue for the month was up  
**\$5,300,246**  
 compared to last year.

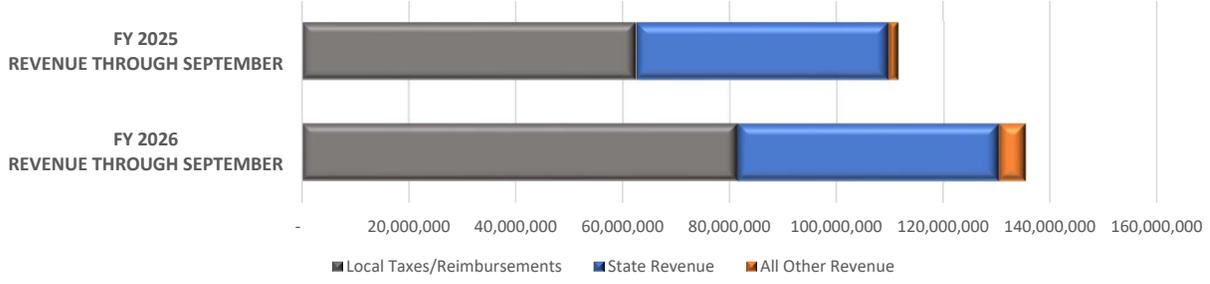


Actual revenue for the month was up \$5,300,246 compared to last year. Categories with the largest variance included: higher homestead/rollback and other state reimburse. of \$6,809,396, and higher real estate taxes, of \$4,219,228. Fiscal year-to-date results below, with additional months of revenue activity can provide more insight.

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

Fiscal Year to Date	Actual Revenue Collections For July - September	Prior Year Revenue Collections For July - September	Current Year Compared to Last Year
Local Taxes/Reimbursements	81,463,255	62,492,087	● 18,971,168
State Revenue	48,864,253	47,189,653	● 1,674,601
All Other Revenue	4,977,926	1,842,439	● 3,135,488
<b>Total Revenue</b>	<b>135,305,435</b>	<b>111,524,179</b>	<b>● 23,781,256</b>

TOTAL REVENUES ARE  
**\$23,781,256**  
 HIGHER THAN THE PREVIOUS YEAR



Revenue through September totaled \$135,305,435, which is \$23,781,256 or 21.3% higher than the amount collected last year. Through September, the largest categorical variances when compared to last year, are: real estate taxes, higher by \$10,516,164, and homestead/rollback and other state reimburse. higher by \$6,809,396.

## FISCAL YEAR 2026 MONTHLY EXPENDITURE ANALYSIS - SEPTEMBER

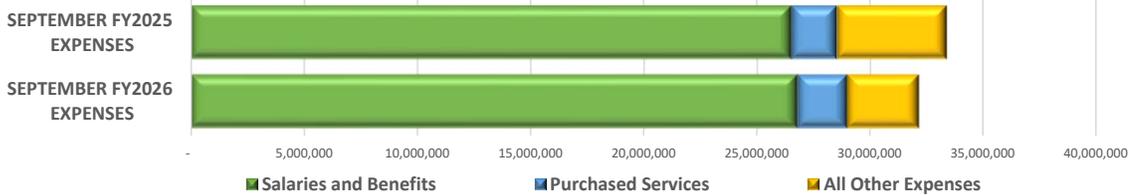
### 1. SEPTEMBER EXPENDITURES COMPARED TO PRIOR YEAR

Month to Date	Actual Expenses For September	Prior Year Expenditure Incurred		Actual Compared to Last Year
Salaries and Benefits	26,773,278	26,506,389	●	<b>266,889</b>
Purchased Services	2,198,623	2,010,408	●	<b>188,215</b>
All Other Expenses	3,170,232	4,853,601	●	<b>(1,683,369)</b>
<b>Total Expenditures</b>	<b>32,142,133</b>	<b>33,370,399</b>	●	<b>(1,228,266)</b>

Actual expenses for the month were down

**\$1,228,266**

compared to last year.



Actual expenses for the month were down \$1,228,266 compared to last year. Categories with the largest variance included: higher general supplies of \$859,165, and higher buildings of \$541,240. 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.

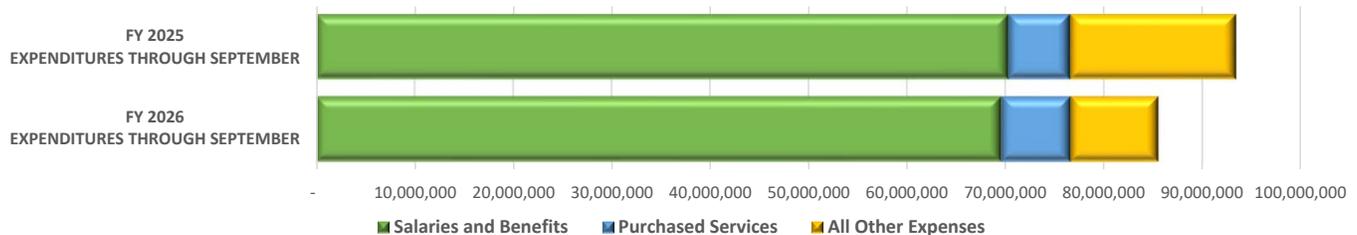
### 2. ACTUAL EXPENSES INCURRED THROUGH SEPTEMBER COMPARED TO THE PRIOR YEAR

Fiscal Year to Date	Actual Expenses For July - September	Prior Year Expenditures Incurred		Actual Compared to Last Year
Salaries and Benefits	69,608,194	70,316,315	●	<b>(708,121)</b>
Purchased Services	7,048,308	6,270,453	●	<b>777,855</b>
All Other Expenses	8,894,191	16,864,252	●	<b>(7,970,061)</b>
<b>Total Expenditures</b>	<b>85,550,693</b>	<b>93,451,020</b>	●	<b>(7,900,327)</b>

TOTAL EXPENDITURES ARE

**\$7,900,327**

LOWER THAN THE PREVIOUS  
YEAR



Fiscal year-to-date General Fund expenses totaled \$85,550,693 through September, which is -\$7,900,327 or -8.5% lower than the amount expended last year. Through September, the largest categorical variances when compared to last year, are: textbooks lower by -\$3,824,695, and buildings lower by -\$2,029,473 .stuff

## FISCAL YEAR 2026 FORECAST TREND VARIANCE ANALYSIS - JULY - SEPTEMBER

### 3. REVENUE ANALYSIS

REVENUE IS TRENDING

**\$717,328**

UNFAVORABLE 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.	169,485,586	169,851,513	365,927
State Revenue	192,708,913	191,550,466	(1,158,447)
All Other Revenue	14,844,860	14,920,052	75,192
<b>Total Revenue</b>	<b>377,039,359</b>	<b>376,322,031</b>	<b>(717,328)</b>

The top two categories (restricted state aid and unrestricted state aid), represents 161.5% of the variance between current revenue estimates and the amounts projected in the five year forecast.

The total variance of \$717,328 (current revenue estimates vs. amounts projected in the five year forecast) is equal to .19% of the total Forecasted annual revenue

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

Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Restricted State Aid	(2,682,339)
Unrestricted State Aid	1,523,893
Real Estate Taxes,	374,029
In Lieu of Taxes Federal	(257,688)
All Other Revenue Categories	324,778
<b>Total Revenue</b>	<b>(717,327)</b>

### 4. EXPENDITURE ANALYSIS

EXPENDITURE TREND IS

**\$431,019**

FAVORABLE 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	315,533,124	315,119,765	(413,359)
Purchased Services	42,934,075	43,064,975	130,900
All Other Expenses	29,058,226	28,909,666	(148,560)
<b>Total Expenditures</b>	<b>387,525,425</b>	<b>387,094,406</b>	<b>(431,019)</b>

The top category (certified regular salaries, (-1.71% annual change forecasted)) represents 1109.2% of the variance between current expense estimates and the amounts projected in the five year forecast.

The total variance of \$431,019 (current expense estimates vs. amounts projected in the five year forecast) is equal to .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
Certified Regular Salaries, (-1.71% Annual Change Forecasted)	4,780,911
Unrestricted Regular Salaries, (5.78% Annual Change Forecasted)	(2,605,869)
Certified Regular Salaries, (1.63% Annual Change Forecasted)	(1,118,575)
All Other Salaries, (2.28% Annual Change Forecasted)	(1,100,609)
All Other Expense Categories	(386,877)
<b>Total Expenses</b>	<b>(431,019)</b>

**AKRON PUBLIC SCHOOLS  
MONTHLY RECONCILIATION  
September 2025**

Book Balance	Bank Balance
<b>Munis Accounting System</b>	<b>Month End Bank Account Balances</b>
Beginning Balance 264,605,008.48	007 - PNC Oma Evans 152,832.81
Plus Receipts 52,367,761.64	008 - HNB Schumacher 103.35
Less Expenditures 61,095,606.26	009 - Star Ohio 33,815,699.56
Ending Balance <u>255,877,163.86</u>	017 - HNB AP/Payroll/CN 38,952,303.91
	018 - PNC Building Fund 1,035,047.62
	021 - HNB FSA Account 527,411.77
<b>Outstanding Checks &amp; Direct Deposits</b>	037 - USBank Construction 18,179,262.32
017 - HNB Accounts Payable Checks 841,538.10	038 - USBank PI Fund 12,129,297.82
017 - HNB Virtual Cards 470,696.97	039 - USBank General Fund 66,878,883.87
017 - HNB Payroll Checks 34,795.68	040 - USBank Benefits Fund 11,875,340.37
017 - HNB Deposit Outstanding on Munis	041 - USBank COPs Proceeds 40,415,325.48
<u>1,347,030.75</u>	043 - USBank 2024 Note Proceeds 15,336,154.81
	044 - HNB CAP I 2023 Lease 1,838.88
	045 - USBank 2025 Debt Proceeds 15,009,902.07
	<u>254,309,404.64</u>
<b>Pending Payroll Deductions</b>	<b>Local Grant/Benefit CD's</b>
Federal/Medicare Withholding -	029 - HNB CD 102,221.20
State Tax -	032 - HNB CD 5,391.97
City Tax -	016- HNB CD 50,000.00
SERS -	<u>157,613.17</u>
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 56.58
Valic -	x8839 Martin Public Seating - PNC 0.14
ING (Voya) -	x8841 Penn Ohio Electrical Co - PNC 7.50
MG Trust -	x1301 Lockhart Concrete Co - PNC 14.31
Ameriprise -	x7489 OSMIC Inc - PNC
Lincoln -	x3376 Hammond Construction - PNC 0.82
Ohio Deferred Comp -	x7982 Welty Building Co - PNC 0.13
Towpath -	x6627 Hammond Construction - PNC 8,777.62
<u>-</u>	x5262 Hammond Construction - PNC 0.21
	x7065 Tom Sexton & Assoc - PNC 0.20
	x7069 Tom Sexton & Assoc - PNC 1.27
	<u>8,858.78</u>
<b>Miscellaneous Book Adjustments</b>	<b>Flex Spending Account</b>
021 - Inventory Allowance (38,864.74)	Prefunded Account 225,815.36
022 - Insurance Accrual (2,526,273.09)	Withdrawals (Claims) (35,375.33)
Timing Differences in Accounts Payable -	Settlement Credit
Timing Differences in Accounts Receivable -	Service Charges -
HNB Escrow Statement 5,649.10	<u>190,440.03</u>
PNC Escrow Statement 8,845.65	
Escrow Reconciling Item (5,635.97)	<b>Miscellaneous Bank Adjustments</b>
<u>(2,556,279.05)</u>	Petty Cash 1,000.00
	Bank Charges to be Refunded -
	Outstanding Items 598.94
	<u>1,598.94</u>
<b>Adjusted Book Balance</b> \$ 254,667,915.56	<b>Adjusted Bank Balance</b> \$ 254,667,915.56

## Portfolio Updates

### Akron PSD - General Fund

- Our focus continues to be to extend the overall duration of the portfolio and lock in higher yields while rates remain elevated.
- Activity**
  - We have targeted US Agencies, US Treasuries, and Brokered CDs in the 3-5 year maturity window over recent months.
  - The maturity schedule for the next quarter remains light but will continue to see lower-yielding securities roll off.
  - We plan to continue with our current investment approach as we navigate the next Fed cutting cycle.
- Investment Results**
  - Portfolio yield increased to 3.95%.
  - Net income was \$434,590 throughout the quarter and projected gross income through next 12 months is \$2,140,000\*

### Akron PSD – Construction Funds

- Activity**
  - Portfolio will continue to maintain liquidity for any further funding needs.
- Investment Results**
  - Portfolio yield decreased to 4.33%
  - Portfolio has realized net investment income of \$7.4 million since inception in February 2015
  - Projected gross income through the next 12 months is \$337,000\*

### Akron PSD – Permanent Improvement

- Activity**
  - Similar to other portfolios, there is ample liquidity to meet any upcoming funding needs.
- Investment Results**
  - Portfolio yield increased to 4.36%.
  - Portfolio has realized net investment income of \$2.92 million since inception in February 2015
  - Projected gross income through the next 12 months is \$406,000\*

### Akron PSD - 024 Benefits

- Activity**
  - Focus continues to be on maintaining higher levels of liquidity while locking in higher yields in the 2-3yr maturity window.
- Investment Results**
  - Portfolio yield decreased to 4.34%.
  - Projected gross income through the next 12 months is \$372,000.

### Akron PSD – 2023 COPs Proceeds

- Activity**
  - Portfolio remains fully invested with the majority of funds in commercial paper positions north of 4.30%
  - Maturity schedule extended into early summer 2026.
- Investment Results**
  - Portfolio yield sits at 4.34%.
  - Projected gross income through the next 12 months is \$1,115,000

### Akron PSD – 2024 Note Proceeds

- Activity**
  - Portfolio fully invested to match longer end of the projects spending schedule.
  - Majority of portfolio invested in higher coupon US Treasuries to maximize interest.
- Investment Results**
  - Portfolio yield sits at 4.31%
  - Projected gross income through the next 12 months is \$593,000.

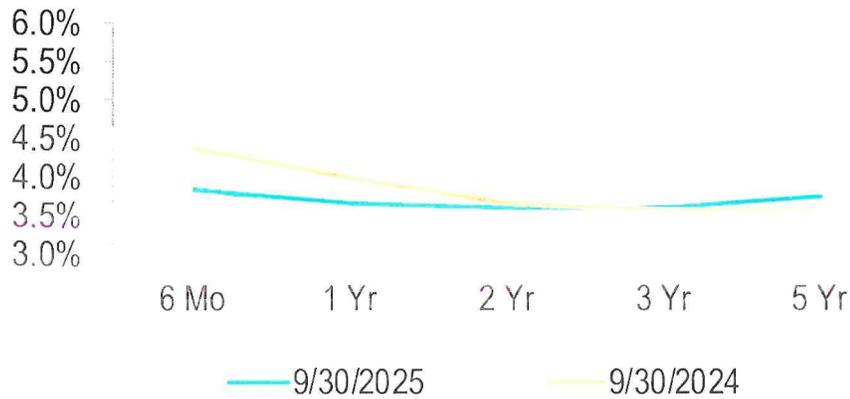
\*Projected income assumes securities are to be held to final maturity and gross of investment management fees.

**Economic & Market Update**

- The Federal Reserve executed the first rate cut of 2025 at their September meeting with the expectation that additional cuts will occur before year-end.
  - Market is pricing in three additional cuts next year with Fed Funds rate landing around 3% by the end of 2026.
- Inflation data has started to move higher as we begin to see the impact from ongoing tariff policies.
- Labor market has slowed down considerably over recent months with slower job growth driving the Feds decision to cut rates.
- Economy saw a rebound in Q2 GDP, growing at 3.8%. Primarily driven by increase in consumer spending and narrowing trade deficit.

**Current Market Data**

**U.S. Treasury Yield Curve**



Source: U.S. Treasury

Account	Market Value	Yield	Weighted Average Maturity
General Fund	\$67,842,681	3.95%	2.22
Construction Funds	\$18,414,338	4.33%	0.21
Permanent Improvement	\$12,375,300	4.36%	0.27
024 Benefits	\$12,054,014	4.34%	1.05
2023 COPs Proceeds	\$41,152,930	4.34%	0.26
2024 Note Proceeds	\$15,766,634	4.31%	2.48
2025 Debt Proceeds	\$15,103,803	4.15%	0.67