



# Agenda Request Form

Meeting Date	Agenda Item Number
April 21, 2022	D-1

Title
March 2022 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of March 2022 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for March 2022  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

MARCH 2022

#### **General Fund**

For the month ending March 31, 2022, the eighth month of the 2021-22 Fiscal Year, the School District's Operating Account (General Fund) has received \$340,389,080 in revenue (year-to-date) consisting of state funds of \$130,662,078 (60% of budget), \$208,717,466 local revenues (96% of budget), and other funds of \$1,009,536 (76% of budget). All operating expenditures of \$289,612,869 (67% of budget) are within the Board of Education's approved 2021-22 budget.

#### **Building Fund/Ed-SPLOST Collections**

The Capital Outlay Fund balance of \$93,178,950 as of March 31, 2022 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 \$4,646,103 for sales tax collections received in March 2022, for the month of February 2022, the 50th month of 60 monthly sales tax collections for the 2018-2022 SPLOST. Collections received were above projections for the month by \$1,754,096 and above cumulative projections by \$54,054,483.

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 March 31, 2022 is \$71,165,182 representing funds accumulated from Ed-SPLOST collections, collections from the 1.25 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 March 31, 2022 is \$14,131,174 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 MARCH 31, 2022**

<b>BALANCE SHEET</b>	<b>GENERAL FUND</b>	<b>DEBT SERVICE FUND</b>	<b>BUILDING FUND</b>	<b>FED FUNDS/ SCHOOL NUTRITION</b>	<b>TOTAL</b>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 139,839,686	\$ 46,360,395	\$ 93,396,690	\$ 215,450	\$ 279,812,221
Investments	1,029,819	24,804,787	-	-	25,834,606
Receivables	974,761	-	-	14,728,626	15,703,387
Inventories	148,489	-	-	676,772	825,261
<b>TOTAL ASSETS</b>	<b>\$ 141,992,755</b>	<b>\$ 71,165,182</b>	<b>\$ 93,396,690</b>	<b>\$ 15,620,848</b>	<b>\$ 322,175,475</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 235,531	\$ -	\$ 217,740	\$ 773,317	\$ 1,226,588
Salaries and Benefits Payable	12,943,509	-	-	716,357	13,659,866
<b>FUND BALANCE</b>	<b>128,813,715</b>	<b>71,165,182</b>	<b>93,178,950</b>	<b>14,131,174</b>	<b>307,289,021</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 141,992,755</b>	<b>\$ 71,165,182</b>	<b>\$ 93,396,690</b>	<b>\$ 15,620,848</b>	<b>\$ 322,175,475</b>
<b>REVENUE AND EXPENSE</b>					
<b>REVENUE</b>	\$ 340,389,080	\$ 15,648,346	\$ 40,496,819	\$ 47,472,798	\$ 444,007,043
<b>EXPENDITURES</b>	289,682,169	45,402,769	13,294,031	41,149,568	389,528,537
<b>EXCESS REVENUE OVER EXPENDITURES</b>	50,706,911	(29,754,423)	27,202,788	6,323,230	54,478,506
<b>OTHER FINANCING SOURCES (USES)</b>	218,731	22,649,847	14,510,342	-	37,378,920
<b>BEGINNING FUND BALANCE</b>	77,888,073	78,269,758	51,465,820	7,807,944	215,431,595
<b>ENDING FUND BALANCE</b>	<b>\$ 128,813,715</b>	<b>\$ 71,165,182</b>	<b>\$ 93,178,950</b>	<b>\$ 14,131,174</b>	<b>\$ 307,289,021</b>

**CHEROKEE COUNTY SCHOOL DISTRICT  
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL  
JULY 1, 2021 - MARCH 31, 2022**

	2021-2022 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
<b>REVENUE</b>				
Local Revenue	\$ 216,705,392	\$ 208,717,466		\$ 7,987,926
State Revenue	219,397,237	130,662,078		88,735,159
Federal Revenue	199,068	191,758		7,310
Investment Earnings	103,505	45,546		57,959
Miscellaneous Revenue	1,030,382	772,232		258,150
<b>TOTAL REVENUE</b>	<b>437,435,584</b>	<b>340,389,080</b>		<b>97,046,504</b>
<b>EXPENDITURES</b>				
Instructional Services	300,689,376	195,668,849	\$ 254,896	104,765,631
Pupil Services	17,849,137	12,043,285	6,956	5,798,896
Improvement of Instructional Services	17,289,495	11,789,486	100,952	5,399,057
Instructional Staff Training	38,267	36,021	-	2,246
Educational Media Services	5,148,785	3,365,822	67,070	1,715,893
General Administration	3,439,853	2,743,505	-	696,348
School Administration	28,369,752	20,345,779	20,176	8,003,797
Support Services-Business	3,152,666	2,122,934	2,170	1,027,562
Maintenance & Operation of Plant Services	30,260,790	21,548,377	654,623	8,057,790
Student Transportation Services	23,525,146	16,755,335	76,297	6,693,514
Support Services-Central	5,235,077	3,262,776	146,457	1,825,844
School Nutrition Program	161,898	-	-	161,898
<b>TOTAL EXPENDITURES</b>	<b>435,160,242</b>	<b>289,682,169</b>	<b>1,329,597</b>	<b>144,148,476</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Sale of Assets	137,487	718,731		(581,244)
Accounts Transfers Out	(2,063,017)	(500,000)		(1,563,017)
<b>TOTAL OTHER FIN SOURCES (USES)</b>	<b>(1,925,530)</b>	<b>218,731</b>		<b>(2,144,261)</b>
<b>NET CHANGE FUND BALANCES</b>	<b>\$ 349,812</b>	<b>\$ 50,925,642</b>	<b>\$ (1,329,597)</b>	<b>\$ (49,246,233)</b>

**CHEROKEE COUNTY SCHOOL DISTRICT  
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL  
JULY 1, 2021 - MARCH 31, 2022**

	<b>2021-2022 BUDGET</b>	<b>YEAR TO DATE</b>	<b>AVAILABLE BUDGET</b>
<b>REVENUE</b>			
Local Revenue	\$ 12,126,442	\$ 13,296,677	\$ (1,170,235)
Investment Earnings	927,755	610,740	317,015
Miscellaneous Revenue	2,936,976	1,740,929	1,196,047
<b>TOTAL REVENUE</b>	<b>15,991,173</b>	<b>15,648,346</b>	<b>342,827</b>
<b>EXPENDITURES</b>			
Debt Service	45,400,370	45,402,769	(2,399)
<b>TOTAL EXPENDITURES</b>	<b>45,400,370</b>	<b>45,402,769</b>	<b>(2,399)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Accounts Transfers In	22,649,847	22,649,847	-
<b>TOTAL OTHER FIN SOURCES (USES)</b>	<b>22,649,847</b>	<b>22,649,847</b>	<b>-</b>
<b>NET CHANGE FUND BALANCES</b>	<b>\$ (6,759,350)</b>	<b>\$ (7,104,576)</b>	<b>\$ 345,226</b>

**CHEROKEE COUNTY SCHOOL DISTRICT  
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL  
JULY 1, 2021 - MARCH 31, 2022**

	2021-2022 BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
<b>REVENUE</b>				
Local Revenue	\$ 37,910,683	\$ 40,481,824		\$ (2,571,141)
State Revenue	124,697	-		124,697
Investment Earnings	31,810	14,995		16,815
<b>TOTAL REVENUE</b>	<b>38,067,190</b>	<b>40,496,819</b>		<b>(2,429,629)</b>
<b>EXPENDITURES</b>				
Instructional Services	22,510,889	4,174,033	\$ 2,741,659	15,595,197
Support Services-Business	358,000	429,655	-	(71,655)
Maintenance & Operation of Plant Services	445,000	307,248	-	137,752
Student Transportation Services	1,200,000	-	58,831	1,141,169
Facilities Acquisition and Construction Svs.	10,500,000	8,383,095	603,119	1,513,786
<b>TOTAL EXPENDITURES</b>	<b>35,013,889</b>	<b>13,294,031</b>	<b>3,403,609</b>	<b>18,316,249</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond Issuance	24,500,000	29,615,000		(5,115,000)
Premiums on Bonds Sold	5,000,000	7,545,189		(2,545,189)
Accounts Transfers Out	(22,649,847)	(22,649,847)		-
<b>TOTAL OTHER FIN SOURCES (USES)</b>	<b>6,850,153</b>	<b>14,510,342</b>		<b>(7,660,189)</b>
<b>NET CHANGE FUND BALANCES</b>	<b>\$ 9,903,454</b>	<b>\$ 41,713,130</b>	<b>\$ (3,403,609)</b>	<b>\$ (28,406,067)</b>

**CHEROKEE COUNTY SCHOOL DISTRICT  
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL  
JULY 1, 2021 - MARCH 31, 2022**

	2021-2022 AMENDED BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
<b>REVENUE</b>				
Local Revenue	\$ 7,738,854	\$ 895,131		\$ 6,843,723
State Revenue	1,352,349	1,076,389		275,960
Federal Revenue	45,730,455	45,498,813		231,642
Investment Earnings	15,000	2,465		12,535
<b>TOTAL REVENUE</b>	<b>54,836,658</b>	<b>47,472,798</b>		<b>7,363,860</b>
<b>EXPENDITURES</b>				
Instructional Services	24,247,960	16,978,421	\$ 301,048	6,968,491
Pupil Services	5,471,529	4,280,867	62,854	1,127,808
Improvement of Instructional Services	2,499,810	649,534	2,058,044	(207,768)
Instructional Staff Training	1,462,929	1,206,151	48,217	208,561
Educational Media Services	45,984	45,213	-	771
General Administration	12,044	13,580	-	(1,536)
School Administration	354,736	350,157	-	4,579
Support Services-Business	31,751	32,295	-	(544)
Maintenance & Operation of Plant Services	2,485,400	745,968	-	1,739,432
Student Transportation Services	952,997	782,436	-	170,561
Support Services-Central	44,897	50,718	50	(5,871)
School Nutrition Program	17,728,639	16,014,228	821,379	893,032
<b>TOTAL EXPENDITURES</b>	<b>55,338,676</b>	<b>41,149,568</b>	<b>3,291,592</b>	<b>10,897,516</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Accounts Transfers In	1,151,168	-		1,151,168
<b>TOTAL OTHER FIN SOURCES (USES)</b>	<b>1,151,168</b>	<b>-</b>		<b>1,151,168</b>
<b>NET CHANGE FUND BALANCES</b>	<b>\$ 649,150</b>	<b>\$ 6,323,230</b>	<b>\$ (3,291,592)</b>	<b>\$ (2,382,488)</b>

CHEROKEE COUNTY SCHOOL DISTRICT  
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2018-2022)  
COMPARISON OF COLLECTIONS  
THROUGH MARCH 31, 2022

REPORTING MONTH	60 MONTH COLLECTION MONTH	PERIOD	PROJECTED COLLECTIONS	BOE 1% COLLECTIONS	DIFFERENCE ACTUAL AND PROJECTED COLLECTIONS
February 2018	January 2018	1	\$ 2,482,396	\$ 2,974,362	\$ 491,966
March 2018	February 2018	2	2,569,511	2,610,220	40,709
April 2018	March 2018	3	2,735,881	3,482,968	747,087
May 2018	April 2018	4	2,726,393	3,174,263	447,870
June 2018	May 2018	5	2,796,817	3,361,741	564,924
July 2018	June 2018	6	2,841,541	3,476,673	635,132
August 2018	July 2018	7	2,871,634	3,479,906	608,272
September 2018	August 2018	8	2,818,552	3,380,345	561,793
October 2018	September 2018	9	2,792,606	3,108,962	316,356
November 2018	October 2018	10	2,736,315	3,627,964	891,649
December 2018	November 2018	11	2,906,999	3,499,055	592,056
January 2019	December 2018	12	3,588,310	4,145,833	557,523
February 2019	January 2019	13	2,556,868	3,278,360	721,492
March 2019	February 2019	14	2,646,596	3,135,700	489,104
April 2019	March 2019	15	2,817,958	3,559,057	741,099
May 2019	April 2019	16	2,808,185	3,717,585	909,400
June 2019	May 2019	17	2,880,722	3,800,003	919,281
July 2019	June 2019	18	2,926,787	3,621,310	694,523
August 2019	July 2019	19	2,957,783	3,871,832	914,049
September 2019	August 2019	20	2,903,109	3,627,866	724,757
October 2019	September 2019	21	2,876,384	3,587,669	711,285
November 2019	October 2019	22	2,818,405	3,686,737	868,332
December 2019	November 2019	23	2,994,209	3,760,601	766,392
January 2020	December 2019	24	3,695,959	4,469,659	773,700
February 2020	January 2020	25	2,633,574	3,457,342	823,768
March 2020	February 2020	26	2,725,994	3,283,286	557,292
April 2020	March 2020	27	2,902,497	3,504,562	602,065
May 2020	April 2020	28	2,892,430	3,609,128	716,698
June 2020	May 2020	29	2,967,144	4,030,403	1,063,259
July 2020	June 2020	30	3,014,591	4,125,359	1,110,768
August 2020	July 2020	31	3,046,516	4,146,043	1,099,527



CHEROKEE COUNTY SCHOOL DISTRICT  
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2018-2022)  
COMPARISON OF COLLECTIONS  
THROUGH MARCH 31, 2022

REPORTING MONTH	60 MONTH COLLECTION MONTH	PERIOD	PROJECTED COLLECTIONS	BOE 1% COLLECTIONS	DIFFERENCE ACTUAL AND PROJECTED COLLECTIONS
September 2020	August 2020	32	2,990,202	6,095,125	3,104,923
October 2020	September 2020	33	2,962,676	4,013,861	1,051,185
November 2020	October 2020	34	2,902,957	4,492,844	1,589,887
December 2020	November 2020	35	3,084,035	4,419,501	1,335,466
January 2021	December 2020	36	3,806,838	5,256,507	1,449,669
February 2021	January 2021	37	2,712,581	4,120,037	1,407,456
March 2021	February 2021	38	2,807,774	3,874,440	1,066,666
April 2021	March 2021	39	2,989,571	4,655,922	1,666,351
May 2021	April 2021	40	2,979,203	4,656,310	1,677,107
June 2021	May 2021	41	3,056,158	4,748,616	1,692,458
July 2021	June 2021	42	3,105,029	4,919,197	1,814,168
August 2021	July 2021	43	3,137,912	4,931,357	1,793,445
September 2021	August 2021	44	3,079,908	4,730,696	1,650,788
October 2021	September 2021	45	3,051,556	4,672,519	1,620,963
November 2021	October 2021	46	2,990,046	4,807,242	1,817,196
December 2021	November 2021	47	3,176,556	5,233,983	2,057,427
January 2022	December 2021	48	3,921,043	5,946,714	2,025,671
February 2022	January 2022	49	2,793,958	4,611,391	1,817,433
March 2022	February 2022	50	2,892,007	4,646,103	1,754,096
			<u>\$147,372,676</u>	<u>\$201,427,159</u>	<u>\$ 54,054,483</u>

**CHEROKEE COUNTY SCHOOL DISTRICT  
1% SPECIAL PURPOSE LOCAL OPTION SALES TAX (SPLOST)  
2018-2022 PROJECTED COLLECTIONS**

	<u>2018</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022</u>
July	\$ -	\$ 2,871,634	\$ 2,957,783	\$ 3,046,516	\$ 3,137,912	\$ 3,232,049
August	\$ -	\$ 2,818,552	\$ 2,903,109	\$ 2,990,202	\$ 3,079,908	\$ 3,172,306
September	\$ -	\$ 2,792,606	\$ 2,876,384	\$ 2,962,676	\$ 3,051,556	\$ 3,143,103
October	\$ -	\$ 2,736,315	\$ 2,818,405	\$ 2,902,957	\$ 2,990,046	\$ 3,079,747
November	\$ -	\$ 2,906,999	\$ 2,994,209	\$ 3,084,035	\$ 3,176,556	\$ 3,271,853
December	\$ -	\$ 3,588,310	\$ 3,695,959	\$ 3,806,838	\$ 3,921,043	\$ 4,038,675
January	\$ 2,482,396	\$ 2,556,868	\$ 2,633,574	\$ 2,712,581	\$ 2,793,958	\$ -
February	\$ 2,569,511	\$ 2,646,596	\$ 2,725,994	\$ 2,807,774	\$ 2,892,007	\$ -
March	\$ 2,735,881	\$ 2,817,958	\$ 2,902,497	\$ 2,989,571	\$ 3,079,259	\$ -
April	\$ 2,726,393	\$ 2,808,185	\$ 2,892,430	\$ 2,979,203	\$ 3,068,579	\$ -
May	\$ 2,796,817	\$ 2,880,722	\$ 2,967,144	\$ 3,056,158	\$ 3,147,843	\$ -
June	\$ 2,841,541	\$ 2,926,787	\$ 3,014,591	\$ 3,105,029	\$ 3,198,180	\$ -
<b>Total by Fiscal Year</b>	<u>\$ 16,152,539</u>	<u>\$ 34,351,532</u>	<u>\$ 35,382,079</u>	<u>\$ 36,443,540</u>	<u>\$ 37,536,847</u>	<u>\$ 19,937,733</u>
<b>Total Projected Collections</b>						<u><u>\$ 179,804,270</u></u>

The amount shown in each month is the expected collection amount. Actual receipt would occur in the subsequent month.