

Agenda Request Form

Cherokee County School District

Meeting Date
August 22, 2019

Agenda Item Number
D-1

Title
June 2019 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of June 2019 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for June 2019 See Attached Reports
Major System Priority
Increasing Accountability
Financial Impact
N/A
Exhibits: (List)
Financial Report and Sales Tax Update

Board Action
<i>(For Official School Board Records Only)</i>

Source of Additional Information	
Kenneth Owen	770.479.1871
Dr. Brian V. Hightower	770.479.1871

OFFICE OF THE SUPERINTENDENT OF SCHOOLS

Approved in Open Board Meeting on: _____
(Date)

By: _____
(School Board Chairman)

CHEROKEE COUNTY BOARD OF EDUCATION

Dr. Brian V. Hightower, Superintendent

Kenneth Owen, Chief Financial Officer

FINANCIAL REPORT JUNE 2019

General Fund

For the month ending June 30, 2019, the twelfth month of the 2018-19 Fiscal Year, the School District's Operating Account (General Fund) has received \$408,079,266 in revenue (year-to-date) consisting of state funds of \$216,648,601 (100% of budget), \$176,008,674 local taxes (101% of budgeted amount), and other funds of \$15,421,991 (99% of budget). All operating expenditures of \$402,287,628 (99% of budget) are within the Board of Education's approved 2018-19 budget.

Capital Outlay

The Capital Outlay Fund balance of \$14,856,886 as of June 30, 2019 reflects proceeds of bond sales for capital outlay purposes less refundings of bonds, transfers from the General Fund, bond issuance costs, and capital outlay expenses paid.

Current SPLOST

For Fiscal Year 2018-19, the Cherokee County School District received \$3,800,003 in June 2019, for the month of May 2019, the 17th month of 60 monthly sales tax collections for the 2018-2022 SPLOST. Collections received were above projections (detail included) for the month by \$919,281 and above cumulative projections by \$10,221,874. The School District also accrued for sales tax collections received in July 2019, for the month of June 2019, the 18th month of 60 monthly sales tax collections for the 2018-2022 SPLOST. Collections received were above projections for the month by \$694,523 and above cumulative projections by \$10,916,397. Excess SPLOST collections are added to the Debt Service fund balance as a safeguard against future negative economic conditions, assuring the School District can meet future bond payments.

Cherokee County School District
 FINANCIAL REPORT
 AS OF JUNE 30, 2019
BALANCE SHEET

	GENERAL FUND	BOND SPLOST	CAPITAL OUTLAY	FED FUNDS AND SCHOOL NUTRITION	TOTAL
ASSETS					
Cash	\$ 58,915,154	\$ 49,356,350	\$ 15,473,679	\$ 3,269,325	\$ 127,014,508
Investments	-	18,551,298	-	-	18,551,298
Inventory	273,627	-	-	370,797	644,424
Accounts Receivable	35,238,779	3,685,693	-	5,358,999	44,283,471
TOTAL ASSETS	\$ 94,427,560	\$ 71,593,341	\$ 15,473,679	\$ 8,999,121	\$ 190,493,701
LIABILITIES					
Salaries and Benefits Payable	\$ 36,460,125	\$ -	\$ -	\$ 1,628,445	\$ 38,088,570
Accounts Payable	2,087,069	-	616,793	605,303	3,309,165
FUND BALANCE					
Fund Balance 6/30/2019	55,880,366	71,593,341	14,856,886	6,765,373	149,095,966
TOTAL LIABILITIES AND FUND BALANCE	\$ 94,427,560	\$ 71,593,341	\$ 15,473,679	\$ 8,999,121	\$ 190,493,701
REVENUE AND EXPENSE					
Revenue	\$ 408,079,266	\$ 51,091,982	\$ 3,262,055	\$ 33,317,735	\$ 495,751,038
Expense	402,287,628	30,240,155	27,996,863	31,740,668	492,265,314
Excess Revenue over Expense	5,791,638	20,851,827	(24,734,808)	1,577,067	\$ 3,485,724
BEGINNING FUND BALANCE 7/01/2018	50,088,728	50,741,514	39,591,694	5,188,306	145,610,242
ENDING FUND BALANCE 6/30/2019	\$ 55,880,366	\$ 71,593,341	\$ 14,856,886	\$ 6,765,373	\$ 149,095,966

**General Fund
Comparison of Budget to Actual
July 1, 2018 to June 30, 2019**

Description	2018-19 Budget	Year to Date	Available Budget
Revenue			
Federal	\$ 168,238	178,607	\$ (10,369)
Local	173,746,357	176,008,674	(2,262,317)
State	217,670,837	216,648,601	1,022,236
Other	3,884,429	3,743,384	141,045
Tan	11,500,000	11,500,000	-
Total Revenue	\$ 406,969,861	408,079,266	\$ (1,109,405)
Expense			
Instruction	\$ 270,774,339	\$ 268,328,511	\$ 2,445,828
Pupil Services	15,332,452	16,235,972	(903,520)
Improve Instructional Services	13,754,016	13,413,419	340,597
Media Services	4,778,506	4,718,229	60,277
General Administration	3,049,142	3,046,942	2,200
School Administration	25,270,279	25,336,237	(65,958)
Business	3,054,565	3,100,280	(45,715)
Maintenance	28,503,735	26,735,309	1,768,426
Transportation	22,732,394	23,708,693	(976,299)
Support and Community Services	5,174,799	5,061,725	113,074
Facilities and Construction	475,000	338,256	136,744
Transfers Out	2,152,304	703,808	1,448,496
Debt Service	11,532,623	11,560,247	(27,624)
Total Expense	\$ 406,584,154	\$ 402,287,628	\$ 4,296,526
Excess Revenue over Expense	\$ 385,707	\$ 5,791,638	\$ (5,405,931)

1% SALES TAX (2018-2022)
COMPARISON OF COLLECTIONS
AS OF JUNE 2019

<u>REPORTING MONTH</u>	<u>60 MONTH COLLECTION PERIOD</u>	<u>PROJECTED COLLECTIONS</u>	<u>BOE 1% COLLECTIONS</u>	<u>DIFFERENCE BETWEEN ACTUAL AND PROJECTED COLLECTIONS</u>
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	3,366,506	547,954
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
End of Year Accrual	June 2019 (18)	2,926,787	3,621,310	694,523
		<u>\$ 50,504,071</u>	<u>\$ 61,420,468</u>	<u>\$ 10,916,397</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	\$ -
Total by Fiscal Year	<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>
Total Projected Collections						<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.