

Agenda Request Form

Cherokee County School District

Meeting Date
September 13, 2018

Agenda Item Number
D-2

Title
August 2018 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of August 2018 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for August 2018 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				
<table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Kenneth Owen</td> <td style="text-align: right;">770.479.1871</td> </tr> <tr> <td>Dr. Brian V. Hightower</td> <td style="text-align: right;">770.479.1871</td> </tr> </table>	Kenneth Owen	770.479.1871	Dr. Brian V. Hightower	770.479.1871
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 AUGUST 2018

General Fund

For the month ending August 31, 2018, the second month of the 2018-19 Fiscal Year, the School District's Operating Account (General Fund) has received \$5,228,710 in revenue (year-to-date) consisting of state funds of \$3,720,422 (1.7% of budget), \$1,497,775 local taxes (<1% of budgeted amount), and other funds of \$10,513 (<1% of budget). All operating expenditures of \$39,201,495 (9.6% of budget) are within the Board of Education's approved 2018-19 budget.

Capital Outlay

The Capital Outlay Fund balance of \$37,578,065 as of August 31, 2018 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 \$3,479,906 in August 2018, for the month of July 2018, the 7th month of 60 monthly sales tax collections for the 2018-2022 SPLOST. Collections received were above projections (detail included) for the month by \$608,272 and above cumulative projections by \$3,535,960. 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 AUGUST 31, 2018
BALANCE SHEET

	GENERAL FUND	BOND SPLOST	CAPITAL OUTLAY	FED FUNDS AND SCHOOL NUTRITION	TOTAL
ASSETS					
Cash	\$ 32,820,023	\$ 20,379,566	\$ 36,144,517	\$ 3,182,562	\$ 92,526,668
Investments	864,263	17,459,582	-	-	18,323,845
Accounts Receivable	3,298,253	-	-	3,440,638	6,738,891
TOTAL ASSETS	\$ 36,982,539	\$ 37,839,148	\$ 36,144,517	\$ 6,623,200	\$ 117,589,404
LIABILITIES					
Salaries and Benefits Payable	\$ 16,772,656	\$ -	\$ -	\$ 145,734	\$ 16,918,390
Accounts Payable	4,092,876	-	-	641,938	4,734,814
FUND BALANCE					
Fund Balance 8/31/2018	16,117,007	37,839,148	37,578,065	5,835,528	97,369,748
TOTAL LIABILITIES AND FUND BALANCE	\$ 36,982,539	\$ 37,839,148	\$ 37,578,065	\$ 6,623,200	\$ 119,022,952
REVENUE AND EXPENSE					
Revenue	\$ 5,229,098	\$ 5,064,604	\$ 312,858	\$ 1,640,621	\$ 12,247,181
Expense	39,201,493	17,966,970	3,760,035	2,160,225	63,088,723
Excess Revenue over Expense	(33,972,395)	(12,902,366)	(3,447,177)	(519,604)	\$ (50,841,542)
BEGINNING FUND BALANCE 7/01/2018	50,089,402	50,741,514	41,025,242	6,355,132	148,211,290
ENDING FUND BALANCE 8/31/2018	\$ 16,117,007	\$ 37,839,148	\$ 37,578,065	\$ 5,835,528	\$ 97,369,748

**General Fund
Comparison of Budget to Actual
August 2018**

Description	2018-109 Budget	Year to Date	Available Budget
Revenue			
Federal	\$ 168,238	-	\$ 168,238
Local	173,746,357	1,497,775	170,025,935
State	217,670,837	3,720,422	213,950,415
Other	3,884,429	10,513	3,873,916
Tan	11,500,000	-	11,500,000
Total Revenue	\$ 406,969,861	5,228,710	\$ 401,741,151
Expense			
Instruction	\$ 274,599,339	\$ 23,415,474	\$ 251,183,865
Pupil Services	14,377,452	1,427,106	12,950,346
Imp. Instr. Svcs.	13,254,016	2,089,245	11,164,771
Media Svcs.	4,778,506	372,997	4,405,509
General Adm.	24,715,279	582,528	24,132,751
School Adm.	3,054,565	3,831,291	(776,726)
Business	28,503,735	731,778	27,771,957
Maintenance	21,082,394	3,099,844	17,982,550
Transportation	5,174,799	2,106,060	3,068,739
Support and Community Services	2,884,142	1,265,031	1,619,111
Facilities and Constr.	475,000	130,141	344,859
Transfers Out	2,152,304	150,000	2,002,304
Debt Service	11,532,623	-	11,532,623
Total Expense	\$ 406,584,154	\$ 39,201,495	\$ 367,382,659
Excess Rev. over Exp.	\$ 385,707	\$ (33,972,785)	\$ 34,358,492

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

<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
		<u>\$ 19,024,173</u>	<u>\$ 22,560,133</u>	<u>\$ 3,535,960</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.