

Agenda Request Form

Cherokee County School District

Meeting Date
November 16, 2017

Agenda Item Number
D-1

Title
October 2017 Financial Report and Sales Tax Update
Requested Action
School Board Consideration of Superintendent's Recommendation for Approval of October 2017 Financial Report and Sales Tax Update
Summary Explanation and Background
Financial Report for October 2017 See Attached Report
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: 60%;">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 OCTOBER 2017

General Fund

For the month ending October 31, 2017, the fourth month of the 2017-18 Fiscal Year, the School District's Operating Account (General Fund) has received \$60,542,345 in revenue (year-to-date) consisting of state funds of \$38,964,438 (19% of budget), \$7,280,671 local taxes (5% of budgeted amount), and other funds of \$14,297,236 (81% of budget). All operating expenditures of \$100,167,622 (25% of budget) are within the Board of Education's approved 2017-18 budget.

Capital Outlay

The Capital Outlay Fund balance of \$4,334,664 as of October 31, 2017 reflects proceeds of bond sales for capital outlay purposes less refundings of bonds, bond issuance costs, and capital outlay expenses paid from fiscal year 2010 to October 31, 2017.

Current SPLOST

For Fiscal Year 2017-18, the Cherokee County School District received \$3,113,497 in October 2017, for the month of September 2017, the 57th month of 60 monthly sales tax collections for the 2013-2017 SPLOST. Collections received were above projections (detail included) for the month by \$373,452 and well above cumulative projections by \$11,916,789. SPLOST sales tax collections are continuing to trend up and follow the regular cyclical collection patterns. While projections are level from month to month, actual collections vary greatly, due largely to regular consumer spending patterns and seasonal occurrences such as holidays. If this trend continues, it is possible that cumulative collections will exceed projections by as much as \$12 million through December 2017. 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 OCTOBER 31, 2017
BALANCE SHEET

		GENERAL FUND		BOND SPLOST		CAPITAL OUTLAY		FED FUNDS AND SCHOOL NUTRITION		TOTAL
ASSETS										
Cash		\$ 21,064,330		\$ 5,859,726		\$ 4,372,824		\$ -		\$ 31,296,880
Investments		657,237		16,837,923		-		-		17,495,160
Accounts Receivable		2,654,583		23,328		-		6,779,062		9,456,973
TOTAL ASSETS		\$ 24,376,150		\$ 22,720,977		\$ 4,372,824		\$ 6,779,062		\$ 58,249,013
LIABILITIES										
Salaries and Benefits Payable		\$ 16,361,640		\$ -		\$ -		\$ 404,360		\$ 16,766,000
Accounts Payable		1,605,285				38,160		828,115		2,471,560
FUND BALANCE										
Fund Balance 10/31/2017		6,409,225		22,720,977		4,334,664		5,546,587		39,011,453
TOTAL LIABILITIES AND FUND BALANCE		\$ 24,376,150		\$ 22,720,977		\$ 4,372,824		\$ 6,779,062		\$ 58,249,013
<u>REVENUE AND EXPENSE</u>										
Revenue		\$ 60,542,345		\$ 11,034,274		\$ 259,408		\$ 9,695,385		\$ 81,531,412
Expense		100,167,622		30,761,731		5,860,548		9,695,385		146,485,286
Excess Revenue over Expense		(39,625,277)		(19,727,457)		(5,601,140)		-		\$ (64,953,874)
BEGINNING FUND BALANCE 7/01/2017										
		46,034,502		42,448,434		9,935,804		5,546,587		103,965,327
ENDING FUND BALANCE 10/31/2017										
		\$ 6,409,225		\$ 22,720,977		\$ 4,334,664		\$ 5,546,587		\$ 39,011,453

**General Fund
Comparison of Budget to Actual
October 2017**

<u>Description</u>	<u>2017-18 Budget</u>	<u>Year to Date</u>	<u>Available Budget</u>
Revenue			
Federal	\$ 168,238	\$ 173,909	\$ (5,671)
Local	161,384,263	7,280,671	154,103,592
State	206,164,454	38,964,438	167,200,016
Other	3,798,877	373,327	3,425,550
Tan	13,750,000	13,750,000	0
Total Revenue	\$ 385,265,832	\$ 60,542,345	\$ 324,723,487
Expense			
Instruction	\$ 261,317,750	\$ 66,463,278	\$ 194,854,472
Pupil Services	13,314,452	3,594,702	9,719,750
Imp. Instr. Svcs.	10,293,830	3,707,557	6,586,273
Media Svcs.	4,669,275	1,119,951	3,549,324
General Adm.	2,841,065	1,048,440	1,792,625
School Adm.	23,607,407	7,668,838	15,938,569
Business	2,678,499	847,459	1,831,040
Maintenance	24,276,398	7,829,791	16,446,607
Transportation	19,765,961	5,173,296	14,592,665
Support and Community Services	4,766,150	2,289,563	2,476,587
Facilities and Constr.	582,057	374,747	207,310
Transfers Out	935,000	50,000	885,000
Debt Service	13,780,068	-	13,780,068
Total Expense	\$ 382,827,912	\$ 100,167,622	\$ 282,660,290
Excess Rev. over Exp.	\$ 2,437,920	\$ (39,625,277)	\$ 42,063,197

**1% SALES TAX (2013-2017)
COMPARISON OF COLLECTIONS
AS OF OCTOBER 2017**

<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 2013	January 2013 (1)	\$ 2,488,563	\$ 2,269,305	\$ (219,258)
March 2013	February 2013 (2)	2,488,563	2,563,313	74,750
April 2013	March 2013 (3)	2,488,563	2,425,620	(62,943)
May 2013	April 2013 (4)	2,488,563	2,381,702	(106,861)
June 2013	May 2013 (5)	2,488,563	2,454,181	(34,382)
July 2013	June 2013 (6)	2,488,563	2,427,504	(61,059)
August 2013	July 2013 (7)	2,488,563	2,510,632	22,069
September 2013	August 2013 (8)	2,488,563	2,605,297	116,734
October 2013	September 2013 (9)	2,488,563	2,493,932	5,369
November 2013	October 2013 (10)	2,488,563	2,428,645	(59,918)
December 2013	November 2013 (11)	2,488,563	2,596,337	107,774
January 2014	December 2013 (12)	2,488,563	3,175,864	687,301
February 2014	January 2014 (13)	2,532,113	2,322,123	(209,990)
March 2014	February 2014 (14)	2,532,113	2,351,488	(180,625)
April 2014	March 2014 (15)	2,532,113	2,627,301	95,188
May 2014	April 2014 (16)	2,532,113	2,602,365	70,252
June 2014	May 2014 (17)	2,532,113	2,699,208	167,095
July 2014	June 2014 (18)	2,532,113	2,721,371	189,258
August 2014	July 2014 (19)	2,532,113	2,782,520	250,407
September 2014	August 2014 (20)	2,532,113	2,684,587	152,474
October 2014	September 2014 (21)	2,532,113	2,706,244	174,131
November 2014	October 2014 (22)	2,532,113	2,574,209	42,096
December 2014	November 2014 (23)	2,532,113	2,828,394	296,281
January 2015	December 2014 (24)	2,532,113	3,574,420	1,042,307
February 2015	January 2015 (25)	2,582,755	2,582,194	(561)
March 2015	February 2015 (26)	2,582,755	2,529,255	(53,500)
April 2015	March 2015 (27)	2,582,755	2,677,568	94,813
May 2015	April 2015 (28)	2,582,755	2,859,845	277,090
June 2015	May 2015 (29)	2,582,755	2,866,891	284,136
July 2015	June 2015 (30)	2,582,755	2,938,783	356,028
August 2015	July 2015 (31)	2,582,755	2,954,492	371,737
September 2015	August 2015 (32)	2,582,755	2,869,196	286,441
October 2015	September 2015 (33)	2,582,755	2,754,073	171,318
November 2015	October 2015 (34)	2,582,755	2,734,219	151,464
December 2015	November 2015 (35)	2,582,755	2,930,681	347,926
January 2016	December 2015 (36)	2,582,755	3,599,489	1,016,734
February 2016	January 2016 (37)	2,660,238	2,557,703	(102,535)
March 2016	February 2016 (38)	2,660,238	2,601,849	(58,389)
April 2016	March 2016 (39)	2,660,238	3,008,167	347,929
May 2016	April 2016 (40)	2,660,238	2,857,397	197,159
June 2016	May 2016 (41)	2,660,238	2,955,324	295,086
July 2016	June 2016 (42)	2,660,238	3,076,205	415,967
August 2016	July 2016 (43)	2,660,238	3,021,630	361,392
September 2016	August 2016 (44)	2,660,238	2,882,723	222,485

**1% SALES TAX (2013-2017)
COMPARISON OF COLLECTIONS
AS OF OCTOBER 2017**

<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>
October 2016	September 2016 (45)	2,660,238	3,000,520	340,282
November 2016	October 2016 (46)	2,660,238	3,005,831	345,593
December 2016	November 2016 (47)	2,660,238	3,044,250	384,012
January 2017	December 2016 (48)	2,660,238	3,719,194	1,058,956
February 2017	January 2017 (49)	2,740,045	2,690,919	(49,126)
March 2017	February 2017 (50)	2,740,045	2,642,101	(97,944)
April 2017	March 2017 (51)	2,740,045	2,997,418	257,373
May 2017	April 2017 (52)	2,740,045	2,974,744	234,699
June 2017	May 2017 (53)	2,740,045	3,101,557	361,512
July 2017	June 2017 (54)	2,740,045	3,049,027	308,982
August 2017	July 2017 (55)	2,740,045	3,318,077	578,032
September 2017	August 2017 (56)	2,740,045	3,019,841	279,796
October 2017	September 2017 (57)	2,740,045	3,113,497	373,452
		<u>\$ 147,824,433</u>	<u>\$ 159,741,222</u>	<u>\$ 11,916,789</u>

CHEROKEE COUNTY SCHOOL DISTRICT
1% SALES TAX FOR 2013-2017
PROJECTED COLLECTIONS
 June 21, 2012

	<u>2013</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017</u>
July	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
August	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
September	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
October	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
November	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
December	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
January	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
February	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
March	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
April	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
May	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
June	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
Total by Fiscal Year	\$ 12,442,815	\$ 30,080,506	\$ 30,638,566	\$ 31,380,475	\$ 32,321,891	\$ 19,180,315
Total Projected Collections						\$ 156,044,568