

Symmes Valley Local School District, Ohio

Treasurer's Financial Summary and Analysis

June, 2015

GENERAL FUND

	2015	2014	2013
Beginning Balance 6/1	\$3,551,462	\$3,417,354	\$3,243,898
Revenues	456,123	630,879	607,680
Expenditures	800,502	790,033	648,010
Ending Balance 6/30	<u>\$3,207,083</u>	<u>\$3,258,200</u>	<u>\$3,203,568</u>
Monthly Change	(\$344,379)	(\$159,154)	(\$40,330)
Yearly Change	(\$51,115)	\$54,634	\$5,150

Introduction

A school district's General Fund is its main operating fund containing most of its operational costs and the revenues to support those operations. This is why the emphasis of this financial summary and its comments is the General Fund. A comparative view of three years activity for the General Fund for the month of June is presented above. A summary of June's results, particularly concerning any financial events causing a variance from the normal cash flow cycle, is included below. Any review of the District's should include an understanding of our cash flow cycle. The District receives only State funding during most months of the year and State aid is not enough to cover monthly operational costs, resulting in operating deficits.

General Fund, Cash Flow Results in June, 2015

June 2015 General Fund Revenues were dramatically reduced as compared to previous fiscal years due to the recovery of approximately \$250,000 by ODE. As a recap, the Ohio Department of Education mistakenly funded the District for the entire fiscal year for 22 juniors that were actually attending the Collins Career Center. Unfortunately, due to the new EMIS system and report generation format, we did not realize that the error was made. In previous years, a validation error would be noted on our EMIS reports and we would correct or eliminate the error. In 2015, a new student cross reference tool was to be implemented. This did not happen until May, 2015, and as a result, no validation errors were noted. I noted the report formats because, as seen in the samples I have provided, student names are not on these reports, just Student State Identification Numbers, SSID. As a result, it is very challenging to even attempt to match the students we think we should have to those we actually do have attending.

June expenditures were up nominally from the previous fiscal year. This is entirely the result of the timing of electricity payments. For the fiscal year, expenditures increased significantly from the previous fiscal year. This was expected though considering the HB 264 project and the increased costs at the Educational Service Center.

June Summary and Outlook for impending Fiscal Year

June has generally been a down month for the District and results in negative cash flow, it should be noted however, that a good portion of this deficit is the result of severance payments. Though these additional payments unquestionably reduce our carry-forward balance, we should also view them as a positive. These payments will result in future salary payments being reduced for the incoming employees. Additionally, the Board should feel positive about our year-end results. Though a negative in total, the District was able to hold expenditures to proposed limits and was actually on pace to return a positive balance for the third consecutive year prior to the take back by ODE. Also, early indications from the new two-year budget look very positive for the District. We are not yet certain as to what earmarks may be included in the budget, but assuming they are not too great, results would be positive for Symmes Valley.