

# Symmes Valley Local School District, Ohio

## Treasurer's Financial Summary and Analysis

February, 2018

---

### GENERAL FUND

	2018	2017	2016
Beginning Balance 2/1	\$5,449,295	\$4,855,714	\$3,719,409
Revenues	824,898	711,222	700,103
Expenditures	746,959	718,020	600,009
Ending Balance 2/28	<u>\$5,527,234</u>	<u>\$4,848,916</u>	<u>\$3,819,503</u>
Monthly Change	\$77,939	(\$6,798)	\$100,094
Yearly Change	\$491,664	\$373,030	\$612,419

#### **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 February is presented above. A summary of February'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 February 2018**

February 2018 General Fund Revenues were in line with current estimates and above historical trends. The change noted between 2017 and 2018 is entirely a timing issue related to the payment of our annual property tax advance. Ordinarily we receive this advance in January but due to Lawrence County getting out the tax bills a little later than we are accustomed. On the whole, revenues are running \$150,000 higher than it did in the previous year and results from our small increase in enrollment. It is still far too early to know if these enrollment increases are a permanent change from what we had seen in the last couple of fiscal years, but our Preschool and Kindergarten classes are running at full capacity and they are forecasting that to be the same for next year, and as noted previously, we feel the three Preschool classes leads to positive results for our Open Enrollment calculations. The big concern being that this year's graduating class is larger than the previous year.

Expenditures have increased year over year, but this amount is nominal at this time (\$40,000). This is entirely the result of increasing salary and benefit expenditures. Salaries are approximately \$50,000 higher than in previous years, but the recent increase in insurance expenses are beginning to make themselves known. We have previously discussed this increase, but with having a couple of months experience, we now know that initial estimates for the increased costs are coming in correct, but that will not change the impact to our operations. Other line items are actually doing quite well with both purchased services and materials and supplies coming in lower than in previous years (\$80,000), but we need to keep in mind that we do have a new chiller bid on this month's agenda with expected costs of \$115,000.

#### **February Summary and Outlook for remaining Fiscal Year**

February has historically been a down month for the District that results in negative cash flow. Fortunately, we have reversed that trend for the current year. March tends to be a little more of a mixed bag, but I would forecast something close to breaking even. April should serve to improve our bottom line. Our first-half property tax settlement should come in (County Auditor expects results to hold to historical standards) and expenditures should moderate if history holds any value.