

Symmes Valley Local School District, Ohio

Treasurer's Financial Summary and Analysis

October, 2015

GENERAL FUND

	2015	2014	2013
Beginning Balance 10/1	\$3,242,228	\$3,168,164	\$3,191,483
Revenues	1,170,288	689,045	638,840
Expenditures	656,518	794,245	650,812
Ending Balance 10/31	<u>\$3,755,998</u>	<u>\$3,062,964</u>	<u>\$3,179,511</u>
Month Over Change	\$513,770	(\$105,200)	(\$11,972)
Cummulative Change	\$548,914	(\$195,234)	(\$24,055)

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 October is presented above. A summary of October's results, particularly concerning any financial events causing a variance from the normal cash flow cycle, is included below.

General Fund, Cash Flow Results in October, 2015

The difference in General Fund revenues in 2015 as compared to 2014 are the result of the changing funding model introduced in H.B. 64. This bill introduced new funding amounts and added capacity aid to our individual funding model. The timing of this payment also served to increase the current months' surplus substantially. The first four months of the fiscal year were paid using the previous funding model and this necessitated a "catch-up" payment in October which resulted in an increase in Foundation of approximately \$490,000. The overall result is that funding is now running well above initial estimates. We felt that this was a possibility, but did not feel comfortable forecasting this and building it into the School District's budget. Additionally, property taxes came in a little higher than expected in our August settlement and has resulted in total operating revenue increases of \$510,000. We should expect this trend to continue for the remainder of the current fiscal year.

The decrease noted in expenditures (\$138,000) is entirely due to the HB 264 Project payments being made in the previous fiscal year. Overall, annual expenditure amounts are a slightly less than we would ordinarily expect them to be at this point in any fiscal year. This, in turn, will only serve to reinforce our improving fiscal outlook.

October Summary and Outlook for remaining Fiscal Year

October has historically been a down month for the District and results in negative cash flow. This year went strongly against historical trends. As is customary, the District only receives state funding during the month and it alone is generally not enough to cover our cash flow needs. That remained the case in the current fiscal year, but due to the changing funding formula, the foundation payment was much larger due to the "catch up" payment. Expectations were for a positive month and it did not disappoint. Looking forward, economic indicators would lead one to feel confident that projections made at the beginning of the fiscal year will hold true. At this point the only reason for trepidation would be regarding the changing Economic Disadvantaged funding, and the overall impact it could have on the District's finances. We are currently expecting a December change in this funding. Keep in mind this is what allows the District to participate in the CEP Program for food service. Our expectation is that this funding will rise substantially, and if that is the case, this will allow the District to continue to provide lunches at no-cost to our children.