

Symmes Valley Local School District, Ohio

Treasurer's Financial Summary and Analysis

April, 2014

GENERAL FUND

| | 2014 | 2013 | 2012 |
|-----------------------|--------------------|--------------------|--------------------|
| Beginning Balance 4/1 | \$2,905,071 | \$2,757,186 | \$2,694,350 |
| Revenues | 1,334,578 | 1,169,998 | 1,177,752 |
| Expenditures | 701,709 | 608,807 | 697,499 |
| Ending Balance 4/30 | <u>\$3,537,940</u> | <u>\$3,318,377</u> | <u>\$3,174,603</u> |
| Monthly Change | \$632,869 | \$561,191 | \$480,253 |
| Yearly Change | \$334,374 | \$119,959 | (\$224,851) |

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 April is presented above. A summary of April'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 April 2014

April 2014 General Fund Revenues were much greater than in the two previous fiscal years. This is the result of increases in State Funding and a change in CAUV valuations at the County level. Total annual tax revenue has increased approximately \$65,000. The change noted in CAUV Valuation is completely responsible for this increase. Essentially, Ohio has required farm and income producing property to be valued at a slightly higher level than in previous years. Also, we cannot downplay the importance to our bottom line of the new Economically Disadvantaged funding from the State. Though we are not yet certain that this funding will remain past the current biennium, it has served to somewhat offset recent cuts to the State's funding model.

April expenditures were above the previous two fiscal years. The increase noted is due to increases in purchased services (utilities, open enrollment out, and special education expenditures), and salaries and benefits. The increase in special education expenditures are the result of decreases in Title funding due to Federal Sequestration. In the previous years, Title VI-B IDEA revenues were used to make the payments to other LEA's. The increase in salaries and benefits is a timing related issue versus the previous years. Overall expenditures are up approximately \$300,000. Again, these increases are all in line with forecasts except for purchased services.

April Summary and Outlook for remaining Fiscal Year

April has generally been the School District's best performing month, and 2014 only served to bolster this argument. Though we cannot or should not forget that much of the financial improvements the School District is seeing at this time, are the result of action taken in previous fiscal years, we do note that the year over change has improved by approximately \$560,000. As noted in the five year forecast update in this month's Board packet, annual carryover should increase for the second consecutive year and should be approximately \$100,000. We would also expect utility expenses coming down over the next couple of months that will serve to somewhat moderate purchased service costs for the remainder of the fiscal year. Salary expenses will increase due to increased severance costs over fiscal year 2013, but again should be viewed as an investment which will serve to reduce salary and related expenditures in future years.