

Symmes Valley Local School District, Ohio

Treasurer's Financial Summary and Analysis

July, 2016

GENERAL FUND

	2016	2015	2014
Beginning Balance 7/1	\$4,475,886	\$3,207,084	\$3,258,198
Revenues	1,161,299	586,154	612,820
Expenditures	833,168	920,585	809,398
Ending Balance 7/31	<u>\$4,804,017</u>	<u>\$2,872,653</u>	<u>\$3,061,620</u>
Monthly Change	\$328,131	(\$334,431)	(\$196,578)
Yearly Change	\$328,131	(\$334,431)	(\$196,578)

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 July is presented above. A summary of July'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 July 2016

July 2016 General Fund Revenues were well above historical trends. This was due to the early settlement of 2nd half real property from the Lawrence County Auditor combined with the increased State Funding. Year over year results are extraordinarily positive. As one can see, we are currently \$662,000 above where we were this time last year. Foundational Revenue is currently unchanged from the previous fiscal year. Expectations are for increases in State Funding over the biennium. We are still uncertain though as to what earmarks may be included in the new Foundation Funding Formula, but we are probably not going to know that until the October settlement. All expectations from a revenue perspective are positive, with one caveat, the Economically Disadvantaged funding. We are hearing different stories from different divisions within ODE.

Expenditures were also a little better than what we would have expected. We did have a third payroll in July and most of our capital improvement or technology projects have been completed and cleared from a finance perspective. We do still have some payments that will still need to be made for security upgrades. We should keep in mind that these expenditures were higher than I would have liked, these are expenditures the District needed to make, and were budgeted appropriately.

July Summary and Outlook for remaining Fiscal Year

July has historically been a down month for the District and results in negative cash flow. The early property tax settlement flipped this script for the current year. Additionally, it is our belief that we should see some increases in State funding for the 2016-2017 school year, depending upon overall enrollment figures. Unfortunately, we do need to prepare for some expenditures that currently we did not budget for (chillers at both buildings, \$145,000), in addition to equipment purchases we have budgeted (zero-turn mower). As discussed before, we are using the additional revenue in this biennium to make some needed capital improvements and to extend the time horizon on our five year forecast.