

Symmes Valley Local School District, Ohio

Treasurer's Financial Summary and Analysis

August, 2016

GENERAL FUND

	2016	2015	2014
Beginning Balance 8/1	\$4,804,017	\$2,872,653	\$3,061,620
Revenues	792,804	1,056,839	1,124,051
Expenditures	925,114	714,087	959,711
Ending Balance 8/31	<u>\$4,671,707</u>	<u>\$3,215,405</u>	<u>\$3,225,960</u>
Monthly Change	(\$132,310)	\$342,752	\$164,340
Yearly Change	\$195,821	\$8,321	(\$32,238)

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

August, 2016 General Fund Revenues were well below historical trends. This was entirely due to the early property tax settlement the District received in July. Normally this settlement is not submitted until August. Therefore, it is more useful to look at revenues from the beginning of the Fiscal Year (July) through current to understand the District's overall fiscal condition. Doing this allows us to see that the District is well ahead of where it has been in previous fiscal years. Revenues in 2016 through this point have increased more than \$300,000 over this same period in 2015.

The expenditures are up from the previous fiscal year, but again this is a timing related issue resulting from a third pay period on July 29 not being recognized by the accounting system until August of the current year. This resulted in the increases noted in expenditures above. Additionally, material and supply expenditures made in August relating to the new LED light bulbs that have been installed in both buildings, the new copier purchases made for the elementary school, and the new prox system in the high school and served to bloat the current year figures.

August Summary and Outlook for remaining Fiscal Year

August has historically been a positive month for the District, but current year results would seem to reverse that history. Expenditures for the 2017 school year are greater than the 2016 school year, this is not unexpected. In September, we should start to realize some moderation in materials and supplies expenditures, but expectations beyond that are in the opposite direction and we should expect a negative month on the whole. We should be able to see the changes in State Funding in our October Settlement reports from ODE, our expectations being that this will be positive, but tempered by lower enrollment figures (JVS losses). As we learn more about the District's Foundation revenue, we will forward that information to the Board.