

Symmes Valley Local School District, Ohio

Treasurer's Financial Summary and Analysis

July, 2017

GENERAL FUND

	2017	2016	2015
Beginning Balance 7/1	\$5,035,570	\$4,475,886	\$3,207,084
Revenues	764,819	1,161,299	586,154
Expenditures	674,002	833,168	920,585
Ending Balance 7/31	<u>\$5,126,387</u>	<u>\$4,804,017</u>	<u>\$2,872,653</u>
Monthly Change	\$90,817	\$328,131	(\$334,431)
Yearly Change	\$90,817	\$328,131	(\$334,431)

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 2017

July 2017 General Fund Revenues were above actual historical trends even though there is a significant decrease in revenue from the previous fiscal year. This was due to the early settlement of 2nd half real property from the Lawrence County Auditor in 2016. This settlement came in last year in July, but normally we receive this in August (\$375,000) which entirely explains the reduction. Even with this, we had a positive month, against historical trends, and bodes well for the remainder of the fiscal year. Additionally, as noted in the previous month, State Foundation revenue has been reduced (approx.. \$90,000), but only nominally, and we are becoming more confident in positive enrollment numbers in our kindergarten class. Also, we did receive some good news from ODE regarding our transportation funding, we initially thought it could receive significant reductions, but it currently seems we are going to be "held harmless" in the current biennium.

Expenditures were also a little better than what we would have expected. Again, though, some of this was timing related, and not so much a new direction. We have reduced our capital expenditures this year by approximately \$100,000 (Chromebooks vs. Apple), but we are increasing the technology offerings for our students. We have been able to save some in salaries with the retirement and resignations that we experienced at the end of the last school year and this will serve to somewhat offset the reductions in revenue that are expected.

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 increased Foundation revenue has served to flip that script for the last two fiscal years. Additionally, it is my belief that we will see our reductions in Foundation Revenue to be made up through small increases in enrollment combined with staff changes implemented for the new school year. Unfortunately, we do need to prepare for some expenditures that currently we did budget for (chiller at the high school, \$145,000) and a zero-turn mower. As discussed before, we are using any additional revenue in this biennium to make some needed capital improvements and to extend the time horizon on our five year forecast.