

**WHEELERSBURG LOCAL SCHOOL DISTRICT  
FINANCIAL REPORT: SUMMARY AND ANALYSIS – FEBRUARY 2024**

**Appendix A**

**GENERAL FUND**

	<b><u>FEBRUARY 2024</u></b>	<b><u>FEBRUARY 2023</u></b>	<b><u>FEBRUARY 2022</u></b>
Beginning Balance February 1	\$2,899,664.77	\$2,689,410.16	\$3,047,337.69
Revenues	\$2,353,626.53	\$2,465,621.30	\$2,254,855.74
Expenditures	\$1,224,514.05	\$1,145,346.36	\$1,036,371.50
Ending Balance February 29	\$4,028,777.25	\$4,009,685.10	\$4,265,821.90

**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. Therefore the General Fund is emphasized in this financial report and the explanatory comments.

A comparative summary of three years span of the General Fund for the month of February has just been presented. On the rest of this page we briefly mention February's results, particularly major financial events causing a variance from the normal cash flow cycle. On the next page the reader can compare year-to-date activity for the current and two previous fiscal years for the General Fund according to revenue and spending components. We provide details regarding major revenues and spending components in the section entitled "Notes Regarding Significant Revenue and Expense Categories."

A careful financial study should include an understanding of the school district's cash flow cycle. The district receives only state funding during most months of the year and state aid alone does not cover monthly costs, resulting in operating deficits.

**MAJOR FINANCIAL DEVELOPMENTS DURING FEBRUARY 2024 IN THE GENERAL FUND**

1. General Fund revenues reflect an advance payment on the March 2024 real estate tax settlement. This advance was much less, by about \$207,000, than that in February 2023. Several factors could be responsible for this, but it is important to remember that it was just an advance. The final settlement in March will hold the all-important truth for the District and its estimate of real estate tax revenue for the year. Other revenue increased in March, notably state aid (by about \$88,000).
2. General Fund expenditures In February 2024 increased significantly. In addition to the typical monthly increase in salaries, medical insurance premiums increased by 10% in August and then another 20% in January. These two cost areas equal about \$64,000 of the total General Fund cost increase.

**WHAT TO EXPECT FROM THE GENERAL FUND IN MARCH 2024 AND BEYOND**

March typically should be a positive cash-flow month with the receipt of the March 2024 final tax settlement. Three payrolls in March could challenge that outcome, however. April, May, and June taken altogether will reduce the District's cash balance as they will add up to deficit spending.

**TOTAL OF ALL FUNDS**

	<b><u>FEBRUARY 2024</u></b>	<b><u>FEBRUARY 2023</u></b>
Beginning Balance February 1	\$5,523,250.20	\$5,509,959.50
Revenues	\$3,056,173.87	\$3,247,305.28
Expenditures	\$1,505,230.38	\$1,403,388.98
Ending Balance February 29	\$7,074,193.69	\$7,353,875.80

**TOTAL OF ALL FUNDS CASH-FLOW NOTES FOR FEBRUARY 2024**

Besides the General Fund, the Total of All Funds primarily consists of district scholarship funds, the Bond Fund, the Permanent Improvement Fund, the Facility Maintenance Fund, the Severance Reserve Fund, various state and federal grants, various student activity funds and the Food Service fund. Some funds have normal fluctuations throughout the year.

The General Fund's February increase is the biggest factor in the change of All Funds, but other funds that received tax revenue in February also saw good-sized cash increases. This includes the Bond Fund, the Permanent Improvement Fund, and the Facility Maintenance Fund. Student activity funds increased but grant fund balances decreased by nearly the same amount. Cash reimbursement requests for grant funds are sent after the money has been spent, which means the normal cash flow cycle for the district's grants naturally tends to create some months in which more money is spent than received, but it eventually balances.

No other funds saw a significant cash balance change.

WHEELERSBURG LOCAL SCHOOL DISTRICT					
FISCAL YEAR 2024 TREND FINANCIAL REPORT					
CURRENT FISCAL YEAR IS JULY 1, 2023 THROUGH JUNE 30, 2024, COMPARED TO PAST TWO YEARS					
February 29, 2024					
<b>Forecast</b>		<b>Actual FYTD</b>	<b>Actual FYTD</b>	<b>(1) Amount</b>	<b>Actual FYTD</b>
<b>Line</b>		<b>FY 2024</b>	<b>FY 2023</b>	<b>Change</b>	<b>FY 2022</b>
7.01	Beginning Cash Balance	\$3,165,756	\$3,235,209	(\$69,453)	\$2,472,841
	<b>Revenues</b>				
1.01	Real Estate Taxes	\$3,124,104	\$3,187,530	(\$63,426)	\$3,357,066
1.035	(2) Unrestricted State Foundation	\$6,760,037	\$6,069,042	\$690,995	\$5,951,360
1.04	(2) Restricted State Aid	\$361,995	\$329,449	\$32,546	\$455,549
1.05	State Share of Local Property Taxes	\$227,564	\$205,345	\$22,219	\$210,144
1.06	All Other Operating Revenue	\$348,207	\$259,117	\$89,090	\$130,694
2.05	Advances In	\$15,606	\$0	\$15,606	\$28,455
2.06	All Other Financial Sources	\$9,353	\$83,917	(\$74,564)	\$106,924
2.08	Total Revenues	\$10,846,866	\$10,134,400	\$712,466	\$10,240,192
	<b>Expenditures</b>				
3.01	Personal Services	\$5,634,087	\$5,367,184	(\$266,903)	\$5,041,299
3.02	Employees' Retirement/Insurance	\$2,319,774	\$2,147,854	(\$171,920)	\$2,018,390
3.03	Purchased Services	\$1,444,883	\$1,236,967	(\$207,916)	\$934,007
3.04	Supplies & Materials	\$413,902	\$424,303	\$10,401	\$329,670
4.30	Other Expenditures	\$130,864	\$95,546	(\$35,318)	\$99,845
5.01	Transfers Out	\$40,335	\$88,070	\$47,735	\$24,000
5.05	Total Expenditures	\$9,983,845	\$9,359,924	(\$623,921)	\$8,447,211
7.02	Ending Cash Balance	\$4,028,777	\$4,009,685	\$19,092	\$4,265,822
6.01	(3) Revenue in Excess of Costs (Loss)	\$863,021	\$774,476	\$88,545	\$1,792,981
(1) The <b>"Impact Positive / (Negative)"</b> column is either positive or negative depending upon the effect on the district's cash balance. This means a positive amount has a positive effect, even if it is an expenditure category.					
(2) State aid is divided into two categories, but this report will frequently speak of it as one. The sources of restricted aid for this district is relatively small compared to unrestricted aid.					
(3) <b>"Revenue in Excess of Costs (Loss)"</b> . This reflects the district's financial measure of its ability to pay future costs. The previous page contains a discussion of how most months are deficit-spending months. Tax revenues in July, August, February, and March will pay for leaner months when the only significant revenue is state aid.					

## NOTES REGARDING SIGNIFICANT REVENUE AND EXPENSE CATEGORIES

### Line

<u>Item</u>	<u>Revenue Category</u>	<u>Notes</u>
1.01	Real Estate Taxes	The District received an advance payment on the March 2024 real estate tax settlement in February. It was smaller than last years', so at this point we show decreased revenue for the year. However, we believe this is a temporary situation. Tax revenues overall are estimated to be more this fiscal year than last. Advances are only reflective of the amount of taxes that were paid early enough to be included, and of the payments that had been processed by the County to that point.
1.035	Unrestricted State Aid	The District had forecast a significant increase in funding for FY 2024, which is the first year of the state of Ohio's new biennial budget. (This is also the third year of the state's adoption of the Fair Schools Funding Plan.) The increase is expected to be in the neighborhood of a million dollars and also includes Line Item 1.04, "Restricted State Aid". The District is on track to realize the forecasted amount.
1.06	All Other Operating Revenue	The two largest sources of increased funding in this category are investment income and Medicaid in School Program revenue.

### Line

<u>Item</u>	<u>Expense Category</u>	<u>Notes</u>
	Personnel costs	<p><b>This note section will deal with Line Items 3.01 and 3.02.</b></p> <ul style="list-style-type: none"> <li>The District has agreed to a 2% salary increase for all its employees, plus it created a new experience step which gave an additional raise to most employees who had at least 12 years of experience.</li> <li>The District saw no savings from staff changes from last year to this year, which is unusual. Typically, retirements or turnover will produce some savings.</li> <li>Salary increases currently have added 5.0% in cost.</li> <li>Line 3.02, Employees' Retirement and Insurance--The District absorbed a mid-year 10% medical premium increase August 1, 2023, and has now begun to absorb a 20% medical premium increase effective January 1, 2024.</li> <li>Thanks to the District's improved employee injury rating, the District's Workers' Compensation premium decreased by producing a FY 2024 savings of more than \$16,000, or a 47% cost reduction.</li> <li>These factors have created a 8.0% increase in Retirement and Insurance cost (Line 3.02).</li> </ul>
3.03	Purchased Services	<p>Three factors are driving the substantial increase in this cost category:</p> <ul style="list-style-type: none"> <li>This state has deducted \$58,500 more in College Credit Plus tuition as students take advantage of this dual high school/college credit program.</li> <li>The District, due to a timing issue, has paid for its property &amp; fleet insurances (\$46,000) in FY 2024 instead of before the end of FY 2023. If we return to a normal payment schedule, the District will make two payments in FY 2024.</li> <li>Special education cooperative unit costs are more by \$94,000 in FY 2024.</li> </ul>
4.30	Other Expenditures	The District's liability insurance (\$14,000) also was paid in July 2023 instead of June 2023.

February 29, 2024

**WHEELERSBURG LOCAL SCHOOL DISTRICT  
Cash Reconciliation Report**

<b>Total Fund Balance</b>	<b>\$7,074,193.69</b>
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**Gross Depository (Bank) Balances:**

Wesbanco (Checking)	\$1,987,433.63
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**Investments**

Certificates of Deposit	\$2,663,721.74
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Other Securities (cost as of February 29, 2024)	\$1,340,000.00
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Other Investments (Star Ohio, money market funds, etc.)	\$664,733.05
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Sub-Total: Investments	\$4,668,454.79
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Cash in Transit to Depository (recorded but undeposited monies)	\$352.60
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**Petty Cash Balances:**

Wheelersburg Elementary	\$500.00
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Wheelersburg High School	\$500.00
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Administrative Office	\$300.00
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Sub-Total: Petty Cash Balance	\$1,300.00
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Change Funds	\$4,800.00
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Total	\$6,662,341.02
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Less Outstanding Checks	-\$42,545.46
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Total (Reconciled Balance)	\$6,619,795.56
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**Adjustments:**

(1)	\$454,398.13
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Adjusted Total	<b>\$7,074,193.69</b>
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Submitted by George Grice  
George Grice, Treasurer, Wheelersburg Local School District

# INVESTMENT SUMMARY AS OF FEBRUARY 29, 2023

## Federal Agency Securities (General Fund).....27.4% of Portfolio

ID/Cusip#	Description	Par Value	Moody's Rating	Purchase Date	Market Value	Yield to Maturity	Date of Maturity	Date of Next Call	Next Paid Coupon	Next Coupon Payment
3130ANLA6	FHLB	\$550,000	AAA	09/15/21	\$512,594.50	.75%	11/26/25	05/26/24 (q)	05/26/24	\$2,063
3130ALP99	FHLB	\$500,000	Aaa	03/30/21	\$467,475.00	1.07% (step)	03/30/26	03/30/24 (sa)	04/02/24	\$2,500
3130ALZB3	FHLB	\$290,000	Aaa	04/30/21	\$273,873.10	1.38% (step)	04/30/26	04/30/24 (q)	04/30/24	\$ 725
		\$1,340,000			\$1,253,942.60					

(Call notations: q = quarterly; sa = semi-annual call)

## Negotiable Certificates of Deposit.....46.8% of Portfolio

02589AC59	American Express Natl Bank	FDIC	04/04/22	\$213,182.52	2.25%	04/15/24	N/A	04/13/24	\$2,408
649447UP2	New York Community Bank	FDIC	06/03/21	\$245,807.82	.35%	06/03/24	N/A	06/03/24	\$ 435
334891AA6	First Natl. Bank of Waverly	FDIC	11/14/23	\$228,823.08	5.45%	11/14/24	N/A	03/15/24	\$1,035 (m)
03008GK69	Ally Bank Utah	FDIC	03/02/23	\$249,427.50	4.80%	03/03/25	N/A	03/02/24	\$6,000
61768EQV8	Morgan Stanley Private Bnk	FDIC	03/24/23	\$245,578.20	5.25%	03/24/25	N/A	03/25/24	\$6,484
23204HNP9	BMW Bank	FDIC	01/16/24	\$222,118.40	4.25%	01/20/26	N/A	07/19/24	\$4,760
58404DRX1	Medallion Bank Utah	FDIC	03/23/23	\$246,670.90	5.00%	03/24/26	N/A	03/24/24	\$1,040 (m)
23204HNP9	Customers Bank	FDIC	03/24/23	\$246,783.60	5.05%	03/24/26	N/A	03/24/24	\$6,186
87164XW28	Synchrony Bank	FDIC	03/29/23	\$246,624.35	5.00%	03/30/26	N/A	03/30/24	\$6,125
				\$2,145,016.37					

## Non-Negotiable Certificates of Deposit.....11.3% of Portfolio

WesBanco Bank	PC	03/23/23	\$518,721.74	5.00%	03/23/25	N/A	03/23/24	\$2,083 (m)
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### Notes:

1. "SC" indicates invested scholarship funds.
2. "PC" indicates the funds are insured via bank pooled collateral as required by Ohio law.

## Money Market Accounts & STAR Ohio—immediate liquidity.....14.5% of Portfolio

STAR Ohio	\$400,218.64
Huntington Investment Company money market account---Gen. Fund	\$517.11
Fifth/Third Securities money market account—General Fund	\$263,997.30
	\$664,733.05

**TOTAL PORTFOLIO**

**\$4,582,413.76**

**Last month's total stood at \$4,785,681.31. Investment earnings were not enough to offset the draw needed to cover the early month's deficit spending.**