

**WHEELERSBURG LOCAL SCHOOL DISTRICT  
FINANCIAL REPORT: SUMMARY AND ANALYSIS – JUNE 2021**

**Appendix A**

**GENERAL FUND**

	<u>JUNE 2021</u>	<u>JUNE 2020</u>	<u>JUNE 2019</u>
Beginning Balance June 1	\$2,880,686.60	\$1,938,269.54	\$1,767,891.08
Revenues	\$838,629.92	\$686,719.51	\$931,813.05
Expenditures	\$1,246,475.46	\$1,187,777.95	\$1,347,800.96
Ending Balance June 30	\$2,472,841.06	\$1,437,211.10	\$1,351,903.17
Less Outstanding Encumbrances	\$102,259.76	\$141,065.87	\$149,446.28
Available for Appropriations	\$2,370,581.30	\$1,296,145.23	\$1,202,456.89

**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 report and its explanatory comments is the General Fund.

A comparative summary of three years span of the General Fund for the month of June has just been presented. On the rest of this page we briefly mention June'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 JUNE 2021 IN THE GENERAL FUND**

1. The District got a "raise" this month from the state of Ohio compared to June 2020. This is only because the state drastically reduced Ohio school districts' funding in June 2020 due to economic uncertainties of the COVID business environment. Since then, Ohio's state budget has performed well and the state reinstated a part of our lost funding. This made June's revenues look \$145,000 better than during the same month last year and is the reason why General Fund revenues are so much more in June 2021.
2. The District also spent more in June 2021 than it did a year ago as the District transferred money from the General Fund to other funds. Due to K-12 students only being in the building less than half the normal number of days and also to the reduction in qualifying preschool students participating in our program, those programs operated at a loss this year and the General Fund sent \$64,000 to those funds. The District was able to use \$62,000 in ESSER to pay for coaching salaries this year since COVID precautions caused a loss of ticket revenue, and so the District transferred an equal amount to the WHS Athletic Fund to make it whole. Other spending categories tended to show less cost in June 2021 compared to last year.

**WHAT TO EXPECT FROM THE GENERAL FUND IN JULY 2021 AND BEYOND**

July should be a positive cash-flow month at the very end. Spending will outpace revenues until the real estate tax advance payment arrives in the last few days of the month.

**TOTAL OF ALL FUNDS**

	<u>JUNE 2021</u>	<u>JUNE 2020</u>
Beginning Balance June 1	\$5,428,799.29	\$4,282,751.26
Revenues	\$1,491,526.25	\$1,038,073.48
Expenditures	\$1,409,070.42	\$1,444,357.78
Ending Balance June 30	\$5,511,255.12	\$3,876,466.96

**TOTAL OF ALL FUNDS CASH-FLOW NOTES FOR JUNE 2021**

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 Total of All Funds increased by about \$82,000, despite the General Fund spending deficit. Grant activity led the way in offsetting the General Fund deficit. The District collected \$344,000 more grant money than it spent in June. The Facility Maintenance Fund received its annual state equalization funding in June and some student activity fund money was collected from a combination of fundraisers and football reserved seating. Food Service Fund cash also increased.

<b>WHEELERSBURG LOCAL SCHOOL DISTRICT</b>					
<b>JUNE 30, 2021 TREND FINANCIAL REPORT</b>					
<b>CURRENT FISCAL YEAR BEGINNING JULY 1, 2020, COMPARED TO PAST TWO YEARS</b>					
<b>Forecast</b>		Actual YTD	Actual YTD	(1) Amount	Actual YTD
<b>Line</b>		<b>FY 2021</b>	<b>FY 2020</b>	<b>Change</b>	<b>FY 2019</b>
<b>7.01</b>	<b>Beginning Cash Balance</b>	\$1,437,211	\$1,351,903	\$85,308	\$1,738,609
	<b>Revenues</b>				
<b>1.01</b>	Real Estate Taxes	\$3,927,055	\$3,590,798	\$336,257	\$3,371,519
<b>1.035</b>	(2) Unrestricted State Foundation	\$7,270,608	\$7,157,304	\$113,304	\$7,384,072
<b>1.04</b>	(2) Restricted State Aid	\$133,857	\$134,158	(\$301)	\$134,453
<b>1.05</b>	Property Tax Allocation	\$411,392	\$398,539	\$12,853	\$386,607
<b>1.06</b>	All Other Operating Revenue	\$2,870,745	\$2,617,410	\$253,335	\$2,795,892
<b>2.05</b>	Advances In	\$913	\$16,679	(\$15,766)	\$8,028
<b>2.06</b>	All Other Financial Sources	\$143,713	\$178,393	(\$34,680)	\$160,144
<b>2.08</b>	Total Revenues	\$14,758,283	\$14,093,281	\$665,002	\$14,240,715
	<b>Expenditures</b>				
<b>3.01</b>	Personal Services	\$7,376,950	\$7,616,119	\$239,169	\$7,955,259
<b>3.02</b>	Employees' Retirement/Insurance	\$2,841,087	\$2,981,887	\$140,800	\$2,982,606
<b>3.03</b>	Purchased Services	\$2,684,841	\$2,747,005	\$62,164	\$3,005,041
<b>3.04</b>	Supplies & Materials	\$371,398	\$427,003	\$55,605	\$500,005
<b>4.30</b>	Other Expenditures	\$190,708	\$186,062	(\$4,646)	\$167,832
<b>5.01</b>	Transfers Out	\$229,214	\$48,984	(\$180,230)	\$0
<b>5.02</b>	Advances Out	\$28,455	\$913	(\$27,542)	\$16,679
<b>5.05</b>	Total Expenditures	\$13,722,653	\$14,007,973	\$285,320	\$14,627,422
<b>7.02</b>	<b>Ending Cash Balance</b>	<b>\$2,472,841</b>	<b>\$1,437,211</b>	<b>\$1,035,630</b>	<b>\$1,351,902</b>
<b>6.01</b>	<b>(3) Revenue in Excess of Costs (Loss)</b>	<b>\$1,035,630</b>	<b>\$85,308</b>	<b>\$950,322</b>	<b>(\$386,707)</b>
(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 CATEGORIES

### Line

<u>Item</u>	<u>Revenue Category Name</u>	<u>Notes</u>
1.01	Real Estate Taxes	The District has received all of its real estate taxes for the Fiscal Year 2021. The District has exceeded its forecasted amount by \$178,440, or 4.8%.
1.035	Unrestricted State Aid	This is the District's largest source of revenue to pay for educating its students. State funding was frozen, based on FY 2020's funding, but Ohio recently reinstated a part of FY 2019's funding that had been taken away in July 2020. In addition, the District had forecast, since July 2020, that there would be an additional funding cut in this year, which clearly did not happen. This means the District received a good amount more than what was in the November 2020 Forecast.
1.05	Property Tax Allocation	This revenue arrives shortly after the two main real estate tax receipts. The District has received its full payments of rollback and homestead exemption reimbursements and had an increase to show for it (\$12,853).
1.06	All Other Operating Revenue	Open Enrollment (in) revenue is this category's main revenue source, and currently accounts for 77.8% of this category. Open enrollment revenue has decreased by 5.5% (-\$130,273). The BWC sent an unexpected premium refund of \$183,455 (6.4% of this category) to our District to aid during COVID. Another major factor is the receipt of two Medicaid School Program ("MSP") reimbursements for services the District provided to its students. (One reimbursement was expected in July 2020, but instead arrived in July 2020, which placed it in FY 2021.) The MSP revenue is 7.0% of this category.

### Line

<u>Item</u>	<u>Expense Name</u>	<u>Notes</u>
3.01	Personal Services	The District's cost of wages decreased by \$239,169, or by -3.1% than at this time last year, due primarily to two reasons. (1) The District is employing fewer people this year due to having fewer students in attendance each day. (2) The District is carefully using grants to pay for as many General Fund wages as legally possible in order to conserve General Fund cash.
3.02	Retirement & Insurance	Costs in this category also reflect the reduced number of District employees as there are fewer employees available to sign up for insurance benefits. Also, retirement contribution costs are being reduced as the cost of salaries are kept lower.
3.03	Purchased Services	This category is also less than last year. The District's cost of sending its student to other districts (open enrollment, community schools, etc.) is down by \$37,000 and utility expense is also less by \$25,000. Also, the District saved \$19,000 in FY 2021 by eliminating a technology service agreement. However, the District's cost in providing services to special needs students has risen by \$44,000.
3.04	Supplies	The difference between FY 2021 and FY 2020—a substantial reduction—is mainly in the transportation category. The District has spent \$9,000 less in bus gas to this point in the year and \$29,000 less for repair parts and replacement tires. Spending for instructional supplies is now less by \$11,000 due to reallocation of eligible costs to the District's ESSER grant.

June 30, 2021

**WHEELERSBURG LOCAL SCHOOL DISTRICT  
Cash Reconciliation Report**

<b>Total Fund Balance</b>	<b>\$5,511,255.12</b>
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**Gross Depository (Bank) Balances:**

Wesbanco (Checking)	\$2,396,574.94
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**Investments**

Certificates of Deposit	\$1,648,000.00
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Other Securities (cost as of June 30, 2021)	\$1,090,000.00
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Other Investments (Star Ohio, money market funds, etc.)	\$540,959.26
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Sub-Total: Investments	\$3,278,959.26
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Cash in Transit to Depository (recorded but undeposited monies)	\$0.00
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**Petty Cash Balances:**

Wheelersburg Elementary	\$0.00
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Wheelersburg High School	\$0.00
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Administrative Office	\$300.00
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Sub-Total: Petty Cash Balance	\$300.00
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Change Funds	\$0.00
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Total	\$5,675,834.20
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Less Outstanding Checks	-\$164,579.08
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Total (Reconciled Balance)	\$5,511,255.12
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**Adjustments:**

(1) None.	\$0.00
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Adjusted Total	\$5,511,255.12
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Submitted by George Grice

George Grice, Treasurer, Wheelersburg Local School District

## INVESTMENT SUMMARY AS OF JUNE 30, 2021

### Federal Agency Securities (General Fund)...33.1% 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
3133EMTT9	FFCB	\$300,000	Aaa	03/17/21	\$299,322.00	.75%	03/17/25	06/17/21 (q)	09/17/21	\$1,125
3130ALP99	FHLB	\$500,000	Aaa	03/30/21	\$500,005.00	1.07% (step)	03/30/26	09/30/21 (sa)	09/30/21	\$1,250
3130ALZB3	FHLB	<u>\$290,000</u>	Aaa	04/30/21	<u>\$289,802.80</u>	1.38% (step)	04/30/26	07/31/021 (q)	10/31/21	\$ 725
		\$1,190,000			\$1,090,022.70					

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

### Negotiable Certificates of Deposit...50.9% of Portfolio

7954502C8	Sallie Mae Bank (g)	FDIC	04/03/19	\$203,972.00	2.64%	04/04/22	N/A	10/03/21	\$2,640
05580AYP3	BMW Bank No. America	FDIC	03/04/21	\$249,872.50	.15%	02/27/23	N/A	09/04/21	\$ 188
17312Q3R8	Citibank National Assn. (g)	FDIC	04/03/19	\$261,250.00	2.75%	04/03/23	N/A	10/02/21	\$3,438
06251A2C3	Bank Hapoalim B M (g)	FDIC	08/21/20	\$200,268.00	0.30%	08/21/23	N/A	08/21/21	\$ 300sa
05600XAW0	BMO Harris Bank (g)	FDIC	08/28/20	\$249,099.60	0.30%	08/28/23	11/28/20q	11/28/21	\$ 187q
61690UUh1	Morgan Stanley Bank (g)	FDIC	04/27/20	\$259,722.50	1.75%	02/27/24	N/A	07/27/21	\$3,421
649447UP2	New York Comm'ty Bank	FDIC	06/03/21	<u>\$249,328.68</u>	.35%	06/03/24	N/A	12/03/21	\$ 435
	(g=General; sc=scholarship)			\$1,677,662.39					

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

### Commercial Paper...0% of Portfolio

No Commercial Paper.

### Money Market Accounts & STAR Ohio—immediate liquidity...16.0% of Portfolio

STAR Ohio	\$272,318.86
Huntington Investment Company money market account---Gen. Fund	\$250,339.73
Fifth/Third Securities money market account—General Fund	<u>\$2,348.09</u>
	\$525,006.68

**TOTAL PORTFOLIO**

**\$3,287,649.76**

**Total investments continued relatively unchanged despite a month of negative cash flow as the District spent down its bank cash. Last month's total stood at \$3,304,464.19.**

**FINANCIAL REPORT SUPPLEMENT - STUDENT WELLNESS & SUCCESS (FUND 467)**  
**WITH GENERAL FUND RESTATEMENT TO INCLUDE FUND 467**

The Ohio Department of Education instructed districts to omit Student Wellness and Success (“Fund 467”) revenue and expenses from their Five-Year Forecasts. The District decided to use most of its Fund 467 money to cover costs formerly paid from the General Fund. Our decision to match these costs with Fund 467 revenue was necessary since Ohio froze our funding at the FY 2019 level and the District ended Fiscal Year 2019 with a \$387,000 operating deficit making it necessary to use these funds to cover pre-existing costs. This report tracks current and total use of this revenue source.

**PART 1: FUND 467 ACTIVITY THROUGH JUNE 30, 2021 FOR FY 2021**

	<u>JUNE 2021 (A)</u>	<u>YEAR-TO-DATE 2021 (B)</u>
Beginning Balance	\$177,180.27	\$55,022.50
Revenues	\$ .00	\$559,422.00
Expenditures	\$31,802.63	\$469,066.86
<b>Ending Balance June 30</b>	<b>\$145,377.64</b>	<b>\$145,377.64</b>

**PART 2: FUND 467 CATEGORY SPENDING ACTIVITY THROUGH JUNE 30, 2021**

<u>Spending Category</u>	<u>FY 2021 Totals</u>	<u>FY 2020 Totals</u>
Guidance counselors	\$292,975.19	\$182,584.73
School nurse & aide (FY21)	\$108,582.67	\$62,790.51
CAPE tuition	\$15,153.00	\$19,823.84
Pirate Digital Academy	\$17,206.00	\$19,199.75
School psychologist	\$34,000.00	\$32,925.00
School security services	<u>\$1,150.00</u>	<u>\$12,676.17</u>
<b>TOTAL</b>	<b>\$469,066.86</b>	<b>\$330,000.00</b>

Note: Pirate Digital Academy and the nurse aide (FY 2021) are the only new services on this list.

**PART 3: GENERAL FUND (“GF”) RESTATEMENT TO INCLUDE FUND 467**

	<u>JUNE 2021</u>	<u>JUNE 2020</u>	<u>JUNE 2019</u>
Ending GF Balance June 30	\$2,472,841.06	\$1,437,211.10	\$1,351,903.17
Prior Year Ending Fund 467 Balance	\$55,022.50	\$ .00	.00
Revenues from Part 1(B)	\$559,422.00	\$385,022.50	.00
Expenditures from Part 1(B)	<u>\$469,066.86</u>	<u>\$330,000.00</u>	<u>.00</u>
<b>Restated Ending GF Balance June 30</b>	<b>\$2,618,218.70</b>	<b>\$1,492,233.60</b>	<b>\$1,351,903.17</b>