

Van Buren Local School Board
Jim Griffith, President
Michael Leifheit, Vice President
Jeff Salisbury
Kim Thomas
Dr. Scott Grant
CC: Tim Myers, Superintendent



JUNE 14, 2019

Treasurer's Commentary – May 2019

During May, the Van Buren Local Schools general fund generated a net loss of \$501,154 and stands at a current net loss of \$1,077,214 compared to a fiscal year to date (FYTD) net gain of \$663,396 in fiscal year 2018 (FY18). True cash days are currently 112, down 76 days from the same period last year (188).

In the month of May, revenues of \$794,335 brought FYTD revenue to \$10,962,128, which is \$444,494 less than FYTD revenues of \$11,406,622 in FY18. The 3.9% decrease in revenues can be attributed to a \$161,888 refund received in FY18 from the Hancock County Auditor that was not received in FY19, as well as the expected \$218,666 decrease in Tangible Personal Property (TPP) tax reimbursement. The District is expected to lose a little over \$200,000 per year in TPP reimbursements going forward. Tax revenues partially offset this variance, as they are up \$58,917 from FY18.

Total expenses for the month of \$1,295,489 brought FYTD expenses to \$12,039,342, which is \$1,296,116 greater than FYTD expenses of \$10,743,226 in FY18. Notable variances in expenses are as follows:

- **Salaries** expenses are \$5,943,471, which is \$712,854 greater than FYTD expenses in FY18. All budgeted salary increases for staff are now in effect and partially contributed to the increase in this expense. Additionally, the District added 1.5 FTEs to the custodial staff and a Director of Integration and Innovation position for FY19, as part of the District's strategic plan. This variance is expected to carry through the rest of the fiscal year. Another thing to note is that the May 31st district payroll was the third pay in May. In FY18, June was a three-pay month, not May. Consequently, there has been an additional pay through May closing than there was in FY18, contributing approximately \$290,000 to this variance.
- **Fringe Benefits** expenses are \$2,570,819, which is \$213,994 greater than FYTD levels in FY18. The District experienced a 9.5% premium increase that was determined for this plan year by the Hancock County Schools Consortium. Changes to insurance plans for the Hancock County schools were explored and considered by the Consortium in an attempt to alleviate this growth in premiums. The Consortium did agree on county-wide changes (including the addition of an HSA, High Deductible Health Plan) that should result in a decrease in premiums for next policy year. Additionally, increases in retirement plan contributions and Medicare expenses increase in accordance with salaries. This variance is expected to carry through the rest of the year. Like with salaries, approximately \$45,000 was added to this variance due to the third pay in May, which occurred in June in FY18.
- **Purchased Services** expenses are \$2,642,085, which is \$246,389 greater than FYTD levels in FY18. Moving costs for curriculum services from Battelle to Purchased Services from Other Expenditures accounts for \$8,000 of this variance. \$55,783 of this variance is increased transfers for Open Enrollment students leaving

the District compared to FY18. Additionally, deductions from state foundation payments, including, Special Ed Pre-K, Orthopedic, Speech and Psych Health Services, Millstream and Special Ed Millstream, Alternative School, and Community School, is up \$130,346 compared to costs through May FY18. It is important to note that many of these foundation deductions are tied to enrollment and IEPs; therefore, they are unavoidable, necessary services for those students.

- **Supplies** purchases are \$494,794, which is \$108,062 greater than FYTD expenses in FY18. This variance is almost entirely made up of the purchase of the Wonder Reading program for the Elementary, which was approved at the April Board meeting. The cost of the program was \$85,011. Over the next six years, most of this expense will be reimbursed through student fees in the elementary.
- **Capital Outlay** expenses are \$122,039, which is \$61,322 greater than FYTD expenses in FY18. This variance is mostly due to payment for the two lifts outlined in a Bureau of Workers Compensation grant received by the District in FY18, at a cost of \$56,400. The purchase of these lifts is expected to save the District approximately \$11,000 annually in rental costs in FY19 and beyond, and \$40,000 of the expense was reimbursed by Ohio BWC. In addition, \$27,414 of this expense is the General Fund portion of the new Special Education bus purchase that was made to utilize one-time available federal funds. \$78,500 of that bus purchase was made with the federal funds. Without the effects of these two grant projects, Capital Outlay expenses would be 37% below FY18 levels.
- **Other Expenditures** are \$236,134, which is \$56,505 less than FYTD expenses in FY18. This variance is mostly due to a payment to Battelle of \$57,000 made in FY18 that was reclassified as a Purchased Service in FY19.

Treasurer's Items of Interest

- Budget season continues to be a struggle on the revenue side. Conflicting reports out of Columbus around state funding have most of us Treasurers wondering how much additional funding (if any) our districts will receive. Considering our state share here in Van Buren, I anticipate near-flat state funding for the next biennium.
- Final preparations for the end of FY19 are complete and the Treasurer's Office staff is ready to enter Fiscal Year 2020. Don't forget to celebrate New Year's Eve on July 1st at midnight! This year has shown that to truly pursue completion of the District's strategic plan, new revenues will be needed in the Van Buren Local Schools. New operating revenues have not been passed since 2004, and the District has done a great job of "riding the wave" of declining Tangible Personal Property (the business tax lost in 2005) reimbursements since that time. Important initiatives may need to be held up until new revenues can be secured.
- Myself and Superintendent Tim Myers are seeking passionate community members to serve on the District's Community Levy Committee. For details or to offer your assistance, please contact either Alex Binger, Treasurer, at 419-299-3863 x103 or Tim Myers, Superintendent, at 419-299-3578 x101.



Alex Binger

TREASURER/CFO

VAN BUREN LOCAL SCHOOLS - FISCAL YEAR ANALYSIS

GENERAL FUND AS OF MAY 31, 2019

	FY 19 ESTIMATED	FY 19 YTD ACTUAL	% OF TOTAL	FY 18 ACTUAL	FY 18 YTD ACTUAL	% OF TOTAL	% OF CHANGE FY 18 TO FY 19
BEGINNING CASH BALANCE		\$ 5,625,001			\$ 6,027,675		
GENERAL PROPERTY (REAL ESTATE) TANGIBLE PERSONAL PROPERTY TAX	\$ 6,207,366 \$ 637,538	\$ 6,207,718 \$ 637,536	100.0% 100.0%	\$ 6,285,925 \$ 500,412	\$ 6,285,925 \$ 500,412	100.0% 100.0%	-1.2% 27.4%
STATE FUNDING	\$ 1,216,731	\$ 1,124,402	92.4%	\$ 1,191,478	\$ 1,105,119	92.8%	1.7%
RESTRICTED GRANTS	\$ 14,762	\$ 14,936	101.2%	\$ 51,319	\$ 50,444	98.3%	-70.4%
PROPERTY TAX ALLOCATION	\$ 1,768,022	\$ 1,768,512	100.0%	\$ 1,997,291	\$ 1,997,291	100.0%	-11.5%
OTHER REVENUES	\$ 1,265,319	\$ 1,209,024	95.6%	\$ 1,559,365	\$ 1,467,431	94.1%	-17.6%
TRANSFERS & ADVANCES IN	\$ 0	\$ 0		\$ 0	\$ 0		
TOTAL REVENUE	\$ 11,109,738	\$ 10,962,128	98.7%	\$ 11,585,790	\$ 11,406,622	98.5%	-3.9%
SALARIES	\$ 6,343,573	\$ 5,943,471	93.7%	\$ 5,969,485	\$ 5,230,617	87.6%	13.6%
FRINGE BENEFITS	\$ 2,697,947	\$ 2,570,819	95.3%	\$ 2,528,884	\$ 2,356,825	93.2%	9.1%
PURCHASED SERVICES	\$ 2,988,720	\$ 2,642,085	88.4%	\$ 2,690,254	\$ 2,395,696	89.1%	10.3%
SUPPLIES	\$ 426,809	\$ 494,794	115.9%	\$ 414,379	\$ 386,732	93.3%	27.9%
CAPITAL OUTLAY	\$ 115,703	\$ 122,039	105.5%	\$ 63,233	\$ 60,717	96.0%	101.0%
OTHER EXPENDITURES	\$ 311,300	\$ 236,134	75.9%	\$ 302,234	\$ 292,639	96.8%	-19.3%
TRANSFERS AND ADVANCES OUT	\$ 30,000	\$ 30,000	100.0%	\$ 20,000	\$ 20,000	100.0%	
FYTD EXPENDABLE	\$ 12,914,052	\$ 12,039,342		\$ 11,988,469	\$ 10,743,226		12.1%
LESS: PRIOR YEAR ENCUMBRANCES	(\$ 406,202)						
TOTAL APPROPRIATIONS	\$ 12,507,850						
PERCENT EXPENDED AND ENCUMBERED			98.7%			90.8%	
REVENUE OVER (UNDER) EXPENDITURES	(\$ 1,398,112)	(\$ 1,077,214)		(\$ 402,679)	\$ 663,396		
ENDING CASH BALANCE		\$ 4,547,787		\$ 5,624,996	\$ 6,691,071		
OUTSTANDING ENCUMBRANCES		\$ 711,140		\$ 406,202	\$ 515,586		
UNENCUMBERED CASH BALANCE		\$ 3,836,647		\$ 5,218,794	\$ 6,175,485		
TRUE CASH DAYS		112			188		



DATED: JUNE 13, 2019

VAN BUREN LOCAL SCHOOLS
GENERAL FUND PERFORMANCE

	FY 19	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	TOTAL	% OF
	ESTIMATED	FY 19	FY 19	FY19	FY 19	FY 19	FY 19	FY 19	FY 19	FY 19	FY 19	FY 19	FY 19	TOTAL
BEGINNING CASH BALANCE		\$ 5,625,001	\$ 7,361,141	\$ 6,907,215	\$ 6,379,929	\$ 5,590,267	\$ 4,985,085	\$ 4,096,440	\$ 3,708,495	\$ 5,468,885	\$ 5,563,070	\$ 5,048,941	\$ 5,625,001	
GENERAL PROPERTY (REAL ESTATE)	\$ 6,106,985	\$ 2,639,019	\$ 34,134	\$ 0	\$ 0	\$ 0	\$ 0	\$ 391,214	\$ 2,560,876	\$ 582,124	\$ 0	\$ 351	\$ 6,207,718	101.6%
TANGIBLE PERSONAL PROPERTY TAX	\$ 440,188	\$ 0	\$ 259,090	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 378,446	\$ 0	\$ 0	\$ 637,536	144.8%
STATE FUNDING	\$ 1,283,710	\$ 94,677	\$ 121,255	\$ 101,980	\$ 97,791	\$ 94,300	\$ 126,126	\$ 121,389	\$ 92,677	\$ 91,885	\$ 91,582	\$ 90,740	\$ 1,124,402	87.6%
RESTRICTED GRANTS	\$ 11,131	\$ 986	\$ 973	\$ 961	\$ 952	\$ 943	\$ 2,212	\$ 1,653	\$ 1,159	\$ 1,147	\$ 2,156	\$ 1,794	\$ 14,936	134.2%
PROPERTY TAX ALLOCATION	\$ 1,787,021	\$ 0	\$ 0	\$ 270,681	\$ 161	\$ 627,423	\$ 329	\$ 0	\$ 0	\$ 0	\$ 273,655	\$ 596,263	\$ 1,768,512	99.0%
OTHER REVENUES	\$ 1,426,329	\$ 115,782	\$ 115,932	\$ 151,519	\$ 111,029	\$ 85,377	\$ 80,856	\$ 79,089	\$ 138,339	\$ 143,732	\$ 82,182	\$ 105,187	\$ 1,209,024	84.8%
TRANSFERS & ADVANCES IN	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	#DIV/0!
TOTAL REVENUE	\$ 11,055,364	\$ 2,850,464	\$ 531,384	\$ 525,141	\$ 209,933	\$ 808,043	\$ 209,523	\$ 593,345	\$ 2,793,051	\$ 1,197,334	\$ 449,575	\$ 794,335	\$ 10,962,128	99.2%
SALARIES	\$ 6,668,502	\$ 449,771	\$ 474,527	\$ 487,013	\$ 490,330	\$ 845,543	\$ 494,738	\$ 487,098	\$ 490,933	\$ 537,727	\$ 493,742	\$ 692,049	\$ 5,943,471	89.1%
FRINGE BENEFITS	\$ 2,824,137	\$ 251,753	\$ 209,540	\$ 254,870	\$ 241,514	\$ 211,335	\$ 279,541	\$ 192,049	\$ 252,153	\$ 202,512	\$ 227,794	\$ 247,758	\$ 2,570,819	91.0%
PURCHASED SERVICES	\$ 2,582,505	\$ 221,497	\$ 185,537	\$ 215,162	\$ 230,781	\$ 324,559	\$ 282,667	\$ 239,086	\$ 249,433	\$ 262,587	\$ 193,881	\$ 236,895	\$ 2,642,085	102.3%
SUPPLIES	\$ 456,609	\$ 29,970	\$ 55,534	\$ 61,293	\$ 34,538	\$ 30,538	\$ 31,412	\$ 34,050	\$ 34,873	\$ 27,295	\$ 39,397	\$ 115,894	\$ 494,794	108.4%
CAPITAL OUTLAY	\$ 75,000	\$ 56,400	\$ 1,108	\$ 33,495	\$ 2,108	\$ 0	\$ 9,322	\$ 10,111	\$ 965	\$ 2,194	\$ 3,786	\$ 2,550	\$ 122,039	162.7%
OTHER EXPENDITURES	\$ 266,204	\$ 49,933	\$ 59,064	\$ 594	\$ 324	\$ 1,250	\$ 488	\$ 18,896	\$ 29,304	\$ 70,834	\$ 5,104	\$ 343	\$ 236,134	88.7%
TRANSFERS AND ADVANCES OUT	\$ 75,000	\$ 55,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	(\$ 25,000)	\$ 0	\$ 0	\$ 0	\$ 30,000	40.0%
FYTD EXPENDABLE	\$ 12,947,957	\$ 1,114,324	\$ 985,310	\$ 1,052,427	\$ 999,595	\$ 1,413,225	\$ 1,098,168	\$ 981,290	\$ 1,032,661	\$ 1,103,149	\$ 963,704	\$ 1,295,489	\$ 12,039,342	
LESS: PRIOR YEAR ENCUMBRANCES	(\$ 406,202)													
TOTAL APPROPRIATIONS	\$ 12,541,755													
PERCENT EXPENDED AND ENCUMBERED		8.61%	7.61%	8.13%	7.72%	10.91%	8.48%	7.58%	7.98%	8.52%	7.44%	10.01%	92.98%	
REVENUE OVER (UNDER) EXPENDITURES	(\$ 1,486,391)	\$ 1,736,140	(\$ 453,926)	(\$ 527,286)	(\$ 789,662)	(\$ 605,182)	(\$ 888,645)	(\$ 387,945)	\$ 1,760,390	\$ 94,185	(\$ 514,129)	(\$ 501,154)	(\$ 1,077,214)	
ENDING CASH BALANCE		\$ 7,361,141	\$ 6,907,215	\$ 6,379,929	\$ 5,590,267	\$ 4,985,085	\$ 4,096,440	\$ 3,708,495	\$ 5,468,885	\$ 5,563,070	\$ 5,048,941	\$ 4,547,787		
OUTSTANDING ENCUMBRANCES		\$ 1,873,214	\$ 1,857,998	\$ 1,689,920	\$ 1,550,369	\$ 1,420,273	\$ 1,396,731	\$ 1,278,647	\$ 1,087,177	\$ 935,701	\$ 950,867	\$ 711,140		
UNENCUMBERED CASH BALANCE		\$ 5,487,927	\$ 5,049,217	\$ 4,690,009	\$ 4,039,898	\$ 3,564,812	\$ 2,699,709	\$ 2,429,848	\$ 4,381,708	\$ 4,627,369	\$ 4,098,074	\$ 3,836,647		
TRUE CASH DAYS		160	147	136	118	104	79	71	128	135	119	112		

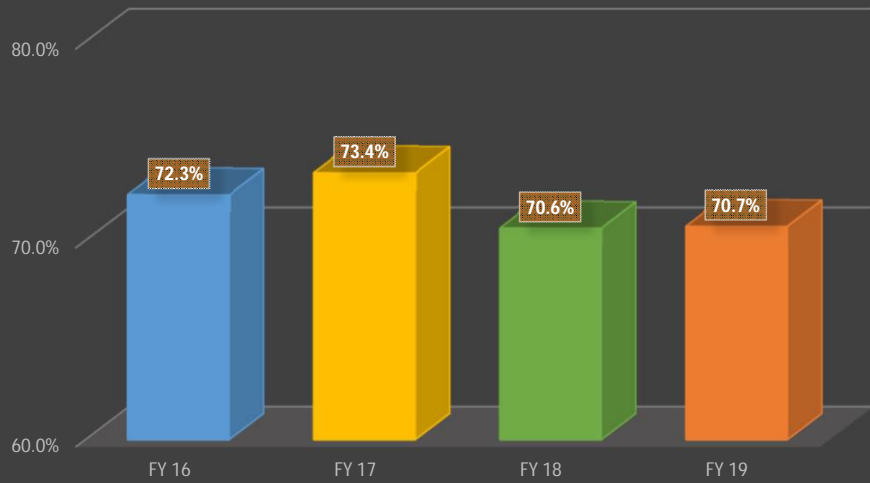


DATED: JUNE 13, 2019

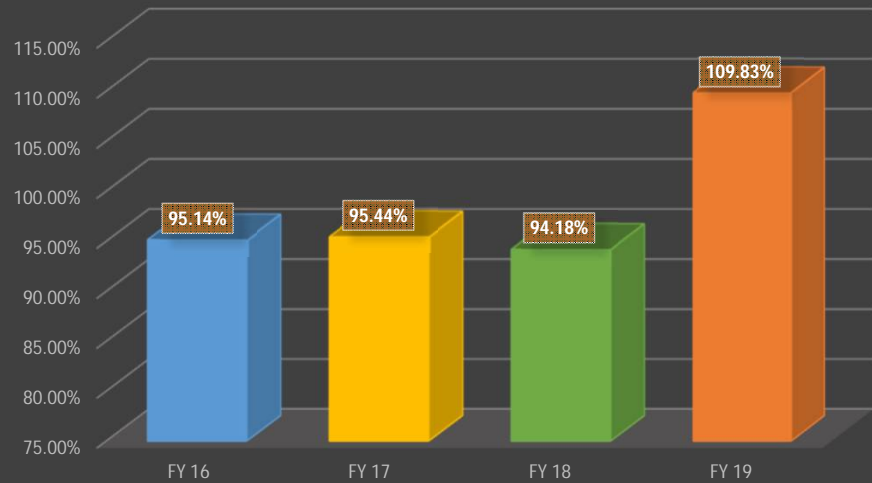
VAN BUREN LOCAL SCHOOLS

FISCAL DATA - GENERAL FUND
AS OF 05/31/2019

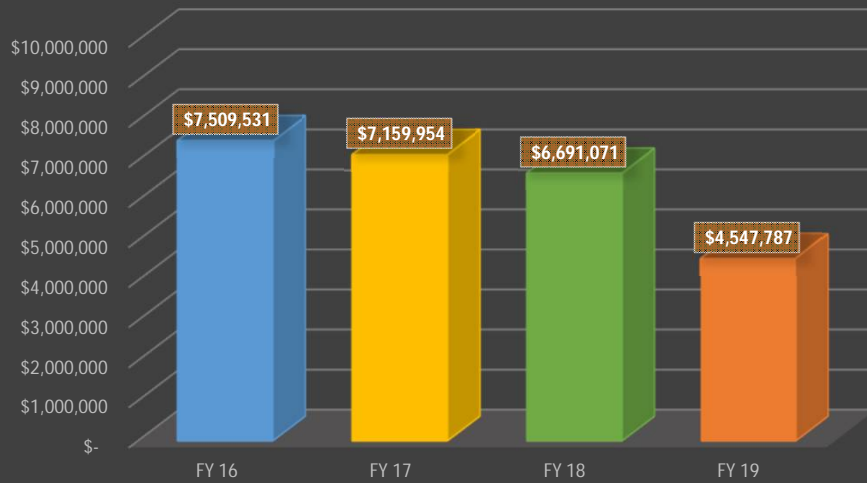
SALARIES/FRINGES (%)



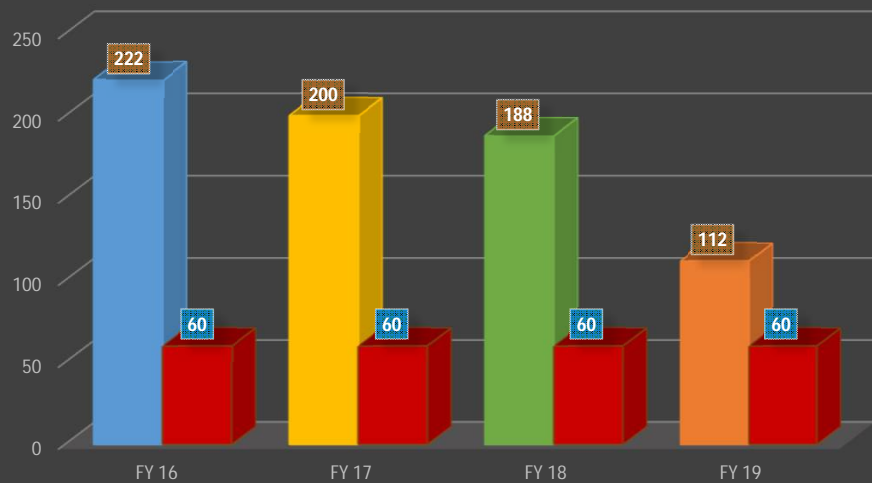
% OF REVENUE EXPENDED



CASH BALANCE (\$)



TRUE CASH DAYS



VAN BUREN LOCAL SCHOOLS True Cash Days

