



GREAT SCHOOLS



KETTERING  
City Schools

GREAT COMMUNITY



# Monthly Financials July 2023

- Fiscal Year 2024 is 1 month complete through July 31, 2023.
- We are still using the Spring 2023 Forecast as the basis of comparison. New Forecast is due in October.
- It is not unusual to have wide variances this early in the fiscal year due to timing of revenue and expenditures between fiscal years.

## FISCAL YEAR 2024 REVENUE AND EXPENDITURE ANALYSIS THROUGH JULY

### 1. ACTUAL COMPARED TO FORECAST VARIANCE AND NET FAVORABILITY ANALYSIS

*CURRENT YEAR-TO-DATE  
REVENUE COLLECTIONS  
INDICATE A*

**\$545,142**

*FAVORABLE COMPARED TO  
FORECAST*

*CURRENT YEAR-TO-DATE  
EXPENDITURES INDICATE A*

**\$444,886**

*FAVORABLE COMPARED TO  
FORECAST*

*POTENTIAL NET IMPACT  
WOULD RESULT IN A*

**\$990,027**

*FAVORABLE IMPACT ON THE  
CASH BALANCE*



# Monthly Financials July 2023

## Revenue Variances for July

- Fiscal year 2022 Medicaid settlement was received in July as a miscellaneous receipt.
- We continue to see increases in interest earnings. Larger cash balances to invest, and increasing returns on investments are contributing to a favorable revenue variance.
- South Community refund from 2022/2023 school year received in July as a refund of prior year expenditure. If it was received during fiscal year 2023, it would have been applied against the expenditure effectively reducing the expense during the year it occurred.

CURRENT YEAR-TO-DATE REVENUE  
COLLECTIONS INDICATE A

\$545,142

FAVORABLE COMPARED TO FORECAST

	Forecast Annual Revenue Estimates	Cash Flow Actual/Estimated Calculated Annual Amount	Current Year Forecast Compared to Actual/Estimated
Loc. Taxes/Reimbur.	89,833,415	89,873,524	40,109
State Revenue	23,170,769	23,158,302	(12,467)
All Other Revenue	6,826,561	7,344,061	517,500
<b>Total Revenue</b>	<b>119,830,745</b>	<b>120,375,887</b>	<b>545,142</b>

<u>Top Forecast vs. Cash Flow Actual/Estimated Amounts</u>	
Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Miscellaneous Receipts ▲	280,299
Investment Earnings ▲	124,552
Refund of Prior Year Expense ▲	76,745
Local Taxes ▲	40,109
All Other Revenue Categories ▲	23,437
<b>Total Revenue ▲</b>	<b>545,142</b>



# Monthly Financials July 2023

## Expenditure Variances for July

- Salaries and benefits are trending under forecast due to the timing of 3-pay months. July 2022 was a 3-pay month, while the first of 3-pay month of this year will be in September. The cash flow modeling uses a 3-year historical trend to build the current year projection, so these variances will fluctuate throughout the year, while still being on target for the overall estimate.

CURRENT YEAR-TO-DATE  
EXPENDITURES INDICATE A

**\$444,886**

FAVORABLE COMPARED TO  
FORECAST

	Forecasted Annual Expenses	Cash Flow Actual/Estimated Calculated Annual Amount	Forecasted amount compared to Actual/Estimated
Salaries and Benefits	101,774,106	101,499,069	(275,037)
Purchased Services	11,705,427	11,384,835	(320,591)
All Other Expenses	5,264,630	5,415,373 ▲	150,743
Total Expenditures	118,744,163	118,299,277	(444,886)

Top Forecast vs. Cash Flow Actual/Estimated Amounts	
Variance Based on Actual/Estimated Annual Amount	Expected Over/(Under) Forecast
Professional and Technical Services	(308,651)
Retirement Certified ▼	(261,182)
Insurance Certified ▲	166,814
Regular Certified Salaries ▼	(122,190)
All Other Expense Categories ▲	80,323
Total Expenses ▼	(444,886)



# Monthly Financials July 2023

## • **Upcoming Items to Watch**

- Property valuation letters from the Montgomery County Auditor, Karl Keith, were mailed to all property owners at the beginning of August. Overall, Kettering City School District's valuation will realize a 27.2% increase for tax year 2023 due to the triennial update (Residential – 33.3%, Commercial - 9.3%, Industrial – 2.2%). Due to HB920, the District **will not** realize a 27.2% increase in tax revenue, and a homeowner **will not** have a 33.3% increase in their tax liability due to this valuation increase.
- The State biennium budget (HB33) approved in June and signed by the governor in July will begin phase-in of payments over the next 3 months. Beginning in August, the inputs were increased to 50% for the base cost calculation. In October, the cost inputs, valuation and income data, enrollment and all other formula changes will be implemented and reflected in the payments received.

\*\*Will present both items in more detail at the September 5<sup>th</sup> and October 3<sup>rd</sup> Work Sessions\*\*



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