

ZIONSVILLE COMMUNITY SCHOOLS

MEMORANDUM

To: All Members, Board of School Trustees; Dr. Scott Robison, Superintendent
From: Michael A. Shafer, C.P.A., Chief Financial Officer
RE: Financial Update for the Board of School Trustees
Date: February 25, 2020

MESSAGE:

Attached please find the monthly financial reports for January 2020. As we would expect for the first month of a budget year, the financial results are generally within the normal ranges of fluctuations we consistently experience. Comments on certain items are shown in the notes which accompany the reports.

It should be noted when looking at our reports, given we have only January's data, that it is too early to identify any major trends for the 2020 budget year. However, we note that January was a month which contained three payrolls. While the effect of three payrolls, rather than the more common two payrolls per month, was taken into account in our projections, the overall expenses for pay and benefits are considerably larger than the range of the last several previous months' figures that we are used to seeing. We do take these calendar cycles into account when planning our cash management and cash flows. In 2020, the only other month which will also have three payrolls will be July.

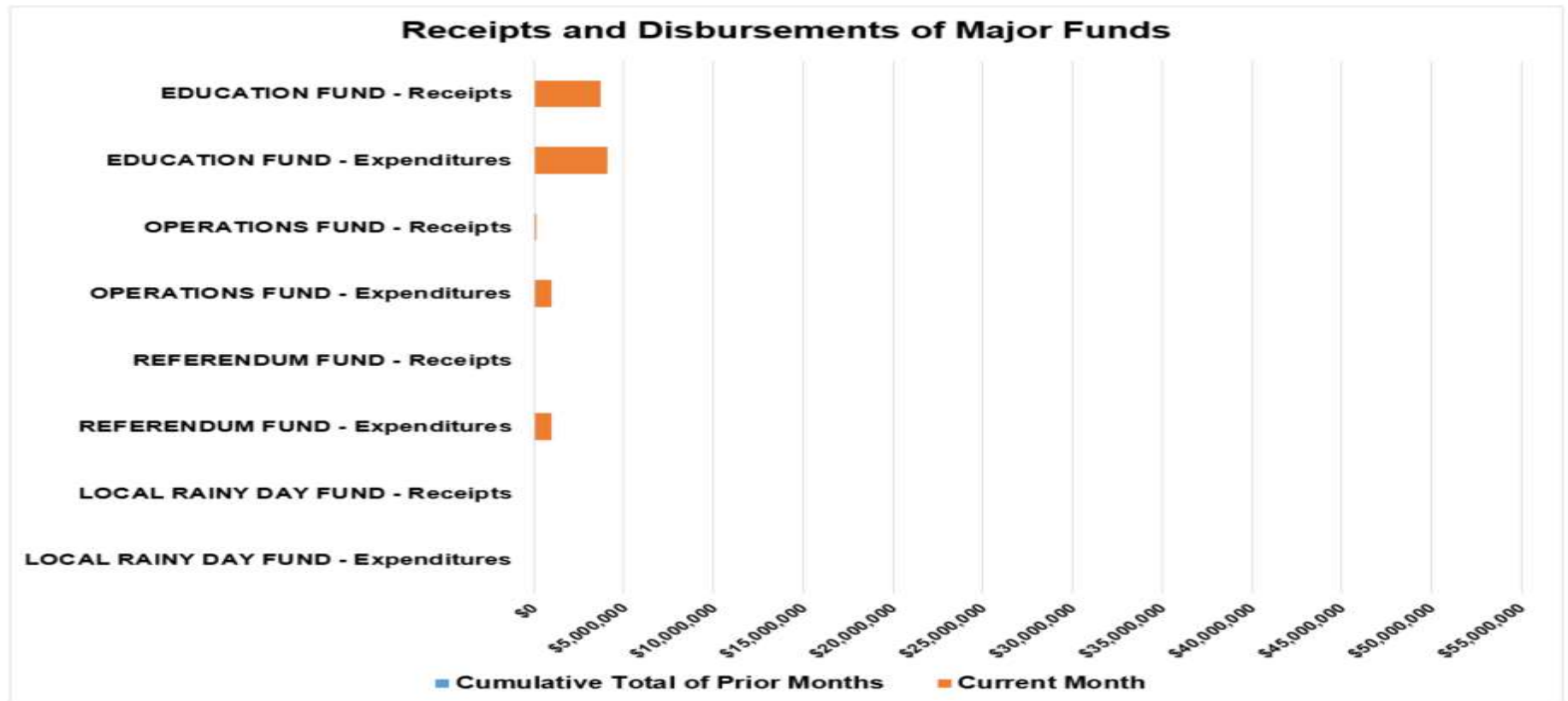
This month we have new official enrollment numbers in from our second ADM count date. Board members may recall that several years ago the legislature implemented two official enrollment counts, one in September and a second in February. This requirement was in effect for several years, then dropped by the legislature as being ineffective. However, in a bit of a reversal, the 2019 General Assembly re-instituted the second count beginning in February 2020.

We were interested to note that the new February count shows a net increase in enrollment of 19 students. Looking at the differences between the September count and February count shows that we had net increases of 25 students in the K-4 elementary grades, 11 students in middle school, and 14 in the freshman through junior grades of high school, but a reduction of 31 students in the high school senior class, 29 of whom were mid-year graduates.

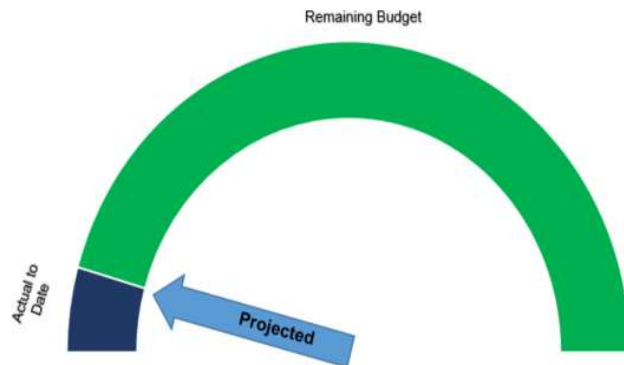
The net 19 student increase should be worth approximately \$81,154 to us over the remainder of the 2020 budget year. This amount will be added to our state tuition funding on a pro-rata basis beginning with the April state payment.

We do note that a piece of legislation, HB1204, would allow school districts to include their mid-year graduates in their February ADM counts is still alive, at least for the next few days, in the legislature. The bill would take effect immediately. In our case, with 29 mid-year grads to count, passage of this bill would add another \$123,866 to our state funding this year. HB1204 enjoyed bipartisan support in Indiana House of Representatives where it passed on a roll call vote of 94-0. The bill is sponsored in the Senate by Senators Raatz, Crider, and Bassler, with Senator Mishler as co-sponsor. As of this writing, HB1204 is scheduled for action in the Senate Appropriations Committee (chaired by Senator Mishler) on February 27, the last possible day a bill can be approved by committee this session. We obviously are hoping for the best!

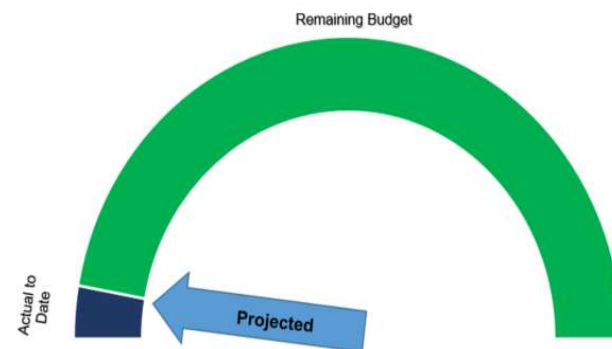
Financial Overview – January 2020



Education Fund
Comparison of Actual to Date with Budget



Operations Fund
Comparison of Actual to Date with Budget



Zionsville Community Schools
Monthly Financial Summary
Report of Revenues, Expenditures, Transfers and Balances
Budgeted and Special Funds - January 2020

<u>Fund Title</u>	<u>Beginning Balance Jan. 1, 2020</u>	<u>Previous YTD Receipts</u>	<u>Previous YTD Expenditures</u>	<u>Ending Balance Jan. 1, 2020</u>	<u>January Receipts</u>	<u>January Expenditures</u>	<u>Ending Balance January 31, 2020</u>
EDUCATION FUND	\$ 12,640,088.90	\$ -	\$ -	\$ 12,640,088.90	\$ 3,688,349.88	\$ 4,079,836.59	\$ 12,248,602.19
REFERENDUM FUND	\$ 5,795,926.70	\$ -	\$ -	\$ 5,795,926.70	\$ -	\$ 981,377.42	\$ 4,814,549.28
DEBT SERVICE FUND	\$ 6,379,693.54	\$ -	\$ -	\$ 6,379,693.54	\$ -	\$ -	\$ 6,379,693.54
PENSION BOND D.S. FUND	\$ 355,133.71	\$ -	\$ -	\$ 355,133.71	\$ -	\$ -	\$ 355,133.71
OPERATIONS FUND	\$ 3,819,065.23	\$ -	\$ -	\$ 3,819,065.23	\$ 102,981.80	\$ 996,155.37	\$ 2,925,891.66
LOCAL RAINY DAY FUND	\$ 1,383,288.48	\$ -	\$ -	\$ 1,383,288.48	\$ -	\$ -	\$ 1,383,288.48
2017 A BOND FUND	\$ 48,227.98	\$ -	\$ -	\$ 48,227.98	\$ -	\$ -	\$ 48,227.98
2017 B BOND FUND	\$ 110,212.37	\$ -	\$ -	\$ 110,212.37	\$ -	\$ -	\$ 110,212.37
2018 A BOND FUND	\$ 515,286.24	\$ -	\$ -	\$ 515,286.24	\$ -	\$ -	\$ 515,286.24
2018 B BOND FUND	\$ 338,184.47	\$ -	\$ -	\$ 338,184.47	\$ -	\$ -	\$ 338,184.47
LILLY COUNSELING GRANT	\$ 191,511.10	\$ -	\$ -	\$ 191,511.10	\$ -	\$ -	\$ 191,511.10
TOTALS	\$ 31,576,618.72	\$ -	\$ -	\$ 31,576,618.72	\$ 3,791,331.68	\$ 6,057,369.38	\$ 29,310,581.02

Zionsville Community Schools
Monthly Financial Summary
Actual Revenues and Expenditures Compared to Monthly Projections
Budgeted Funds and Special Funds - January 2020

	Actual For Month	Projection For Month	Variance Favorable (Unfavorable) January, 2020	Notes on Significant Variances & Comments	Comparison: State Approved 2020 Annual Budget
REVENUES:					
Education Fund					
State Aid	\$ 3,668,033.41	\$ 3,675,700.00	\$ (7,666.59)		\$ 44,808,251.00
Other	\$ 20,316.47	\$ -	\$ 20,316.47	1	
Subtotal - Education Fund	\$ 3,688,349.88	\$ 3,675,700.00	\$ 12,649.88		\$ 44,808,251.00
Debt Service Fund	\$ -	\$ -	\$ -		\$ 23,847,862.00
P.B. Debt Service Fund	\$ -	\$ -	\$ -		\$ 627,373.00
Operations Fund					
Rental and Earned Income	\$ 102,960.82	\$ 106,790.00	\$ (3,829.18)		\$ 1,253,984.00
Property and Excise Taxes	\$ -	\$ -	\$ -		\$ 8,356,088.00
Other	\$ 20.98	\$ -	\$ 20.98		\$ 8,572,714.00
Subtotal - Operations Fund	\$ 102,981.80	\$ 106,790.00	\$ (3,808.20)		\$ 18,182,786.00
Referendum Fund	\$ -	\$ -	\$ -		\$ 8,321,673.00
Rainy Day Fund	\$ -	\$ 417.00	\$ (417.00)		\$ 5,000.00
2017A Bonds - Construction Fund	\$ -	\$ -	\$ -		\$ -
2017B Bonds - Construction Fund	\$ -	\$ -	\$ -		\$ -
2018A Bonds - Construction Fund	\$ -	\$ -	\$ -		\$ -
2018B Bonds - Construction Fund	\$ -	\$ -	\$ -		\$ -
Lilly Counseling Grant	\$ -	\$ -	\$ -		\$ -
TOTAL REVENUES	\$ 3,791,331.68	\$ 3,782,907.00	\$ 8,424.68		\$ 95,792,945.00
EXPENDITURES:					
Education Fund					
Personnel Salaries and Benefits	\$ 3,843,868.53	\$ 3,840,592.91	\$ (3,275.62)		
Contracted Services	\$ 206,643.95	\$ 211,968.00	\$ 5,324.05		
Supplies and Materials	\$ 29,324.11	\$ 32,912.00	\$ 3,587.89		
All Other	\$ -	\$ -	\$ -		
Subtotal - Education Fund	\$ 4,079,836.59	\$ 4,085,472.91	\$ 5,636.32		\$ 46,339,253.00
Debt Service Fund	\$ -	\$ -	\$ -		\$ 22,578,252.00
P.B. Debt Service Fund	\$ -	\$ 8,896.00	\$ 8,896.00		\$ 651,729.00
Operations Fund					
Personnel Salaries and Benefits	\$ 630,222.60	\$ 639,231.51	\$ 9,008.91		
Building and Equip. Maintenance	\$ 4,725.00	\$ 20,501.00	\$ 15,776.00	2	
Contracted Services	\$ 149,364.79	\$ 147,763.00	\$ (1,601.79)		
Utilities and P&C Ins	\$ 191,308.78	\$ 209,828.00	\$ 18,519.22	3	
Supplies and Materials	\$ 8,487.70	\$ 8,896.00	\$ 408.30		
All Other	\$ 12,046.50	\$ 3,322.00	\$ (8,724.50)		
Subtotal - Operations Fund	\$ 996,155.37	\$ 1,029,541.51	\$ 33,386.14		\$ 17,634,866.00
Referendum Fund					
Personnel Salaries and Benefits	\$ 981,377.42	\$ 975,785.97	\$ (5,591.45)		\$ 9,823,964.00
Rainy Day Fund	\$ -	\$ -	\$ -		\$ 5,000.00
2017A Bonds - Construction Fund	\$ -	\$ -	\$ -	4	
2017B Bonds - Construction Fund	\$ -	\$ -	\$ -	4	
2018A Bonds - Construction Fund	\$ -	\$ -	\$ -	4	
2018B Bonds - Construction Fund	\$ -	\$ -	\$ -	4	
Lilly Counseling Grant Fund	\$ -	\$ -	\$ -	5	
TOTAL EXPENDITURES	\$ 6,057,369.38	\$ 6,099,696.39	\$ 42,327.01		\$ 97,028,064.00
COMBINED SURPLUS (DEFICIT) FOR THE PERIOD	\$ (2,266,037.70)	\$ (2,316,789.39)	\$ 50,751.69		\$ (1,235,119.00)

Zionsville Community Schools
Monthly Financial Summary
January, 2020
Notes on Variances and Other Comments

Notes:

1. A refund received from a 2019 expenditure was credited to the Education Fund. This one-time item was not anticipated in our 2020 budget for the fund.
2. Building and Equipment costs for the Operations Fund were less than projected this month. This is a normal variation resulting from seasonal activity patterns and should not be significant for the entire year taken as a whole.
3. Utility costs for the Operations Fund were less than projected this month. This appears to be a routine seasonal weather-related variation.
4. Construction projects are continuing for the 2017 and 2018 bond issues. Invoices submitted for payment will continue through the remaining life of the projects. All projects from these bonds were originally expected to conclude in 2019. However, some activities have now continued into 2020.
5. The Lilly Counseling Grant's expenditures will continue intermittently through 2021 as the grant-funded activities occur. Differences between estimated and actual expenditures are timing differences between the actual grant activities and the original timeline projected in the grant application. These are not expected to affect the total grant expenditures by the end of the grant period.