

## MAY 2017 CASH BALANCE INFO DISTRICT SURVEY RESULTS

Our cash balance reserve is \$3,400,000, about half a year.

5-6 months right now

our policy = 60 days

We do not have a "policy" but I advise my board that my comfort is ideally 90 days cash and minimum 60 days. At the end of the fiscal year, my projection is 150 days.

We keep 75% of our annual operating budget on hand at all times.

We do not have a policy about cash balance. I am forecasting we will have \$7,2750,000 at 6/30/2017, which is about 210 days of operating costs.

We try to keep at least 3 months of operating costs on hand. I wish we could keep more, but we just can't seem to.

We can go 6 months on our reserve without any additional cash

We have about 5 months

We don't have a policy in place. I prefer 60. I would get nervous if it's less than 30. We're fortunate at the moment because we keep 190 or more regularly

We are working on keeping a month worth of salaries and benefits on hand as a cash balance. This is way too low, but we are fighting an uphill battle  
Do you mind sharing your results with me? It may help if I have some other districts for comparison.

We have 60 days or \$6 million put in a Budget Reserve Account.

Our district strives to maintain 60 true cash days at a minimum. We will end this year with a little over 100. We only monitor cash day position at fiscal year end.

We are at about 5 months. I have heard that many people want 60 to 90 days minimum

2 months worth of expenses.

We keep 100 days worth of cash reserves on hand in our General Fund. We try to increase it by \$200,000 each year too.

Our District does not have a formal policy but in all of my budget and finance committee meetings I recommend that we maintain at least 3 months (90 days) worth of cash on hand. This is the benchmark that is used for decision making when it comes to levies and staffing.

No set policy here. Currently we have about 115 days of operating cost on hand, but that is somewhat inflated as our district passed a levy a year and a half ago. The days will consistently reduce as deficit spending is set to occur in FY19 if not before.

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We currently have a very healthy cash balance—249.9 days. I have always heard that 60-80 days is considered to be adequate although that may have changed over the years.

Our policy is 10% of annual revenues.

We do not have an official policy, however the benchmark that we try to stay above is 120 days. Currently we have 251 days cash on hand. I estimate we will end the year around 219 days at June 30.

Our projection is to end this year with 40 days true cash and that's an improvement over last year. With our district flat-funded in this coming budget as things now stand, you would make an educated guess that that number is going to drop. Our cash balance policy says when we project below 30 in any of first three years of the forecast, then I must notify the Board and the superintendent and treasurer are supposed to make recommendations. So far, since we adopted this in 2015, our recommendations have simply been "be patient, let's wait and see"--in other words, don't panic. This upcoming budget has me a little nervous, though.

It is probably a little different than most. In addition to a minimum balance, we also have a provision if the balance exceeds a certain level. If it does, we transfer money for a capital project or to the bond retirement fund to help reduce future tax collections for debt.

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No policy. As soon as I saw that routine spending was larger than routine revenue, I started hammering the "Necessity before nice-it-tees" message. You don't need a cash reserve policy if you address deficit spending when it is looming on the horizon. The sooner you take care of it, the softer the corrective action. The longer you wait and the more year-end cash you chew up, the more drastic the corrective action has to be. Take care of deficit spending and the cash balance takes care of itself.

60 day cash ratio

The Ohio Department of Education has recommended a 60 day minimum level benchmarks for the district's cash reserves and 20% liquidity in order to maintain financial stability and enable the District to continue long term fiscal and academic planning:

We will finish this year with a cash balance that is 27% of total operating expenditures. Below is our Board Policy.

### CASH BALANCE RESERVE

The Board believes that maintaining a cash reserve balance of 10% of operating expenses is necessary in the interest of sound fiscal management.

The Board affirms that tax levies shall be pursued, and/or the District's finances otherwise managed, to ensure a General fund cash balance equivalent to at least 10% of operating expenses.

Upon receiving any indication that such a cash balance may not be achieved at any point within the rolling five-year financial forecast period, the Treasurer shall report such a finding to the Board. Upon such notification by the Treasurer, the Superintendent and Treasurer will propose options that the Board may consider to forestall such an eventuality.

All deliberations and formal actions of the Board or any of its committees relating to the adoption of this resolution are held in open meetings in compliance with the law.

I just updated my forecast and I am on target to have \$3,650,614.00 carryover. So based on this I have about 100 days of cash on hand.

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Our board policy indicates that if we fall below 30 days cash in the third year of the forecast we will begin discussions of how to stabilize the general fund. This could be achieved through an operating levy or budget reductions or a combination of both. We do operate by this policy. We will be looking at a levy in November of 2018 for a completely different reason. Our run rate will be the larger issue w/ spending exceeding revenue by over \$11M in FY20. We currently have 72% of operations cash balance.

We have a 25% of expenditures Board resolution and our current 5-Year forecast puts us at about double that, but declining over the 5-Year Forecast period. At other districts, if I could get 5% - 10% of expenditures, it was a minor miracle.

Our Board formalized a philosophy through resolution establishing a goal of four months' worth of operating expenditures. We are projected to have the equivalent of about 8 months' of operating expenditures at the end of this fiscal year.

No specific cash reserves set aside. We always meet the required capital expenses. We will have 121 days cash at the end of FY - up from only 22 days in FY14

Our policy is to have up to 30 days reserve on hand with a goal being 60. We are above that through 2019, end up with 36 days in 2020, and 2021 depletes our entire reserve.

Our informal policy is 60 days operating cash.

I just completed the True Days Cash calculation based on our Five Year. We are anticipating closing 2017 with 128 days of cash on hand, but by the end of the forecast (2021) we'll be down to 7 days. This is way below the 30 to 90 days we shoot for.

My district is in a financial crisis, we are projecting a FY ending balance of 50,000. We closed April with 15 true cash days. The most it has been this year is 18.

Our cash reserve policy is 60 days. We are in a very enviable position to have about 10 months of cash reserve presently!!!!

We have 157 days for true days cash currently because we started receiving the full value of a new levy in 2015.

We have approximately 295 days at this time. This will drop over the summer as the revenues decrease but expenditures such as payroll and benefits stay the same.