

## Financial Perspective Summary (Review from Beginning of Current Year)

June 30, 2016

### Existing Board Policy

1. Zero (0) Based Budgeting, that is, by policy, the Association cannot use prior year carry forward as a revenue line.
2. Adopted Board of Control goals (financial) as it relates to the KHSAA long-term debt as adopted in 1994.
  - a. 33% reserve (1/3 of operating budget non designated) after five years.
  - b. 50% reserve (1/2 of operating budget non designated) after ten years.
  - c. 100% reserve (1/1 of operating budget non designated) after fifteen years.
3. The Association Staff and Board of Control have created several "Designated Funds" to allow for future expenditures to occur without jeopardizing current operations. In doing this, the Association avoids the "use or lose" mentality exhibit by some businesses due to budgeting cycles.

### Stated prior goals of Board as it relates to finances (prior to FY of building debt retirement)

1. Pay off long term debt while building necessary reserves (DONE)
2. Monitor and adjust if necessary, team expense reimbursement.
3. Ensure that state championships are fully funded as quality events for participants.
4. Monitor Award and Other Expense Costs
5. Analyze potential for return of reimbursement in individual sports for schools with competitors.
6. Return excess funds to schools as soon as possible using systematic rebate formula while not jeopardizing school dues receipts in the spring/summer for cash flow maintenance.

### Budget Assumptions

1. Internal and external corporate sponsor receipts only budgeted per contracts
2. Sports Expenses and Receipts predictable due to advance site selections
3. Initial Estimates and Projections on 5-year average

### Association Audited Financial Position – Beginning of SY2015-2016 (July 1, 2015)

	<b>Cash/Liquid Assets</b>		
10125	Cash – PNC Checking (after accumulated transfer)	\$786,067.83	
10150	Cash-PNC Event and Web Account	\$163,061.39	
10175	Paypal Transaction Account	\$90,619.85	
10225	BLDF-Forch Bank (houses Museum Funds)	\$17,590.97	
10275	Stout Memorial Fund	\$14,814.87	
10300	RTF-Montgomery Traders Bank (Sick Leave Reserve)	\$103,806.76	
10550	Dawahare Restricted Account (after accumulated transfer)	\$0.00	
	Investments Unrestricted	\$0.00	
	Accounts Receivable	\$319,482.34	
	<i>Total Fund Sources</i>		<b>\$1,495,444.01</b>
	<b>Legally Restricted Funds</b>		
20000	Accounts Payable	\$169,266.31	
22100	Accrued Sick Leave	\$107,536.89	
27000	Unearned School Dues	\$60,800.00	
27100	Unearned Officials Dues	\$197,600.00	
27200	Unearned Advance Prepayments	\$25,010.00	
37500	Stout Memorial Fund	\$14,785.00	
38400	Unawarded Sportsmanship Scholarships	\$8,740.86	
38500	Unawarded PNC/National City Scholarships	\$4,915.73	
38600	Unawarded Baseball Scholarships	\$1,000.00	
38700	Unawarded Fifth Third Scholarships	\$0.00	
38950	Unawarded Leachman Golf Scholarships	\$500.00	
38960	Unawarded Pannell Swim Scholarships	\$1,700.00	

38970	Unawarded Rawlings Softball Scholarships	\$1,500.00	
38980	Unawarded Rawlings Baseball Scholarships	\$1,000.00	
	<i>Total Restricted Funds</i>		\$594,354.99
	<i>Total Funds without Legal Restrictions (beginning of FY15-16)</i>		\$901,089.02
	<b>Board Designated Funds</b>		
35300	Equipment Reserve	\$26,815.97	
35400	Officials Division Reserve	\$46,878.42	
35500	Accrued Sick Leave	\$0.00	
35600	Physical Plant Reserve	\$56,594.27	
35700	Museum Development (Designated)	\$0.00	
35900	Trademark / Novelty Reserve	\$44,191.55	
36000	Student Leadership Programs	\$4,315.00	
36100	Title IX Project Reserve	\$19,159.05	
36300	Dawahares/KHSAA Hall of Fame Designation	\$0.00	
36400	Promotions and Media Reserve	\$86,323.71	
36500	Archives Reserve	\$36,723.56	
36600	Web Development Reserve	\$38,010.43	
37000	Designated Museum Development	\$17,555.84	
	<i>Total Board Designations (beginning of FY15-16)</i>		\$376,567.78
	<i>Total Unrestricted Available Funds (beginning of FY15-16)</i>		\$524,521.24