LAKOTA LOCAL SCHOOL DISTRICT-BUTLER COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2018, 2019 and 2020 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2021 THROUGH JUNE 30, 2025

LAKOTA
LOCAL SCHOOLS

Forecast Provided By
Lakota Local School District
Treasurer's Office
Ms. Jenni Logan, Treasurer/CFO

May 24, 2021

Lakota Local School District

Butler County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

		Actual				Forecasted				
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
	Revenues									
1.010	General Property Tax (Real Estate)	97,670,034	97,495,142	100,372,603	1.4%	106,047,366	108,935,877	110,528,738	112,350,168	114,249,244
1.020	Tangible Personal Property	18,095	2,099	4,268	7.5%	2,146	0	0	0	0
1.030	Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	51,451,089	51,352,680	48,019,862	-3.3%	50,523,353	51,524,177	51,447,209	51,420,423	51,683,646
1.040	Restricted State Grants-in-Aid	141,940	151,891	151,776	3.5%	151,776	1,092,842	1,429,763	1,718,219	1,718,219
1.045	Restricted Fed. SFSF Fd. 532 FY10&11/Ed Jobs Fd.504 FY12	0	0	0	0.0%	0	0	0	0	0
1.050	Property Tax Allocation	10,484,541	10,188,753	10,292,275	-0.9%	10,480,153	10,531,990	10,627,007	10,800,825	10,991,068
1.060	All Other Revenues	19,657,578	21,030,779	21,662,638	5.0%	20,216,915	20,391,767	20,510,413	20,634,019	20,762,817
1.070	*Total Revenues*	179,423,277	180,221,344	180,503,422	0.3%	187,421,709	192,476,653	194,543,130	196,923,654	199,404,994
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020	State Emergency Loans and Advancements (Approved)	0	0	0	0.0%	0	0	0	0	0
2.040	Operating Transfers-In	0	0	4,304,536	0.0%	732,413	2,082,747	879,884	0	0
2.050	Advances-In	8,839	0	0	0.0%	597,959	20,000	20,000	20,000	20,000
2.060	All Other Financing Sources	136,885	112,889	125,918	-3.0%	130,612	131,918	133,237	134,569	135,915
2.070	*Total Other Financing Sources*	145,724	112,889	4,430,454	1901.0%	1,460,984	2,234,665	1,033,121	154,569	155,915
2.080	*Total Revenues and Other Financing Sources*	179,569,001	180,334,233	184,933,876	1.5%	188,882,693	194,711,318	195,576,251	197,078,223	199,560,909
	Expenditures									
3.010	Personal Services	87,971,208	94,134,285	99,634,532	6.4%	103,281,156	106,852,655	110,428,676	114,094,908	117,426,480
3.020	Employees' Retirement/Insurance Benefits	29,996,697	31,266,755	33,241,346	5.3%	33,903,182	35,590,794	37,494,301	39,505,996	41,572,582
3.030	Purchased Services	36,726,498	35,317,800	34,682,824	-2.8%	36,462,920	37,818,466	38,774,167	39,950,797	40,571,828
3.040	Supplies and Materials	4,472,115	4,759,646	4,129,880	-3.4%	3,916,328	4,105,816	4,167,403	4,229,914	4,293,363
3.050	Capital Outlay	800,291	742,564	1,508,842	48.0%	873,635	886,740	900,041	913,541	927,244
3.060	Intergovernmental	0	0	0	0.0%	0	0	0	0	0
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	663,000	638,000	653,000	-0.7%	664,000	689,000	689,000	689,000	689,000
4.020	Principal-Notes	0	0	0	0.0%	0	0	0	0	0
4.030	Principal-State Loans	0	0	0	0.0%	0	0	0	0	0
4.040	Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0
4.050	Principal-HB 264 Loans	777,000	802,000	827,000	3.2%	846,000	856,000	856,000	856,000	856,000
4.055	Principal-Other	0	0	0	0.0%	0	0	0	0	0
4.060	Interest and Fiscal Charges	344,180	295,861	351,652	2.4%	211,567	183,113	183,113	183,113	183,113
4.300	Other Objects	1,692,181	1,744,507	2,217,918	15.1%	1,305,999	1,366,220	1,326,605	1,387,156	1,347,875
4.500	*Total Expenditures*	163,443,170	169,701,418	177,246,994	4.1%	181,464,787	188,348,804	194,819,306	201,810,425	207,867,485
	Other Financing Uses									
5.010	Operating Transfers Out	1,743,379	1,825,221	6,171,686	121.4%	2,532,413	3,882,747	2,679,884	1,800,000	1,800,000
5.020	Advances-Out	0	0	597,959	0.0%	20,000	20,000	20,000	20,000	20,000
5.030	All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040	*Total Other Financing Uses*	1,743,379	1,825,221	6,769,645	137.8%	2,552,413	3,902,747	2,699,884	1,820,000	1,820,000
5.050	*Total Expenditures and Other Financing Uses*	165,186,549	171,526,639	184,016,639	5.6%	184,017,200	192,251,551	197,519,190	203,630,425	209,687,485
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	14,382,452	8,807,594	917,237	-64.2%	4,865,493	2,459,767	(1,942,939)	(6,552,202)	(10,126,576)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	84,991,474	99,373,926	108,181,520	12.9%	109,098,757	113,964,250	116,424,017	114,481,078	107,928,876
7.020	*Cash Balance June 30*	99,373,926	108,181,520	109,098,757	4.9%	113,964,250	116,424,017	114,481,078	107,928,876	97,802,300
8.010	*Estimated Encumbrances June 30*	423,349	641,848	303,421	-0.6%	500,000	500,000	500,000	500,000	500,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials	0	0	0	0.0%	0	0	0	0	0
9.020	Capital Improvements	0	0	0	0.0%	0	0	0	0	0
9.030	Budget Reserve	0	0	0	0.0%	0	0	0	0	0
9.040	DPIA	0	0	0	0.0%	0	0	0	0	0
9.045	Fiscal Stabilization	0	0	4,304,536	0.0%	5,036,949	7,119,696	7,999,580	7,999,580	7,999,580
9.050	Debt Service	0	0	0	0.0%	0	0	0	0	0
9.060	Property Tax Advances	0	0	0	0.0%	0	0	0	0	0
9.070	Bus Purchases	0	0	0	0.0%	0	0	0	0	0
9.080	*Subtotal*	0	0	4,304,536	0.0%	7,999,580	7,999,580	7,999,580	7,999,580	7,999,580
10.010	*Fund Balance June 30 for Certification of Appropriations*	98,950,577	107,539,672	104,490,800	2.9%	105,464,670	107,924,437	105,981,498	99,429,296	89,302,720

Lakota Local School District

Butler County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

		Actual				Forecasted				
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	0	0
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	0	0	0
11.300	Cumulative Balance of Replacement/Renewal Levies	0	0	0	0.0%	0	0	0	0	0
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	98,950,577	107,539,672	104,490,800	2.9%	105,464,670	107,924,437	105,981,498	99,429,296	89,302,720
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	0	0	0	0.0%	0	0	0	0	0
14.010	Revenue from Future State Advancements	0	0	0	0.0%	0	0	0	0	0
15.010	*Unreserved Fund Balance June 30*	98,950,577	107,539,672	104,490,800	2.9%	105,464,670	107,924,437	105,981,498	99,429,296	89,302,720

Lakota Local School District – Butler County
Notes to the Five-Year Forecast
General Fund, Related Debt and Federal Funds Only
May 24, 2021

Introduction to the Five Year Forecast

School districts are required to file a five (5) year financial forecast by November 30, 2020, and May 31, 2021 for fiscal year 2021 (July 1, 2020 to June 30, 2021). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. Fiscal year 2021 (July 1, 2020-June 30, 2021) is the first year of the five-year forecast and is considered the baseline year. Our forecast has been updated to reflect the most current economic data available to us for the May 2021 filing.

Economic Outlook

This five-year forecast is being filed during a recovery from the COVID-19 pandemic and a health and financial struggle that encompassed our state, country and global economy. School districts play a vital role in their communities and we believe it is important to maintain continuity of services to our students and staff. The district has maintained services to students throughout the pandemic. The State of Ohio's economic pressure has not been as great as first expected due to the effects of the pandemic thus the restoration of a portion of the original school foundation funding cuts was ordered by the Governor on January 22, 2021. Federal funding sent to school districts through the Elementary and Secondary Schools Education Relief Funds (ESSER) and Coronavirus Relief Fund (CRF) have been a much needed resource to offset the loss of state funding. Additional Federal CARES Act funding was used to cover the costs of additional technology needs, personal protective equipment, supplant salaries, and cleaning costs caused by the pandemic. Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

May 2021 Updates:

<u>Revenues FY21:</u>

The overview of revenues shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues (line 1.07) are estimated to be $187,421,709 or 2.02% higher than the November forecasted amount of $183,704,024. This indicates the November forecast total revenue was 97.98% accurate.

State Aide, as noted above, began the year with continued cuts at the FY20 level; however, on January 22, 2021 Governor DeWine reinstated funding of approximately 54.84% of those reductions thus having a positive impact of $1,880,530 for our district's revenue.

All other areas of revenue are tracking as anticipated for FY21 based on our best information at this time.

<u>Expenditures FY21:</u>

Total General Fund expenditures (line 4.5) are estimated to be $181,464,787 for FY21 which is below the original estimate of $187,140,501 in the November forecast. The expenditure lines most significantly below projections are Purchased Services (line 3.03) due to Open Enrollment, Community School tuition, and other tuitions from the State coming in under budget and Supplies and Materials (line 3.040) due to lower than anticipated spending on maintenance supplies and fuel. The SWSF, CRF, and ESSER Funds the district received has helped lower costs originally projected in the general fund. This will have a positive effect on the long-term forecast.

<u>Unreserved Ending Cash Balance</u>:

With revenues increasing over estimates and expenditures ending below estimates, our ending unreserved cash balance June 30, 2021 is anticipated to be roughly $113.4 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2025 if assumptions we have made for state aid in future state budgets remain close to our estimates, and there are no future state budget cuts to our funding beyond FY21.

<u>Forecast Risks and Uncertainty:</u>

A five year financial forecast has risks and uncertainty not only due to economic uncertainties noted above but also due to state legislative changes that will occur in the spring of 2021 and 2023 due to deliberation of the next two (2) state biennium budgets for FY22-23 and FY24-25, both of which affect this five year forecast. We have estimated revenues and expenses based on the best data available to us and the laws in effect at this time. The items below give a short description of the current issues and how they may affect our forecast long term:

I. Butler County experienced a full reappraisal in the 2020 tax year and was being collected in calendar year 2021**.** The 2020 reappraisal increased overall residential assessed values by 13.33%. A reappraisal update will occur in tax year 2023 for collection in calendar year 2024. We anticipate value increases for residential and commercial property by an overall rate of 4.27% at that time. We feel these estimates are conservative, but they could unexpectedly be lower which would reduce anticipated property tax collections. New construction assessed value in 2020 for residential property was $39.6 million and $25 million for commercial industrial property. Commercial property also realized a $7.3 million increase in exempt property while Board of Revision updates reduced these values by $1.5 million.

II. HB166 the current state budget for FY20-21 initially froze funding for all school districts in Ohio at their FY19 level with two exceptions; student wellness and success funding (SWSF) and enrollment growth supplement funds. Student Wellness and Success is new revenue to school districts in FY20 and FY21, but is restricted in use and must be placed in Fund 467 and is not included in the forecast at this time. We have assumed this restricted revenue will return as foundation dollars with the next biennial budget (FY22-23). Therefore, the revenue and expenditures will return to the general fund and the five-year forecast. Enrollment Growth Supplement money is paid to a small number of growing districts. Our district is estimated to receive enrollment growth money for FY21 and we will treat it as guaranteed FY22-25.

III. While state foundation funding was initially guaranteed at the FY19 level, the Coronavirus pandemic caused the most rapid and largest decrease of employment in history. In order to balance the State Budget on May 6, 2020 the Governor ordered a $300.5 million reduction of state foundation funding to school districts by the end of June 2020. These cuts were to continue through FY21 as well; however the Governor subsequently reinstated $160 million of these reductions to school districts in an executive order dated January 22, 2021. With the economy rebounding from the sharp drop in employment in March and April 2020 and state tax revenues well above estimates for FY21, we anticipate funding will remain unchanged for the rest of FY21. Governor DeWine submitted his FY22-23 biennial budget (Sub. HB110) which returns state foundation funding to schools at their FY19 funded level. The biennial budget is now working its way through the legislative process. HB1, also known as the Fair School Funding Bill, was introduced on February 4, 2021 and has worked its way through the legislative process in the House where it has been combined with Sub. HB110. The bill now sits with the Senate. The certainty of foundation funding levels will not likely be known until late June 2021. At this time, the FY19 funding level is the basis for districts state funding in FY22 and FY23. We believe Ohio's economy will continue to improve through FY21 and that FY22-25 will see funding returned to the FY19 levels at a minimum. At this time, we are projecting a very small increase beyond the FY19 levels until the state budget is known for FY22 and FY23.

IV. Property tax collections are the largest single revenue source for the school system. The housing market in our district is stable. We project continued growth in appraised values every three (3) years and new construction growth with continued modest increases in local taxes. Total local revenues, which are predominately local taxes, equate to 67% of the district's resources. Collection rates for the 1st half 2020 collection, collected in 2021 did not show sharp declines due to increased delinquencies. We believe there is a low risk that local collections would fall below projections in the forecast.

V. The State Budget represents 33% of district revenues and is an area of risk to revenue. The future risk comes in FY22 and beyond if the state economy stalls or worsens and the funding formula in future state budgets reduces funding to our district. There are two future State Biennium Budgets covering the period from FY22-23 and FY24-25 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long range through FY25. We have projected our state funding to be in line with the FY19 funding level FY22 through FY25, which we feel is conservative and should be close to whatever the state approves for the new FY22-23 biennium budget. We will adjust the forecast in future years as we have data to help guide this decision.

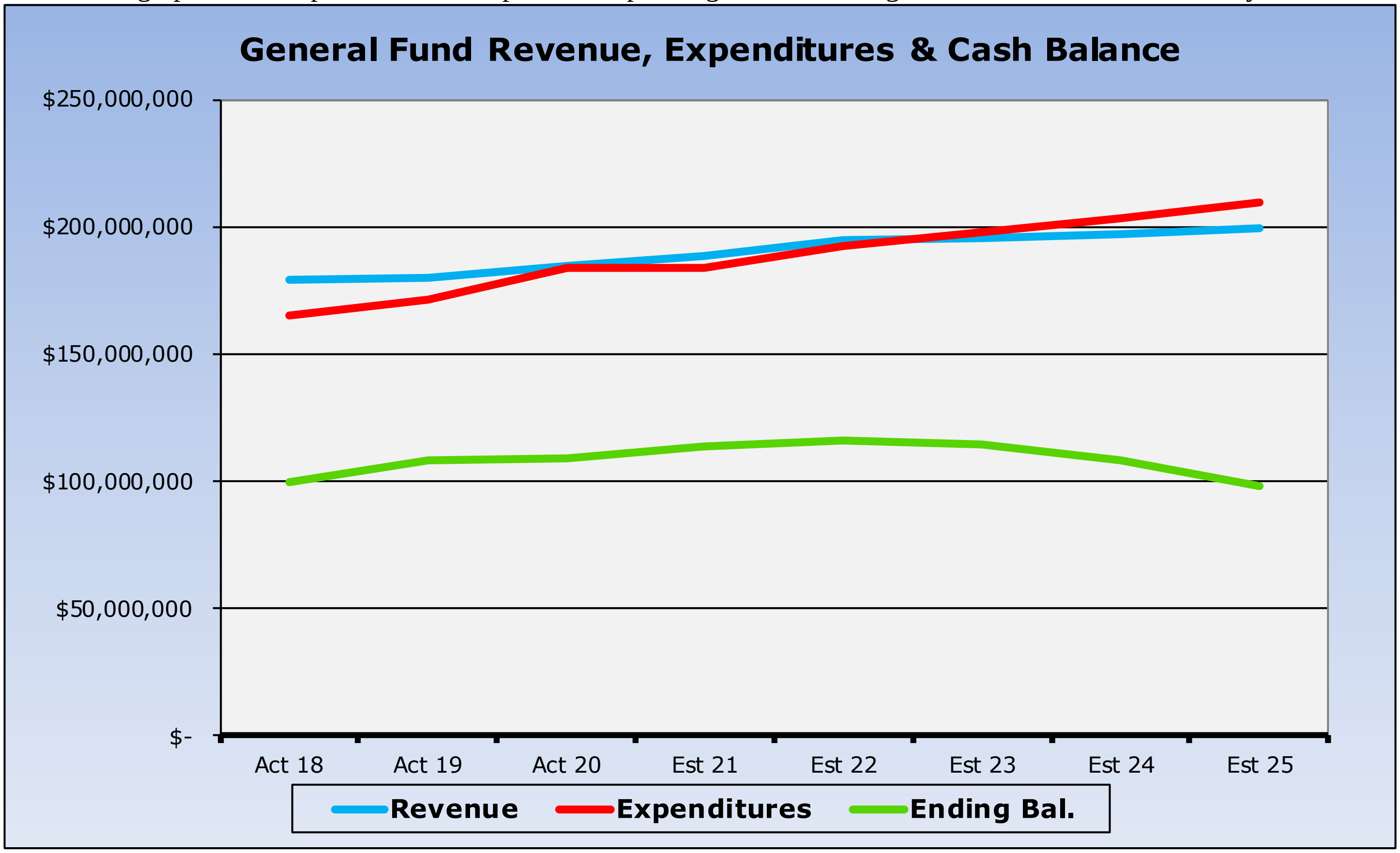
VI. HB166 continues the many provisions contained in prior state biennium budgets that will continue to draw funds away from our district through continuing school choice programs such as College Credit Plus, Community Schools and increases in per pupil scholarship amounts deducted from our state aid in the 2019-21 school years, even though funding for our students was not increased to our district for this biennium budget. These are examples of school choice programs that increase with each biennium budget and cost the district money. Expansion or creation of programs such as these can expose the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely as the proposed new state budget bill Sub. HB110 moves through the legislative process.

VII. Labor relations in our district have been amicable with all parties working for the best interest of students. We believe as we move forward our positive working relationship will continue. Both labor union contracts cover the period of July 1, 2021 through June 30, 2024.

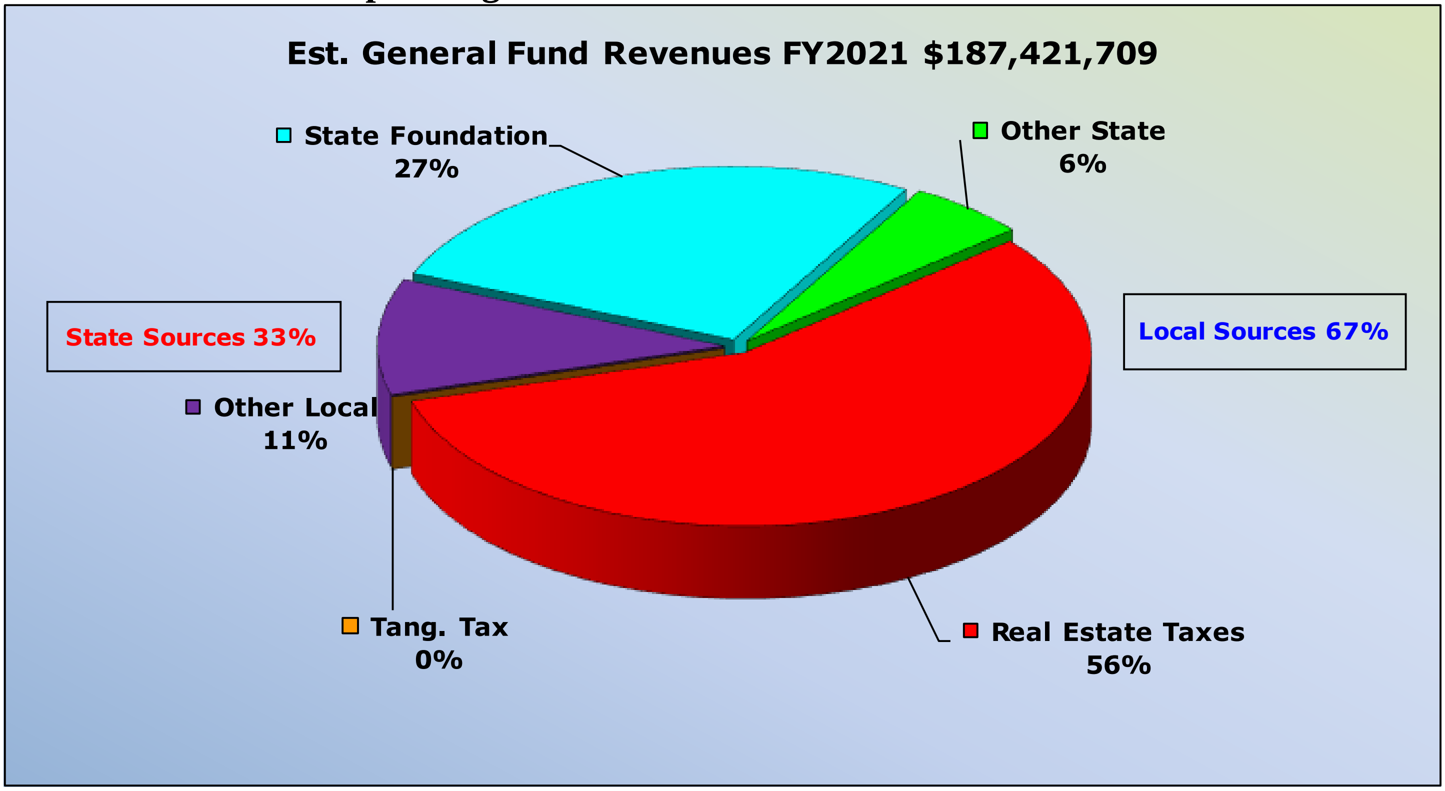
The district's five-year forecast identifies major revenue, expenditures and balances by line number. Those major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the actual forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Ms. Jenni Logan, Treasurer/CFO of Lakota Local Schools at 513-644-1180.

General Fund Revenue, Expenditures and Ending Cash Balance Actual FY18-20 and Estimated FY21-25

The graph below captures in one snapshot the operating scenario facing the District over the next few years.



Revenue Assumptions
Operating Revenue Sources General Fund FY21



Real Estate Value Assumptions – Line # 1.010

Property values have shown a trend of recovering since 2014 and the pace of the recovery is picking up. Our 2020 reappraisal shows value increasing at a pace not seen since before 2008. When the district values rise due to inflation, HB920 will reduce voted tax rates so there is no increase other than on the unvoted inside millage amount. As we get further away from the recession of 2008, our values will continue to increase and HB920 will prevent our district from collecting additional revenues from those increased values.

Property Values are established each year by the Butler County Auditor based on new construction and complete reappraisal or updated values, which occur every three (3) years. The full reappraisal for 2020 has shown 13.33% increase for residential and 8.55% increase for commercial. Our new construction continues to exceed our expectations. We are watching new construction closely to determine the trend direction for the forecast period. A reappraisal update will occur in tax year 2023 for collection in calendar year 2024. We anticipate value increases for residential and commercial property by an overall rate of 4.27% at that time.

Tangible personal property (TPP) values decreased to $-0- in 2011 because of HB66 passed in 2005 to be effective July 1, 2005.This began a systematic phase-out of this tax base statewide to be replaced by a Commercial Activities Tax (CAT). The district has not been held harmless from the loss of the local taxes by the state TPP reimbursements noted below for Line # 1.050, under TPP Reimbursements due to cuts made in HB153 reimbursements. In 2004, our district's TPP values were $183,373,135 and yielded the General Fund $11,119,738, in local taxes, which is equivalent to losing a 4.42 mill levy each year. Eliminating the TPP taxes, in effect, transferred the burden for those lost dollars into increased taxes on local taxpayers, a shift of taxes from businesses to residential taxpayers.

CAUV values represent 0.7% of Class I residential/agricultural values and therefore is not a significant part of our tax base. HB49 authorized a reduction in CAUV computations that will result in these values falling on average by 30%. These reductions will occur in 2020 for our district and have been factored into the overall Class I value increase of 13.33%, which is marginally lower than it would have been without this change to HB49.

Estimated Assessed Property Valuations by Collection Years

Classification	Estimated TAX YEAR2020 COLLECT 2021	Estimated TAX YEAR2021 COLLECT 2022	Estimated TAX YEAR2022 COLLECT 2023	Estimated TAX YEAR2023 COLLECT 2024	Estimated TAX YEAR2024 COLLECT 2025
Res./Ag.	$2,764,842,730	$2,785,792,730	$2,811,742,730	$2,983,279,866	$3,019,229,866
Comm./Ind.	725,086,160	733,586,160	742,086,160	761,717,452	770,217,452
Public Utility (PUPP)	132,574,500	137,574,500	142,574,500	147,574,500	152,574,500
Total	$3,622,503,390	$3,656,953,390	$3,696,403,390	$3,892,571,819	$3,942,021,819

Estimated Real Estate Tax Collections

Property tax levies are estimated to be collected at 98.5% of the annual amount. This allows for a 1.5% delinquency factor. Lower collection rates predicted due to the COVID-19 pandemic and economic slowdown did not occur. In general, 52.3% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the February tax settlement and 47.7% collected in the August tax settlement. Public Utility tax settlements (PUPP taxes) are estimated to be received 51% in February and 49% in August settlement from the County Auditor and are noted in Line #1.02 totals below.

Tax Levies	Year Approved	Last Calendar Year of Collection	Full Tax Rate (per $1,000 of assessed valuation)	Effective Rates Res/Ag	Effective Rates Comm/Ind
Inside Ten Mill Limitation	n/a	n/a	6.49	6.49	6.49
Continuing Operating	1976	n/a	15.88	2.58	4.15
Continuing Operating	1978	n/a	3.80	0.62	0.99
Continuing Operating	1985	n/a	5.90	1.88	2.33
Continuing Operating	1988	n/a	5.67	2.03	2.65
Continuing Operating	1991	n/a	5.90	2.87	3.69
Continuing Operating	1996	n/a	6.50	3.64	4.76
Continuing Operating	2000	n/a	4.90	3.13	3.90
Continuing Operating	2005	n/a	5.60	4.38	4.45
Continuing Operating	2013	n/a	3.50	2.74	2.78
Total Gross & Effective Tax Rates			**64.14**	**30.36**	**36.19**

Amounts noted below also include public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted on the table above under Public Utility (PUPP), which were $132.5 million in assessed values in 2020 and are collected at the district's gross voted millage rate. Collections are typically 51% in February and 49% in August along with the real estate settlements from the county auditor. The values in 2020 increased by 14.6% or $16.9 million, and are expected to grow by $5 million each year of the forecast.

Estimated Real Estate Tax Collections - Line #1.010

Source	FY21	FY22	FY23	FY24	FY25
Estimated Real Estate Tax Line # 1.010	$106,047,366	$108,935,877	$110,528,738	$112,350,168	$114,249,244

New Tax Levies – Line #13.020

No new tax levies are modeled in this five-year forecast.

Estimated Tangible Personal Tax – Line#1.020

The phase out of TPP taxes as noted earlier began in FY06 because of HB66, which systematically phased out General Personal Property tax along with telephone/railroad public utility property by 2011. The last collection of local TPP taxes was October 2010. Any amounts received in the forecast period are from settlement of old outstanding delinquent TPP taxes. These settlements are not determinable and are not estimated.

Source	FY21	FY22	FY23	FY24	FY25
Tangible Personal Property Taxes (TPP)	$2,146	$0	$0	$0	$0

Current State Funding Model Per HB166 Through June 30, 2021

A) Unrestricted State Foundation Revenue– Line #1.035

The amounts estimated for state funding are based on HB166 which on May 6, 2020 was cut and then funding partially restored by executive order signed January 22, 2021 by the Governor. Initially state aid funding for all 610 traditional school districts and 49 Joint Vocational and Career Centers was frozen for FY20 & FY21 at the FY19 funding level. The State Foundation Funding Formula used since FY14 was dropped in FY20 after six (6) years. The Fair School Funding plan, which has been included in the House version of the state budget bill, Sub HB110, may produce a successor funding formula for the FY22-23 biennium budget. Currently Sub.

Foundation Reduction and HB164 for FY20

In FY20 the Governor ordered a reduction of state foundation funding by $300.5 million to be reduced from districts bi-monthly payments by the end of June 2020. The reductions were made using an equalized per-pupil approach which resulted in districts with less local capacity to raise revenue to receive smaller percentage decreases. The state-share index that was last calculated in FY19 was used to apportion the FY20 ordered reduction to traditional public-school districts.

Foundation Funding Partially Restored January 22, 2021 for FY21

On January 22, 2021 the Governor signed an executive order reinstating $160 million of previous cuts to public schools thus reducing the cuts in FY21. At this time, the state funding for FY21 is being reduced $1,880,530 from the FY19 amount.

Supplemental Funding for Student Wellness and Success (Restricted Fund 467)

Nearly all of the new funding for K-12 public education in the FY20-21 Executive Budget is provided through a formula allocating $250 million in FY20 and $358 million in FY21 based upon each district's percentage of students in households at or below 185% of the Federal Poverty Level (FPL) and the total number of students enrolled in each district. In FY21, proposed funding ranges from $30 per student to $360 per student. All schools and students are to receive a minimum additional funding of $36,000 in FY21. All districts are guaranteed to get 131% of what they received in FY20, and the proposed state budget (Sub. HB110) is guaranteeing all districts will get 100% of what they received in FY21 for FY22 and FY23. Our district is estimated to receive $941,066 in FY21. Money will be received twice each year in October and February. These dollars are to be deposited in a Special Revenue Fund 467 and are restricted to expenses that follow a plan developed in coordination with two approved community partner organizations per Sub. HB110.

At this time, our district is spending money in our General Fund that is servicing student needs as identified in 3317.26 (B) and our approved plan, which we will recode to Fund 467 for FY20 and FY21, then return these expenses to the General Fund for FY22-25 as we have no direction on the future continuation of this funding. The General Fund reflects the reduction of these expenses for FY20 and FY21 and increase in expenses and revenue in FY22-25.

Future State Budgets: Our funding status for the FY22-25 will depend on two (2) new state budgets which are unknown. With the change to the state funding and reductions for FY20-21 state amounts, we will increase funding in FY22 back to FY19 levels and hold it level through FY25. We believe our current state funding estimates for FY21-25 are reasonable and that we will adjust the forecast in the future when we have authoritative data to work with.

Casino Revenue

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos one each in Cleveland, Toledo, Columbus and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% GCR that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year which began for the first time on January 31, 2013.

Due to the COVID-19 pandemic, casinos were closed from March 12, to June 18, 2020. We are reducing the amount of funding in FY21 by 21.67% then increasing the amount in FY22 back to FY20 levels as Casino revenues appear to have dipped largely due to their closure and not in response to the economic downturn. Prior to COVID-19 closure, casino revenues were growing modestly as the economy improved. Original projections for FY21-25 estimated a .4% decline in pupils to 1,778,441 and GCR increasing to $95.5 million or $53.75 per pupil. We believe it will be FY22 when revenues return to the post COVID-19 level.

Source	FY21	FY22	FY23	FY24	FY25
Basic Aid-Per HB166	$46,911,306	$47,275,307	$47,180,227	$47,134,821	$47,379,086
Additional Items	2,300,229	2,740,229	2,740,229	2,740,229	2,740,229
Basic Aid- Subtotal	49,211,535	50,015,536	49,920,456	49,875,050	50,119,315
Casino & Catastrophic Aid	1,311,818	1,508,641	1,526,753	1,545,373	1,564,331
Total Unrestricted State Aid Line # 1.035	$50,523,353	$51,524,177	$51,447,209	$51,420,423	$51,683,646

Restricted State Revenues – Line # 1.040

HB166 continues funding two restricted sources of revenues to school districts, which are Economic Disadvantaged Funding and Career Technical Education Funding. The forecast will reflect an increase in FY22 of Student Wellness and Success Funds, and these funds returning to the general fund FY22-25. The amount of the Economically Disadvantaged Aid and Career Tech is estimated to remain stable each remaining year of the forecast. We have incorporated this amount into the restricted aid amount in Line # 1.04 for FY20-25.

Source	FY21	FY22	FY23	FY24	FY25
Economically Disadvantaged	$118,724	$118,724	$118,724	$118,724	$118,724
Career Tech Aid	33,052	33,052	33,052	33,052	33,052
Student Wellness and Success Funds	0	941,066	1,277,987	1,566,443	1,566,443
Total Restricted State Revenues Line # 1.040	$151,776	$1,092,842	$1,429,763	$1,718,219	$1,718,219

Restricted Federal Grants in Aid – line #1.045

The federal government announced a relief package for citizens, businesses, and local governments. Based on simulations provided by the Ohio Department of Education, our district is anticipating a distribution of $1,368,379 in FY21. These funds will be used to offset losses to our state foundation revenue to continue meeting the needs of our students.

Summary of State Aid Projections

Summary	FY21	FY22	FY23	FY24	FY25
A) Unrestricted State Aid Line # 1.035	$50,523,353	$51,524,177	$51,447,209	$51,420,423	$51,683,646
B) Restricted State Aid Line # 1.040	151,776	1,092,842	1,429,763	1,718,219	1,718,219
C) Restricted Federal Grants Line # 1.045	0	0	0	0	0
Total State Foundation Revenue	$50,675,129	$52,617,019	$52,876,972	$53,138,642	$53,401,865

State Tax Reimbursements/Property Tax Allocation – Line #1.050

A) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from Ohio for tax credits given owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013, which is the effective date of HB59. HB66, the FY06-07 budget bill, previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007, HB119 expanded the Homestead Exemption for all seniors 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the state is increasing the tax burden on our local taxpayers.

B) Tangible Personal Property Reimbursements – Fixed Rate

School districts were to be reimbursed for the TPP tax losses by the state of Ohio at varying levels through 2026 but those reimbursements were severely curtailed or eliminated by HB153 effective July 1, 2012. The state of Ohio reduced its funding to school districts for TPP reimbursements from $1.13 billion in FY11 to $510 million in FY13, where it froze for FY15. HB64 the previous state budget eliminated TPP reimbursements to our district going forward. Our current state budget HB166 does not contain a TPP supplement or guarantee. Our district is losing $3.14 million each year because of legislative cuts to our funding.

Source	FY21	FY22	FY23	FY24	FY25
Rollback and Homestead	$10,480,153	$10,531,990	$10,627,007	$10,800,825	$10,991,068

Other Local Revenues – Line #1.060

The School District received payments in lieu of taxes from several TIFs and RIDs to help facilitate economic development within the district. These are significant revenue sources for the district. In total the Lakota Local School District's borders include 8 TIF districts for West Chester Township, 12 TIF/RID districts for Liberty Township and 4 TIF districts for Butler County. The District currently receives compensation on all but one TIF, the Union Centre Boulevard (UCB) TIF. The TIF district was created before legislation was adopted which required school district involvement and approval. Due to the early expiration of a portion of the UCB TIF the District began receiving tax revenue in the collection year of 2019. West

Chester did extend the remaining UCB TIF district for 15 years but at the same time worked with the District to modify the current 747 TIF. The modifications agreed to in this amendment are predicted to produce an additional $2 million in revenue for the District, beginning in tax collection year 2020. All other TIFs involve some sort of compensation agreement with the district. Unfortunately, not all agreements hold the district financially harmless. The district strives to balance the economic vitality of the entire community with the financial well-being of the district. Two RIDs in Liberty Township have also been terminated early: Hawthorne Hills and Allen Estates, which have lowered our payments beginning in 2018 and beyond. This has merely moved the revenue line item from Other Local Revenues to Real Estate Tax collections.

The school district receives tuition for special education students from other districts who attend the Lakota Local School District. Tuition is forecasted to increase slightly for fiscal years 2021 through 2025. The District does allow open enrollment tuition now and has held the cap in an attempt to offset the open enrollment number of students going out. The goal is to try to make the open enrollment in this District a non-issue on the financial statements and not require any additions to staff. Beginning in FY21 interest is expected to decline due to fed rate reductions, which will impact our earning capability in this area. All other revenues are expected to continue on historic trends. The COVID-19 shutdown could reduce future collections of state funded tuition reimbursements. At this time, we will continue to monitor this line of the forecast for future projections.

Source	FY21	FY22	FY23	FY24	FY25
Payment In Lieu of Taxes	$14,083,860	$14,083,860	$14,083,860	$14,083,860	$14,083,860
Open Enrollment In	1,696,424	1,696,424	1,696,424	1,696,424	1,696,424
Interest	1,179,000	1,179,000	1,202,580	1,226,632	1,251,165
Credit Card Rebates	26,485	26,750	27,018	27,288	27,561
Tuition	1,684,822	1,769,063	1,857,516	1,950,392	2,047,912
Rentals	168,129	252,193	252,193	252,193	252,193
Medicare Reimbursement	750,000	750,000	750,000	750,000	750,000
Miscellaneous	628,195	634,477	640,822	647,230	653,702
Total Other Local Revenues Line # 1.060	$20,216,915	$20,391,767	$20,510,413	$20,634,019	$20,762,817

All Other Financial Sources – Line #2.010 through Line #2.060 & Line #14.010

There is no short-term borrowing planned for in this forecast at this time from any sources. Other financing sources consist of advances that the school district anticipates during the forecasted period. Transfers into the General Fund has increased due to the Boards approval of Budget Stabilization policy 6217 on June 10, 2019. Advances are approved from the general fund to other funds, primarily to cover grant monies that are not received as of fiscal year end. Advances are forecasted based on the historical timeliness of grant monies not received at fiscal year-end.

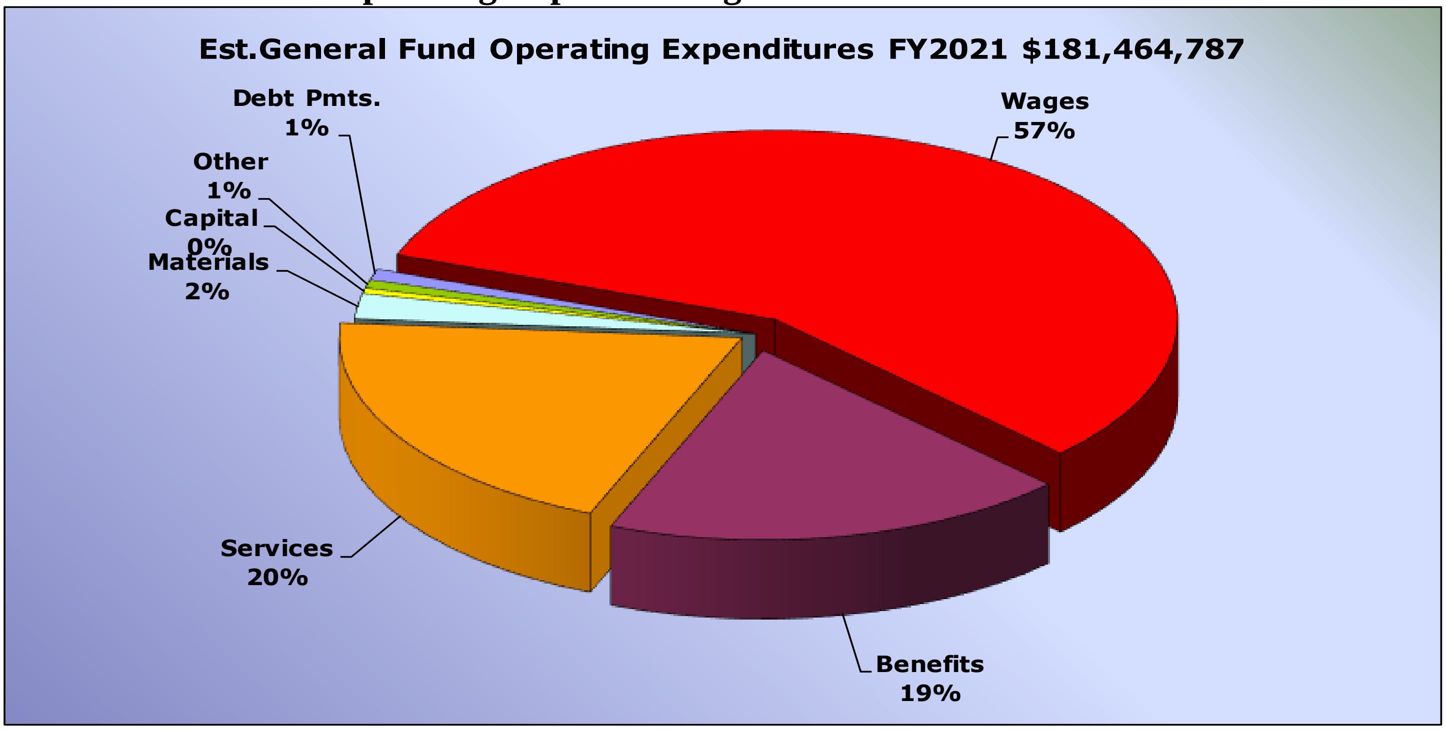
Source	FY21	FY22	FY23	FY24	FY25
Transfers In Line # 2.040	$732,413	$2,082,747	$879,884	$0	$0
Advance Returns # 2.050	597,959	20,000	20,000	20,000	20,000
Total Transfers and Advances In	$1,330,372	$2,102,747	$899,884	$20,000	$20,000

Source	FY21	FY22	FY23	FY24	FY25
Refund of prior years expense Line # 2.060	$130,612	$131,918	$133,237	$134,569	$135,915

Expenditures Assumptions

The district's leadership team is always looking at ways to improve the education of the students whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

All Operating Expense Categories - General Fund FY21



Wages – Line #3.010

The expenditures in this category represent salaries and wages for services rendered for all union and non-union employees. The agreement with the LEA (Lakota Education Association) provides for a 1.97% COLA (cost of living adjustment) for FY21 as well as a 3.5% increase on the base. The contract for LSSA (Lakota School Support Association) transitioned to a new salary schedule, which provided for a 1% COLA and a 2.5% increase on the base for FY21. Administrative and non-represented salary increases have been estimated at 2.25%.

A new agreement with the LEA for FY22-24 was approved in the spring of 2021. The new agreement provides for the same COLA (1.97%) as well as 2% base increase for each year of the contract. A new agreement with the LSSA was also approved in the spring of 2021 for FY22-24. This agreement provides for a COLA as well as 2.5% base increases for each year of the contract.

Stipend, supplemental, severance and sub cost for classified positions are included in this line item also.

Staffing and Enrollment

The District has put into place a process to analyze and audit classroom sizes. We will continue this practice and align classroom teachers to enrollment. The District completed a new demographic study in February 2019. At this time, the forecast reflects three additional gifted positions in FY22. Beyond the three gifted positions, the district is not forecasting additional staff at this time.

Source	FY21	FY22	FY23	FY24	FY25
Base Wages	$99,634,532	$103,281,156	$106,852,655	$110,428,676	$114,094,908
Increases	3,646,624	3,428,934	3,547,508	3,666,232	3,331,571
Additional Staff	0	142,565	28,513	0	0
Total Wages Line #3.010	$103,281,156	$106,852,655	$110,428,676	$114,094,908	$117,426,480

Fringe Benefits - Line #3.020

This area of the forecast captures all costs associated with benefits and retirement costs. With the exception of medical and dental insurance, all are directly related to the wages paid.

A) Retirement Contributions

The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law.

B) Insurance

In January 2019, the District moved from Anthem to Medical Mutual of Ohio (MMO) for health care coverage of its employees. This move facilitated a 1% decrease in premiums, which will remain constant for two (2) additional years through December 31, 2021. We also negotiated a contingent premium agreement, which could result in a payment back to the district if our loss ratios result positively at the end of the third year. Premiums reflect a 1 percent increase for dental insurance. Both increases are 1 percent less than our guaranteed caps. Based on national trends, we are assuming a 7.5 percent annual increase in premiums in calendar year 2022-2025 for health insurance. Additionally, we are assuming a 5 percent annual increase in premiums for dental insurance for the same period. Life insurance is estimated to be $120,000 annually. The district works hard to control these costs.

C) Workers Compensation & Unemployment Compensation

Lakota is one of a handful of Districts in the state who have taken advantage of self-insuring their Workers Compensation. We have historically funded this at slightly less than 1% of wages. This move to self-insurance has saved the District and its residents millions of dollars over the past decade. After meeting with our worker's comp consultant, Hunter Consultants, and analyzing our cash reserve and maximum exposure, we are setting a reserve target of $750,000. To meet this reserve target, we have been taking an advantage of a premium vacation, which will end in 2022. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

D) Medicare

Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

Summary of Fringe Benefits – Line #3.020

Source	FY21	FY22	FY23	FY24	FY25
STRS/SERS	$15,953,880	$16,508,589	$17,062,805	$17,629,717	$18,151,131
Insurance's	16,447,986	17,293,089	18,594,686	19,989,287	21,488,484
Workers Comp/Unemployment	34,536	270,982	270,982	270,982	270,982
Medicare	1,425,280	1,476,634	1,524,329	1,574,510	1,620,485
Other	41,500	41,500	41,500	41,500	41,500
Total Fringe Benefits Line # 3.020	$33,903,182	$35,590,794	$37,494,301	$39,505,996	$41,572,582

Purchased Services – Line #3.030

This line includes contracted services, utilities, legal services, data processing, tuition and professional meetings expenses. We are projecting expenditures to return to 2019 trend increases in 2022 and beyond.

Source	FY21	FY22	FY23	FY24	FY25
Phone, Postage & Advertising	$315,127	$319,854	$324,652	$329,521	$334,464
Transportation	18,438,696	19,169,740	19,550,788	20,130,087	20,130,087
CS/OE/CCP/Scholarships/Tuition	7,087,980	7,442,379	7,814,498	8,205,223	8,615,484
Professional Services	6,742,415	6,813,101	6,915,298	7,019,027	7,124,312
Repairs & Maintenance	459,760	466,656	473,656	480,761	487,973
Rental & Lease Payments	928,394	942,320	956,455	970,802	985,364
Utilities	2,229,103	2,295,976	2,364,855	2,435,801	2,508,875
Travel & Meeting Exp.	140,235	245,411	249,092	252,829	256,621
Property Insurance	121,210	123,028	124,874	126,747	128,648
Total Purchased Services Line # 3.030	$36,462,920	$37,818,466	$38,774,167	$39,950,797	$40,571,828

Supplies and Materials – Line #3.040

Textbooks, copy paper, maintenance supplies and materials, etc. characterize this category of expenses. The cost of diesel fuel for buses and necessary repairs required for existing school buildings are forecasted to increase for fiscal years 2022 through 2025 and return to normal trend levels at 1.5 percent. Personal protective equipment and cleaning supplies related to COVID-19 were purchased using CRF and ESSER funds, which alleviated impact to the general fund.

Additional ESSER II and III will be allocated to our district that can be used through September, 2023 and September 2024, respectively, which will continue to offset the COVID expenses and help with academic support for lost learning due to school closures as a result of the pandemic. These final adjustments will be made when the plans have been approved in the state CCIP program and the required hearings for ESSER III have taken place. Interim final rules for ESSER III were just released on April 22, 2021. There is more information forthcoming on use of these funds as of the filing of this forecast.

Source	FY21	FY22	FY23	FY24	FY25
General Supplies	$171,830	$214,788	$218,009	$221,279	$224,599
Instructional Supplies	702,793	713,335	724,035	734,896	745,919
Health Supplies	15,919	16,157	16,400	16,646	16,896
Textbooks & Library Books	787,101	814,650	826,869	839,272	851,861
Building Maintenance Supplies	746,204	832,017	844,498	857,165	870,023
Fuel for vehicles	792,114	803,996	816,056	828,296	840,721
Software & Computer Supplies	700,367	710,873	721,536	732,359	743,344
Total Supplies and Materials Line # 3.040	$3,916,328	$4,105,816	$4,167,403	$4,229,914	$4,293,363

Equipment – Line #3.050

The capital outlay category consists of any item with a life expectancy of five years or more, such as land, buildings, ground improvements, computers/technology, buses, vehicles, furnishings and equipment. With the passage of the permanent improvement 2 mill levy, we are able to move most of the expenditures for the upkeep and maintenance of all 25 of the Districts' facilities. The PI funds are not maintained in the general fund and is not reflected in the five-year forecast.

Source	FY21	FY22	FY23	FY24	FY25
Equipment	873,635	886,740	900,041	913,541	927,244
Total Capital Outlay Line # 3.050	$873,635	$886,740	$900,041	$913,541	$927,244

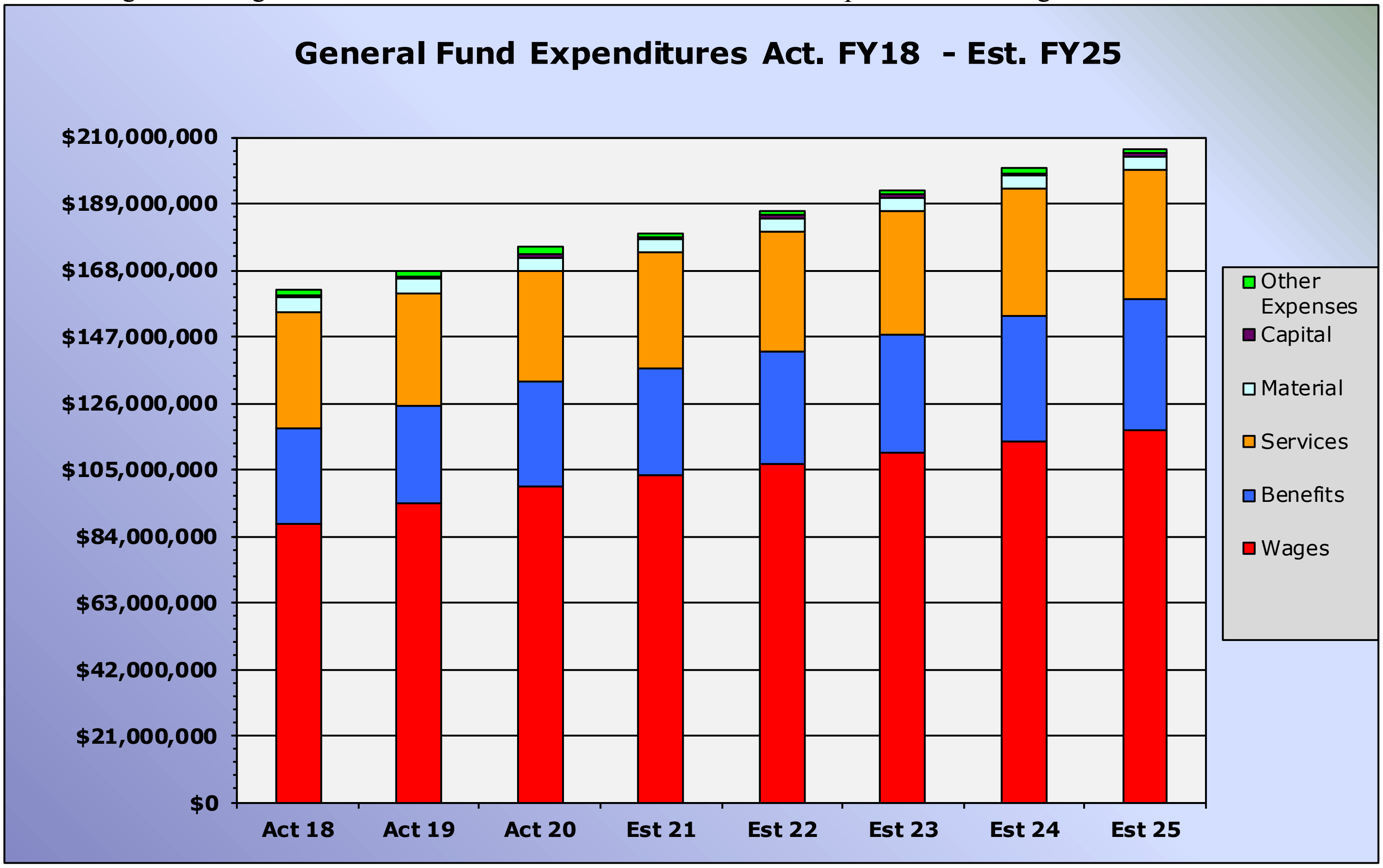
Other Expenses – Line #4.300

The category of Other Expenses consists primarily of the County ESC deductions for specialized services provided to the district and auditor & treasurer fees. Auditor and treasurer fees will increase anytime a new operating levy is collected. Overall costs are estimated to increase by 1.5 percent.

Source	FY21	FY22	FY23	FY24	FY25
County Auditor & Treasurer Fees	$1,494,359	$1,544,359	$1,494,359	$1,544,359	$1,494,359
Real Estate Fee Return	($835,229)	($835,229)	($835,229)	($835,229)	($835,229)
Butler County ESC	103,552	105,623	107,735	109,890	112,088
Dues & Fees	177,901	180,570	183,279	186,028	188,818
Audit Fees	73,667	74,772	75,894	77,032	78,187
Banking Fees	130,766	132,727	134,718	136,739	138,790
Other expenses	160,983	163,398	165,849	168,337	170,862
Total Other Expenses Line #4.300	$1,305,999	$1,366,220	$1,326,605	$1,387,156	$1,347,875

Operating Expenditures Actual FY18 through FY20 and Estimated FY21-25

As the following graph indicates, our total expenditure growth is expected to be below 3% this year. We have been maximizing all funding available to the District to lessen the burden of the pandemic on the general fund.



Debt Service – Line #4.020; 4.050; 4.060

Debt, which commits general fund sources to its repayment, must be included in the forecast. Repayment on debt began in FY08 for a $10 million bond issue, which provided funding for the new Union elementary school. Additionally, the District issued debt in 2009 and 2010 for energy conversation projects at both high schools and the central office. The final issuance, which is required to be included in the forecast, is debt associated with the artificial turf at both high school stadiums. Payments for the aforementioned debt are reflected in the forecast but paid from the debt service fund per applicable Ohio law. Sequestration has increased our interest payments for our energy conservation projects from its original debt issuance. Our guaranteed federal subsidies have reduced indefinitely by 8.7%. This is an average of $17,000 additional each year in interest expense to the District.

Source	FY21	FY22	FY23	FY24	FY25
Principal Bonds - $1.65 M Athletic Bldg.	$149,000	$149,000	$149,000	$149,000	$149,000
Principal Bonds - $10 M Elem. Bldg.	515,000	540,000	540,000	540,000	540,000
Total Principal Payments Line # 4.055	$664,000	$689,000	$689,000	$689,000	$689,000
Source	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**
HB 264 Principal 3 Issues Line # 4.050	$846,000	$856,000	$856,000	$856,000	$856,000
Source	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**
Int on Bonds & HB 264 Total Line # 4.060	$211,567	$183,113	$183,113	$183,113	$183,113

Transfers, Advances and All Other Financing Uses – Line #5.010; 5.020; 5.030

This category includes operating transfers-out, advances-out and refund of prior year receipts. Operating transfers are funds transferred to the athletic fund to pay for coaching supplemental contracts, athletic administration and field maintenance supplies. The District recognized Marching Band as an extra-curricular beginning in 2014. Therefore, the District transfers an equal amount per pupil to the band fund as it contributes for athletics. This has been estimated at $1,800,000. Transfers out increased in line with the levy promise to reduce fees and implement a family cap. The Board of Education reduced extra-curricular student fees by ½ as well as provided for a fee waiver for our students in poverty, which increased this line by and additional $300,000. Advances out include loans to another fund to cover a temporary end of year deficit balance. These funds are returned to the general fund in the subsequent fiscal year. Refunds of prior year receipts are payments received in one fiscal year and returned to the original payer in another fiscal year.

In collaboration with the Finance Committee, the district voted in policy 6217 "Budget Stabilization Policy" on June 10, 2019. Policy 6217 states that the district may approve a transfer for 50 percent of the district general operating fund (001) unencumbered balance over the prior fiscal year end closing unencumbered balance may be set-aside in the budget stabilization reserve. This annual set-aside may not exceed 5 percent of the revenue credited to the general operating fund the prior fiscal year. The cumulative balance of the Budget Stabilization Fund shall not exceed 15 percent of total district general operating fund expenditures for the past three years as reported in the five-year forecast submitted to the State of Ohio in May of the same fiscal year. Expenditure of these monies will require a separate resolution approved by the Board.

Source	FY21	FY22	FY23	FY24	FY25
Operating Transfers Out Line # 5.010	$1,800,000	$1,800,000	$1,800,000	$1,800,000	$1,800,000
Budget Stabilization Fund Transfer	732,413	2,082,747	879,884	-	-
Advances Out Line # 5.020	20,000	20,000	20,000	20,000	20,000
Total Transfers and Advances	$2,552,413	$3,902,747	$2,699,884	$1,820,000	$1,820,000

Encumbrances – Line #8.010

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments, which have been performed, invoiced, and are awaiting payment. Encumbrances on a budget basis of accounting are treated as the equivalent of expenditure at the time authorization is made in order to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance. Encumbrances for purchased services, supplies and materials, capital outlay and other objects are forecasted based on historic data used to make future estimates for fiscal years 2021 through 2025.

Source	FY21	FY22	FY23	FY24	FY25
Estimated Encumbrances Line # 8.010	$500,000	$500,000	$500,000	$500,000	$500,000

Reservations of Fund Balance – Line #9.080

On June 10, 2019 the Board approved policy 6217 "Budget Stabilization" to transfer a portion of the prior year general fund unencumbered carry-over balance to a reserve fund. The district made the first transfer to this newly established fund in July 2019. The forecast reflects estimated yearly transfers to this fund based on the rules of the policy. The school district does not have formal reservations of fund balance at this time as HB153 did away with textbook set-asides.

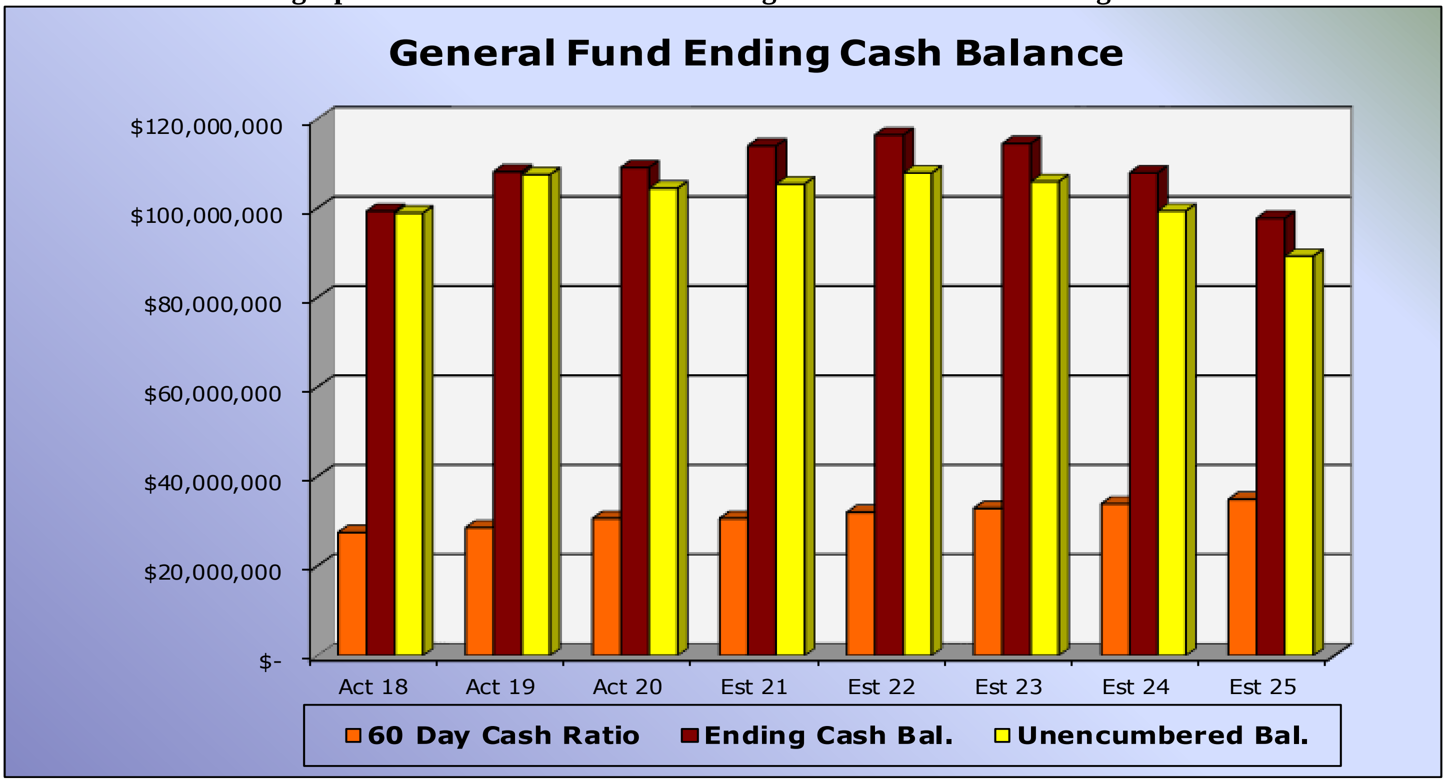
Source	FY21	FY22	FY23	FY24	FY25
Fiscal Stabilization Line # 9.045	$5,036,949	$7,119,696	$7,999,580	$7,999,580	$7,999,580
Total Reservations of Balance Line # 9.080	$5,036,949	$7,119,696	$7,999,580	$7,999,580	$7,999,580

Ending Unreserved Cash Balance "The Bottom-line" – Line #12.010

This amount must not go below $-0- or the district general fund will violate all Ohio Budgetary Laws. Any multi-year contract, which is knowingly, signed which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of $10,000, unless the new alternative 412 certificate allowed by HB153 would be applicable after September 30, 2011.

Source	FY21	FY22	FY23	FY24	FY25
Ending Unreserved Cash Balance	$105,464,670	$107,924,437	$105,981,498	$99,429,296	$89,302,720

The graph below shows the districts ending cash balance FY18 through FY25.



True Cash Days Ending Balance

Another way to look at ending cash is to state it in 'True Cash Days". In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association recommends no less than two (2) months or 60 days cash is on hand at year end but could be more depending on each district's complexity and risk factors for revenue collection. This is calculated including transfers as this is a predictable funding source for other funds such as capital, athletics, and severance reserves.