Louisville City School District

Stark 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

MAY 2021

		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)	$7,882,031	$8,070,280	$8,648,693	4.8%	$8,705,519	$9,966,532	$11,333,366	$10,536,898	$9,684,919
1.020	Tangible Personal Property Tax	731,196	749,368	920,898	12.7%	1,096,420	1,188,647	1,289,714	1,225,943	1,162,481
1.035	Unrestricted State Grants-in-Aid	14,437,415	14,426,720	13,951,414	-1.7%	14,280,557	14,518,810	14,526,810	14,678,678	14,825,985
1.040	Restricted State Grants-in-Aid	320,099	270,252	282,139	-5.6%	265,907	260,907	260,907	260,907	260,907
1.050	Property Tax Allocation	1,278,818	1,303,858	1,326,891	1.9%	1,324,926	1,472,665	1,627,800	1,443,488	1,252,671
1.060	All Other Revenues	1,531,658	1,608,837	1,642,663	3.6%	1,840,426	1,584,745	1,614,745	1,654,745	1,674,745
1.070	*Total Revenues*	26,181,217	26,429,315	26,772,698	1.1%	27,513,755	28,992,306	30,653,342	29,800,659	28,861,708
	Other Financing Sources									
2.040	Transfers-In									
2.050	Advances-In			27,500		350,897	92,999	20,500	20,500	
2.060	All Other Financing Sources	18,165	138,274	158,353		146,224	60,330	50,000	50,000	50,000
2.070	*Total Other Financing Sources*	18,165	138,274	185,853		497,121	153,329	70,500	70,500	50,000
2.080	*Total Revenues and Other Financing Sources*	26,199,382	26,567,589	26,958,551	1.4%	28,010,876	29,145,635	30,723,842	29,871,159	28,911,708
	Expenditures									
3.010	Personnel Services	14,516,101	15,010,823	15,338,201	2.8%	15,082,413	16,289,931	16,562,505	16,918,733	17,326,707
3.020	Employees' Retirement/Insurance Benefits	5,827,018	5,796,799	6,232,356	3.5%	6,261,423	6,680,317	7,268,202	7,685,231	8,139,006
3.030	Purchased Services	3,641,429	3,781,360	3,674,624	0.5%	3,992,747	3,881,078	3,802,890	3,839,603	3,968,205
3.040	Supplies and Materials	746,748	667,475	554,175	-13.8%	544,234	822,000	833,000	844,000	855,000
3.050	Capital Outlay	651,182	216,989	364,708	0.7%	277,219	294,500	295,000	295,500	296,000
	Debt Service:									
4.055	Principal-Other	114,956	143,220	168,684	21.2%	178,937	143,236	145,052	180,044	166,826
4.060	Interest and Fiscal Charges	12,823	12,874	9,868	-11.5%	8,960	10,786	9,820	11,865	9,912
4.300	Other Objects	340,847	319,070	335,972	-0.5%	376,284	364,000	368,000	371,000	373,500
4.500	*Total Expenditures*	25,851,104	25,948,610	26,678,588	1.6%	26,722,217	28,485,848	29,284,469	30,145,976	31,135,156
	Other Financing Uses									
5.010	Transfers-Out	55,579	19,100	32,953	3.4%	95,000				
5.020	Advances-Out		177,499	334,897						
5.040	*Total Other Financing Uses*	55,579	196,599	367,850		95,000				
5.050	*Total Expenditures and Other Financing Uses*	25,906,683	26,145,209	27,046,438	2.2%	26,817,217	28,485,848	29,284,469	30,145,976	31,135,156
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	292,699	422,380	87,887-	-38.3%	1,193,659	659,787	1,439,373	274,817-	2,223,448-
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	5,013,863	5,306,562	5,728,942	6.9%	5,641,055	6,834,714	7,494,501	8,933,874	8,659,057
7.020	*Cash Balance June 30*	5,306,562	5,728,942	5,641,055	3.2%	6,834,714	7,494,501	8,933,874	8,659,057	6,435,609
8.010	*Estimated Encumbrances June 30*	434,744	431,024	590,758	18.1%					
	Reservation of Fund Balance									
9.070	Bus Purchases	51,771	47,771	31,824	-20.6%					
9.080	*Subtotal*	51,771	47,771	31,824	-20.6%					
10.010	*Fund Balance June 30 for Certification of Appropriations*	4,820,047	5,250,147	5,018,473	2.3%	6,834,714	7,494,501	8,933,874	8,659,057	6,435,609
	Revenue from Replacement/Renewal Levies									
11.020	Property Tax - Renewal or Replacement								887,500	1,835,000
11.300	Cumulative Balance of Replacement/Renewal Levies								887,500	2,722,500
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	4,820,047	5,250,147	5,018,473	2.3%	6,834,714	7,494,501	8,933,874	9,546,557	9,158,109
15.010	*Unreserved Fund Balance June 30*	4,820,047	5,250,147	5,018,473	2.3%	6,834,714	7,494,501	8,933,874	9,546,557	9,158,109
	ADM Forecasts									
20.010	Kindergarten - October Count	202	190	181	-5.3%	206	195	195	195	195
20.015	Grades 1-12 - October Count	2,659	2,623	2,621	-0.7%	2588	2592	2585	2578	2571

05.17.2021

See accompanying summary of significant forecast assumptions and accounting policies.
Includes: General fund, Emergency Levy fund and any portion of Debt Service fund related to General fund debt.

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LOUISVILLE CITY SCHOOL DISTRICT
Stark County, Ohio

Notes to the Five Year Forecast
May 2021



Derek L. Nottingham, Treasurer

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OVERVIEW

While the Louisville City School District is focused on providing excellent educational programming for students, the District is also committed to fiscal responsibility and transparency. The five year forecast is required by State law to be updated and filed with the Ohio Department of Education twice each fiscal year. It is a valuable tool for assessing the District's financial outlook, which aids the Board of Education and administration in making decisions with regards to all district operations while focusing on continued financial sustainability. The Louisville City Board of Education has a long history of a strong commitment to providing the best opportunities to the students of Louisville while being fiscally responsible with public funds and support from the community.

REVENUES

1.010 General Property (Real Estate) Tax

Real Estate Tax is the second highest revenue source for the Louisville City School District's general operating fund. These revenues are generated from both the District's inside and outside (voted) millage.

In November 2017, the District's emergency levy (originally passed in 2013) was renewed for another 5 year term which will end with tax year 2023. As such, the forecast shows the final collection for this levy in fiscal year 2024. The District will only receive a half years' worth of the property tax in fiscal year 2024 and no related property tax in fiscal year 2025 unless it is renewed again. The tax revenue that would be collected for the second half of fiscal year 2024 and the full fiscal year 2025, assuming the renewal, is presented on line 11.020 of the forecast.

In May 2021, the District passed a new five year emergency operating levy which will generate $2,562,000 annually starting with tax year 2021 (collection year 2022). This new revenue is vital for the continued operations of the District.

The real estate market has continued to strengthen. Although the District saw its total valuation drop from $341 million to $313 million during the 2012 sexennial reappraisal, Stark County completed the triennial update process in tax year 2015 which resulted in the District's assessed valuation increasing to $358 million (which was only slightly greater than the pre-recession values in 2006). Tax year 2018 was another reappraisal year resulting in an increase in assessed valuation to a total of $408,110,230. Calendar year 2021 will be the next triennial update.

With the significant reappraisal increases, the District hit the 20 mill floor on Class I property for the first time in fiscal year 2019. Based on state law, the District's effective millage for voted operating levies cannot be reduced below a 20 mill threshold. As a result, the District will receive increased tax revenue to maintain the minimum effective millage level.

Modest increases to account for other inflationary increases and new construction have been taken into account each year of the forecast.

1.020 Tangible Personal Property Tax

This line item reflects the taxes raised from the only companies still required to pay tangible personal property tax: utility companies. Gradual growth is assumed moving forward. Modest increases for current public utility tax collections has been forecasted for fiscal years 2021 through 2025.

The District has a portion of the Nexus Pipeline running through it. Since the pipeline became operational in calendar year 2018, the related valuation was reported for the first time on the calendar year 2019 tax duplicate. In early October 2019, the State of Ohio finalized the pipeline's valuation and forwarded it to the County Auditor. Per the County Auditor's Office, the valuation for the District's portion of the pipeline was $10,516,050 to generate approximately $495,000 in new general fund revenue for the district in calendar year 2020. Public utility personal property tax is depreciated over time, so this annual revenue yield will be reduced each year until it reaches the threshold established by State statute.

Although the District did receive the first payment of the pipeline tax revenue, it was significantly reduced due to the valuation appeal filed by Nexus in an effort to reduce the valuation by over 50 percent. The State of Ohio ruled that the valuation should not be reduced, but another appeal has been filed which could still create a negative impact on the amount of tax revenue the District will receive. The forecast amount includes the reduced estimates.

1.035 Unrestricted Grants-in-Aid

Unrestricted Grants-in-Aid is the District's largest revenue source and is determined by the state funding formula for schools in Ohio. In July 2017, the State Legislature approved the new biennium budget which kept the same funding formula as the previous two bienniums with only minor changes. The various components of the formula were based on student enrollment and the relative wealth of the District in comparison to districts around the state. The relative wealth, as calculated by ODE, determines how large of a percentage the District will receive of the per pupil amount the state allocates (state share index, or SSI). The District's SSI for fiscal years 2016 and 2017 was 59.58 percent. For fiscal years 2018 and 2019, it decreased to 54.50 percent due to increased property valuations and decreased student enrollment.

With this large fluctuation in the District's SSI, the District was on the Guarantee for fiscal years 2018 and 2019. Being on the Guarantee means the formula calculates a funding amount lower than what the District received previously. While on the Guarantee, the State has historically subsidized the funding difference between the calculated amount and the actual amount received by the District the previous fiscal year.

The current biennium covering fiscal years 2020 and 2021 was passed in July 2019. The result for Ohio school districts is two-fold. First, the state formula was essentially eliminated and each District's funding level was frozen to the amount they received in fiscal year 2019 with some minor adjusting factors. Secondly, Governor DeWine proposed additional Student Wellness and Success funds to provide additional funds to support related initiatives to make a positive impact on students. The District received $607,772 over the two year period. These funds are required to be accounted for in a separate fund and are not able to be included in this five year forecast. However, a portion of these funds are being used for expenditures that were previously forecasted to be paid out of the general fund, so

the related expenditures have been reduced in the forecast. The reductions were $157,542 in fiscal year 2020 and are anticipated to be $218,612 in fiscal year 2021.

The state budget process is currently underway for the next biennium budget which will span from July 1, 2021 through June 30, 2023. The governor's proposal included no increase to basic state aid but did propose an increase in Student Wellness and Success Fund dollars; however, the House's proposal introduced the implementation of a new school funding model that aims to address the unconstitutionality of the current formula. The process is now with the Senate, so it is unknown what their proposal or the final proposal will be. For that reason, the forecast is assuming State revenue to stay flat (as proposed by the Governor) for each of the forecasted fiscal years.

In addition to state foundation revenue, casino tax revenue is included on this revenue line item which accounted for $149,232 in fiscal year 2018, $150,256 in fiscal year 2019, $148,841 in fiscal year 2020, and $114,207 in the current fiscal year. The drop in the current fiscal year is related to the casinos being shut down for a portion of the year due to the COVID-19 pandemic.

This line item has been greatly impacted as a result of the coronavirus pandemic. The economic impact of the shut down and stay-at-home order in Ohio was and continues to be significant for the state. As a measure to counteract budget shortfalls on the state level, funding reductions were enacted and public school districts' funding is taking a major hit. Louisville received a fiscal year 2020 funding cut of $488,218 which accounted for 3.5 percent of the District's annual state foundation funding. Although this funding cut was originally slated to stay the same for fiscal year 2021, the State made a mid-year adjustment to reduce our funding cut down to $220,460.

1.040 Restricted Grants-in-Aid

Restricted Grants-in-Aid includes state funding for both Career and Technical Education and Economically Disadvantaged Aid. The state has established guidelines for what specifically these dollars can be used for. The District is expecting about $120,000 in Career and Technical Education Funding and $116,000 in economically disadvantaged funding in fiscal year 2021.

Revenue from Catastrophic Aide, a State partial-reimbursement program for high cost special needs student, is also included on this line item. The District received $52,132, $48,814, and $46,232 in fiscal years 2018, 2019 and 2020, respectively. For forecasting purposes, the District is forecasting $30,000 for fiscal year 2021 and $25,000 annually thereafter.

1.050 Property Tax Allocation

This allocation includes state reimbursements for Homestead Exemption and 10%/2.5% Rollback. Homestead and Rollback are state deductions taxpayers receive on their local property taxes based on certain requirements. The State, in turn, reimburses the District for revenue lost from these deductions. In the 2014-15 biennium, the State made some very drastic changes to these allocations. New levies passed after November 2013 are no longer eligible for the rollback exemption. Fortunately, the District's emergency levy was not impacted by this when it renewed in 2017 since it is was a renewal of the same levy with no modifications. Historically, this line item mirrors line 1.010 in growth or decline because it is a function of property tax collections.

1.060 All Other Operating Revenue

The largest revenue item classified here is funding for open enrollment students. In fiscal year 2019, the District received $849,138 for open enrollment. That figure increased to $872,579 in fiscal year 2020 and is anticipated to be similar in the current fiscal year. The forecast is assuming that the level of open enrolled students will remain fairly consistent.

Another revenue stream included in this category is the collection of fees charged to students who participate in sports and other activities. These fees help cover the cost of offering extracurricular programming and only cover a small portion of total cost. The total amount collected from these fees was $68,018 in 2020. Due the failure of the levy attempts, pay to participate fees were increased in fiscal year 2021 generating approximately $159,152. However, with the passage of the new emergency operating levy, these fees will be reduced to FY20 levels and are forecasted as such.

The District also receives reimbursements from Medicaid for a small portion of the costs incurred providing services to special needs students. Average projected revenues over the forecast period are $145,000 each year for Medicaid reimbursements.

Investment earnings accounted for $115,143 is fiscal year 2018, $157,237 in fiscal year 2019 and $140,666 in fiscal year 2020. This revenue stream had been increasing significantly over the past few years based on a recovering market and a more robust investment plan. However, projected investment earnings are forecasted to decrease due to both the reduction of the District's cash balance (shown in the forecast) as well as due to the market impact of the pandemic.

In response to the pandemic, the State of Ohio issued the District a dividend in the amount of $219,413 from the Ohio Bureau of Workers' Compensation. Previously, these dividends were processed as refunds from previously paid premiums the District paid; these were receipted into line 2.060 as refunds. However, this dividend was not a refund, so it was receipted here. This unexpected revenue accounts for the majority of the increased revenue on this line item in fiscal year 2021.

2.060 All Other Financing Sources

Advance-in receipts are included in fiscal years 2020 through 2024. This is the anticipated return of various advance-out expenditures.

Other miscellaneous reimbursements and refunds are included on this line. Fiscal year 2019 shows a big increase due to the District receiving a Bureau of Workers' Compensation (BWC) rebate in the amount of $61,924 and AEP rebates of $30,585 related to an LED lighting project. In fiscal year 2020, the District received two additional large rebates from the BWC in the amounts of $76,890 and $79,000. The District also received a large e-rate federal reimbursement in the amount of $81,011 for eligible technology purchases in fiscal year 2020. Fiscal year 2021 accounts for an additional BWC refund received in the amount of $56,146. Future years are forecasted at $50,000 annually for all other financing sources.

EXPENDITURES

3.010 Personal Services

Personnel Service expenditures include employee salaries and stipends. Since the District is primarily a service agency, this is the largest expenditure category. In January 2017, the

District settled the labor contract with the Louisville Education Association to replace the one that expired June 30, 2016. The contract covers the period of July 1, 2016 through June 30, 2019 and had salary increases which include steps each year, a 1% base increase on January 1, 2017, a 1.5% base increase for the 2017-18 school year, and a 1.5% base increase for the 2018-19 school year. In May 2018, the District settled an early settlement agreement with the Louisville Education Association for the period July 1, 2019 through June 30, 2022. Related salary increases are as follows: 2% base increase with step plus a 1% lump sum in fiscal year 2020, 2.5% base increase with step plus a 1% lump sum in fiscal year 2021, and 3% contingent base increase with step in fiscal year 2022. The base increase in fiscal year 2022 is contingent on real estate property tax and unrestricted state funding amounts. Due to the passage of the new operating levy, the contingency will be met, so the forecast reflects that. Fiscal years 2023 through 2025 are forecasted with a 1.5 percent increase on the base.

The District settled the labor contract with classified staff in October 2016. Their contract included wage increases including steps, a 0.5% base increase on July 1, 2016 increased to 1.0% on January 1, 2017, a 1.5% base increase in fiscal year 2018, and 2% base increases in both fiscal years 2019 and 2020. In addition, a 1% lump sum payment is included in fiscal years 2020. In August 2018, the District settled an early settlement agreement with the classified staff for the period July 1, 2021 through June 30, 2023 mirroring the certified settlement for fiscal years 2021 and 2022. Fiscal year 2023 includes a “me too” clause related to salary as it will be negotiated with the teachers. These are incorporated into the forecasted amounts for the respective fiscal years. Fiscal years 2024 and 2025 are forecasted with a 1.5 percent increase on the base

Beginning in fiscal year 2018, certified substitutes were no longer paid by the District through payroll. That cost is now represented in purchased services. As one exception, the District hired three permanent substitute teachers out of the general fund for fiscal year 2021 due to anticipated difficultly in securing enough subs throughout the year due to the pandemic. The salaries of these three subs are included for this year only.

Due to previous failed levy attempts, a reduction plan was enacted in fiscal year 2021. These reductions included 1 administrative position, 12 certified positions, and 23 classified positions. The related expenditures have been reduced on the forecast in fiscal year 2021. With the recent passage of the new emergency operating levy, many, but not all, of these positions will be reinstated for fiscal year 2022 and are forecasted to remain in future years.

3.020 Employees’ Retirement/Insurance Benefits

The District's second highest expenditure is Employees' Retirement/Insurance Benefits which includes Board-paid pension benefits, medicare, and worker's compensation, as well as the Board-paid share of Medical, Prescription, Dental, Vision and Life insurances.

Pension, medicare, and workers' compensation are all percentage based and are calculated based on the forecasted salaries.

Insurance is calculated based on assumed annual increases to the premium. For fiscal years 2018, 2019, 2020, and 2021, premiums increased by 4.5 percent, 6.85 percent, 3.25 percent, and 3.85 percent, respectively. For fiscal year 2022, the premiums for medical/prescription coverage will increase by 3.9 percent while the premiums for dental and vision will have no increase. For fiscal years 2023 and beyond, the premiums for medical/prescription coverage are projected to increase by 8 percent. Another factor with the forecasted insurance amounts

deals with premium holidays. Since the health plan is partially self-funded, based on the claims experience, each year the plan reserves are analyzed and if the reserves are higher than the required limit, the plan can and has awarded premium holidays, or a specified number of months where the premiums are reduced/waived. Since the plan experienced a great year in fiscal year 2017, the reserves were healthy, and the District was awarded two premium holidays to take advantage of in fiscal year 2018. Likewise, three premium holidays were approved for fiscal year 2018 to be taken in fiscal year 2019. The District was awarded two premium holidays for fiscal year 2019 to be taken in fiscal year 2020 as well as two premium holidays for fiscal year 2020 to be taken in fiscal year 2021. Recently, the District received notification that two premium holidays will be awarded for fiscal year 2021 to be taken in FY2022. These holidays are included in the forecast. Although not yet awarded, the savings related to one premium holiday has been forecasted in fiscal years 2023, 2024, and 2025.

3.030 Purchased Services

Purchased Services include utilities, tuition, property insurance, health services, repair services, and other contracted services. In addition to these, the State deductions for Community Schools and Open Enrolled Out students are included here.

The District's utility costs are forecasted to remain fairly consistent. Although rates continue to increase, the District has implemented and continues to implement measurers to improve utility consumption throughout the District.

A few of the high dollar costs in this expenditure category revolve around special education. The District contracts for occupation therapy, physical therapy, interpreter services, and other excess costs and tuition related to the District's special education needs. These are expenditures that are needed to service the specific needs of current students and can fluctuate greatly from one year to the next. Forecasted year amounts are projected to remain around current year totals.

The District incurs costs related to the College Credit Plus program and must pay credit hour costs and class textbooks. The tuition cost is projected at average of $115,000 for fiscal years 2021 and beyond.

In 2018, the District began paying for teaching subs through a service contract with the Stark County ESC instead of through payroll, so the related expense is now forecasted on this line.

Due to the pandemic shut down, the District did realize some savings in purchased service expenditures in fiscal year 2020 including costs associated with substitute teachers and utilities.

3.040 Supplies and Materials

Supplies and Materials include not only instructional supplies, textbooks, and office supplies but also custodial supplies, transportation supplies, and bus fuel.

For fiscal years 2018, 2019 and 2020, fuel costs totaled $130,258, $155,784 and $114,566, respectively. Due to the pandemic shutdown, fuel costs were reduced since the District did not run buses for the last two and a half months of school. These savings are included in the forecast. Due to previous failed levy attempt, transportation in the District was reduced to state minimums in fiscal year 2021 meaning no high school busing and students in grades

K-8 only being transported if they live greater than 2 miles from the school building they attend. With the passage of the new emergency operating levy, the bussing will be restored for fiscal year 2022.

General supply expenditures were reduced significantly in both fiscal years 2020 and 2021. The reduction in fiscal year 2020 was due to the mandatory school closure related to the COVID pandemic, and the reduction in fiscal year 2021 was a result of federal stimulus dollars granted to the District used to offset custodial, nursing, and other related supplies. A large increase is forecasted in fiscal year 2022 as the District is eliminating student fees and making these expenditures part of the general operating budget as was promised with the passage of the new emergency operating levy.

3.050 Capital Outlay

Capital outlay includes building equipment, technology equipment, musical instruments, and buses/vehicles.

The District addressed some capital needs during fiscal year 2018 which is reflected in the increase of this line item for this year. One of these included an LED lighting project for interior and external lighting at LMS, NN, and the bus garage as well as just external lighting upgrades at LHS. This was an energy conservation project to save the District over $55,000 in utility and material costs annually. The District did have an analysis of this savings done, and the analysis showed that the savings are being realized.

The total capital outlay expense is forecasted to remain mostly consistent as the District continues to prioritize and budget for various capital improvement, technology and building equipment needs throughout the forecast period.

4.050/ Principal
4.060 Interest and Fiscal Charges

The District purchased four buses through a lease-purchase agreement in the summer of 2015. The District purchased four additional buses through a lease-purchase agreement in October 2017. The amounts included as principal and interest correlate specifically to the payments required per those agreement. In fiscal year 2020, the District was able to secure grant funds in the amount of $256,536 to cover 49 percent of the cost of 6 buses. So, in essence, the District was able to purchase 6 buses for the cost of 3. Since the District had budgeted for the purchase of 4 buses, the District was able to reduce the budget for this by 25 percent.

The District plans to continue this cycle and obtain 4 new buses in fiscal years 2022 and 2024. The associated costs are included in the forecast.

4.300 Other Objects

The Other Object expenditure category includes audit fees, liability insurance, ESC deductions, and County Auditor/Treasurer fees. These costs are forecasted to remain consistent through the forecast period.

5.040 Other Financing Uses

All student fee expenditures are accounted for in a separate fund. Beginning in fiscal year 2017, the student fee account was reconciled at the end of the school year, and the general fund now transfers money over annually to subsidize the fee-related expenditures for those students who do not pay fees because of qualifying for free/reduced lunch.

For fiscal year 2018, an additional $25,000 transfer was made to sustain the general athletic fund. In fiscal year 2021, the District is anticipating the need to transfer up to $65,000 to cover a deficit balance in the general athletic fund mostly due to the reduced ticket revenue for games due to COVID restrictions.

In fiscal year 2019, an advance to the permanent improvement fund was made in relation to the final payment for the turf replacement. The permanent improvement fund will repay this advance back to the general fund in subsequent years. Also, an advance of $95,000 was made to the District's food service fund due to a negative cash balance in fiscal year 2019. This will also be repaid in future years. In fiscal year 2020, the District advanced $256,536 to EPA School Bus Purchase Grant fund, $12,861 to the CARES Act fund, and $4,000 to the food service fund to offset revenue timing issues related to the end of the fiscal year. $61,500 was also advanced to the general athletic fund to offset a budget deficit. In fiscal year 2021, the District is anticipating the need to advance up to $65,000 to cover a deficit balance in the general athletic fund mostly due to the reduced ticket revenue for games due to COVID restrictions.

CASH BALANCE

6.010 Excess of Revenues and Other Financing Sources over/(under) Expenditures and Other and Other Financing Uses

This line is the most important line on the forecast and is a good measure of the District's financial health. A positive balance indicates revenues are sufficient to cover expenditures on an annual basis. As demonstrated on the forecast, the District experienced deficit spending in fiscal year 2020. Deficit spending was forecasted to continue based on the fact that revenue increases were not keeping pace with inflationary expenditure increases. In response to this, the Board of Education decided to request a new emergency operating levy. When the first attempts were unsuccessful, the District had to implement budget reductions to reduce spending in fiscal year 2021. On May 4, 2021, the emergency operating levy was approved by District voters; the levy will generate $2,562,000 annually starting in collection year 2022. Due to the levy passage, many of the budget reduction measures are being reinstated for fiscal year 2022.

The Board of Education and District leadership have worked for many years to run the District as efficiently as possible while providing for all of the needs of students and will continue to provide the best opportunities for students with the resources available.

15.010 Unreserved Fund Balance June 30

At the end of fiscal year 2020, the District had a general fund unreserved fund balance of $5,018,473. Based on the forecasted revenues and expenditures, the District is in a great position to maintain a healthy fund balance throughout the forecast period.