



Analysis of Current Five-Year Forecast

Presented May 18, 2023

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Analysis of Current Five-Year Forecast



WHO PRODUCED THESE RIDICULOUS
FORECASTS, A METEOROLOGIST?!

Analysis of Current Five-Year Forecast

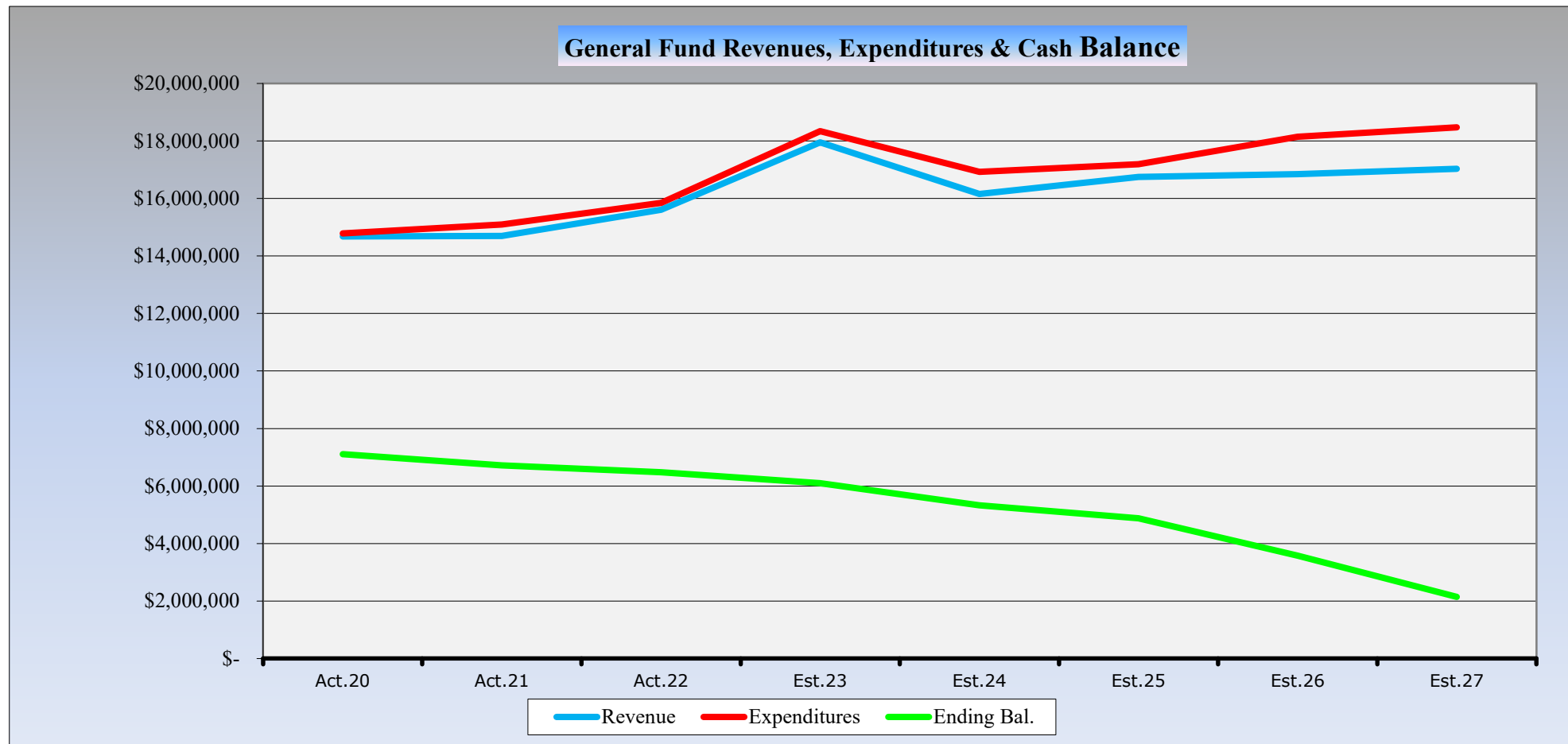
What is a Forecast?

- The Five-Year Forecast is required to be completed and filed by the end of November and then updated by the end of May.
- It is required by the Ohio Revised Code; provides oversight to the Auditor of State and the Ohio Department of Education.
- It is based on what we know today - in this moment, what we have seen in the past and what we anticipate will occur.
- Information is then evolved into estimates for subsequent years.
- Forecast variables can and **WILL** change multiple times throughout the year.
- The intent is to provide the District's financial trend over time and to provide a roadmap for decisions aimed at encouraging financial sustainability and stability.
- Key management tool.

Analysis of Current Five-Year Forecast

- The Five-Year Forecast shows three years of actual and five years of projected revenues and expenditures for the General Fund only.
- “Does the District have the potential to incur a deficit during the first three years of the five-year projected period?”
- There are three main sections of the forecast: Revenues and Other Financing Sources, Expenditures and Other Financing Uses and the Cash balance.

General Fund Revenues, Expenditures and Cash Balance



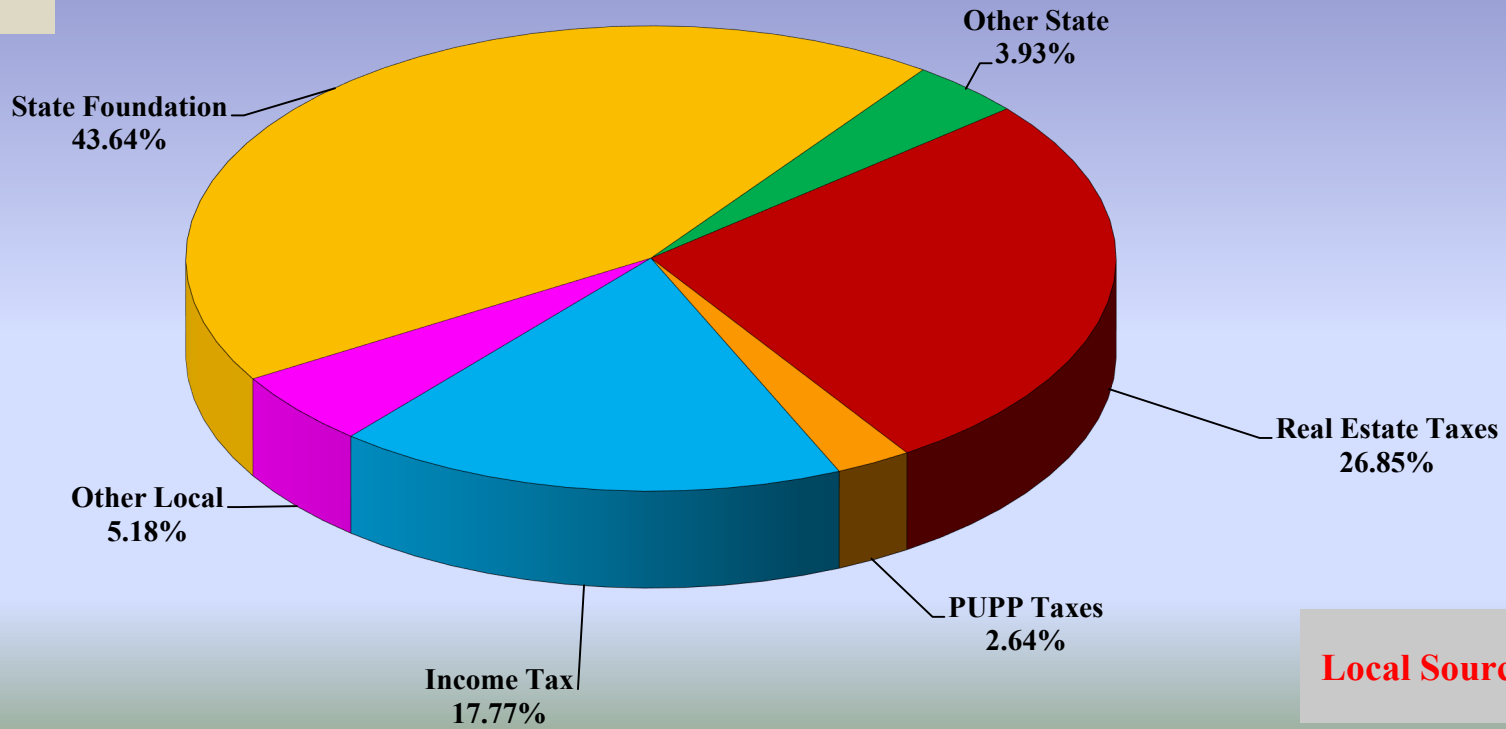
Snapshot of Revenues

Greeneview Local School District										
Greene County										
Schedule of Revenues, Expenditures and Changes in Fund Balances										
For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;										
Forecasted Fiscal Years Ending June 30, 2023 Through 2027										
		Actual				Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Average Change	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
	Revenues									
1.010	General Property Tax (Real Estate)	\$4,035,637	\$4,073,896	\$4,296,564	3.2%	\$4,076,589	\$4,704,325	\$5,121,259	\$5,144,628	\$5,246,649
1.020	Public Utility Personal Property	\$428,724	\$435,534	\$195,974	-26.7%	\$400,909	\$480,089	\$491,189	\$502,289	\$513,389
1.030	Income Tax	\$2,232,424	\$2,173,541	\$2,504,349	6.3%	\$2,697,887	\$2,805,802	\$2,889,976	\$2,947,776	\$3,006,732
1.035	Unrestricted State Grants-in-Aid	\$5,387,160	\$5,520,168	\$6,337,083	8.6%	\$6,310,871	\$6,309,211	\$6,311,061	\$6,312,949	\$6,314,875
1.040	Restricted State Grants-in-Aid	\$52,816	\$41,812	\$308,557	308.6%	\$314,434	\$314,434	\$314,434	\$314,434	\$314,434
1.045	Restricted Fed. SFSF Fd. 532 /Ed Jobs Fd.504	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
1.050	Property Tax Allocation	\$591,310	\$595,035	\$597,257	0.5%	\$596,805	\$672,873	\$748,005	\$751,626	\$765,046
1.060	All Other Revenues	\$1,729,197	\$1,534,582	\$762,716	-30.8%	\$785,942	\$788,232	\$790,581	\$792,989	\$795,455
1.070	<i>Total Revenues</i>	\$14,457,268	\$14,374,568	\$15,002,500	1.9%	\$15,183,437	\$16,074,966	\$16,666,505	\$16,766,690	\$16,956,579
	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	\$2,028	\$753	\$0	-81.4%	\$0	\$0	\$0	\$0	\$0
2.050	Advances-In	\$81,791	\$198,000	\$606,913	174.3%	\$2,652,461	\$50,000	\$50,000	\$50,000	\$50,000
2.060	All Other Financing Sources	\$139,912	\$127,009	\$2,751	-53.5%	\$117,156	\$28,789	\$28,789	\$28,789	\$28,789
2.070	<i>Total Other Financing Sources</i>	\$223,731	\$325,762	\$609,664	66.4%	\$2,769,617	\$78,789	\$78,789	\$78,789	\$78,789
2.080	<i>Total Revenues and Other Financing Sources</i>	\$14,680,999	\$14,700,330	\$15,612,164	3.2%	\$17,953,054	\$16,153,755	\$16,745,294	\$16,845,479	\$17,035,368

Revenues – Summary

Est. General Fund Operating Revenues FY2023 \$15,183,437

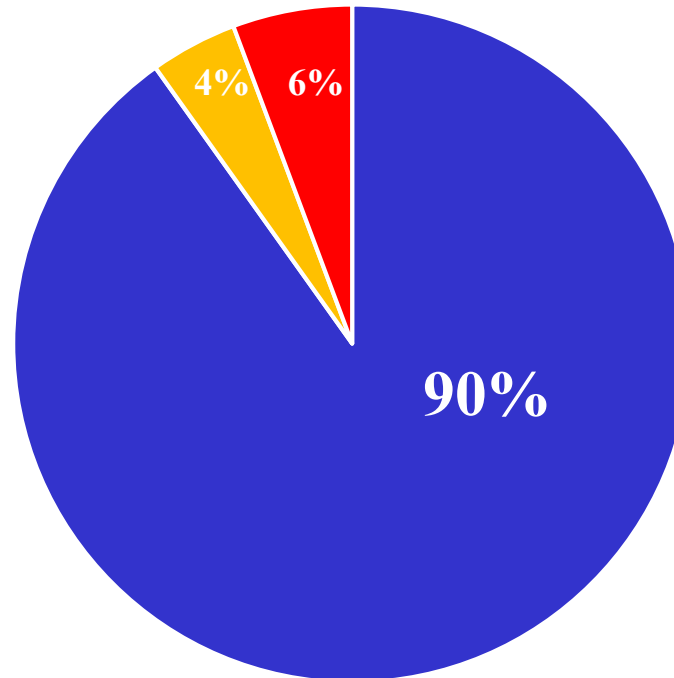
State Sources 47.57%



Local Sources 52.43%

Property Tax Revenue – Detail

Property Tax Values FY 2023



■ Residential/Agricultural ■ Commercial/Industrial ■ Public Utility (PUPP)

County Auditors are required by law to review property values every three years.

Property Tax Revenue – Detail

- Property values are established each year by the County Auditors in Greene, Clinton and Fayette Counties. Greene County is the county of record for Greeneview.
- Greene County had a triennial update in 2023 for collection in tax year 2024.
- In the November forecast, we were projecting a 10% increase in property values for Class 1 (residential properties) and an increase of .5% in Class II (agricultural properties). However, the Greene County Auditor is estimating major changes to those figures.
- He is estimating a 29% increase in residential values for our District and AT LEAST a 30% increase in agricultural values. This is a combined increase of \$62.3 million in values.
- This increase does not include any increase for new construction, so the District will need to keep a close eye on this as the new Honda Battery plant continues to progress.
- This increase in property tax values, the District will be on the 20-mill floor for both classes of property.
- This causes the estimated real estate tax collections to increase over the life of the forecast beginning in the second half of FY 24.
- Over the life of the forecast, the differences in estimates of property tax revenue from the November forecast to the May forecast is an increase of \$3.4 million.

Unrestricted Grants in Aid Revenue - Detail

- State Revenue is approximately 48% of total revenue.
- Determined by the Governor's two-year budget plan.
- There are two new State budgets over the life of this forecast: one covering the period of FY25-25 and one covering the period of FY26-27
- House Bill 33 is the FY 24-25 Governor's Budget Bill; Amended by the House on April 26. It is in the Senate right now. Won't know the final version of the Bill until the end of June.
- Key Factors that Influence State Basic Aid in the Fair School Funding Plan:
 - **Student Population and Demographics**
 - **Property Valuation**
 - **Personal Income of District Residents**
 - **Historical Funding – CAPS and Guarantees from prior funding formula**

Snapshot of Expenditures

Greeneview Local School District

Greene County

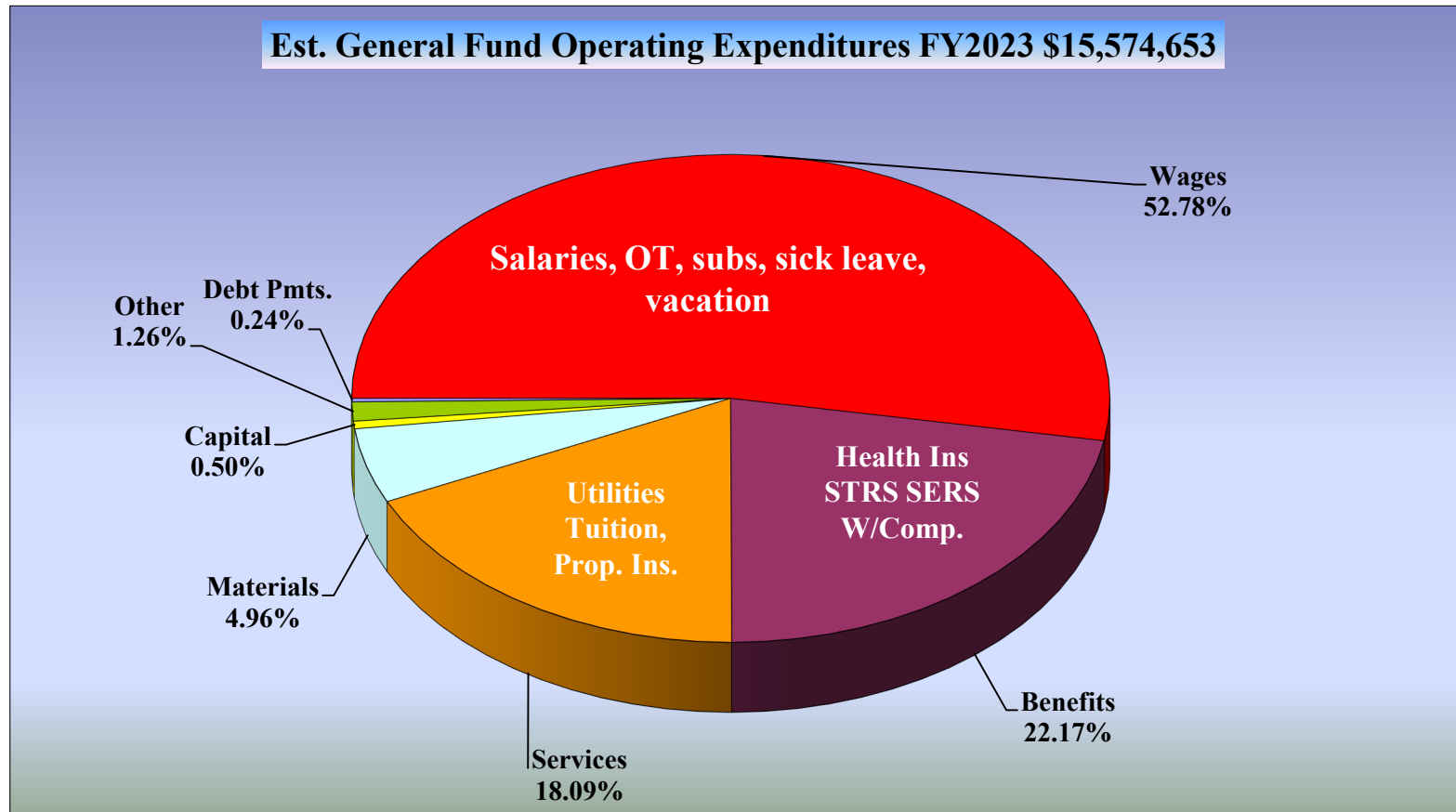
Schedule of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;

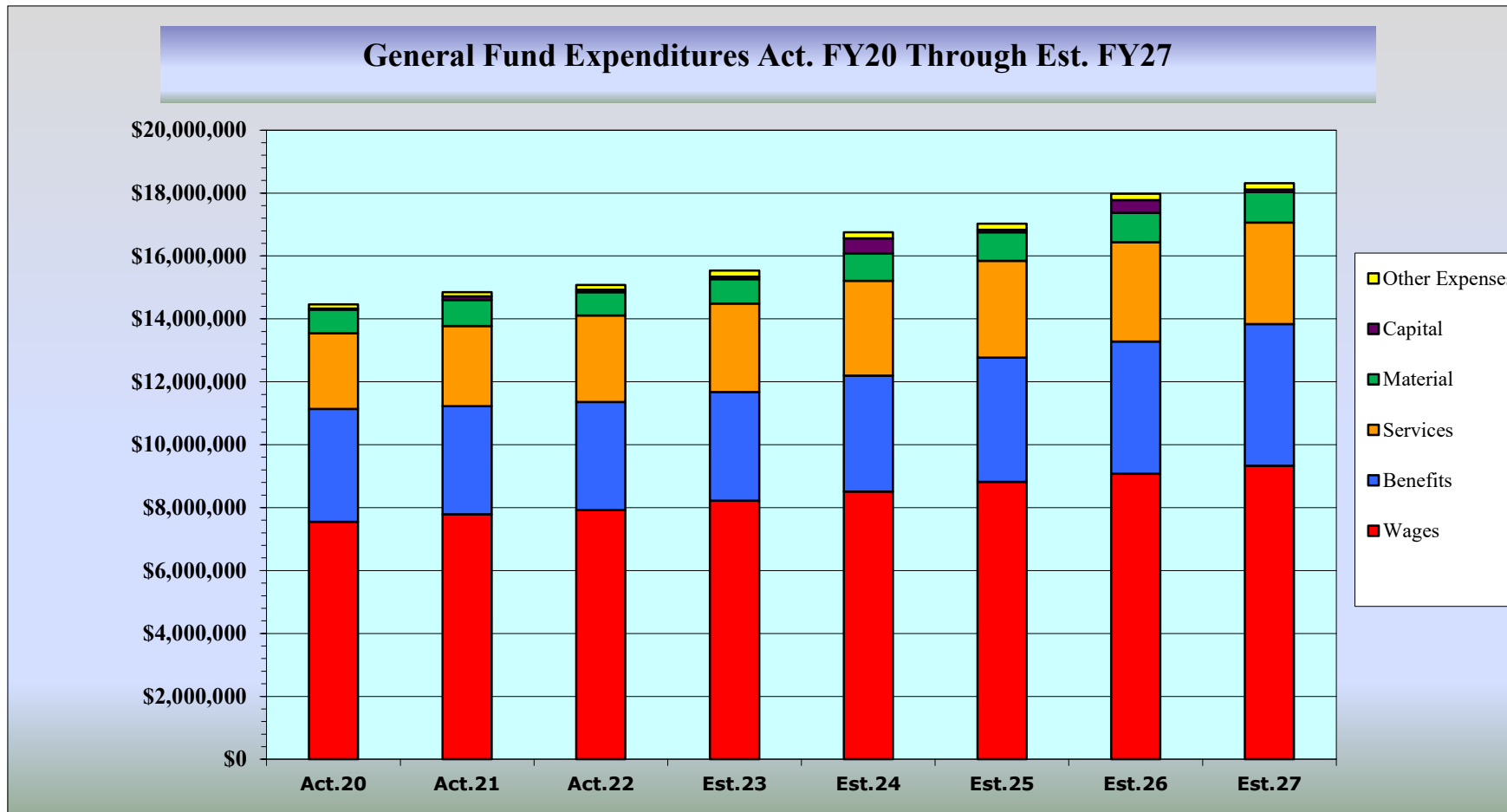
Forecasted Fiscal Years Ending June 30, 2023 Through 2027

		Actual			Average Change	Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022		Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
	Expenditures									
3.010	Personnel Services	\$7,552,632	\$7,791,047	\$7,919,370	2.4%	\$8,220,854	\$8,511,815	\$8,823,174	\$9,072,751	\$9,331,586
3.020	Employees' Retirement/Insurance Benefits	\$3,586,745	\$3,435,309	\$3,435,515	-2.1%	\$3,452,941	\$3,684,879	\$3,942,397	\$4,211,107	\$4,502,275
3.030	Purchased Services	\$2,408,797	\$2,544,495	\$2,750,785	6.9%	\$2,817,170	\$3,010,867	\$3,082,449	\$3,156,090	\$3,231,860
3.040	Supplies and Materials	\$742,458	\$827,944	\$747,458	0.9%	\$772,416	\$873,374	\$901,877	\$931,502	\$962,298
3.050	Capital Outlay	\$36,939	\$119,493	\$78,493	94.6%	\$78,493	\$478,493	\$78,493	\$408,493	\$78,493
3.060	Intergovernmental	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
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	\$37,000	\$37,000	\$37,904	1.2%	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
4.055	Principal-Other	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
4.060	Interest and Fiscal Charges	\$10,176	\$8,992	\$3,904	-34.1%	\$6,720	\$5,760	\$4,800	\$3,840	\$2,880
4.300	Other Objects	\$133,310	\$135,029	\$142,633	3.5%	\$196,059	\$198,020	\$199,999	\$202,000	\$204,020
4.500	<i>Total Expenditures</i>	<i>\$14,508,057</i>	<i>\$14,899,309</i>	<i>\$15,116,062</i>	<i>2.1%</i>	<i>\$15,574,653</i>	<i>\$16,793,208</i>	<i>\$17,063,190</i>	<i>\$18,015,782</i>	<i>\$18,343,412</i>
	Other Financing Uses									
5.010	Operating Transfers-Out	\$79,515	\$79,515	\$79,515	0.0%	\$110,515	\$79,515	\$79,515	\$79,515	\$79,515
5.020	Advances-Out	\$198,000	\$115,309	\$652,461	212.0%	\$2,652,461	\$50,000	\$50,000	\$50,000	\$50,000
5.030	All Other Financing Uses	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
5.040	<i>Total Other Financing Uses</i>	<i>\$277,515</i>	<i>\$194,824</i>	<i>\$731,976</i>	<i>123.0%</i>	<i>\$2,762,976</i>	<i>\$129,515</i>	<i>\$129,515</i>	<i>\$129,515</i>	<i>\$129,515</i>
5.050	<i>Total Expenditures and Other Financing Uses</i>	<i>\$14,785,572</i>	<i>\$15,094,133</i>	<i>\$15,848,038</i>	<i>3.5%</i>	<i>\$18,337,629</i>	<i>\$16,922,723</i>	<i>\$17,192,705</i>	<i>\$18,145,297</i>	<i>\$18,472,927</i>
6.010	<i>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</i>	<i>-\$104,573</i>	<i>-\$393,803</i>	<i>-\$235,874</i>	<i>118.2%</i>	<i>(\$384,575)</i>	<i>(\$768,968)</i>	<i>(\$447,411)</i>	<i>(\$1,299,819)</i>	<i>(\$1,437,558)</i>

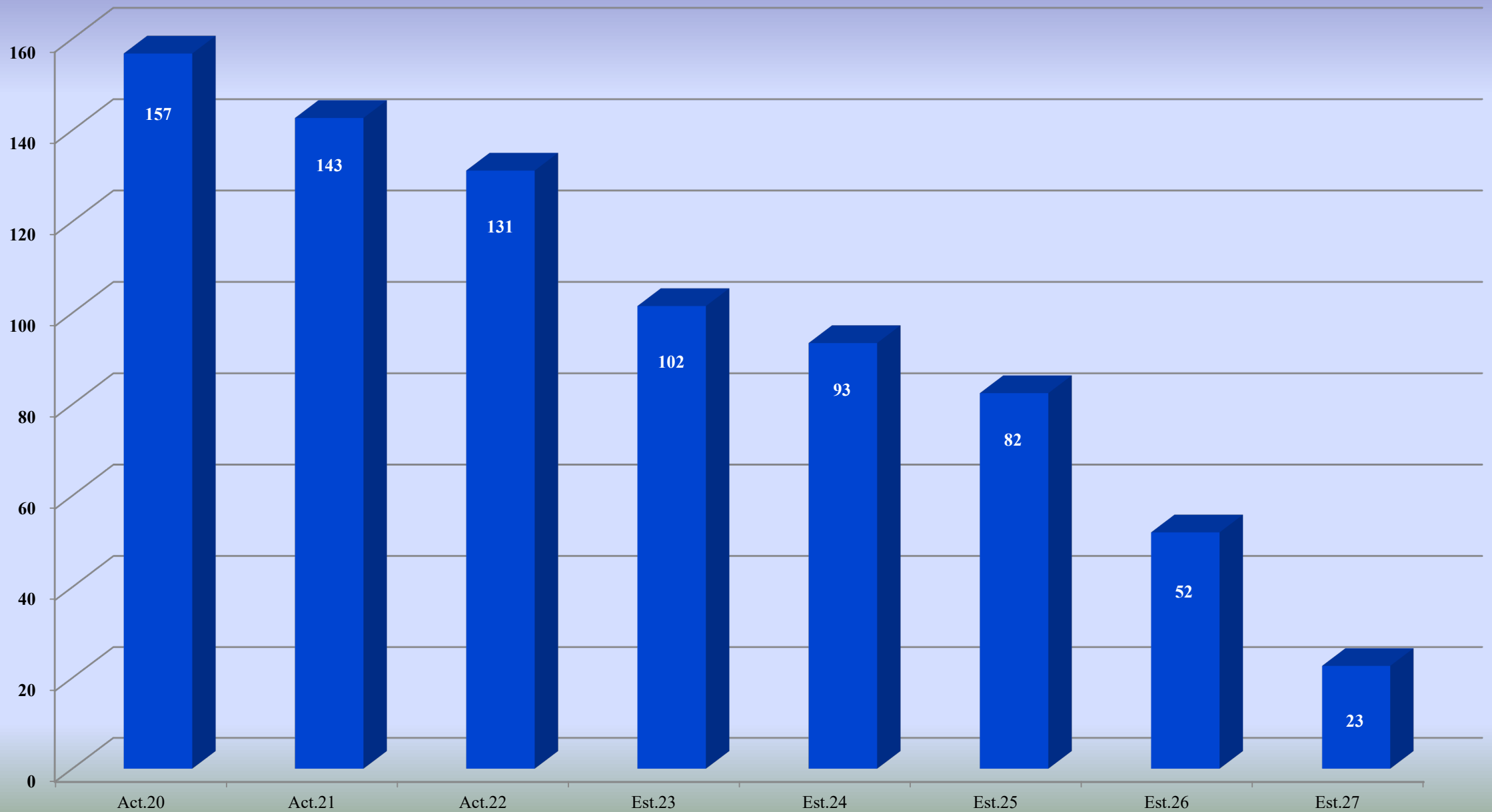
Estimated General Fund Operating Expenditures FY 2023



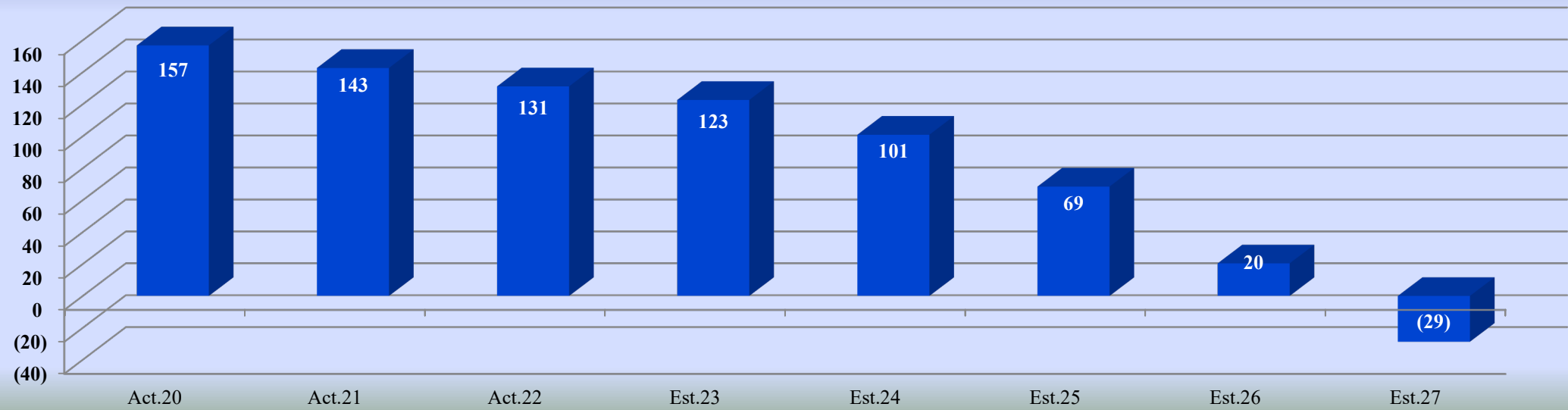
Estimated General Fund Operating Expenditures FY 2023



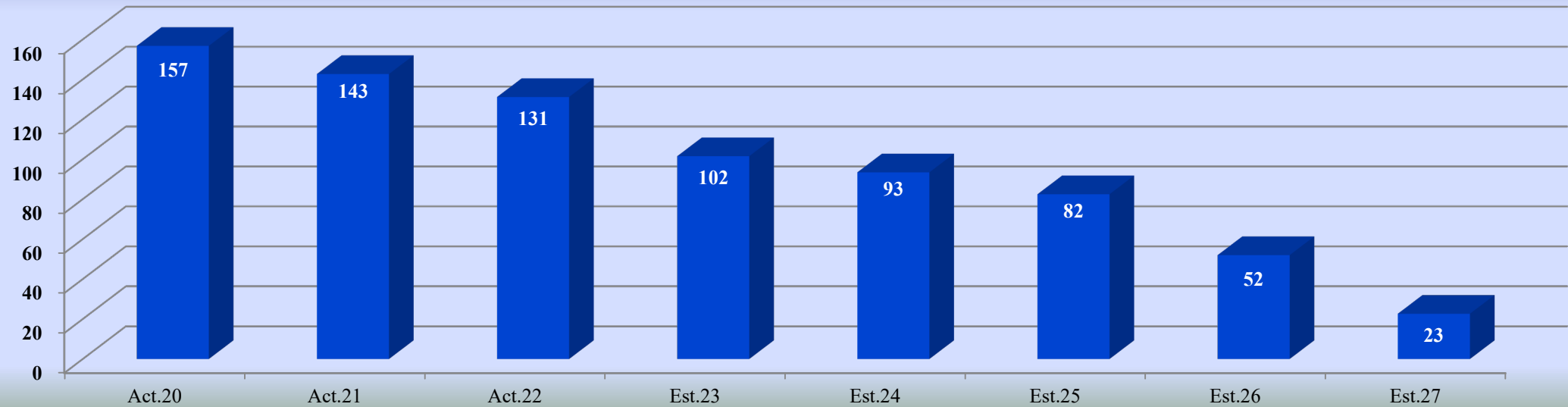
Ending Cash Balance in True Cash Days - May, 2023 Forecast



Ending Cash Balance in True Cash Days – November, 2022 Forecast



Ending Cash Balance in True Cash Days - May, 2023 Forecast



Greeneview Local School District

Greene County

Schedule of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Years Ended June 30, 2019, 2020 and 2021 Actual;

Forecasted Fiscal Years Ending June 30, 2022 Through 2026

	Actual					Forecasted				
	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Average Change		Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>	6,787,227	6,351,077	5,900,014	-6.8%		5,151,024	4,171,656	2,517,664	226,000	-2,557,495

Greeneview Local School District

Greene County

Schedule of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;

Forecasted Fiscal Years Ending June 30, 2023 Through 2027

	Actual					Forecasted				
	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Average Change		Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>	\$6,351,077	\$5,900,014	\$5,694,877	-5.3%		\$5,099,717	\$4,330,750	\$3,883,339	\$2,583,520	\$1,145,962

Summary

- The District has a positive cash balance through the end of FY 27 if the assumptions we have made remain close to our estimates.
- Real estate values (both residential and agricultural) are expected to increase significantly (29.19%) due to the update that was done in 2023 for collection in 2024. This will cause property tax revenue to increase.
- We have to keep a close eye on the FY 24/FY 25 and then the FY 26/FY 27 budget bills to see what effect this will have on State funding for school districts.
- HB 33, the proposed State Budget was introduced in February and was amended by the House of Representatives in April. It is still too early to include the increases implemented by the House in the May forecast as the budget will not be finalized until late June.
- The District still is deficit spending (expenditures more than revenues) each year of the forecast which is causing the cash balance to decrease each year.

Summary

FINAL DISCLAIMER: This forecast is only good as of this exact point in time. The information known will change tomorrow.

Analysis of Current Five-Year Forecast

Questions?

