

Kettering City School District

Five Year Forecast Financial Report

October, 2023



Table of Contents

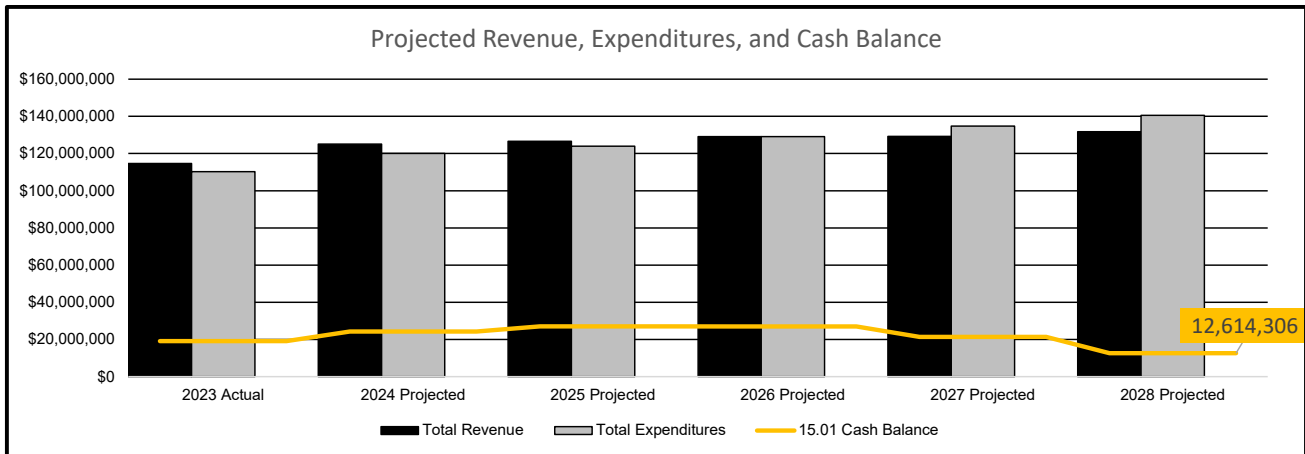
	<u>Page</u>
Table of Contents	2
Forecast Summary	3
Revenue Sources and Forecast Year-Over-Year Projected Overview	4
1.010 - General Property Tax (Real Estate)	5
1.020 - Public Utility Personal Property	6
1.030 - Income Tax	7
1.035 - Unrestricted Grants-in-Aid	8
1.040 & 1.045 - Restricted Grants-in-Aid	9
1.050 - State Share-Local Property Taxes	10
1.060 - All Other Operating Revenues	11
2.070 - Total Other Financing Sources	12
Expenditures Overview	13
3.010 - Personnel Services	14
3.020 - Employee Benefits	15
3.030 - Purchased Services	16
3.040 - Supplies and Materials	17
3.050 - Capital Outlay	18
3.060 - 4.060 - Intergovernmental & Debt	19
4.300 - Other Objects	20
5.040 - Total Other Financing Uses	21
Five Year Forecast	22

Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.



Note: Cash balance (Line 7.020) plus any existing levy modeled as renewed or new during the forecast.

Financial Forecast

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	19,163,209	24,257,851	26,993,551	26,995,291	21,419,480
+ Revenue	125,096,102	126,638,396	129,169,886	129,182,756	131,803,513
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(120,001,461)	(123,902,696)	(129,168,146)	(134,758,566)	(140,608,687)
= Revenue Surplus or Deficit	5,094,641	2,735,701	1,739	(5,575,810)	(8,805,174)
Line 7.020 Ending Balance with renewal/new levies	24,257,851	26,993,551	26,995,291	21,419,480	12,614,306

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	5,094,641	2,735,701	1,739	(5,575,810)	(8,805,174)
Ending Balance w/o Levies	24,257,851	26,993,551	26,995,291	21,419,480	12,614,306

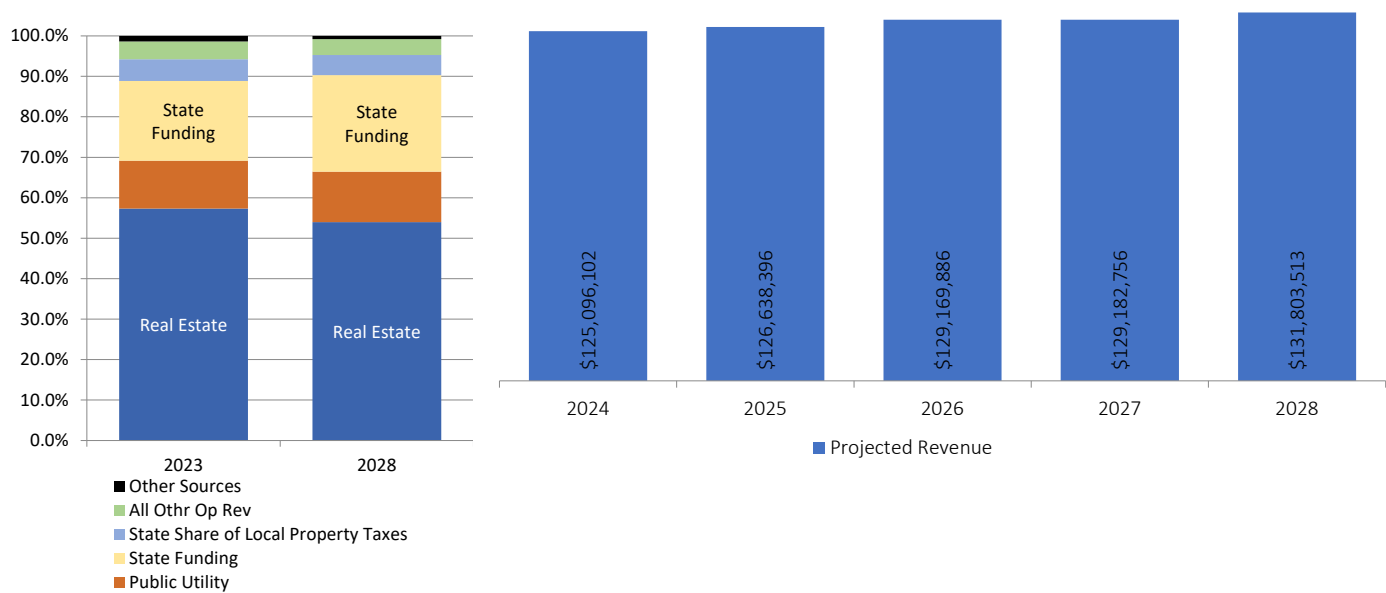
In FY 2024 a revenue surplus is expected. This means that expenditures are expected to be less than revenue by -\$5,094,641 in FY 2024. By the last year of the forecast, FY 2028, the district is expected to have a revenue shortfall where expenditures are projected to be greater than revenue by \$8,805,174. The district would need to cut its FY 2028 projected expenses by 6.26% in order to balance its budget without additional revenue.

The district's cash balance is positive at year-end in FY 2024 and is projected to worsen by FY 2028. A worsening cash balance can erode the district's financial stability over time.

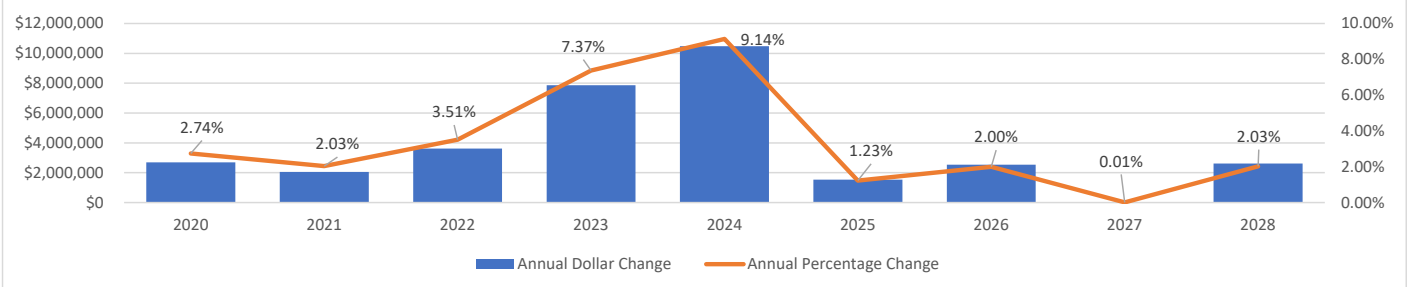
This forecast includes the Fair School Funding Plan (FSFP) adopted by Ohio starting in FY 2022. In addition to calculated results, this forecast includes a CFO adjusted trend calculation of the FSFP impact using current information. As information changes the estimates will be updated. The district is considered a formula district in FY 2023. A detailed state funding supplement to this forecast has been prepared and should be reviewed and considered part of the forecast assumptions.

Revenue Sources and Forecast Year-Over-Year Projected Overview

Sources of Revenue Over Time



Year-Over-Year Dollar & Percentage Change



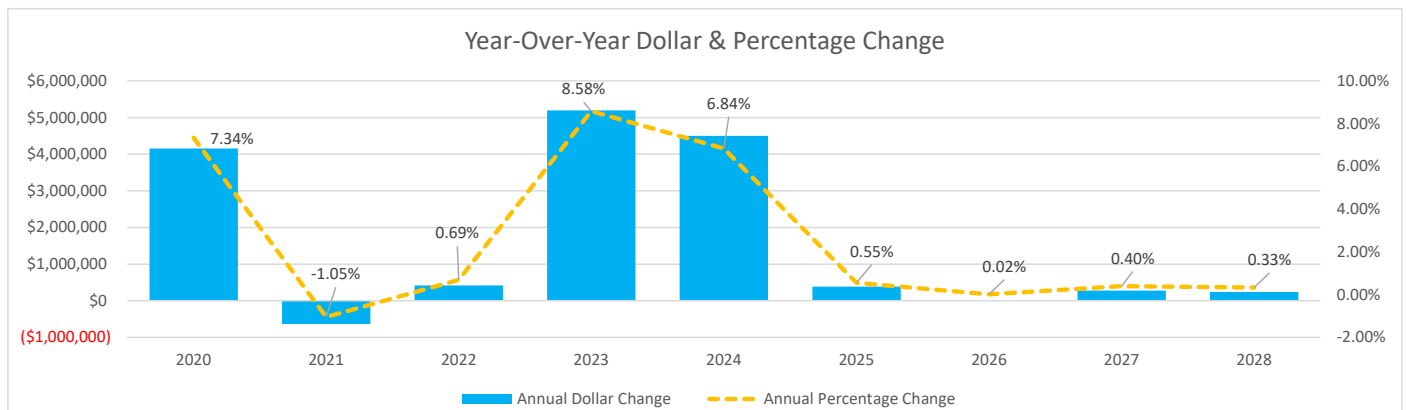
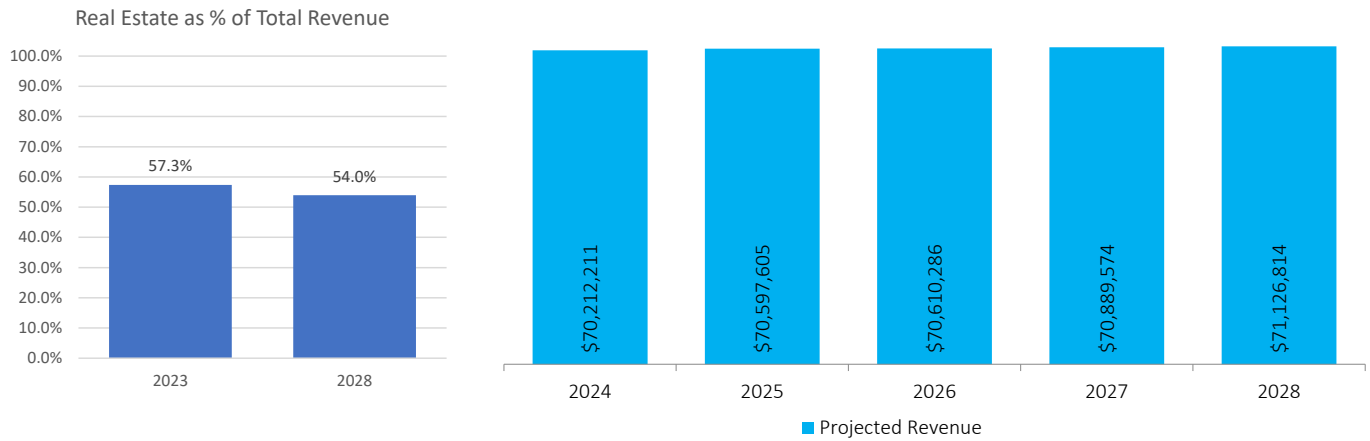
4-Year Historical Actual Average Annual Dollar Change Compared to 5-year Projected

	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	Total revenue increased 3.91% or \$4,060,327 annually during the past 4-Year period and is projected to increase 2.88% or \$3,436,259 annually through FY2028. Real Estate has the most projected average annual variance compared to the historical average at - \$1,200,174.
Real Estate	2,282,418	1,082,243	(\$1,200,174)	
Public Utility	\$567,329	\$579,373	\$12,044	
Income Tax	\$0	\$0	\$0	
State Funding	\$1,071,178	1,782,374	\$711,196	
Prop Tax Alloc	(\$393,430)	\$66,495	\$459,924	
All Othr Op Rev	\$275,118	\$35,408	(\$239,709)	
Other Sources	\$257,714	(\$109,634)	(\$367,348)	
Total Average Annual Change	4,060,327	3,436,259	(\$624,067)	
	3.91%	2.88%	-1.03%	

Note: Expenditure average annual change is projected to be > \$6,066,474 On an annual average basis, expenditures are projected to grow faster than revenue.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



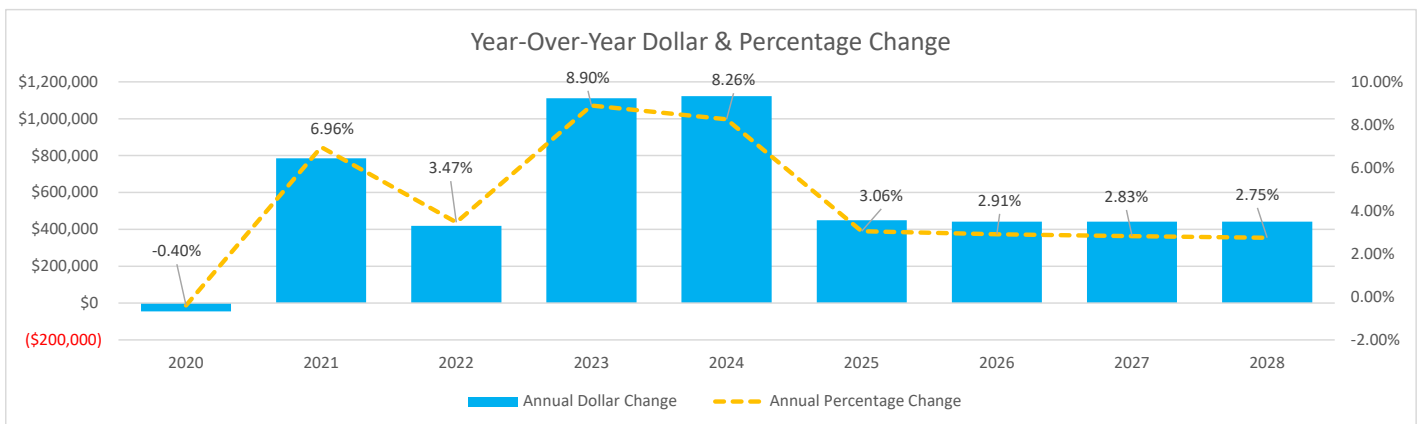
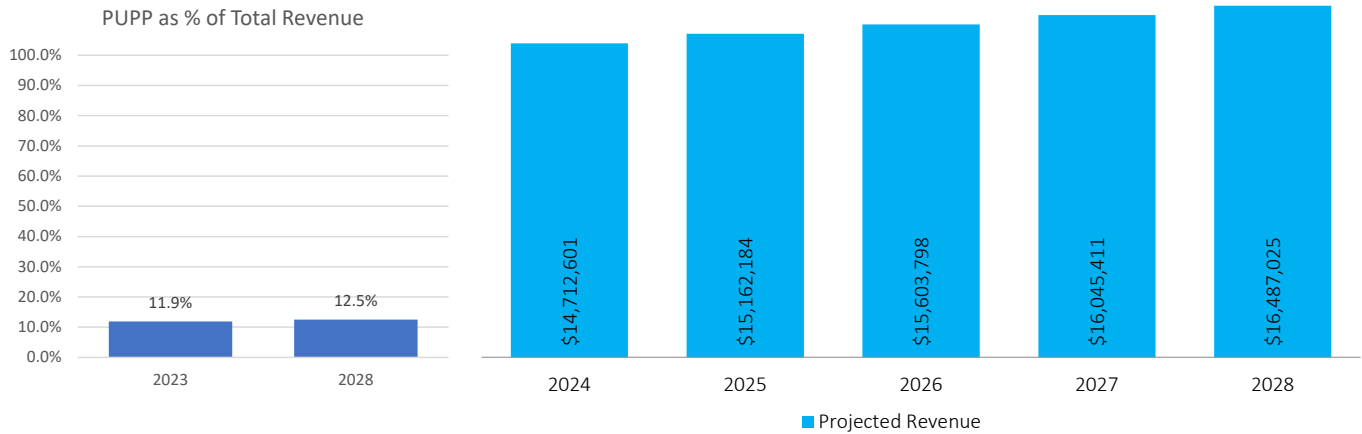
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2022	1,389,934,310	3,638,150	50.71	-	65.56	-	100.7%
2023	1,768,234,310	378,300,000	39.52	(11.19)	61.06	(4.50)	99.1%
2024	1,766,739,310	(1,495,000)	39.57	0.05	61.06	(0.00)	99.1%
2025	1,767,244,310	505,000	39.57	(0.00)	61.06	(0.00)	99.1%
2026	1,862,749,310	95,505,000	37.53	(2.03)	60.31	(0.75)	99.1%
2027	1,862,254,310	(495,000)	37.56	0.02	60.31	(0.00)	99.1%

Real estate property tax revenue accounts for 57.33% of total revenue. Class I or residential/agricultural taxes make up approximately 67.34% of the real estate property tax revenue. The Class I tax rate is 39.52 mills in tax year 2023. The projections reflect an average gross collection rate of 99.1% annually through tax year 2027. The revenue changed at an average annual historical rate of 3.89% and is projected to change at an average annual rate of 1.63% through FY 2028.

*Projected % trends include renewal levies

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



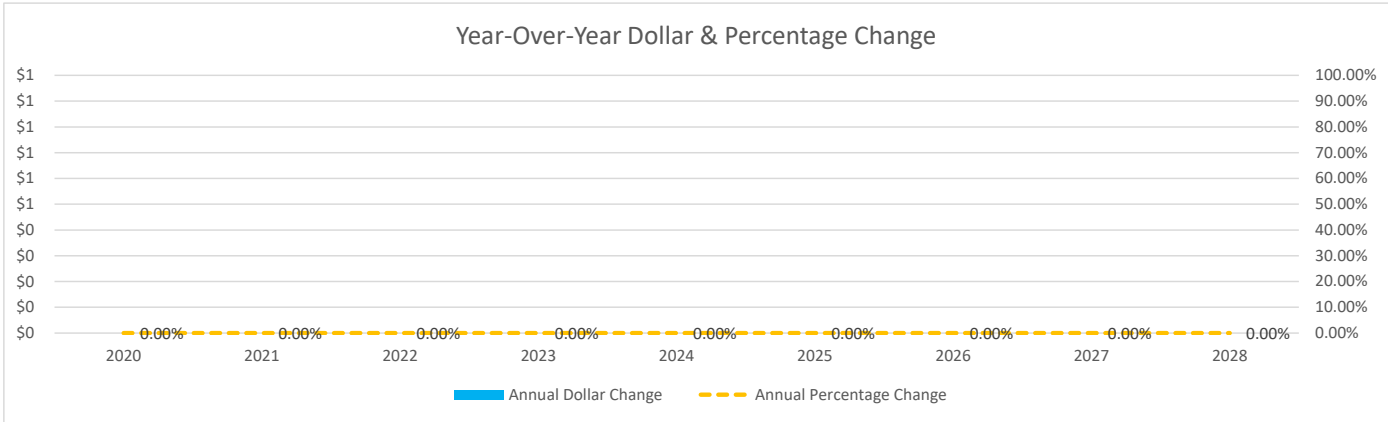
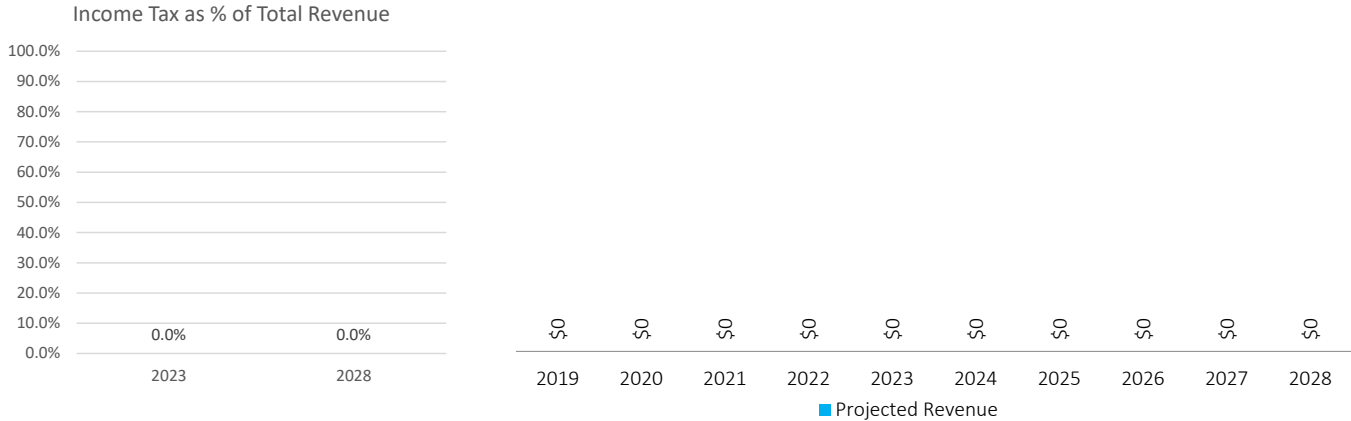
Values and Tax Rates					Gross Collection Rate Including Delinquencies	
Tax Year	Valuation	Value Change	Full Voted Rate	Change		
2022	164,172,010	9,768,340	88.37	5.99	100.0%	
2023	169,172,010	5,000,000	88.37	-	99.8%	
2024	174,172,010	5,000,000	88.37	-	99.9%	
2025	179,172,010	5,000,000	88.37	-	99.9%	
2026	184,172,010	5,000,000	88.37	-	99.9%	
2027	189,172,010	5,000,000	88.37	-	99.9%	

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. This category currently makes up 11.86% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2023 is 88.37 mills. The forecast is modeling an average gross collection rate of 99.92%. The revenue changed historically at an average annual dollar amount of \$567,329 and is projected to change at an average annual dollar amount of \$579,373 through FY 2028.

*Projected % trends include renewal levies

1.030 - No Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.

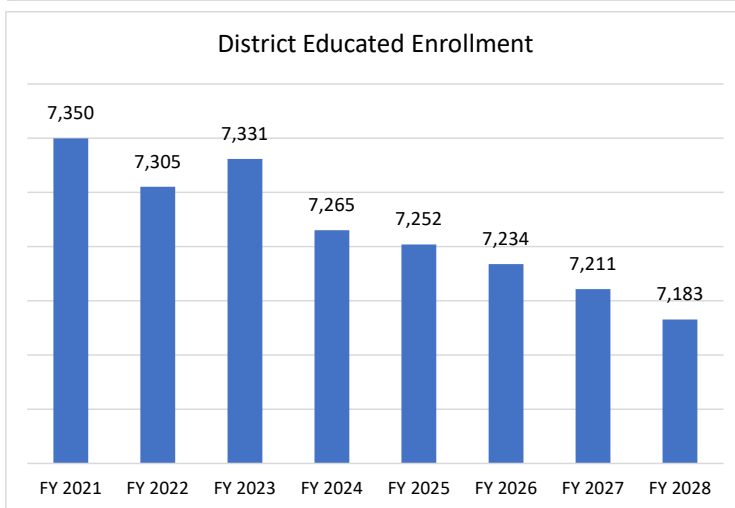
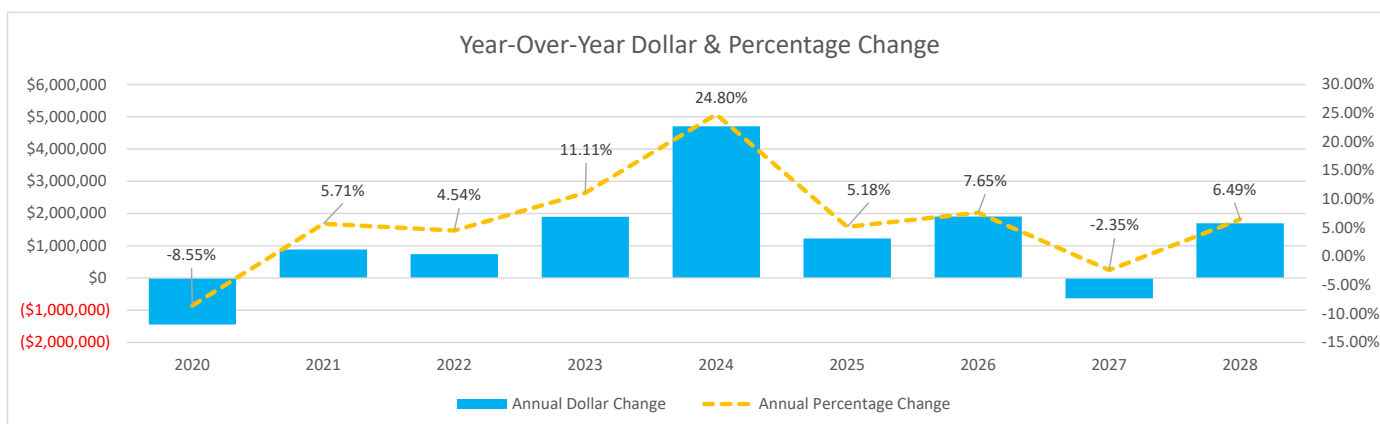
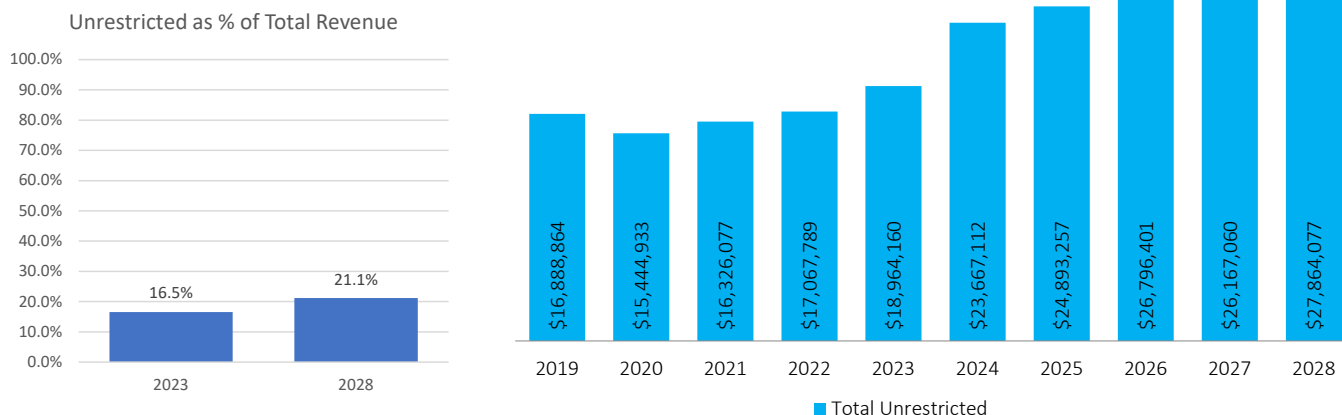


The district does not have an income tax levy.

*Projected % trends include renewal levies

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



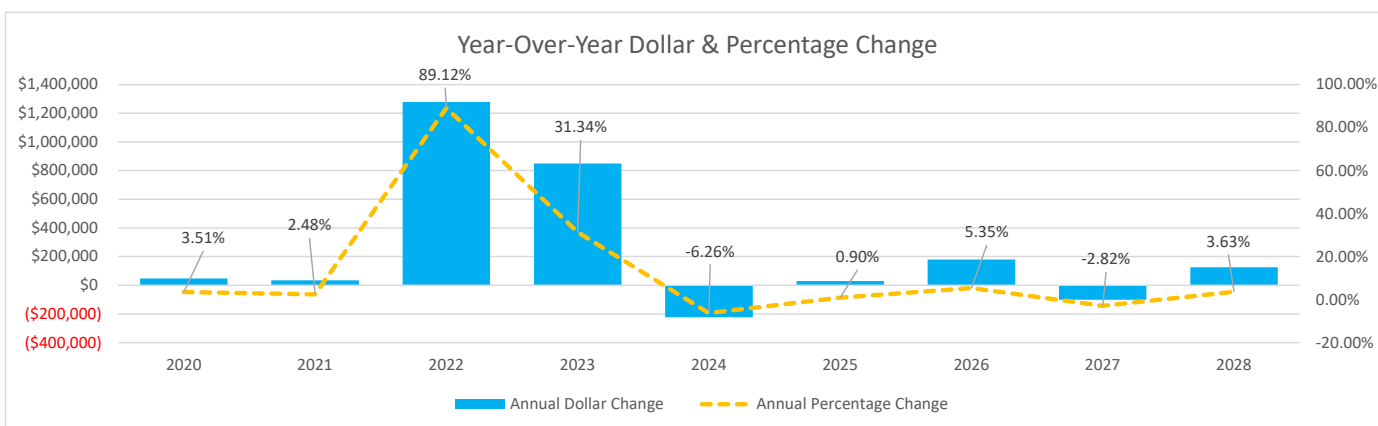
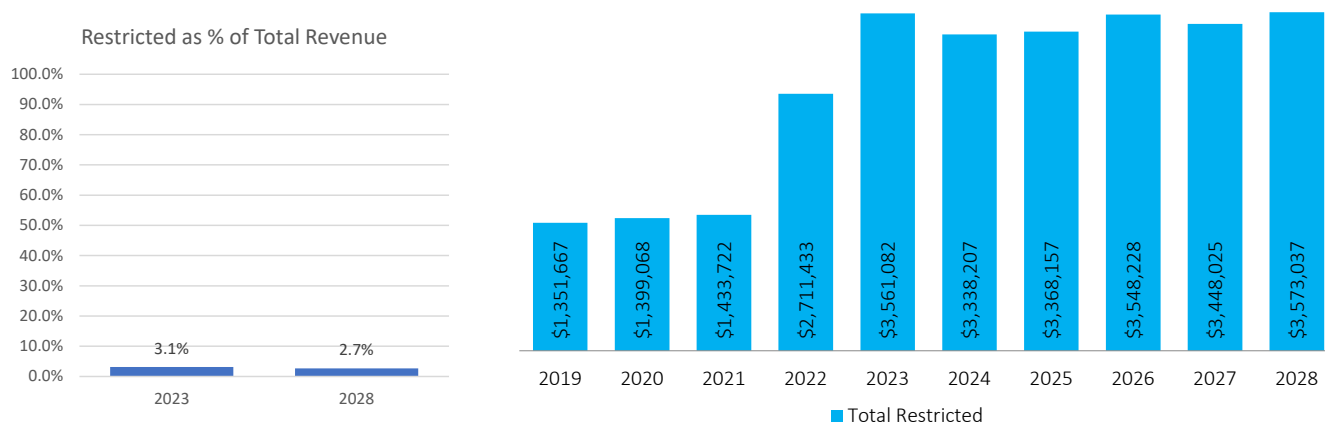
Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

For Kettering City School District the calculated Base Cost total is \$61,010,995 in FY 2023. The state's share of the calculated Base Cost total is \$24,347,610 or \$3,351 per pupil.

The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts.

1.040 & 1.045 - Restricted Grants-in-Aid

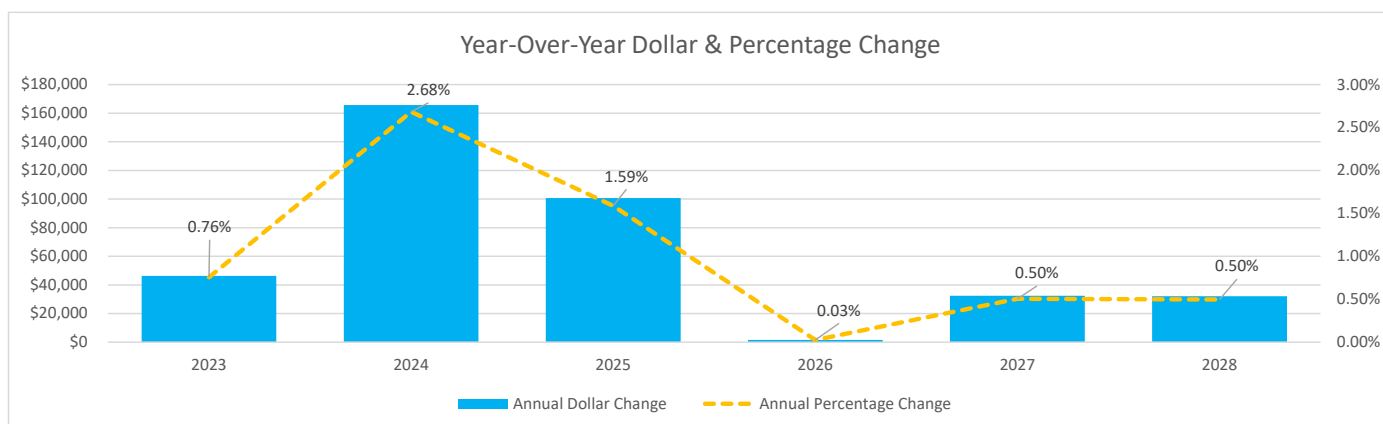
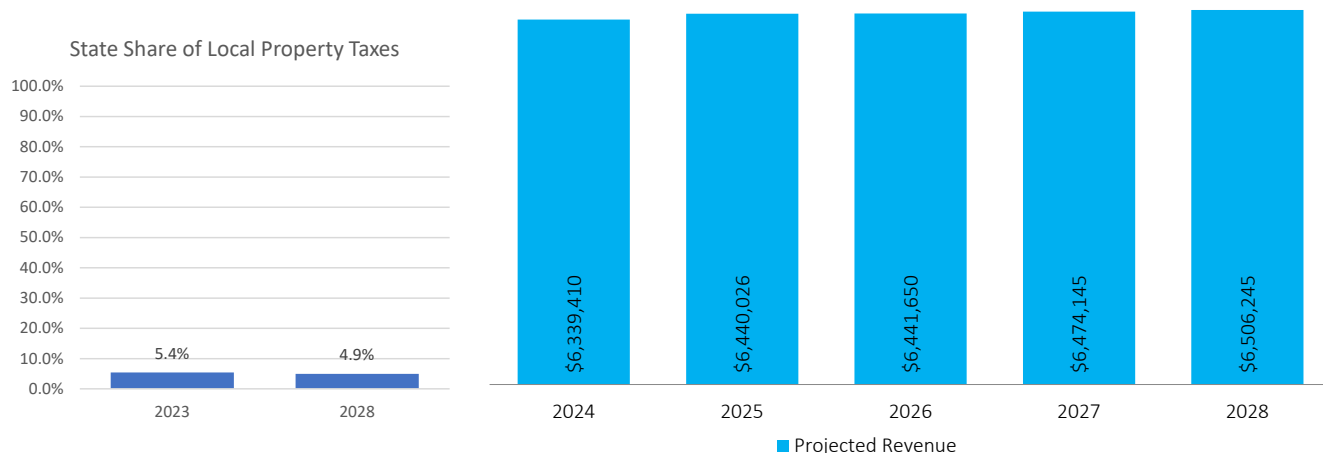
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$720,671 and is projected to change annually on average by \$2,391. Restricted funds represent 3.11% of total revenue. Starting in FY 2022 the district's Success & Wellness funding is considered restricted, the state's share of this funding is recorded as restricted is \$788,296. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

1.050 - State Share of Local Property Taxes

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.

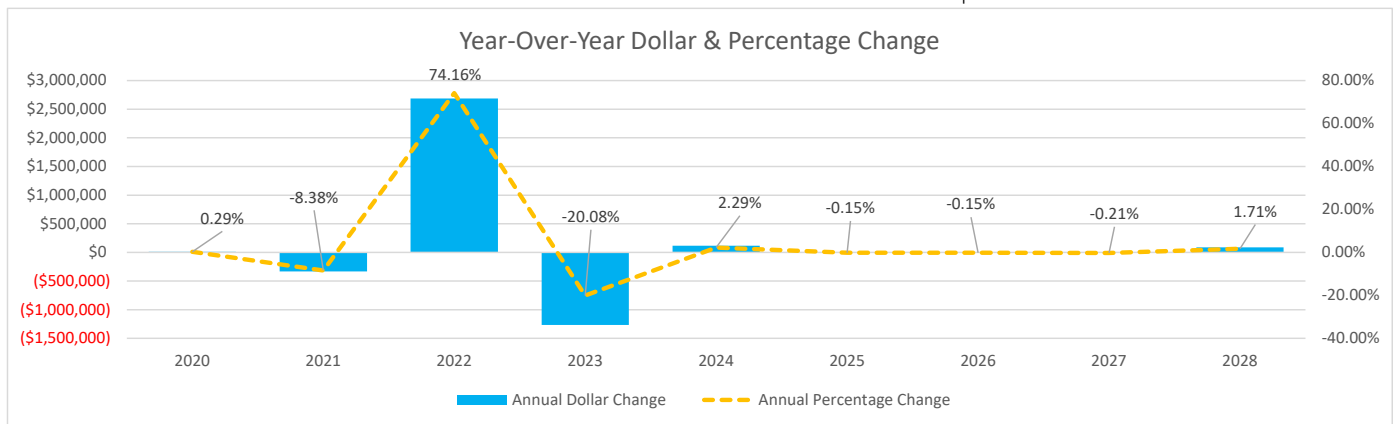
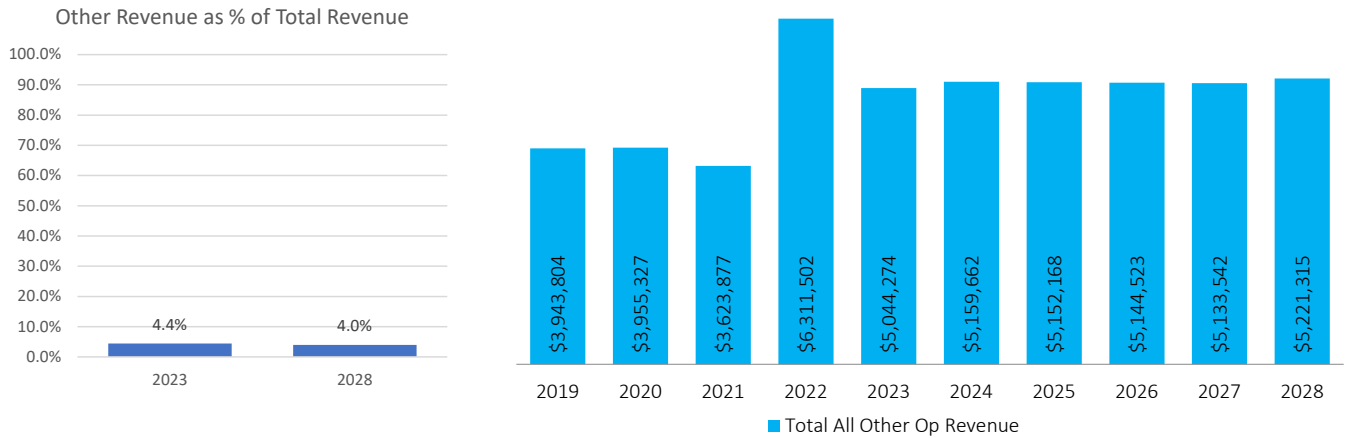


State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2024, approximately 8.4% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 3.1% will be reimbursed in the form of qualifying homestead exemption credits.

*Projected % trends include renewal levies

1.060 - All Other Operating Revenues

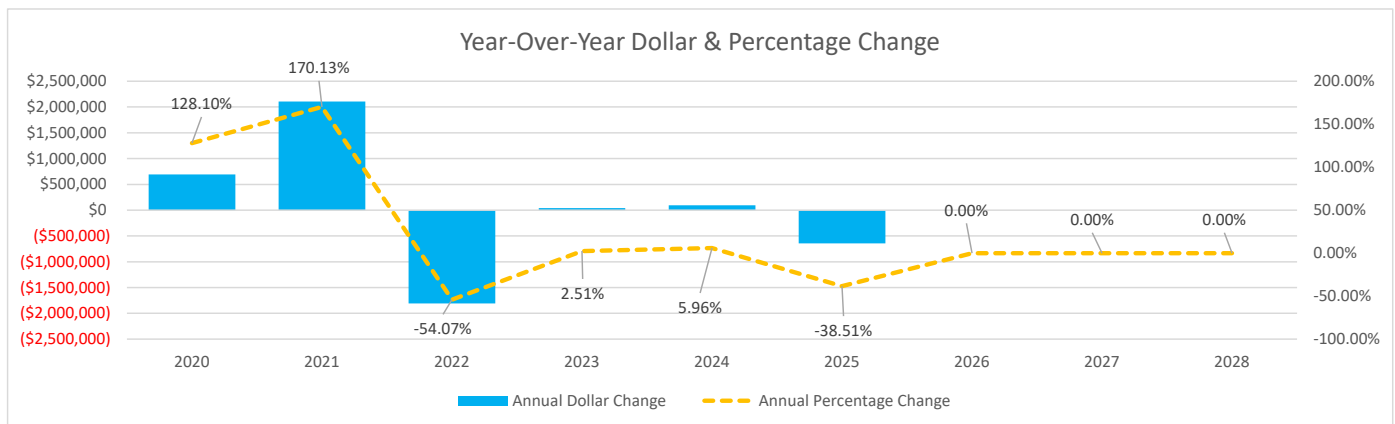
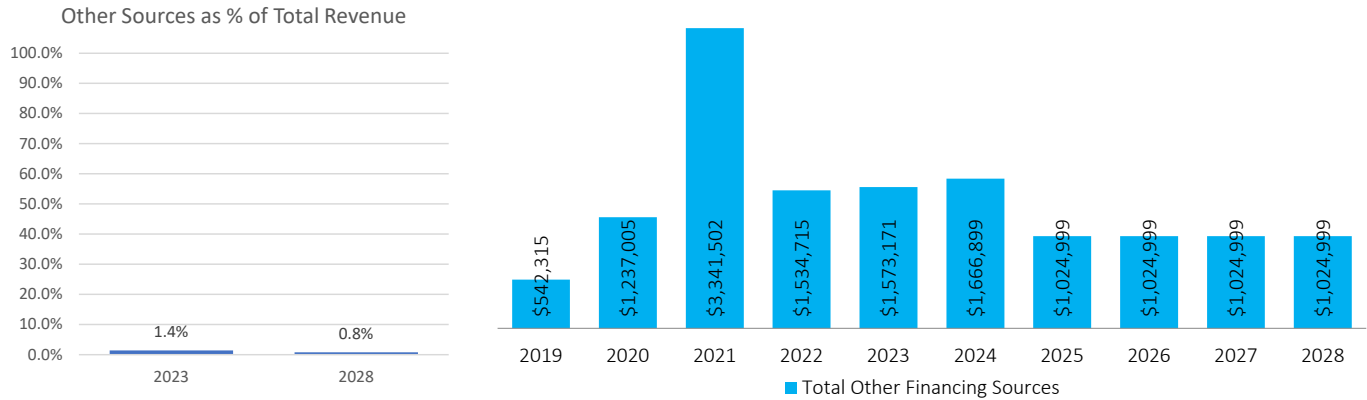
Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The FSFP includes per pupil funding for any open enrollment in students the district is educating. This revenue, if any, was recorded in 'other revenue' prior to FY 2022."&" Fiscal year 2022 and beyond will not include any open enrollment in revenue.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.

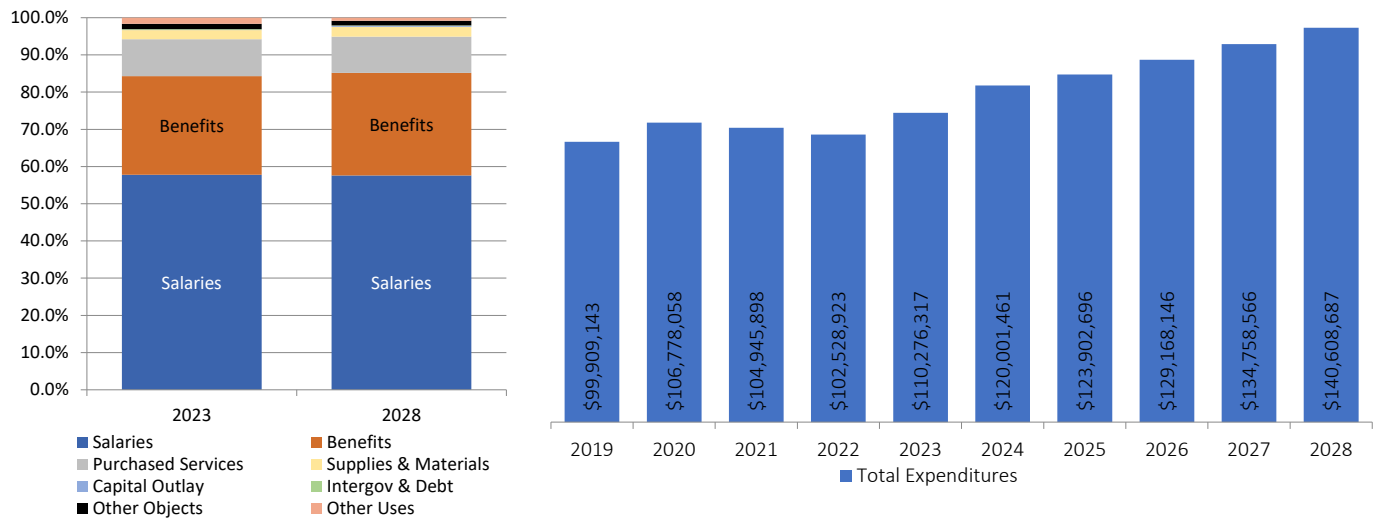


	2023	FORECASTED				
		2024	2025	2026	2027	2028
Transfers In	2,073	-	-	-	-	-
Advances In	1,537,971	1,641,900	1,000,000	1,000,000	1,000,000	1,000,000
All Other Financing Sources	33,127	25,000	25,000	25,000	25,000	25,000

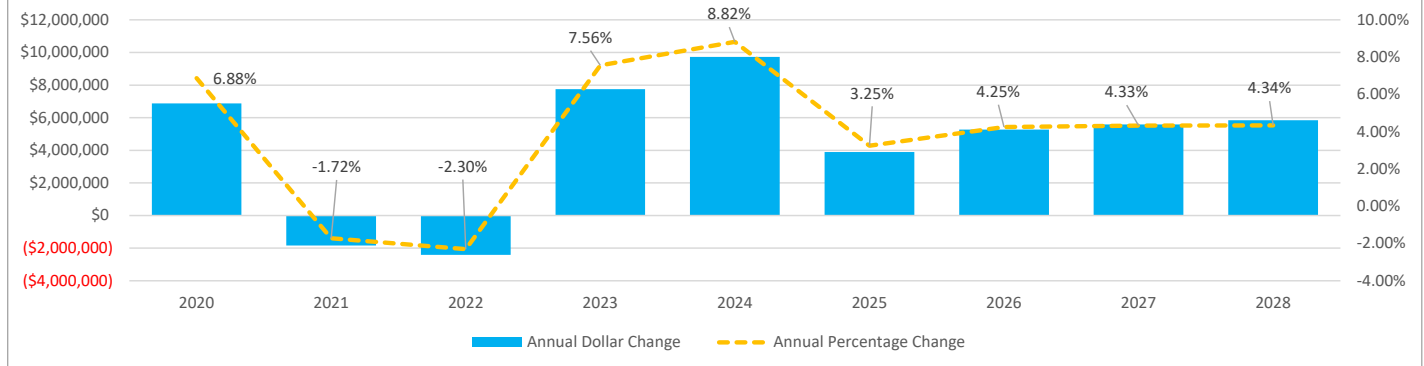
Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2023 the district receipted \$1,537,971 as advances-in and is projecting advances of \$1,641,900 in FY 2024. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$25,000 in FY 2024 and average \$25,000 annually through FY 2028.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

Expenditure Categories Over Time



Year-Over-Year Dollar & Percentage Change



4-Year Historical Actual Average Annual Dollar Change Compared to 5-Year Projected

	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	Total expenditures increased 2.60% or \$2,591,793 annually during the past 4-Year period and is projected to increase 5.50% or \$6,066,474 annually through FY2028. Salaries has the largest projected average annual variance compared to the historical average at \$2,625,281.
Salaries	829,690	3,454,971	\$2,625,281	
Benefits	\$1,032,603	\$1,911,795	\$879,192	
Purchased Services	\$163,636	\$536,403	\$372,768	
Supplies & Materials	\$191,797	\$213,328	\$21,532	
Capital Outlay	\$19,175	\$38,185	\$19,011	
Intergov & Debt	\$7,473	(\$138)	(\$7,611)	
Other Objects	\$120,770	\$40,109	(\$80,661)	
Other Uses	\$226,650	(\$128,180)	(\$354,830)	
Total Average Annual Change	\$2,591,793	\$6,066,474	\$3,474,681	
	2.60%	5.50%	2.90%	

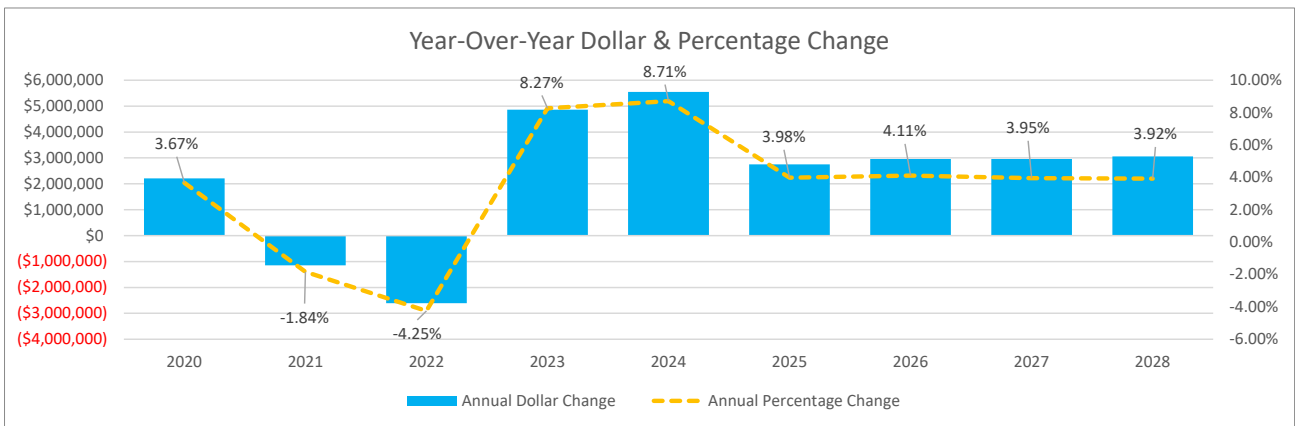
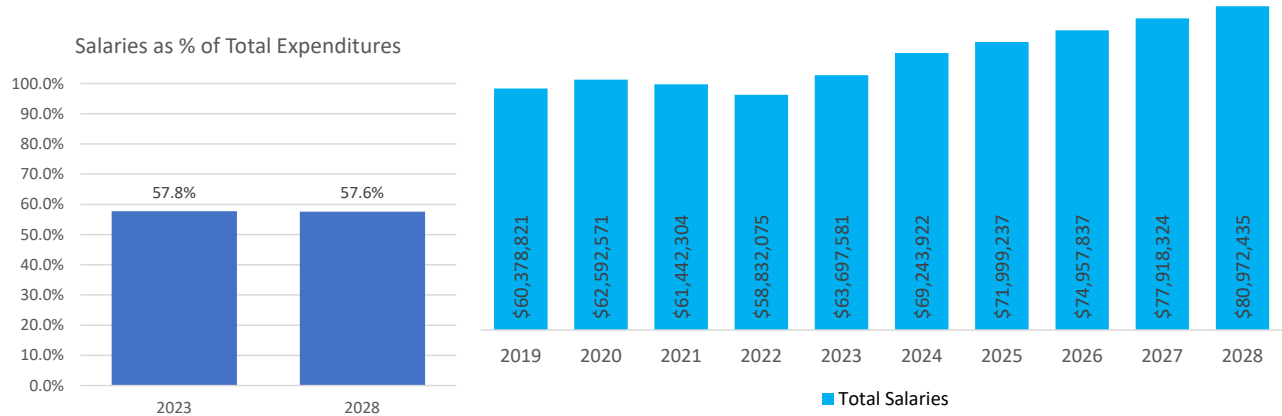
Note: Revenue average annual change is projected to

be > \$3,436,259

On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

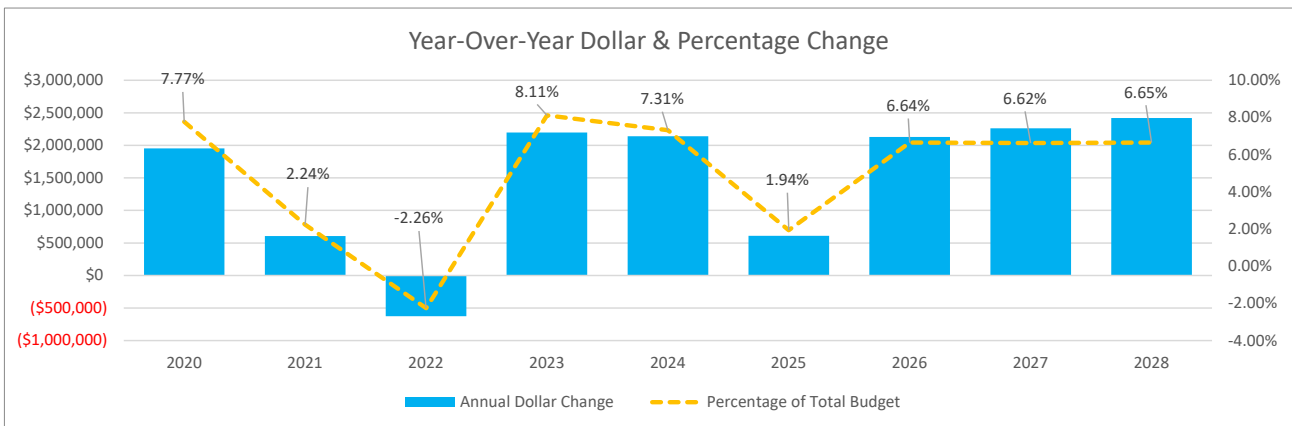
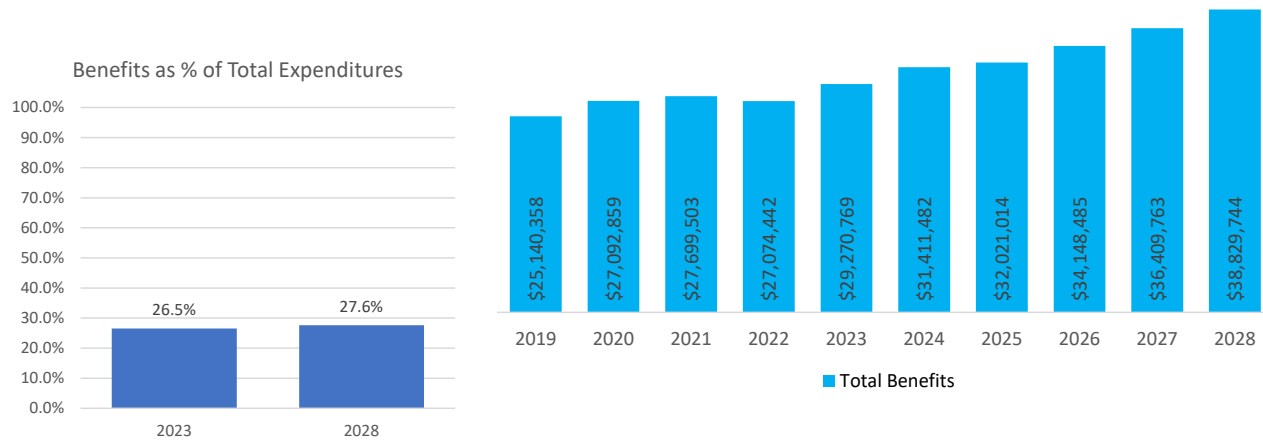
Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



Salaries represent 57.76% of total expenditures and increased at a historical average annual rate of 1.46% or \$829,690. This category of expenditure is projected to grow at an annual average rate of 4.93% or \$3,454,971 through FY 2028. The projected average annual rate of change is 3.47% more than the five year historical annual average.

3.020 - Employees' Benefits

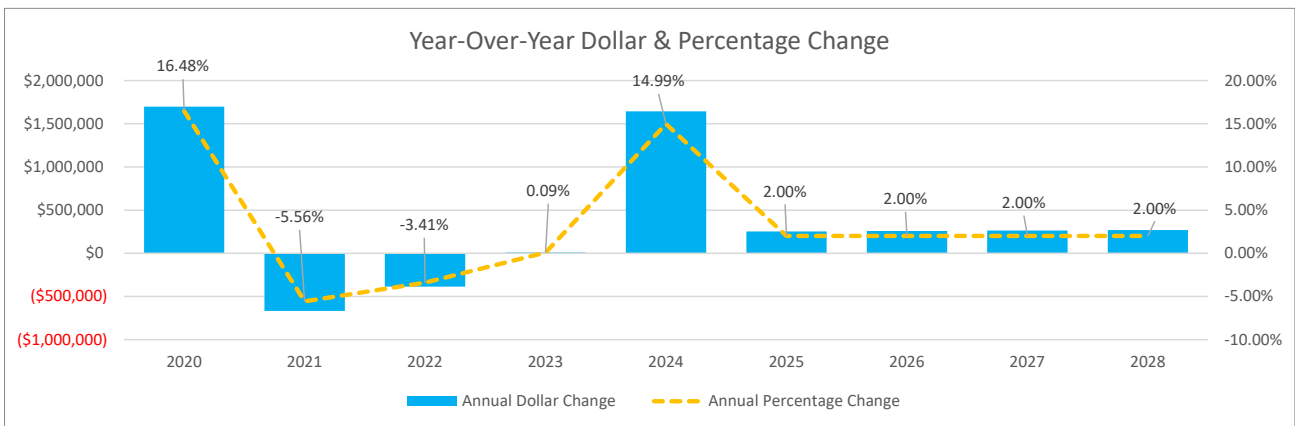
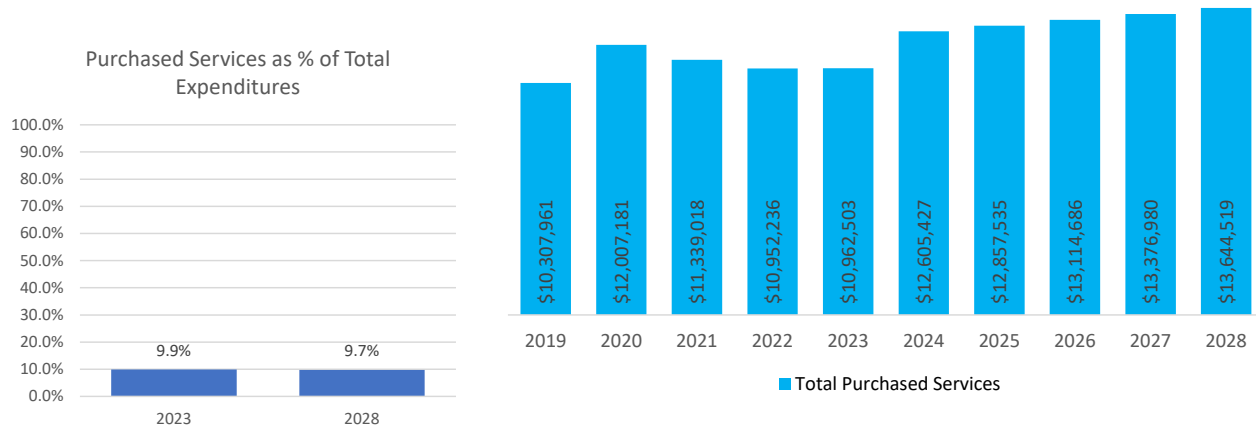
Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits represent 26.54% of total expenditures and increased at a historical average annual rate of 3.97%. This category of expenditure is projected to grow at an annual average rate of 5.83% through FY 2028. The projected average annual rate of change is 1.87% more than the five year historical annual average.

3.030 - Purchased Services

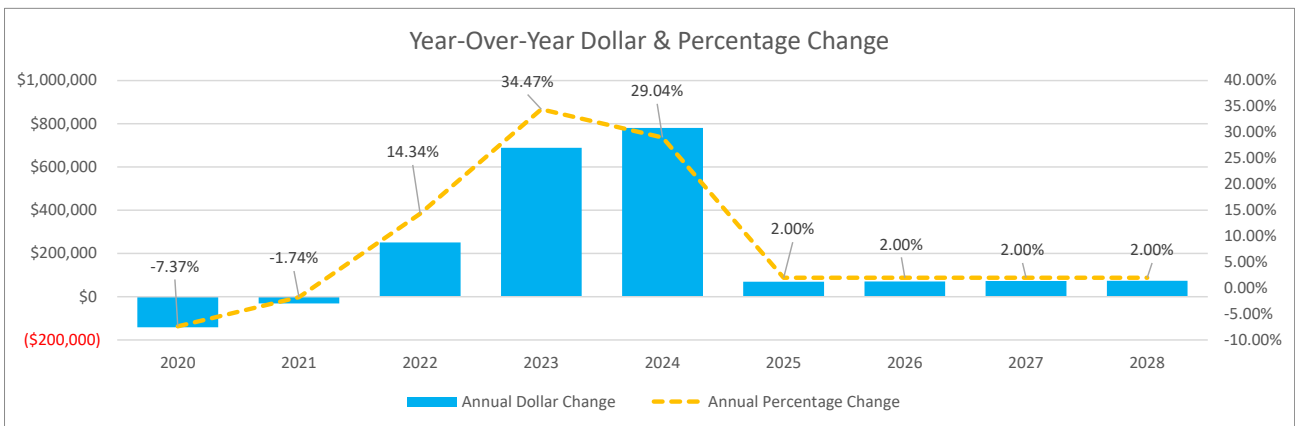
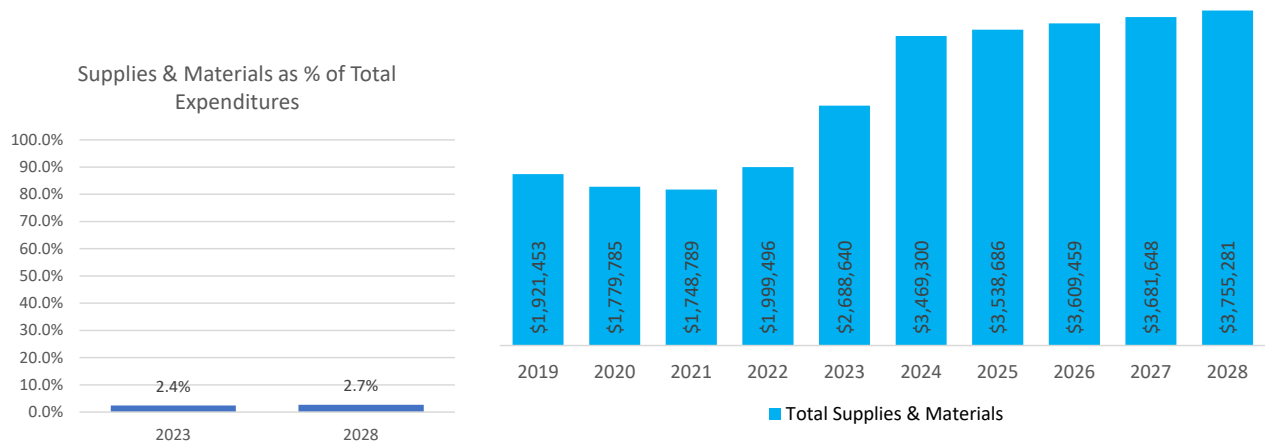
Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utilities costs and other services which the school district may purchase.



Purchased Services represent 9.94% of total expenditures and increased at a historical average annual rate of 1.90%. This category of expenditure is projected to grow at an annual average rate of 4.60% through FY 2028. The FSFP funds only district educated enrollment thereby reducing tuition cost for open enrollment out, community schools, STEM, and scholarships starting in FY 2022. This change resulted in lower district cost but also less per pupil state revenue since per pupil funding was paid directly by the state to the attending school.

3.040 - Supplies & Materials

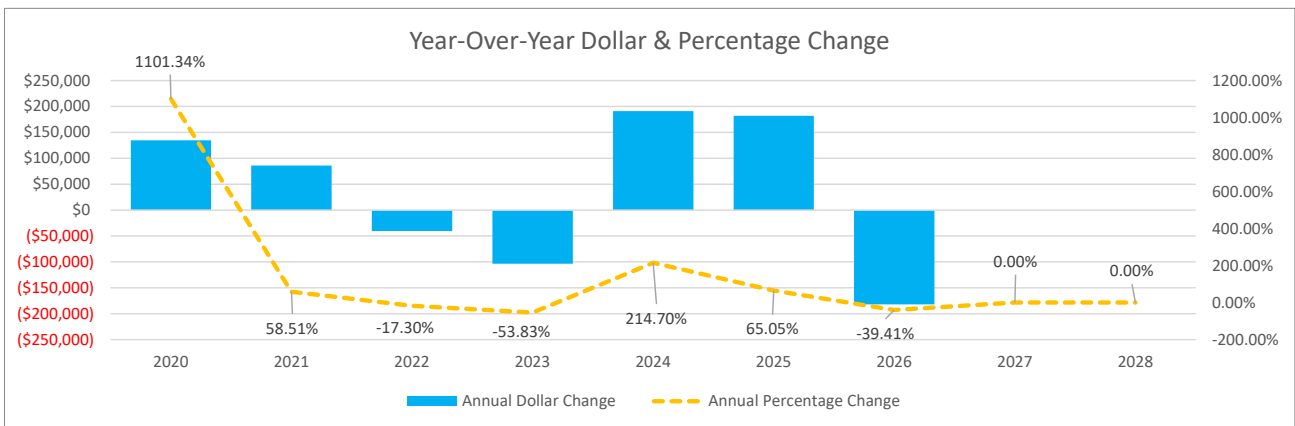
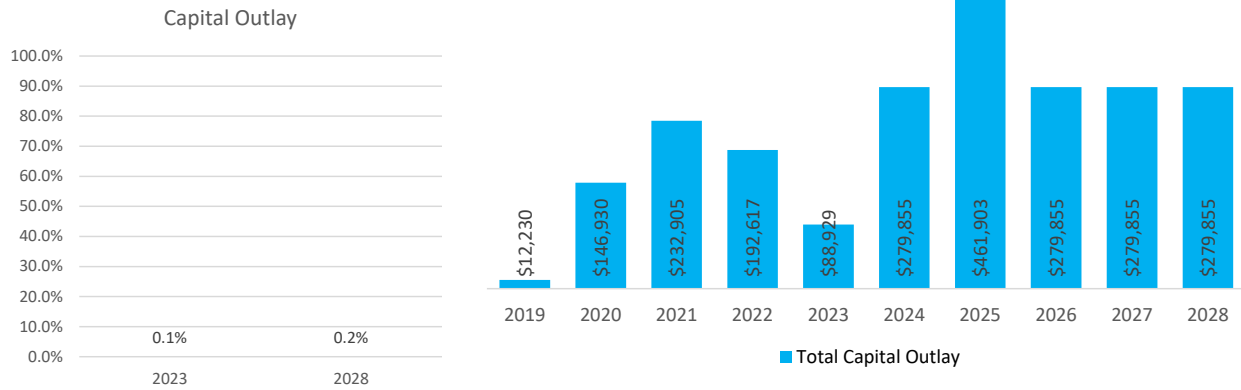
Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies & Materials represent 2.44% of total expenditures and increased at a historical average annual rate of 9.92%. This category of expenditure is projected to grow at an annual average rate of 7.41% through FY 2028. The projected average annual rate of change is -2.51% less than the five year historical annual average.

3.050 - Capital Outlay

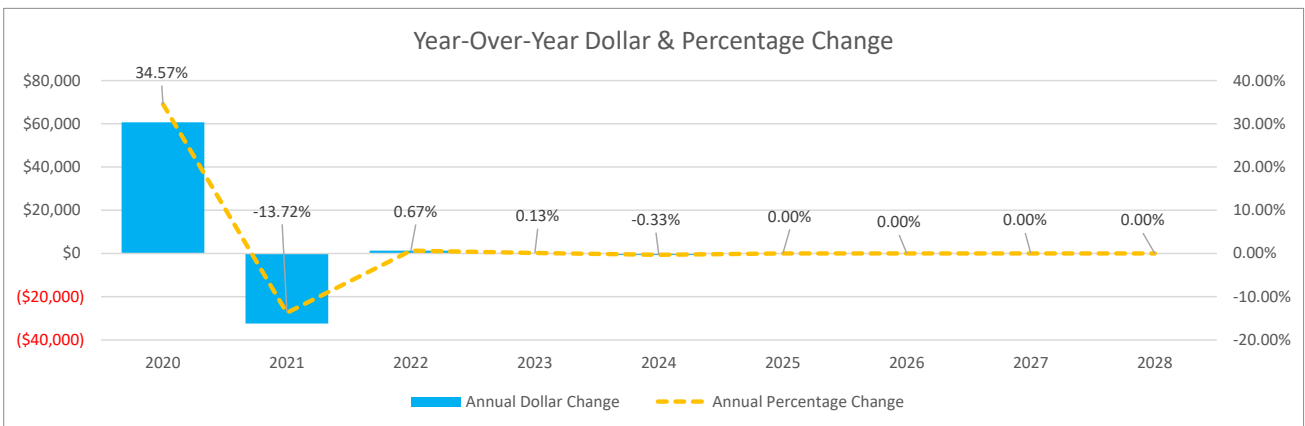
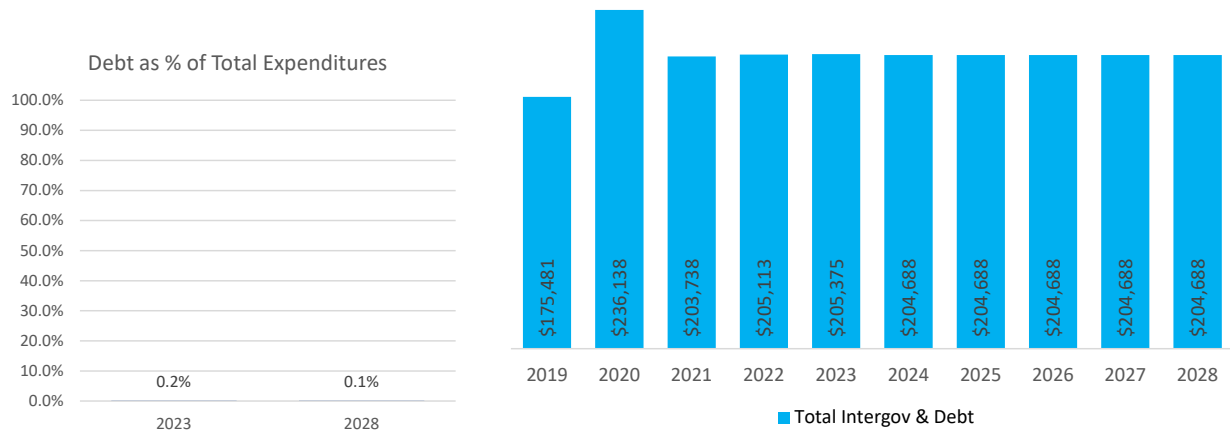
This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



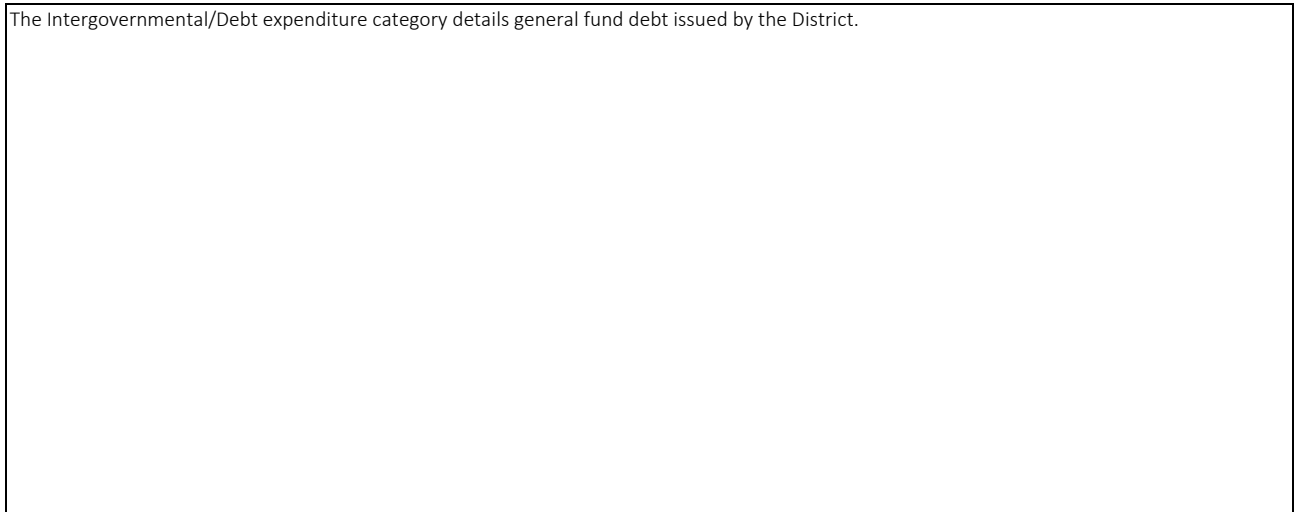
Capital Outlay represent 0.08% of total expenditures and increased at a historical average annual amount of \$19,175. This category of expenditure is projected to grow at an annual average rate of \$38,185 through FY 2028. The projected average annual change is less than the five year historical annual average.

3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.

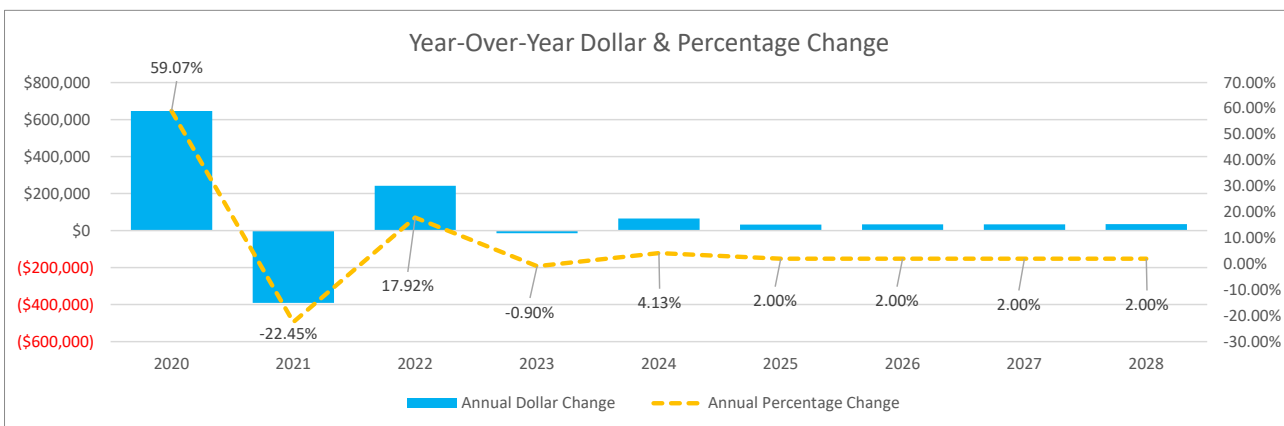
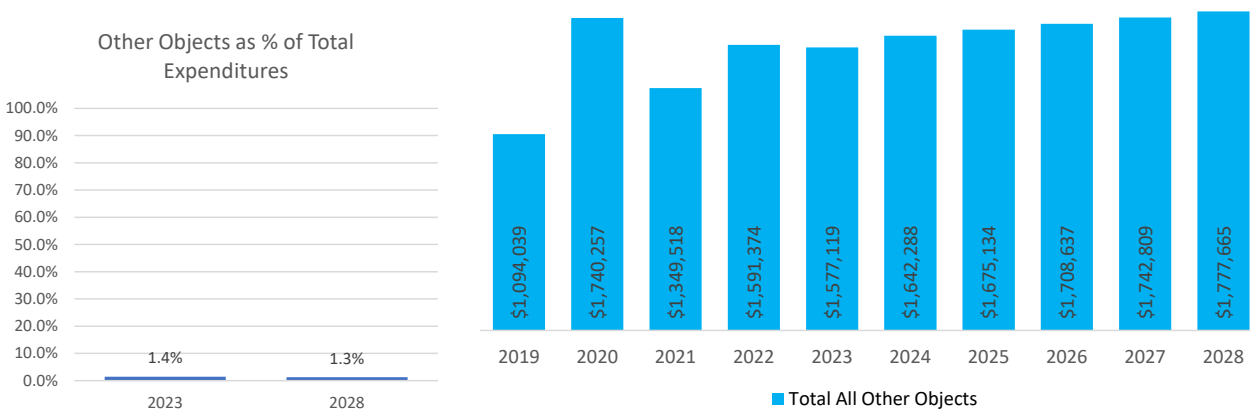


The Intergovernmental/Debt expenditure category details general fund debt issued by the District.



4.300 - Other Objects

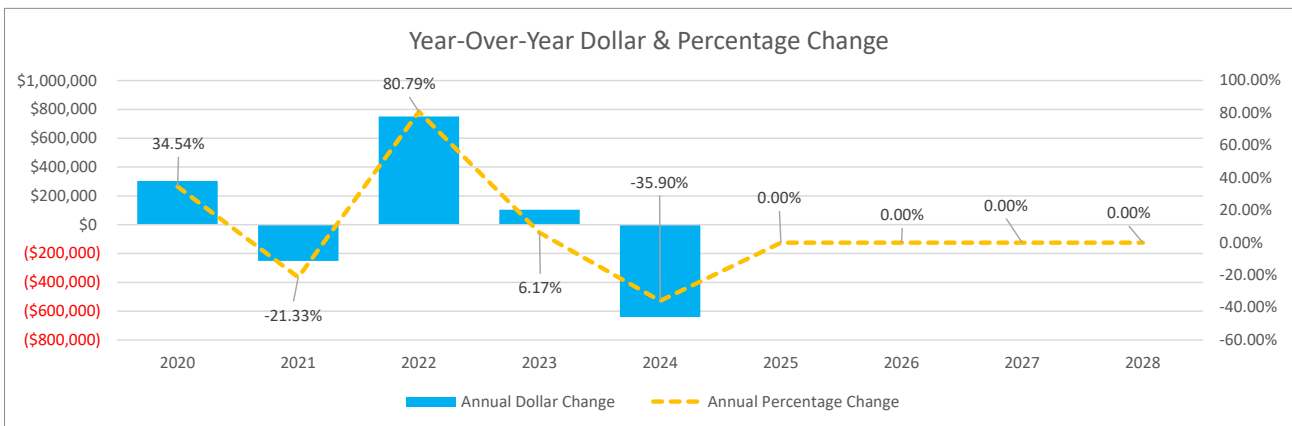
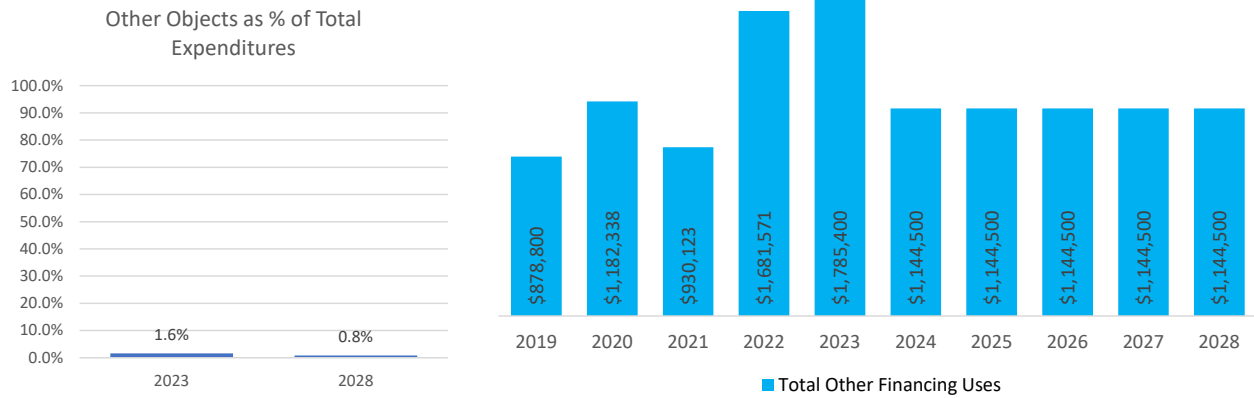
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects represent 1.43% of total expenditures and increased at a historical average annual rate of 13.41%. This category of expenditure is projected to grow at an annual average rate of 2.43% through FY 2028. The projected average annual rate of change is -10.98% less than the five year historical annual average.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



	2023	FORECASTED				
		2024	2025	2026	2027	2028
Transfers Out	143,500	143,500	143,500	143,500	143,500	143,500
Advances Out	1,641,900	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other Financing Uses	-	1,000	1,000	1,000	1,000	1,000

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In FY 2023 the district had advances-out and has advances-out forecasted through FY 2028. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2028. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

Kettering City School District

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2023	2024	2025	2026	2027	2028
Revenue:						
1.010 - General Property Tax (Real Estate)	65,715,598	70,212,211	70,597,605	70,610,286	70,889,574	71,126,814
1.020 - Public Utility Personal Property	13,590,160	14,712,601	15,162,184	15,603,798	16,045,411	16,487,025
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	18,964,160	23,667,112	24,893,257	26,796,401	26,167,060	27,864,077
1.040 - Restricted Grants-in-Aid	3,561,082	3,338,207	3,368,157	3,548,228	3,448,025	3,573,037
1.050 - State Share-Local Property Taxes	6,173,770	6,339,410	6,440,026	6,441,650	6,474,145	6,506,245
1.060 - All Other Operating Revenues	5,044,274	5,159,662	5,152,168	5,144,523	5,133,542	5,221,315
1.070 - Total Revenue	113,049,045	123,429,203	125,613,397	128,144,886	128,157,757	130,778,513
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	2,073	-	-	-	-	-
2.050 - Advances-In	1,537,971	1,641,900	1,000,000	1,000,000	1,000,000	1,000,000
2.060 - All Other Financing Sources	33,127	25,000	25,000	25,000	25,000	25,000
2.070 - Total Other Financing Sources	1,573,171	1,666,899	1,024,999	1,024,999	1,024,999	1,024,999
2.080 - Total Rev & Other Sources	114,622,216	125,096,102	126,638,396	129,169,886	129,182,756	131,803,513
Expenditures:						
3.010 - Personnel Services	63,697,581	69,243,922	71,999,237	74,957,837	77,918,324	80,972,435
3.020 - Employee Benefits	29,270,769	31,411,482	32,021,014	34,148,485	36,409,763	38,829,744
3.030 - Purchased Services	10,962,503	12,605,427	12,857,535	13,114,686	13,376,980	13,644,519
3.040 - Supplies and Materials	2,688,640	3,469,300	3,538,686	3,609,459	3,681,648	3,755,281
3.050 - Capital Outlay	88,929	279,855	461,903	279,855	279,855	279,855
Intergovernmental & Debt Service	205,375	204,688	204,688	204,688	204,688	204,688
4.300 - Other Objects	1,577,119	1,642,288	1,675,134	1,708,637	1,742,809	1,777,665
4.500 - Total Expenditures	108,490,917	118,856,961	122,758,196	128,023,647	133,614,066	139,464,187
Other Financing Uses						
5.010 - Operating Transfers-Out	143,500	143,500	143,500	143,500	143,500	143,500
5.020 - Advances-Out	1,641,900	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
5.030 - All Other Financing Uses	-	1,000	1,000	1,000	1,000	1,000
5.040 - Total Other Financing Uses	1,785,400	1,144,500	1,144,500	1,144,500	1,144,500	1,144,500
5.050 - Total Exp and Other Financing Uses	110,276,317	120,001,461	123,902,696	129,168,146	134,758,566	140,608,687
6.010 - Excess of Rev Over/(Under) Exp	4,345,899	5,094,641	2,735,701	1,739	(5,575,810)	(8,805,174)
7.010 - Cash Balance July 1 (No Levies)	14,817,310	19,163,209	24,257,851	26,993,551	26,995,291	21,419,480
7.020 - Cash Balance June 30 (No Levies)	19,163,209	24,257,851	26,993,551	26,995,291	21,419,480	12,614,306
		Reservations				
8.010 - Estimated Encumbrances June 30	1,236,504	1,236,504	1,236,504	1,236,504	1,236,504	1,236,504
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	17,926,705	23,021,347	25,757,047	25,758,787	20,182,976	11,377,802
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	17,926,705	23,021,347	25,757,047	25,758,787	20,182,976	11,377,802
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	17,926,705	23,021,347	25,757,047	25,758,787	20,182,976	11,377,802



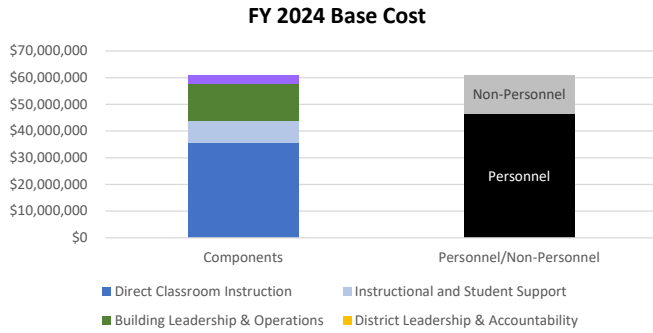
Kettering City School District

State Funding Supplement to Five-Year Forecast

October, 2023



Ohio's Fair School Funding Plan Base Cost State Share Overview - FY 2024

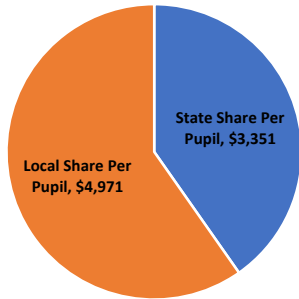


Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

For Kettering City School District the calculated Base Cost total is \$61,010,995 in FY 2024.

There are four Base Cost component areas: Direct Classroom Instruction \$35,569,742, Instructional and Student Support \$8,333,352, Building Leadership and Operations \$13,853,671, Leadership and Accountability \$3,254,230. Of the total base cost about 76% is estimated for personnel related cost. Note: Calculations are based upon Financial Planning Software - Assumption Assist.

FY 24 Base Cost Per Pupil - Local and State Share



Using the total Base Cost of \$61,010,995 shown above, with an enrollment of 7,331 the total per pupil base cost is \$8,323. The FSFP local capacity methodology, using a per pupil wealth/capacity of . calculates that the local portion of total base cost is \$4,971 per pupil in FY 2024. The local per pupil portion is updated each fiscal year and is projected to go down -\$591 by FY 2028. At the same time, the total base cost per pupil is estimated to increase to a total per pupil base cost of \$9,001.

Note: Enrollment used for base cost calculations is the higher of the three year average (district educated) for years 2021, 2022, and 2023, or 2023.

Local and State Share - Key Funding Demographics

Total base cost is driven by enrollment (determines number of teachers, etc), and the base cost component amount. Currently the base cost components are using FY 2022 cost data. In FY 2024 the district's total base cost is \$74,800,638. When this total is divided by the district's base cost enrollment of 7,331 the resulting per pupil base cost funding is \$8,323.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Total Base Cost</u>	\$74,800,638	\$74,512,201	\$77,305,469	\$76,976,763	\$79,845,491
YOY Change		-0.4%	3.7%	-0.4%	3.7%
			FY 24 to FY 28 Change		6.7%
<u>Base Cost Enrollment</u>	7,331	7,300	7,283	7,250	7,232
YOY Change		-0.4%	-0.2%	-0.4%	-0.2%
			FY 24 to FY 28 Change		-1.3%
<u>Total Per Pupil Base Cost</u>	\$8,323	\$8,321	\$8,654	\$8,654	\$9,001
YOY Change		0.0%	4.0%	0.0%	4.0%
			FY 24 to FY 28 Change		8.2%

The base cost per pupil amount is reduced by the district's local share which results in the state's share. Property Values and Taxpayer Incomes are the significant variables impacting the calculation of district local share of state funding. Property values have the most weight (60 percent) in calculating per pupil local wealth (capacity). Taxpayer income determines the balance. In FY 2024 Local per pupil wealth/income of \$219,695. The resulting local per pupil capacity (subtracted from total state funding) is \$4,971 per pupil.

Local PP Wealth/Income Factor =	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Property Values + Taxpayer Income</u>	\$219,695	\$235,601	\$252,772	\$268,911	\$276,983
YOY Change		7.2%	7.3%	6.4%	3.0%
			FY 24 to FY 28 Change		26.1%
<u>Calculated Amount Generated Locally</u>					
<u>Local Per Pupil Capacity</u>	\$4,971	\$5,325	\$5,709	\$6,066	\$6,241
YOY Change		7.1%	7.2%	6.3%	2.9%
			FY 24 to FY 28 Change		25.5%
<u>Total PP Base Cost - Local PP Capacity =</u>					
<u>State Per Pupil Funding</u>	\$3,351	\$2,996	\$2,946	\$2,587	\$2,760
YOY Change		-10.6%	-1.7%	-12.2%	6.7%
			FY 24 to FY 28 Change		-17.6%

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<u>Total Per Pupil Base Cost</u>	\$8,323	\$8,321	\$8,654	\$8,654	\$9,001
<u>Less Local Per Pupil Capacity</u>	(\$4,971)	(\$5,325)	(\$5,709)	(\$6,066)	(\$6,241)
<u>State Per Pupil Funding</u>	\$3,351	\$2,996	\$2,946	\$2,587	\$2,760



Funding Plan - Detailed Funding Results (SF8)

Kettering City School District

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
Local Demographics						
.A						
.A1	Per Pupil Base Cost (SF4 Line C)	\$8,323	\$8,321	\$8,654	\$8,654	\$9,001
.A2	State Per Pupil Share (SF4 Line E)	\$3,351	\$2,996	\$2,946	\$2,587	\$2,760
.B	Current District Educated Enrollment (SF1a)	7,265.0	7,252.0	7,233.9	7,210.9	7,182.9
Current Year's FSFP Formula Funding:						
.C	State's Share of Base Cost Amt. (SF4 Line I)	\$24,347,610	\$21,725,223	\$21,307,898	\$18,656,722	\$19,825,250
.D	State's Share of Category's (SF5)	\$6,083,125	\$5,438,865	\$5,321,507	\$4,663,325	\$4,940,914
.E	Targeted SF6 (without Supplemental)	\$2,092,772	\$2,174,740	\$1,600,340	\$1,310,125	\$1,656,198
.F	Calculated FSFP Formula Funding (C+D+E)	\$32,523,507	\$29,338,828	\$28,229,744	\$24,630,172	\$26,422,363
FY 2020 Guarantee Base Funding:						
.G	2020 SFPR Base Funding w/o DPIA (Result 1)	\$13,035,588	\$13,035,588	\$13,035,588	\$13,035,588	\$13,035,588
.H	FSFP Formula to FY20 Base Difference (F - G)	\$19,487,919	\$16,303,240	\$15,194,156	\$11,594,584	\$13,386,775
.I	Formula Phase In or CFO's (below)	50.00%	66.67%	83.33%	100.00%	100.00%
.J	FSFP Formula Phase In Current Years' (H x I)	\$9,743,959	\$10,869,370	\$12,661,291	\$11,594,584	\$13,386,775
.K	2020 SFPR + FSFP Formula Phase In (G + J)	\$22,779,547	\$23,904,958	\$25,696,878	\$24,630,172	\$26,422,363
Add-on DPIA and Supplemental Targeted						
.L	2020 DPIA Base (Step SF6)	\$269,416	\$269,416	\$269,416	\$269,416	\$269,416
.M	Calculated DPIA (Step SF6)	\$600,933	\$474,269	\$472,150	\$469,713	\$466,960
.N	DPIA Phase In or CFO's (below)	50.00%	66.67%	83.33%	100.00%	100.00%
.O	Phased In DPIA Funding (L +(M - L)*N)	\$435,175	\$405,992	\$438,355	\$469,713	\$466,960
.P	Supplemental Targeted (SF6)	\$0	\$0	\$0	\$0	\$0
.Q	Add-on DPIA and Supplemental Targeted (O + P)	\$435,175	\$405,992	\$438,355	\$469,713	\$466,960
Base FY20 Guarantee Calculation						
.R	Current FY Funding (K+ Q)	\$23,214,722	\$24,310,950	\$26,135,233	\$25,099,885	\$26,889,322
.R1	2020 Base (G) Plus DPIA Base (L)	\$13,305,004	\$13,305,004	\$13,305,004	\$13,305,004	\$13,305,004
.R2	'20 Base Transitional Aid (R1 - R) (Result 1)	\$0	\$0	\$0	\$0	\$0
	Formula Phase In or CFO's (below)	\$23,214,722	\$24,310,950	\$26,135,233	\$25,099,885	\$26,889,322
YOY Analysis						
	Unphased-in Formula (H - J)	\$9,743,959	\$5,433,870	\$2,532,866	\$0	\$0
	YOY Change		(\$4,310,089)	(\$2,901,004)	(\$2,532,866)	\$0
	FY 2020 Guarantee Line R2	\$0	\$0	\$0	\$0	\$0
	YOY Change		\$0	\$0	\$0	\$0

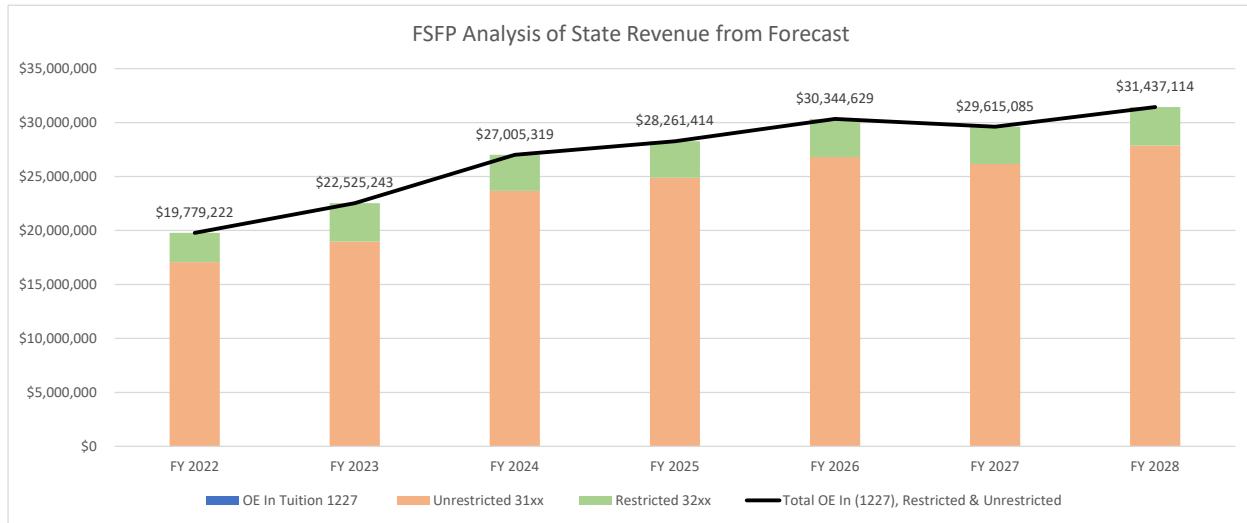


Ohio's Fair School Funding Plan - Summary Funding Results (SF8)

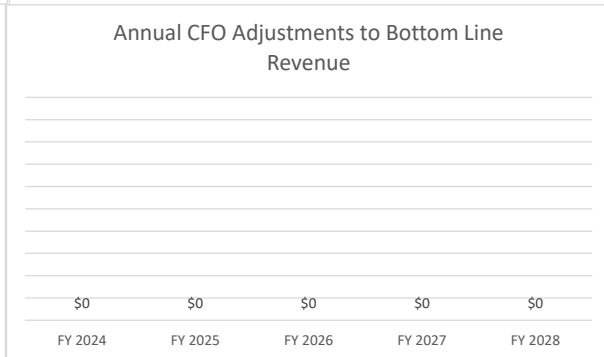
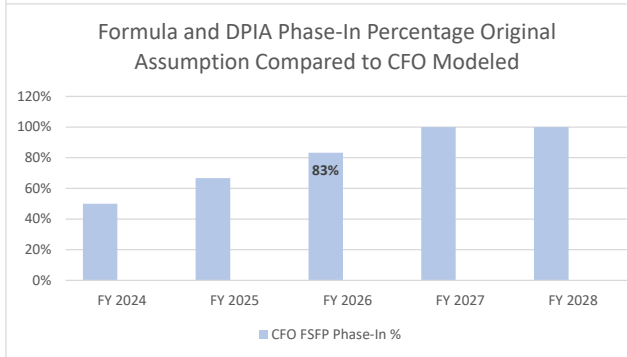
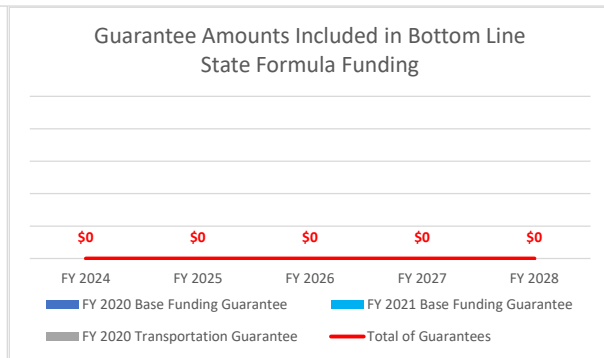
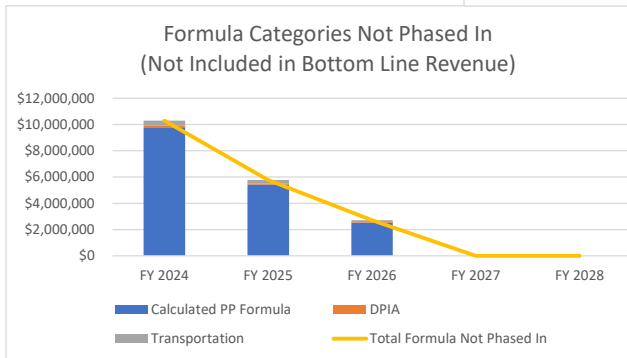
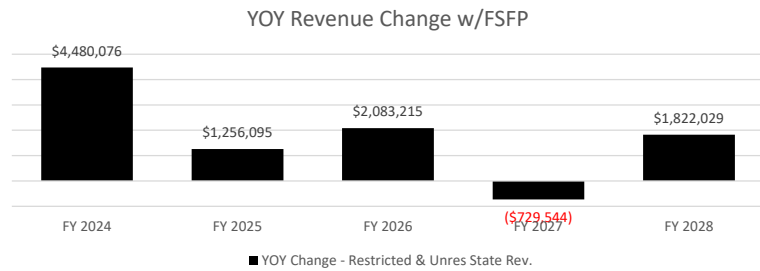
	Funding Summary	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
.R3	Current Year's Funding (R + R2)	\$23,214,722	\$24,310,950	\$26,135,233	\$25,099,885	\$26,889,322
.S1	Open Enrolled ADM Loss Impact (Result 2)	\$0	\$0	\$0	\$0	\$0
.S2	Special Education Set-Aside (SF5)	(\$314,185)	(\$320,020)	(\$342,519)	(\$323,870)	(\$344,105)
.T1	Career Awareness Revenue	\$54,488	\$72,520	\$72,339	\$72,109	\$71,829
.T2	CTC Associated Services Adj.	\$0	\$0	\$0	\$0	\$0
.T3	Transportation (SF7)	\$1,251,839	\$1,364,626	\$1,543,767	\$1,731,992	\$1,781,235
.U	FY 2021 Transition Supp Result 3	\$0	\$0	\$0	\$0	\$0
.V	CFO Bottom Line Funding Adjustment Below	\$0	\$0	\$0	\$0	\$0
.V2	Supplemental Targeted SF6	\$0	\$0	\$0	\$0	\$0
.W	Total State Funding	\$24,206,863	\$25,428,076	\$27,408,821	\$26,580,116	\$28,398,281
	YOY Change		\$1,221,213	\$1,980,745	(\$828,705)	\$1,818,165
	YOY % Change		5.04%	7.79%	-3.02%	6.84%
	Trend Indicator of Funding Status	Formula	Formula	Formula	Formula	Formula

These funding estimates culminating to row R3 above and beyond should be considered a trend estimate based upon current information. Many assumptions are made regarding future inflationary pressures and funding decisions based upon current law practice. Current laws can be changed and with it funding results.

Ohio's Fair School Funding Plan - CFO Bottom Line Revenue Analysis

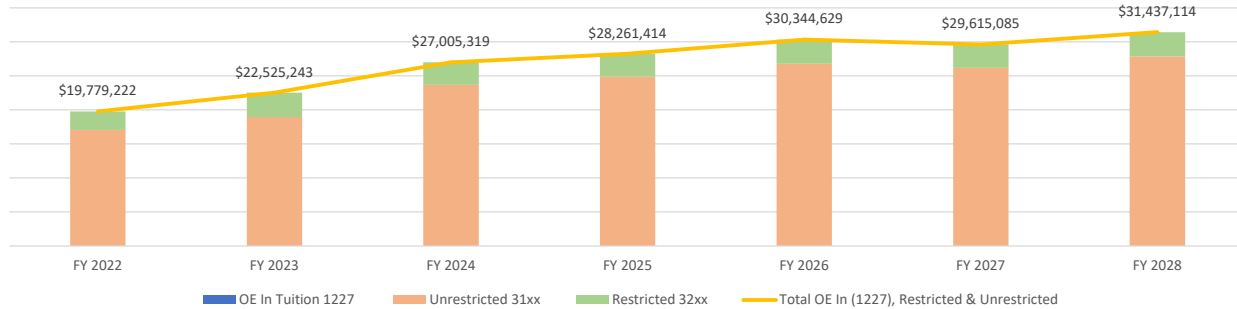


The FSFP is a formula that is being phased in and includes guarantees. With phase-ins some districts may have formula funding that is not phased-in. Other districts may experience guarantee funding. The graphs below point out these key points and the CFO's adjustment response, if any, in the bottom two charts.



Ohio's Fair School Funding Plan - Results in Forecast

Current Forecasted State Revenue (FSFP)

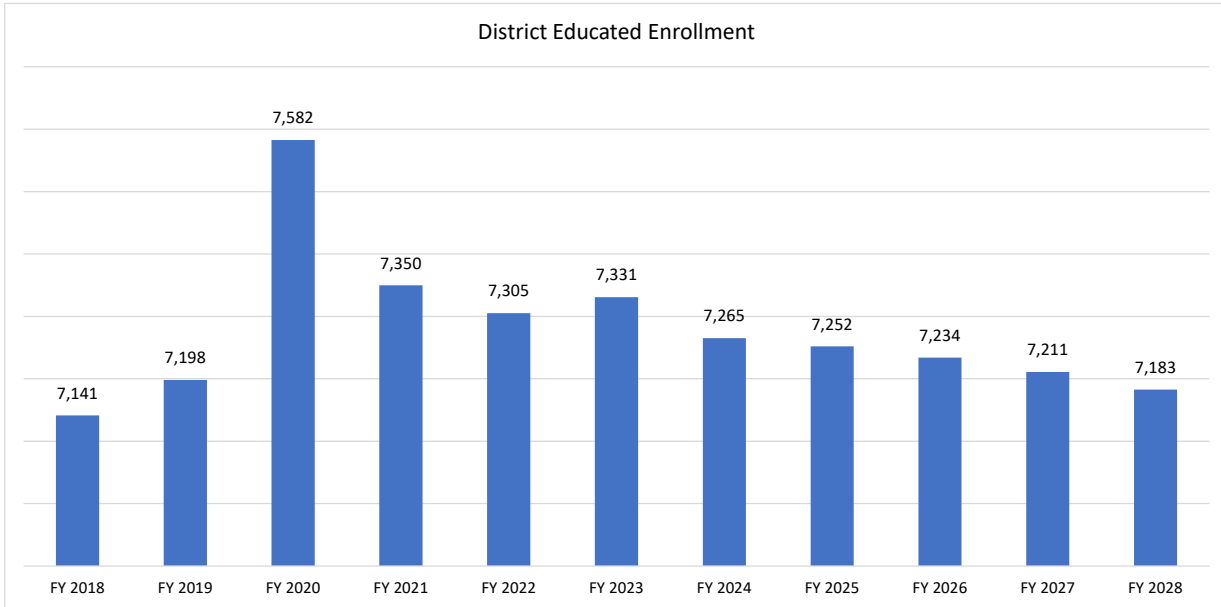


The above graph summarizes key state revenue line items impacted by the FSFP plan. Districts that had open enrollment 'in' revenue will not see this source of revenue in the future. Overall the district's projected revenue increased \$4,480,076 from FY 2022 to FY 2023. The above results are from the district's forecast and assume USAS codification standards. Note: FY 2021 and FY 2022 are actual. FY 2023 through FY 2027 are current forecast results.

Ohio's Fair School Funding Plan - Transitional Aid "Guarantee Analysis"

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
FY 2020 Base Transitional Aid Guarantee	\$0	\$0	\$0	\$0	\$0
Calculated Formula Phased In	\$26,005,713	\$30,429,567	\$36,185,136	\$36,224,756	\$39,809,137
FY 2020 Guarantee as % of Calculated Formula	-	-	-	-	-
State Base Cost Per Pupil Funding	\$3,351	\$2,996	\$2,946	\$2,587	\$2,760
Memo Only: Guarantee Reflected as Student Count	-	-	-	-	-
Note: Concept only, if students were added PP Funding would change.					
FY 2021 Base Supplemental Transitional Guarantee	\$0	\$0	\$0	\$0	\$0
Calculated Formula Phased In	\$26,005,713	\$30,429,567	\$36,185,136	\$36,224,756	\$39,809,137
FY 2021 Guarantee as % of Calculated Formula	-	-	-	-	-
State Base Cost Per Pupil Funding	\$3,351	\$2,996	\$2,946	\$2,587	\$2,760
Memo Only: Guarantee Reflected as Student Count	-	-	-	-	-
Note: Concept only, if students were added PP Funding would change.					
Transportation Guarantee	\$0	\$0	\$0	\$0	\$0
Open Enrollment Reduction to FY 2020 Guarantee	\$0	\$0	\$0	\$0	\$0

District Educated Enrollment



How does calculated FSFP cost-based revenue compare to the district's cost per pupil?

