



GREAT SCHOOLS



KETTERING
City Schools

GREAT COMMUNITY



Introduction to Five Year Forecast

- Required to be submitted to the Department of Education and Workforce (DEW) twice annually. The first submission must be prior to November 13th and the second before May 31st. Must be approved by the BOE no more than 60 days prior to submission. May submit more often if there are substantial changes due to a levy passage, a labor contract settlement or any other major change in estimated revenue or expenditures.
- The forecast must include the immediate past 3 years of actual revenue and expenditures and 5 years of estimated revenue and expenditures including the current fiscal year.
- Only the General Fund (001) of the district is reported.



Introduction to Five Year Forecast

- Five Year Forecasts and associated notes for all entities including Joint Vocational, community and STEM schools are available on the Department of Education's website (<https://education.ohio.gov/Topics/Finance-and-Funding/Five-Year-Forecasts/Submissions-of-Traditional-and-JVSDs>).
- It is important to consider forecasts as a working document and a snapshot of estimated revenue and expenditures at a specific moment in time.
- They should only be viewed as a guiding document for decision making and not as a static "budget."



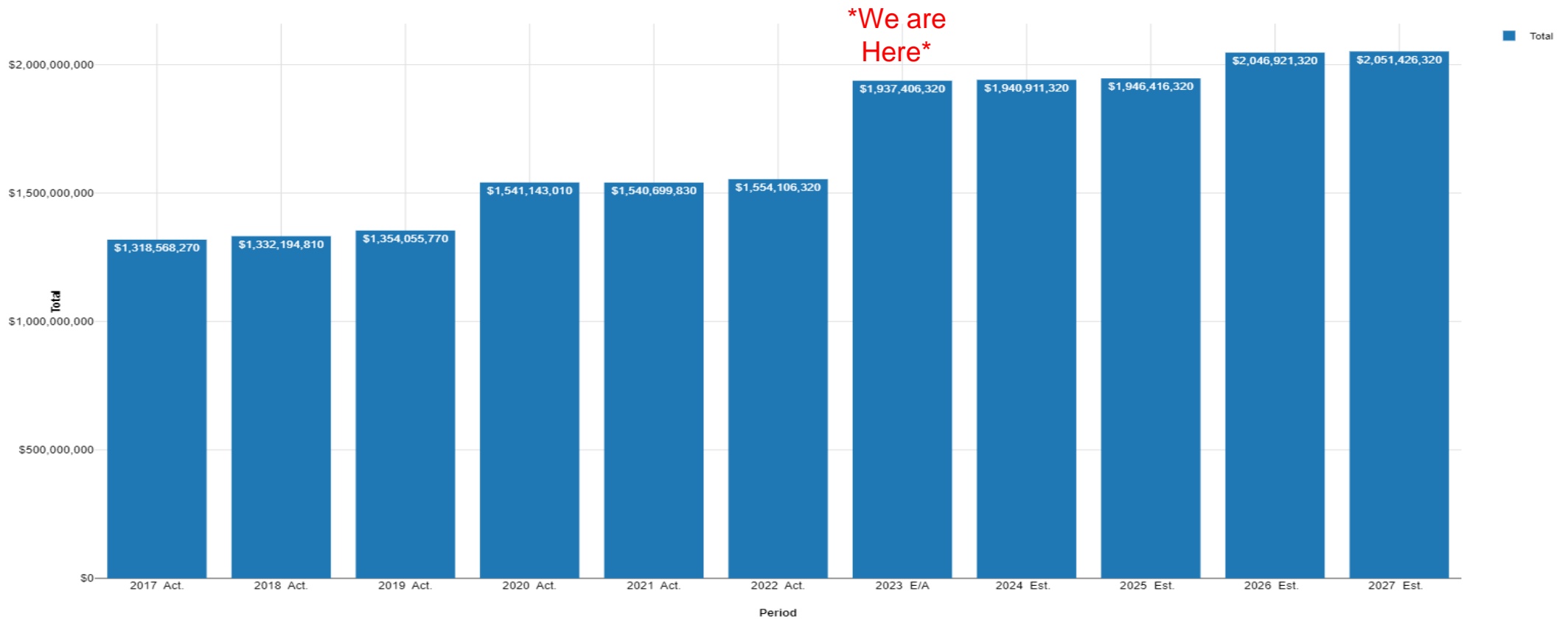
Major Revenue Assumptions Tax Collections

- Lines 1.010 and 1.020 on the Forecast
- 5.99 mill levy passed in November 2021 collected half of the annual revenue in fiscal year 2023 and will collect the full amount in fiscal year 2024.
- There is no additional revenue in the forecasted years for proposed new levies. Modeled increases are on anticipated small amounts of new construction within the district and the triennial update in 2023 and a full reappraisal in 2026.



Major Revenue Assumptions

Total Assessed Valuation

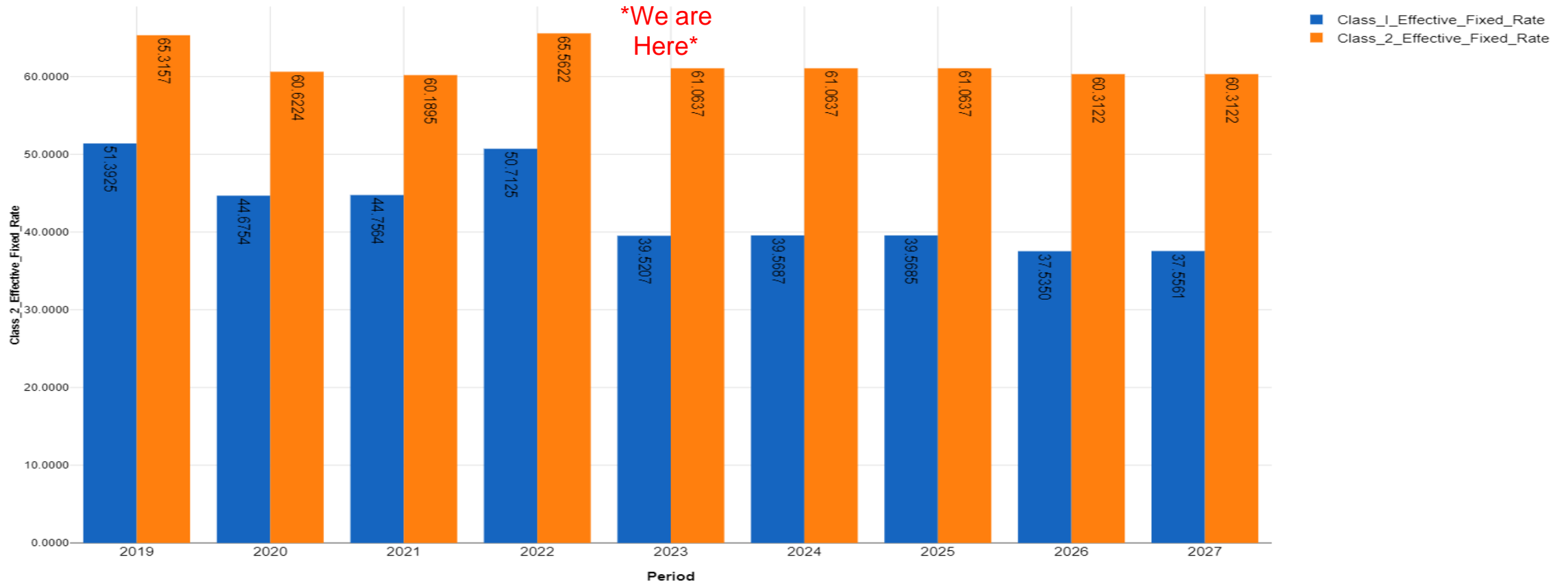




Major Revenue Assumptions

Effective Millage Rates

Real Property Effective Rates by Class





Major Revenue Assumptions Fair School Funding

- Lines 1.035 and 1.040 on the Forecast
- Years 3 and 4 of the 6-year “Fair School Funding” model phase in and 2022 cost inputs and Federal income local capacity charge offs are codified in HB33 adopted in July 2023.
- Phased in at 50% for FY’24, 66.67% for FY’25, 83.33% for FY’26 and 100% for FY’27.
- Restricted State Grants-in-Aid is mostly comprised of the Career Tech compact with Centerville and Oakwood School Districts. Kettering took lead status in fiscal year 2022 and will maintain lead status through term of the forecast.



Major Revenue Assumptions

Fair School Funding

Kettering City School District

ODE Simulation Results Compared to Financial Planning Analytics (FPA) Forecast		
	FY 2024	FY 2025
Funding Per ODE Simulations	\$27,569,146	\$31,191,120
Funding Per Line W Current FPA Forecast	\$24,151,650	\$25,376,119
Special Education Set Aside	\$310,087	\$315,143
SF9:		
Other, Preschool	\$857,206	\$835,909
Other, Special Ed Transp	\$827,815	\$855,020
Total Funding SF8 and SF9 (FPA Forecast)	\$26,146,758	\$27,382,191
FPA Forecast Over/(Under) ODE Sims	(\$1,422,388)	(\$3,808,929)

Key Funding Variables		
	Used in FY 2024 Tax Year 2022	Used in FY 2025 Tax Year 2023
Property Values		
Property Values ODE Simulation	1,544,337,980	1,672,582,561
Property Values FPA Forecast	1,554,106,320	1,937,406,320
Forecast Values Over/(Under) ODE Sims	\$9,768,340	\$264,823,759
Taxpayer Income	TY 2021	TY 2022
Federal Adjusted Gross Income ODE Sims	1,921,014,124	1,911,521,191
Federal Adjusted Gross Income FPA Forecast	2,195,058,857	2,289,171,771
Forecast FAGI Over/(Under) ODE Sims	\$274,044,733	\$377,650,580
Enrollment	FY 2024	FY 2025
Enrollment from ODE Sims	7,345	7,345
Enrollment from FPA Forecast	7,265	7,252
Forecast Enrollment Over/(Under) ODE Sims	(80)	(93)



Major Expenditure Assumptions Personal Services/Benefits

- Lines 3.010 and 3.020 on the Forecast.
- Contract in place with non-teaching employees through July 31, 2026.
- Contract with teachers expires June 30, 2024.
- The Forecast is modeling a 2% base increase for those employee groups that do not have an agreement past FY'24.
- The Forecast is modeling an 8% increase in medical and dental insurances and no changes in employer contributions for retirement.
- Volatility in actual historical expenditures and the current year projected expenditures are due to ARP and ESSER COVID relief expenditures supplanting the general fund for the duration of those grants.

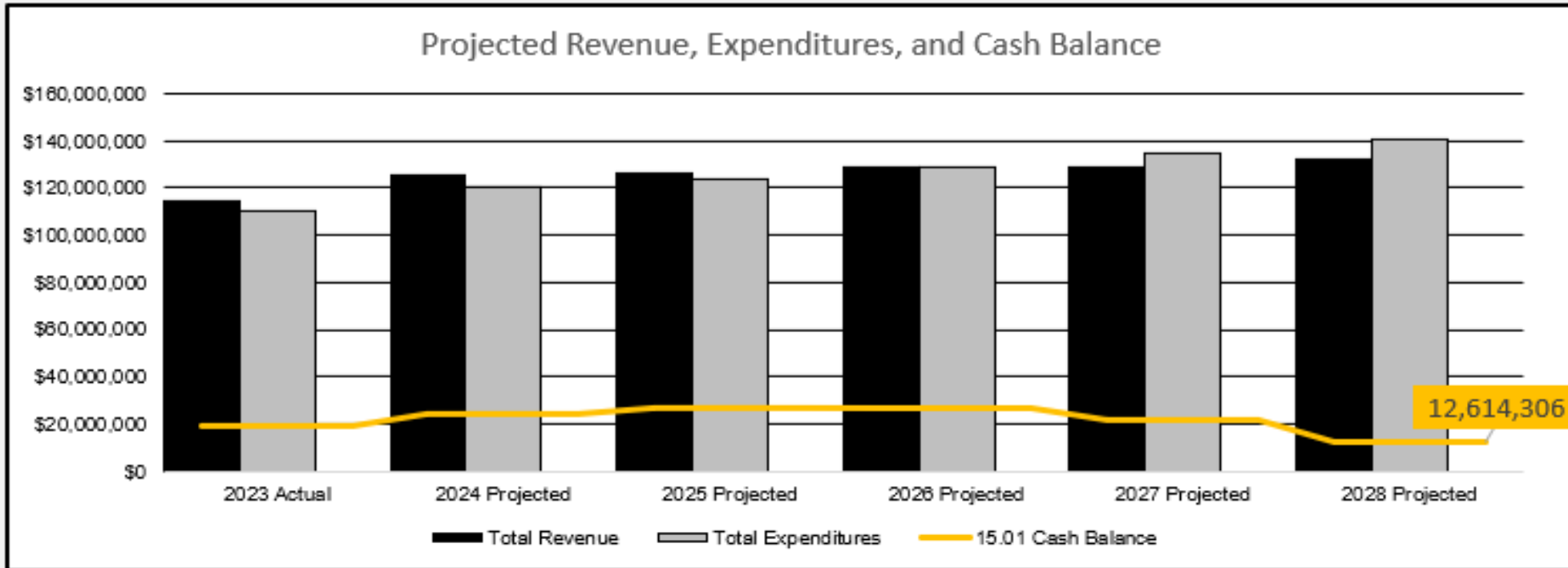


Projected Revenue, Expenditures and Cash Balance

FY 2024 through FY 2028 Forecast & Sustainability

Kettering City School District

October 3, 2023





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Kettering City School District

Montgomery

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 2021	Fiscal Year 2022	Fiscal Year 2023	Average Change	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Revenues									
1.010 General Property Tax (Real Estate)	60,105,912	60,521,440	65,715,598	4.6%	70,212,211	70,597,605	70,610,286	70,889,574	71,126,814
1.020 Tangible Personal Property Tax	12,061,367	12,479,553	13,590,160	6.2%	14,712,601	15,162,184	15,603,798	16,045,411	16,487,025
1.030 Income Tax									
1.035 Unrestricted State Grants-in-Aid	16,326,077	17,067,789	18,964,160	7.8%	23,667,112	24,893,257	26,796,401	26,167,060	27,864,077
1.040 Restricted State Grants-in-Aid	1,433,722	2,711,433	3,561,082	60.2%	3,338,207	3,368,157	3,548,228	3,448,025	3,573,037
1.045 Restricted Federal Grants-in-Aid - SFSF									
1.050 State Share of Local Property Taxes	6,243,443	6,127,436	6,173,770	-0.6%	6,339,410	6,440,026	6,441,650	6,474,145	6,506,245
1.060 All Other Revenues	3,623,877	6,311,502	5,044,274	27.0%	5,159,662	5,152,168	5,144,523	5,133,542	5,221,315
1.070 Total Revenues	99,794,398	105,219,153	113,049,044	6.4%	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 Advancements (Approved)									
2.040 Operating Transfers-In			2,073						
2.050 Advances-In	1,136,838	895,131	1,537,971	25.3%	1,641,900	1,000,000	1,000,000	1,000,000	1,000,000
2.060 All Other Financing Sources	2,204,665	639,584	33,127	-82.9%	25,000	25,000	25,000	25,000	25,000
2.070 Total Other Financing Sources	3,341,503	1,534,715	1,573,171	-25.8%	1,666,900	1,025,000	1,025,000	1,025,000	1,025,000
2.080 Total Revenues and Other Financing Sources	103,135,901	106,753,868	114,622,215	5.4%	125,096,103	126,638,397	129,169,886	129,182,757	131,803,513
Expenditures									
3.010 Personal Services	61,442,304	58,832,075	63,697,581	2.0%	69,243,922	71,999,237	74,957,837	77,918,324	80,972,435
3.020 Employees' Retirement/Insurance Benefits	27,699,503	27,074,442	29,270,769	2.9%	31,411,482	32,021,014	34,148,485	36,409,763	38,829,744
3.030 Purchased Services	11,339,018	10,952,236	10,962,503	-1.7%	12,605,427	12,857,535	13,114,686	13,376,980	13,644,519
3.040 Supplies and Materials	1,748,789	1,999,496	2,688,640	24.4%	3,469,300	3,538,686	3,609,459	3,681,648	3,755,281
3.050 Capital Outlay	232,905	192,617	88,929	-35.6%	279,855	461,903	279,855	279,855	279,855
3.060 Intergovernmental									
Debt Service:									
4.010 Principal-All (Historical Only)									
4.020 Principal-Notes									
4.030 Principal-State Loans									
4.040 Principal-State Advancements									
4.050 Principal-HB 264 Loans	150,000	155,000	160,000	3.3%	165,000	165,000	165,000	165,000	165,000
4.055 Principal-Other									
4.060 Interest and Fiscal Charges	53,738	50,113	45,375	-8.1%	39,688	39,688	39,688	39,688	39,688
4.300 Other Objects	1,349,518	1,591,374	1,577,119	8.5%	1,642,288	1,675,134	1,708,637	1,742,809	1,777,665
4.500 Total Expenditures	104,015,775	100,847,353	108,490,916	2.3%	118,856,962	122,758,197	128,023,647	133,614,067	139,464,187
Other Financing Uses									
5.010 Operating Transfers-Out	18,500	143,500	143,500	337.8%	143,500	143,500	143,500	143,500	143,500
5.020 Advances-Out	895,131	1,537,971	1,641,900	39.3%	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
5.030 All Other Financing Uses	16,492	100		-99.7%	1,000	1,000	1,000	1,000	1,000
5.040 Total Other Financing Uses	930,123	1,681,571	1,785,400	43.5%	1,144,500	1,144,500	1,144,500	1,144,500	1,144,500
5.050 Total Expenditures and Other Financing Uses	104,945,898	102,528,924	110,276,316	2.6%	120,001,462	123,902,697	129,168,147	134,758,567	140,608,687
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	1,809,997-	4,224,944	4,345,899	-165.3%	5,094,641	2,735,700	1,739	5,575,810-	8,805,174-
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	12,402,363	10,592,366	14,817,310	12.6%	19,163,209	24,257,850	26,993,550	26,995,289	21,419,479
7.020 Cash Balance June 30	10,592,366	14,817,310	19,163,209	34.6%	24,257,850	26,993,550	26,995,289	21,419,479	12,614,305
8.010 Estimated Encumbrances June 30	1,406,811	1,000,000	1,236,504	-2.6%	1,236,504	1,236,504	1,236,504	1,236,504	1,236,504
Reservation of Fund Balance									
9.010 Textbooks and Instructional Materials									
9.020 Capital Improvements									
9.030 Budget Reserve									
9.040 DPIA									
9.045 Fiscal Stabilization									
9.050 Debt Service									
9.060 Property Tax Advances									
9.070 Bus Purchases									
9.080 Subtotal									
10.010 Fund Balance June 30 for Certification of Appropriations	9,185,555	13,817,310	17,926,705		23,021,346	25,757,046	25,758,785	20,182,975	11,377,801
Revenue from Replacement/Renewal Levies									
11.010 Income Tax - Renewal									
11.020 Property Tax - Renewal or Replacement									
11.300 Cumulative Balance of Replacement/Renewal Levies									
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	9,185,555	13,817,310	17,926,705		23,021,346	25,757,046	25,758,785	20,182,975	11,377,801
Revenue from New Levies									
13.010 Income Tax - New									
13.020 Property Tax - New									
13.030 Cumulative Balance of New Levies									
14.010 Revenue from Future State Advancements									
15.010 Unreserved Fund Balance June 30	9,185,555	13,817,310	17,926,705		23,021,346	25,757,046	25,758,785	20,182,975	11,377,801