

Amanda-Clearcreek Local School District

Five Year Forecast Financial Report

November, 2023

Lana Fairchild, Treasurer-CFO

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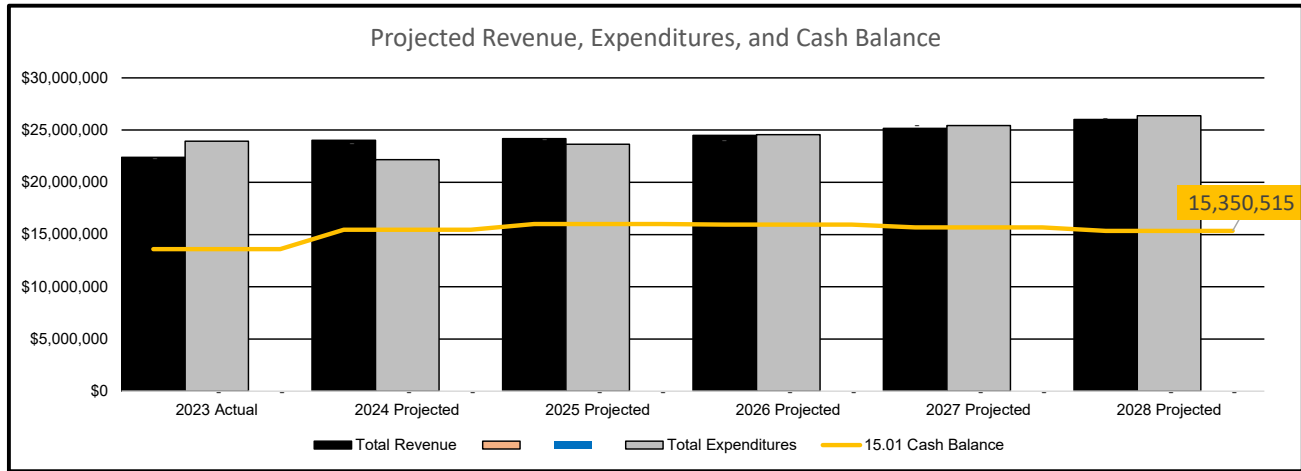
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Forecast Purpose/Objectives

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	13,602,672	15,466,787	16,006,683	15,954,699	15,690,732
+ Revenue	24,032,231	24,193,670	24,503,207	25,170,351	26,026,440
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(22,168,116)	(23,653,774)	(24,555,192)	(25,434,317)	(26,366,657)
= Revenue Surplus or Deficit	1,864,115	539,896	(51,985)	(263,967)	(340,217)
Line 7.020 Ending Balance with renewal/new levies	15,466,787	16,006,683	15,954,699	15,690,732	15,350,515

Analysis Without Renewal Levies Included:

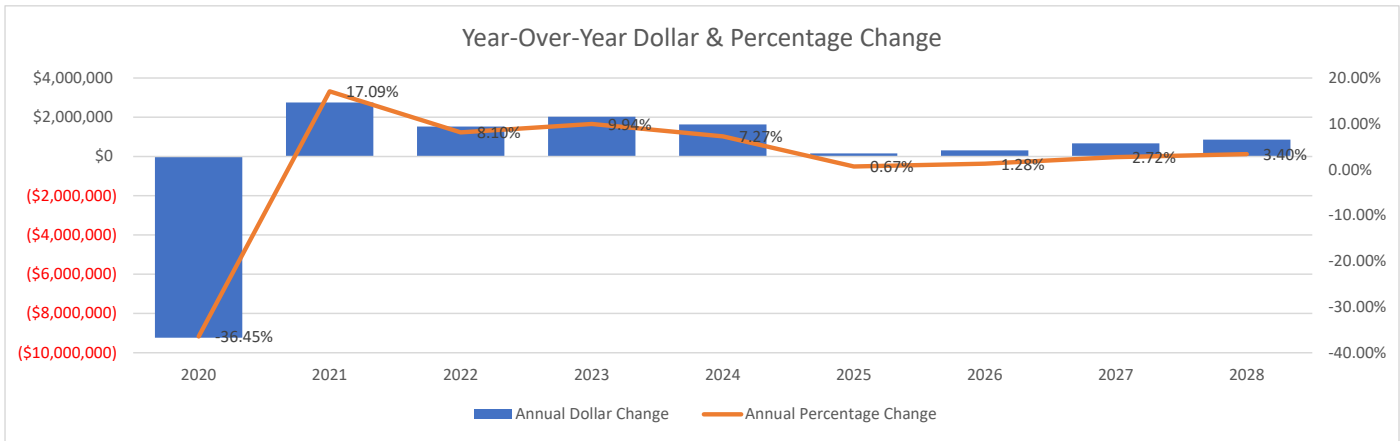
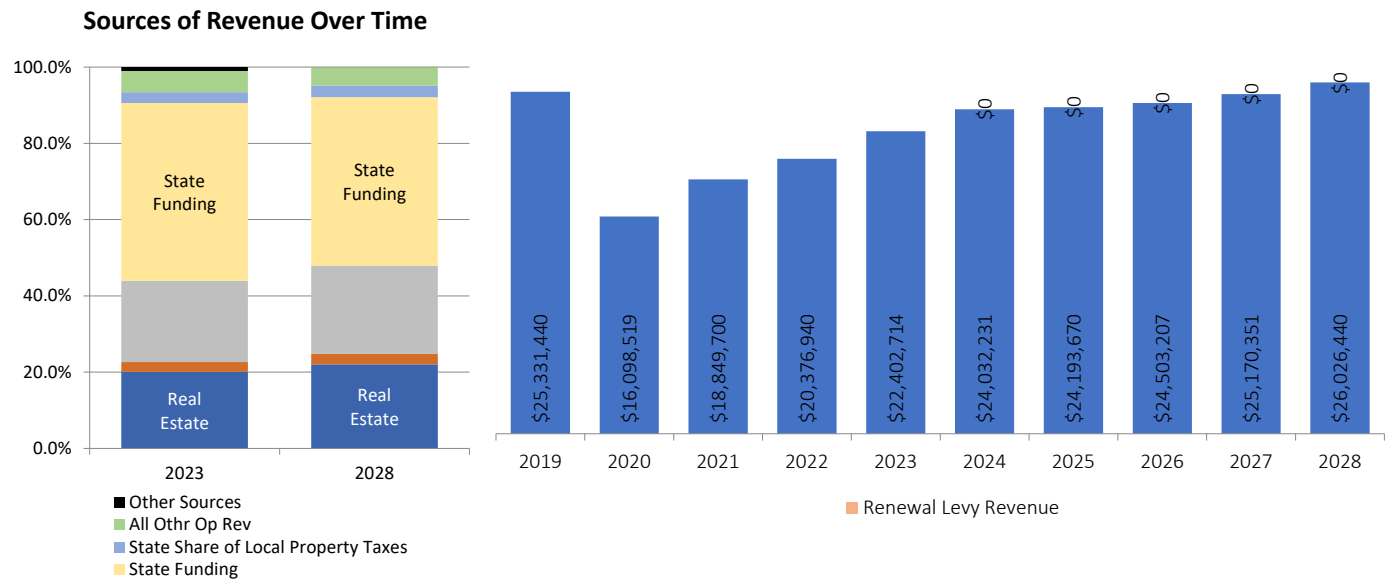
Revenue Surplus or Deficit w/o Levies	1,864,115	539,896	(51,985)	(263,967)	(340,217)
Ending Balance w/o Levies	15,466,787	16,006,683	15,954,699	15,690,732	15,350,515

In FY 2024 a revenue surplus is expected. This means that expenditures are expected to be less than revenue by -\$1,864,115 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 \$340,217. The district would need to cut its FY 2028 projected expenses by 1.29% 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



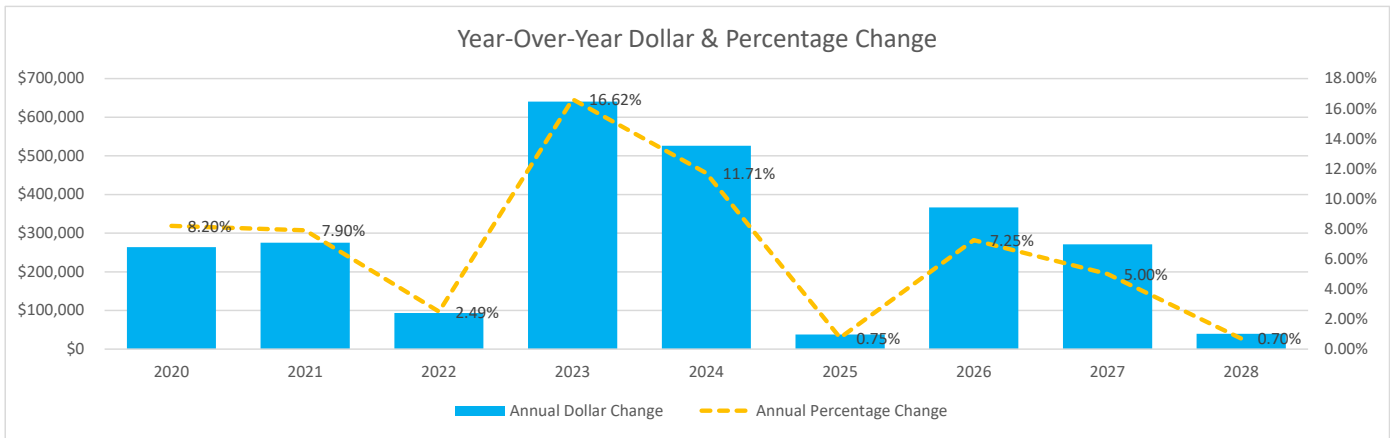
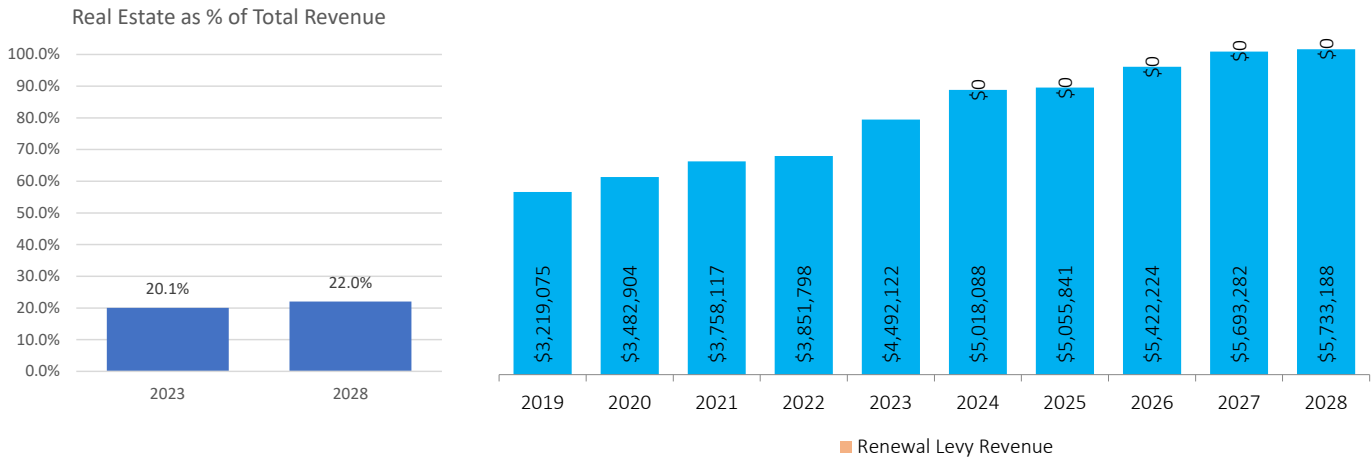
4-Year Historical Actual Average Annual Dollar Change Compared to 5-year Projected

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Total revenue decreased -0.33% or -\$732,182 annually during the past 4-Year period and is projected to increase 3.07% or \$724,745 annually through FY2028. Other Sources has the most projected average annual variance compared to the historical average at \$2,281,258
Real Estate	318,262	248,213	(\$70,049)	A internal transfer in 2019 has an impact on this graph. There is an offsetting expenditure increase, as well.
Public Utility	\$91,245	\$28,651	(\$62,595)	
Income Tax	\$1,141,367	\$244,150	(\$897,218)	
State Funding	\$76,901	213,728	\$136,827	
Prop Tax Alloc	\$37,792	\$35,620	(\$2,172)	
All Othr Op Rev	(\$71,841)	(\$967)	\$70,874	
Other Sources	(\$2,325,908)	(\$44,649)	\$2,281,258	
Total Average Annual Change	(732,182)	724,745	\$1,456,927	
	-0.33%	3.07%	3.40%	

Note: Expenditure average annual change is projected to be > \$484,657 On an annual average basis, expenditures are projected to grow slower 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	284,687,560	68,756,280	20.00	-	20.00	-	100.1%
2023	287,057,560	2,370,000	20.00	(0.00)	20.05	0.05	100.0%
2024	289,247,560	2,190,000	20.00	-	20.06	0.01	100.0%
2025	323,442,560	34,195,000	20.00	-	20.00	(0.06)	100.0%
2026	325,812,560	2,370,000	20.00	-	20.04	0.04	100.0%
2027	327,982,560	2,170,000	20.00	-	20.09	0.04	100.0%

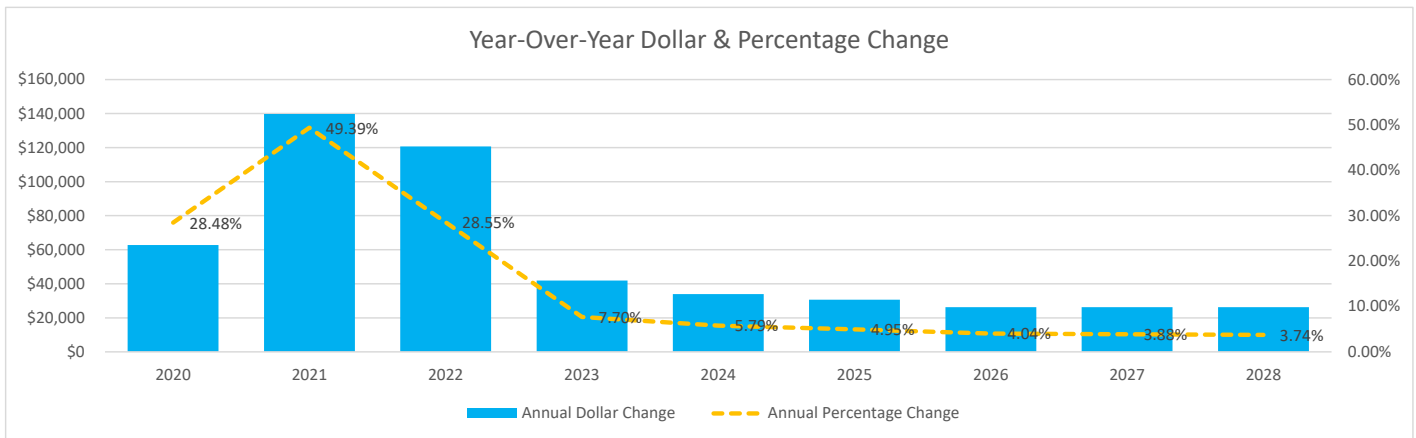
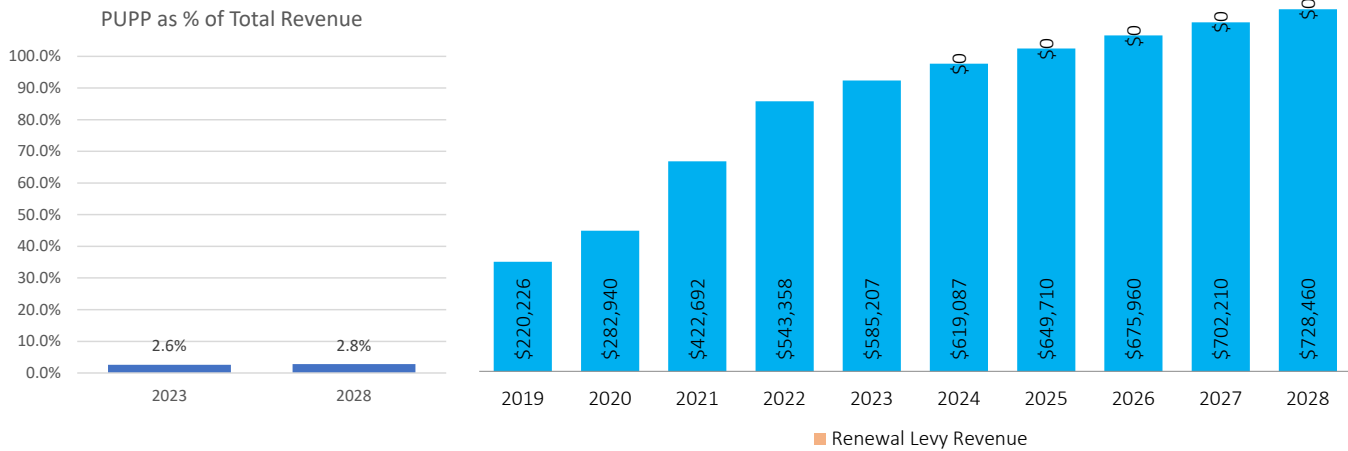
Real estate property tax revenue accounts for 20.05% of total revenue. Class I or residential/agricultural taxes make up approximately 96.13% of the real estate property tax revenue. The Class I tax rate is 20. mills in tax year 2023. The projections reflect an average gross collection rate of 100.0% annually through tax year 2027. The revenue changed at an average annual historical rate of 8.80% and is projected to change at an average annual rate of 5.08% through FY 2028.

The district is at the 20 mill floor and also had a 30% increase in valuation at last re-appraisal (2022) which accounts for the 16% increase in 2023. As property values continue to increase in Fairfield County the district is forecasting moderate increases moving forward.

*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	17,187,950	1,004,440	35.00	-	100.0%
2023	18,187,950	1,000,000	35.00	-	100.0%
2024	18,937,950	750,000	35.00	-	100.0%
2025	19,687,950	750,000	35.00	-	100.0%
2026	20,437,950	750,000	35.00	-	100.0%
2027	21,187,950	750,000	35.00	-	100.0%

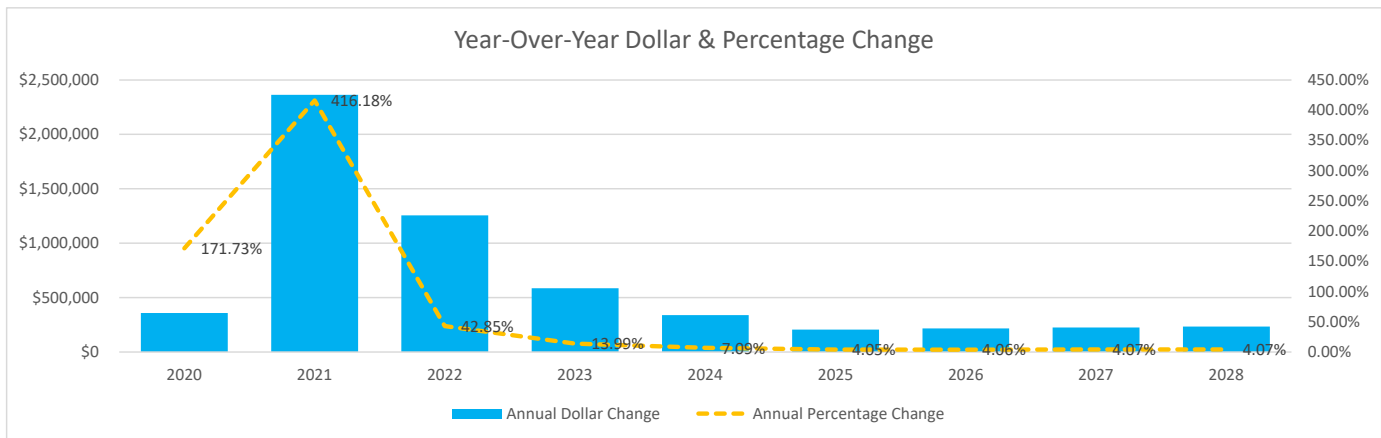
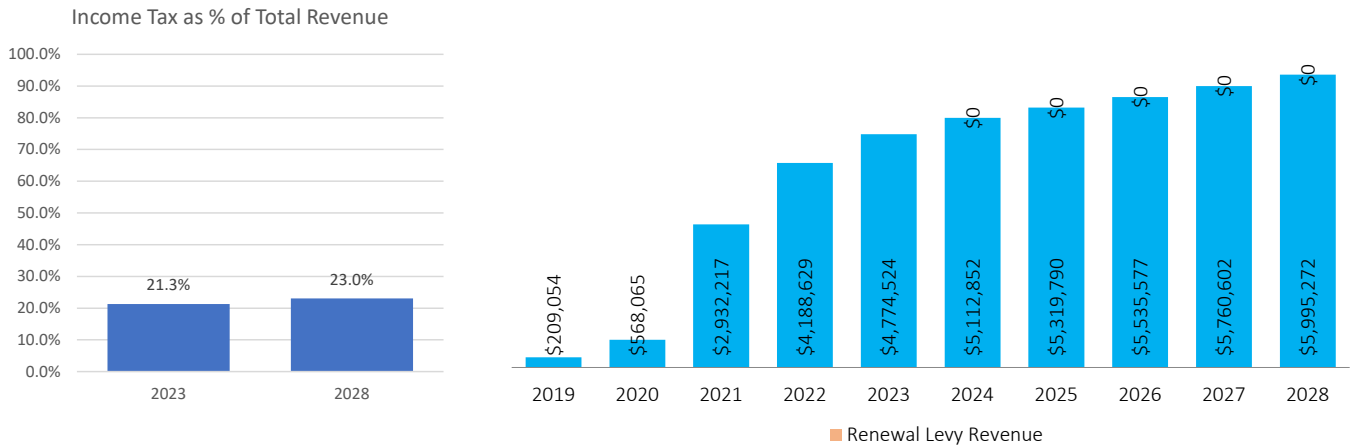
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. This category currently makes up 2.61% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2023 is 35. mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$91,245 and is projected to change at an average annual dollar amount of \$28,651 through FY 2028.

Infrastructure upgrades were completed in 2020 increasing the 2021 PUPP revenues by 50%. Overall the district is forecasting the PUPP value to increase slightly year over year.

**Projected % trends include renewal levies*

1.030 - 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.



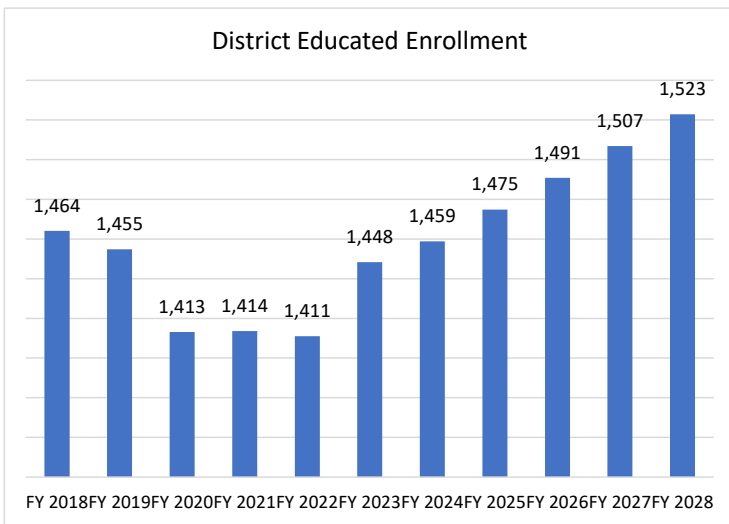
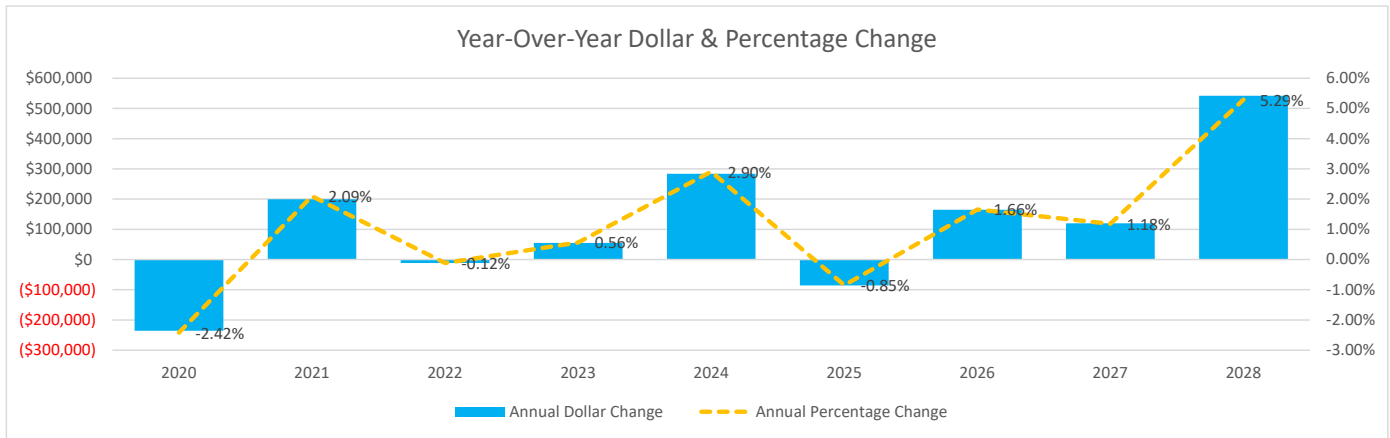
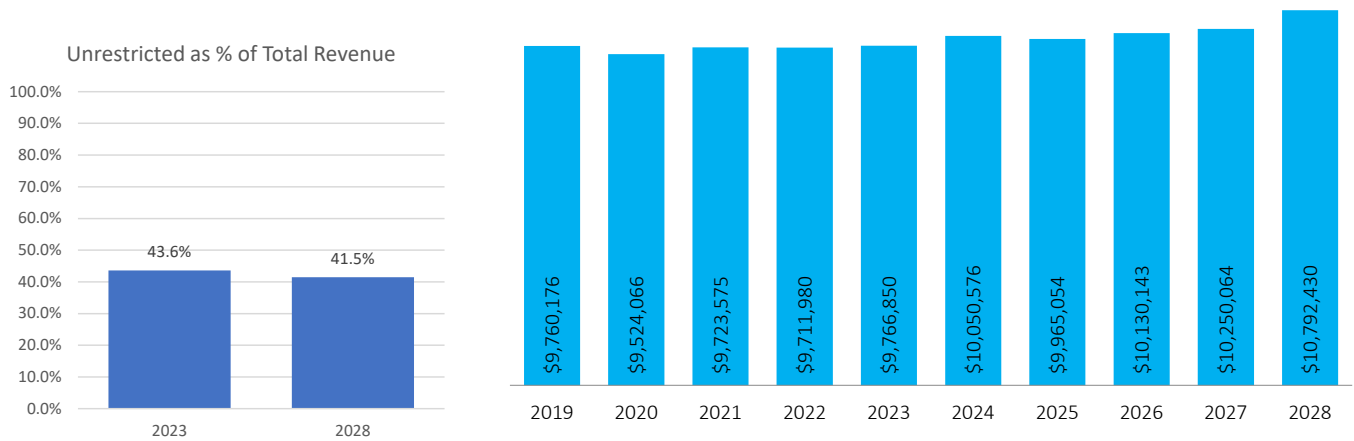
The district maintained one income tax levy in FY 2023. The average annual dollar change in total income tax revenue is forecasted to be \$244,150 through FY 2028. Income tax revenue is projected to account for 23.0% of total district revenue in FY 2028.

The income tax revenue is projected to increase year over year but the district has chosen to conservatively forecast this number. To date, the income tax revenue has been higher than forecasted.

*Projected % trends include renewal levies

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



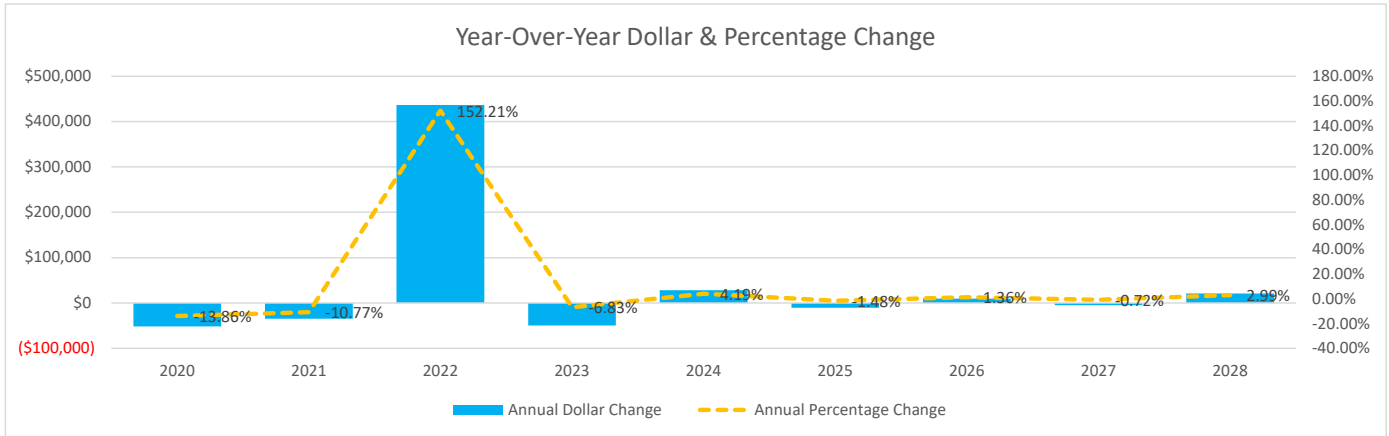
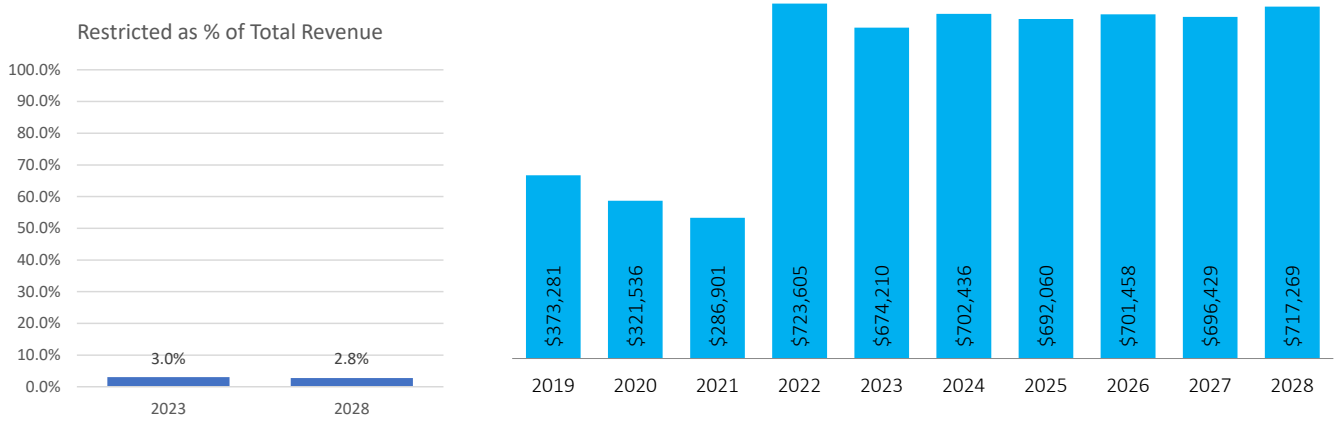
Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual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

For Amanda-Clearcreek Local School District the calculated Base Cost total is \$11,825,952 in FY 2023. The state's share of the calculated Base Cost total is \$6,358,398 or \$4,359 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

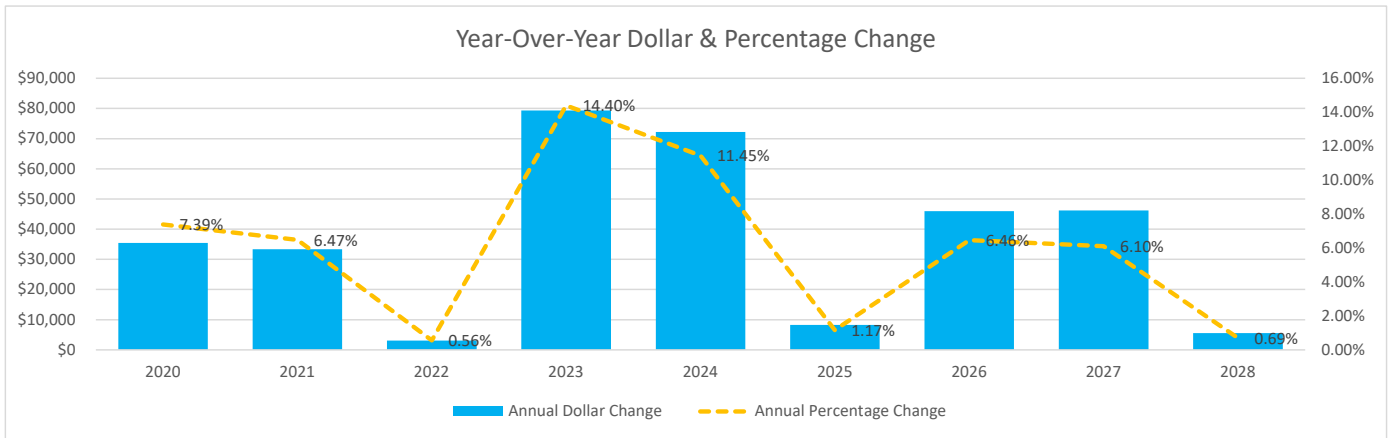
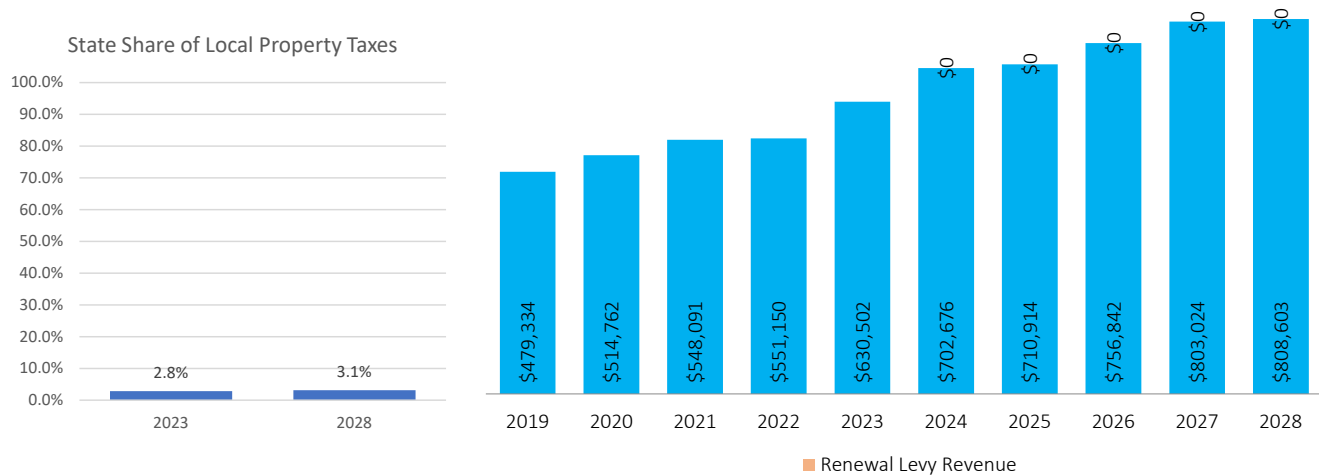
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



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 \$117,558 and is projected to change annually on average by \$8,612. Restricted funds represent 3.01% 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 \$281,278. 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.

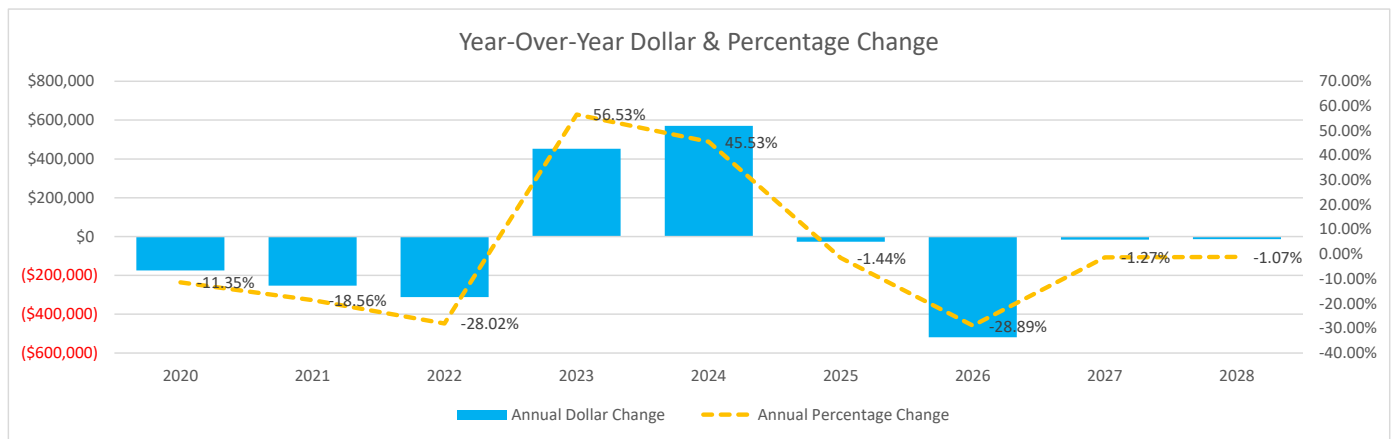
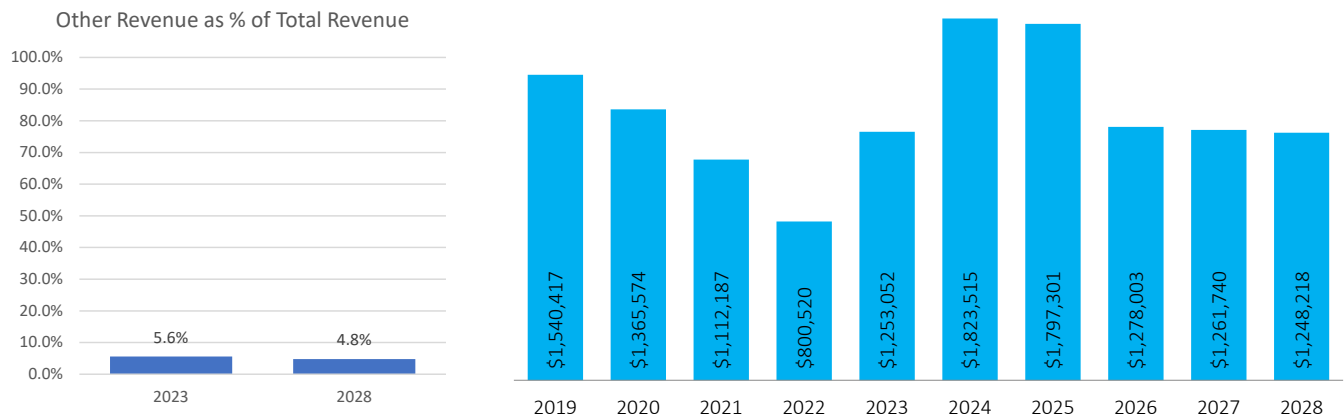


State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2024, approximately 11.4% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.3% 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.

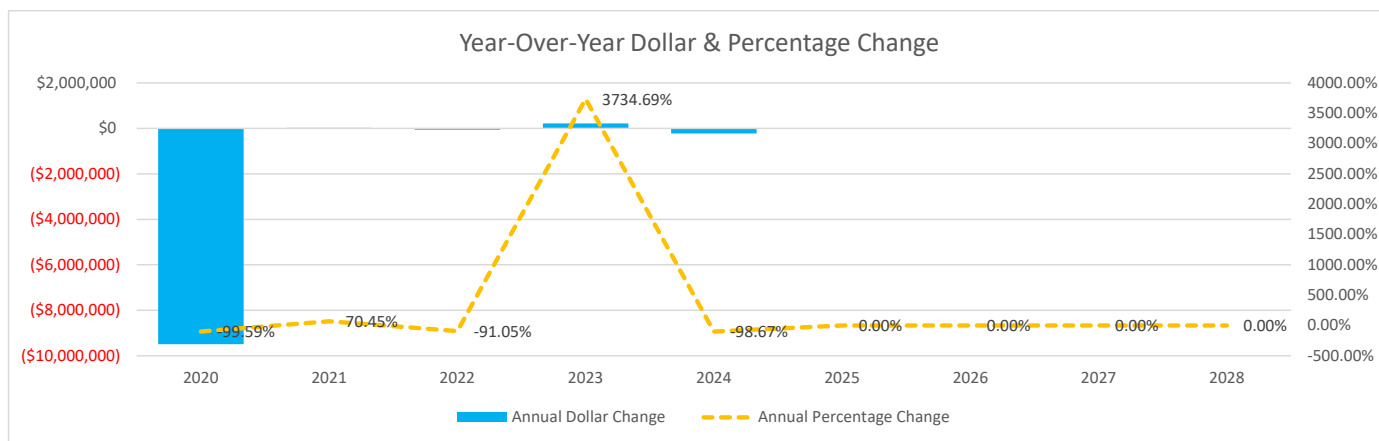
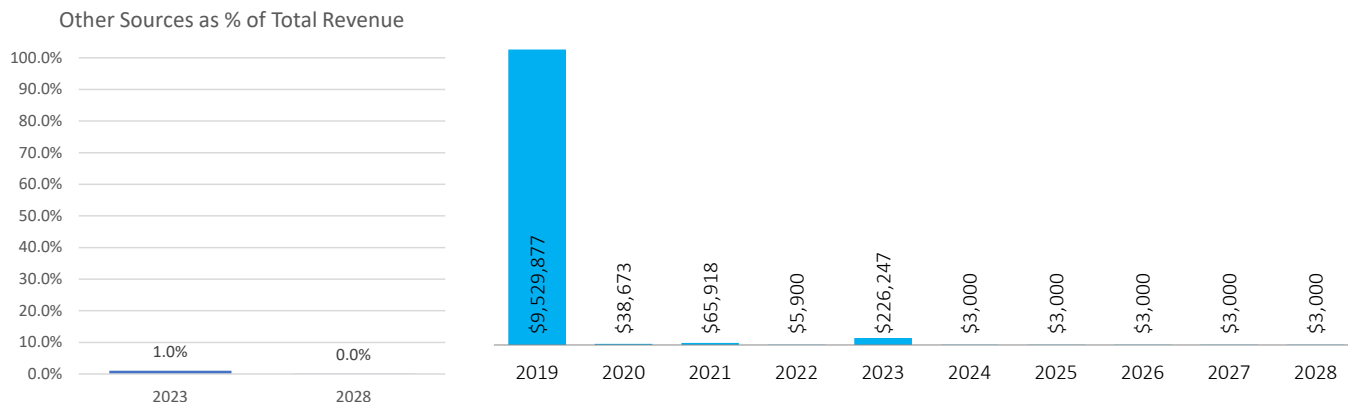


Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$71,841. The projected average annual change is -\$967 through FY 2028. 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 does not include any open enrollment in revenue.

The district started a Pre-school in FY22. Tuition for preschool is reflected after FY22. Increases in interest rates have also been a factor in the percentage changes in revenue.

2.070 - Total Other Financing Sources

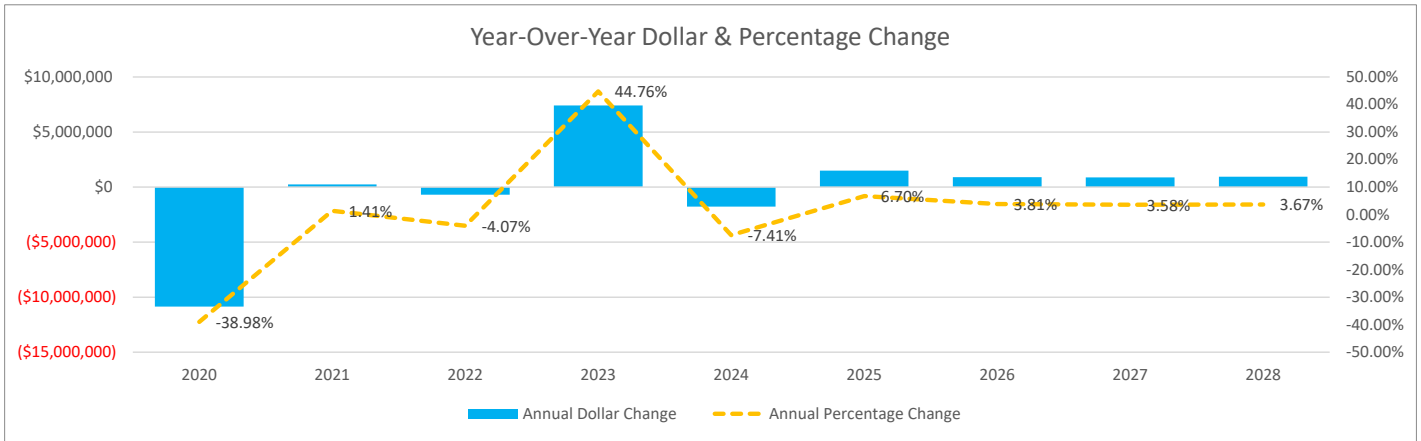
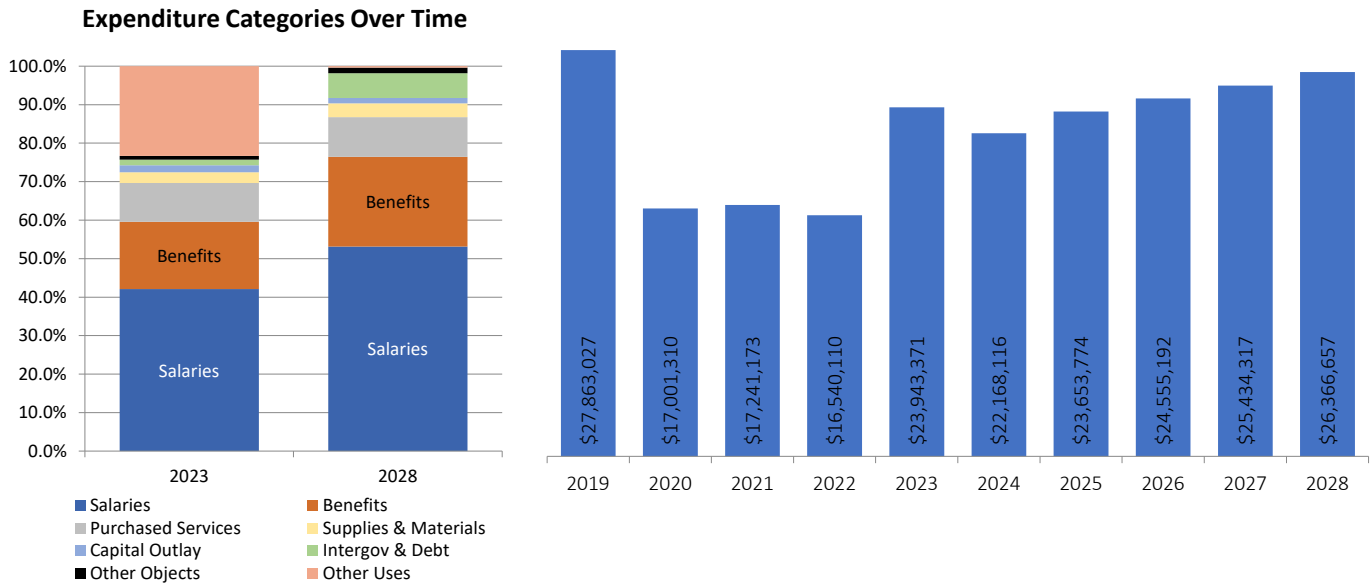
Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



	2023	FORECASTED				
		2024	2025	2026	2027	2028
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	226,247	3,000	3,000	3,000	3,000	3,000

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 \$0 as advances-in and is projecting advances of \$0 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 \$3,000 in FY 2024 and average \$3,000 annually through FY 2028.

Expenditure Categories and Forecast Year-Over-Year Projected Overview



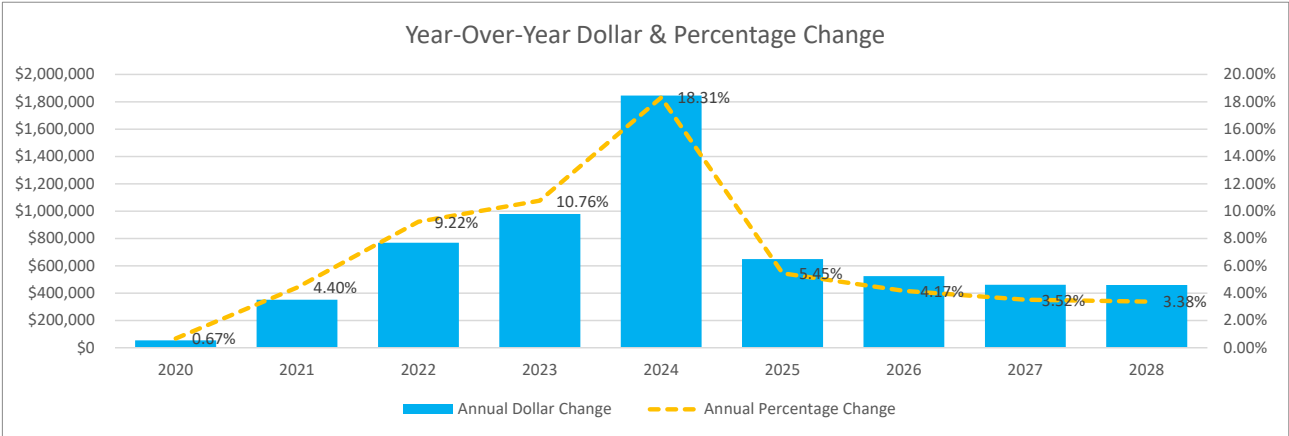
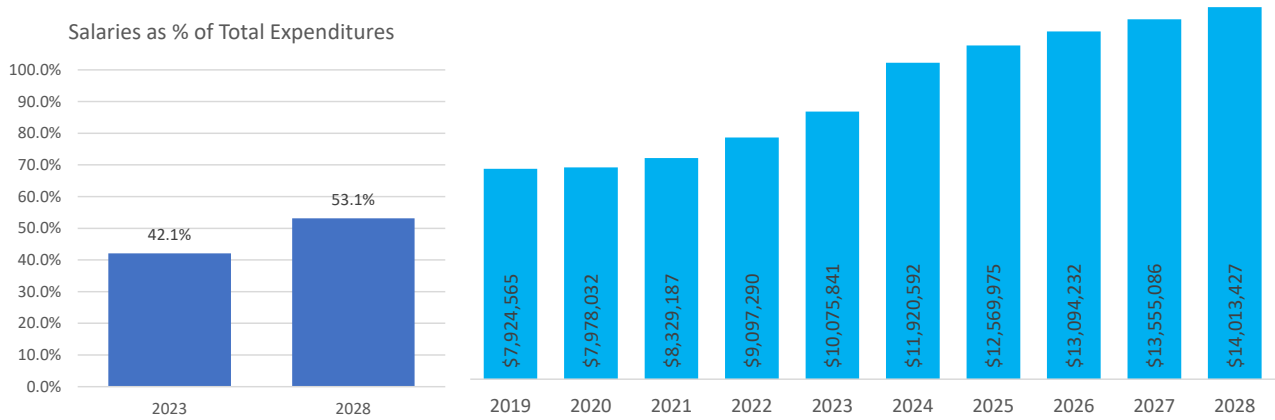
4-Year Historical Actual Average Annual Dollar Change Compared to 5-Year Projected

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	
Salaries	537,819	787,517	\$249,698	Total expenditures increased 0.78% or -\$979,914 annually during the past 4-Year period and is projected to increase 2.02% or \$484,657 annually through FY2028. Purchased Services has the largest projected average annual variance compared to the historical average at \$836,937. The 2019 transfer discussed in the revenue section inflates expenditures, as well in 2019. In 2023 the district created an 070 Capital Projects fund and transferred \$5 million to the fund.
Benefits	\$171,928	\$392,485	\$220,558	
Purchased Services	(\$777,228)	\$59,709	\$836,937	
Supplies & Materials	\$482	\$54,895	\$54,412	
Capital Outlay	\$44,111	(\$11,666)	(\$55,777)	
Intergov & Debt	\$86,027	\$270,798	\$184,771	
Other Objects	(\$7,068)	\$27,894	\$34,962	
Other Uses	(\$1,035,984)	(\$1,096,975)	(\$60,991)	
Total Average Annual Change	(\$979,914)	\$484,657	\$1,464,571	
	0.78%	2.02%	1.24%	

Note: Revenue average annual change is projected to be > \$724,745 On an annual average basis, revenues are projected to grow faster than expenditures.

3.010 - Personnel Services

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

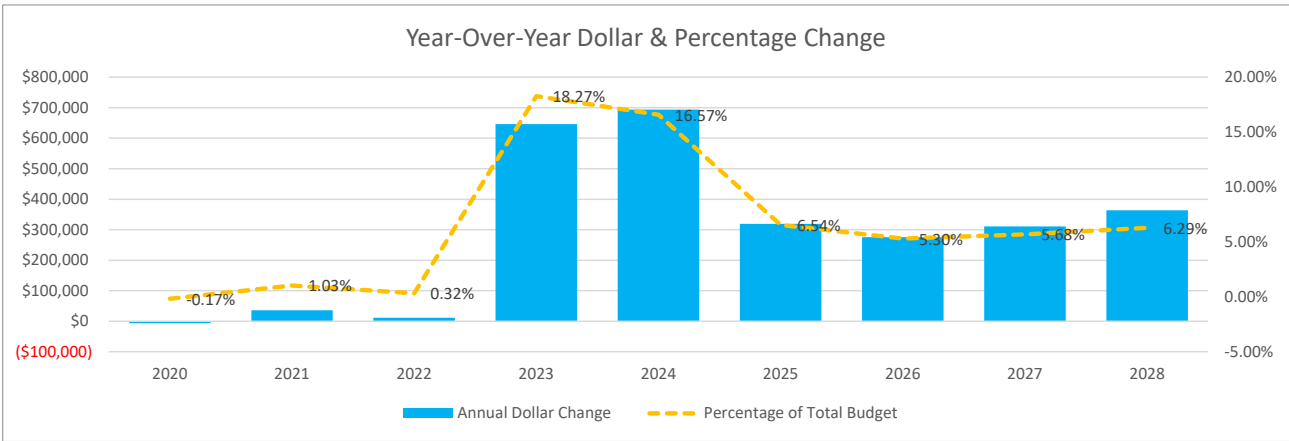
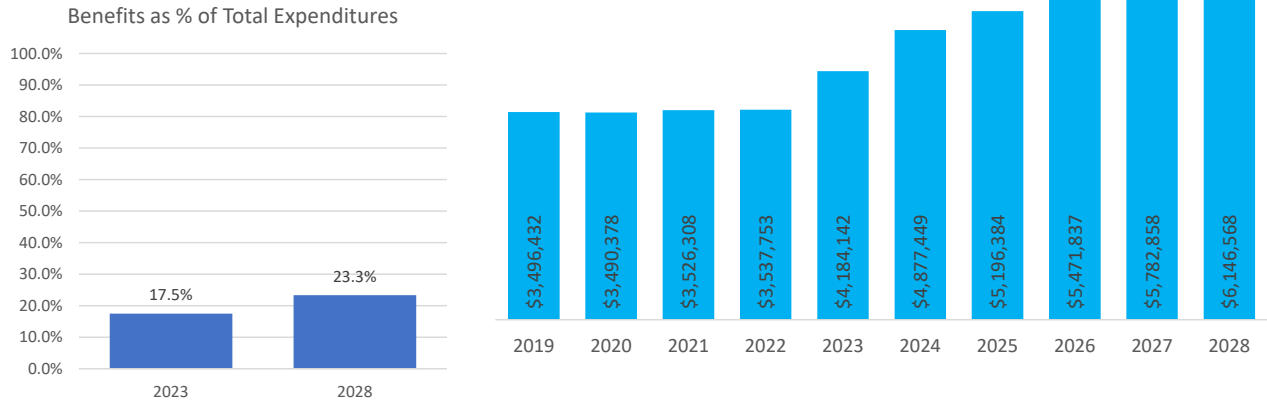


Salaries represent 42.08% of total expenditures and increased at a historical average annual rate of 6.26% or \$537,819. This category of expenditure is projected to grow at an annual average rate of 6.97% or \$787,517 through FY 2028. The projected average annual rate of change is 0.70% more than the five year historical annual average.

In FY24, general fund salaries increased by 18% due to supplanted ESSER salaries returning to general fund, negotiations with the unions netted a 3% increase in salaries as well as a step change for many employees who lost steps in years past due to cutbacks, and the addition of many special education staff members.

3.020 - Employees' Benefits

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

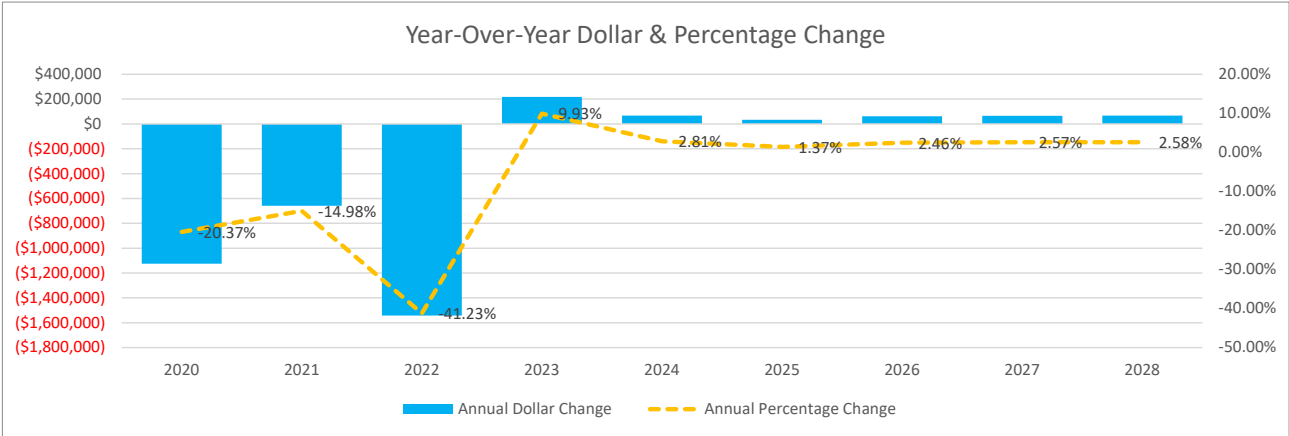
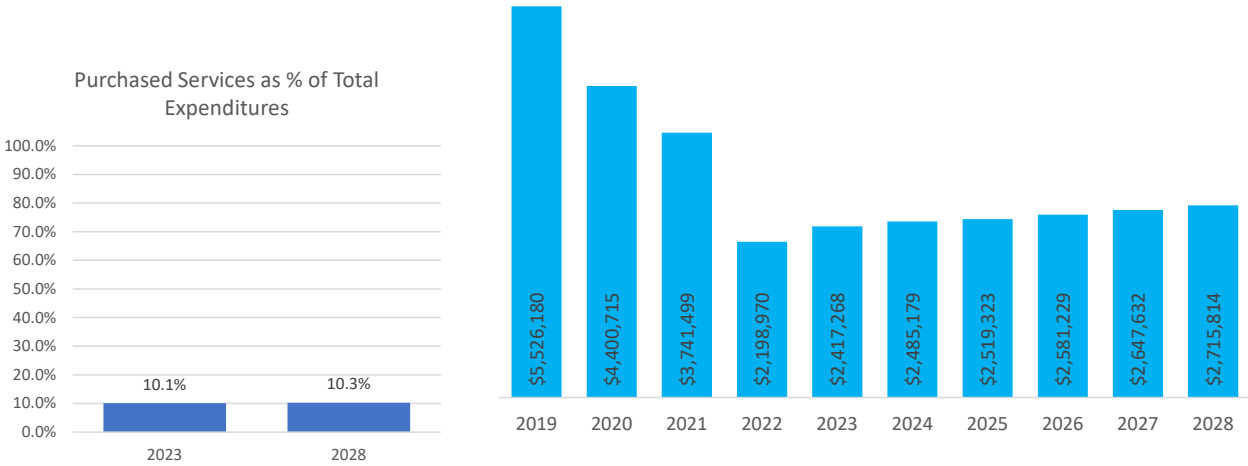


Benefits represent 17.48% of total expenditures and increased at a historical average annual rate of 4.86% This category of expenditure is projected to grow at an annual average rate of 8.08% through FY 2028. The projected average annual rate of change is 3.21% more than the five year historical annual average.

The district had a 5% increase in medical insurance, in addition to the many staff members added to the general fund expenditures, the increase for FY24 is 16.57%.

3.030 - Purchased Services

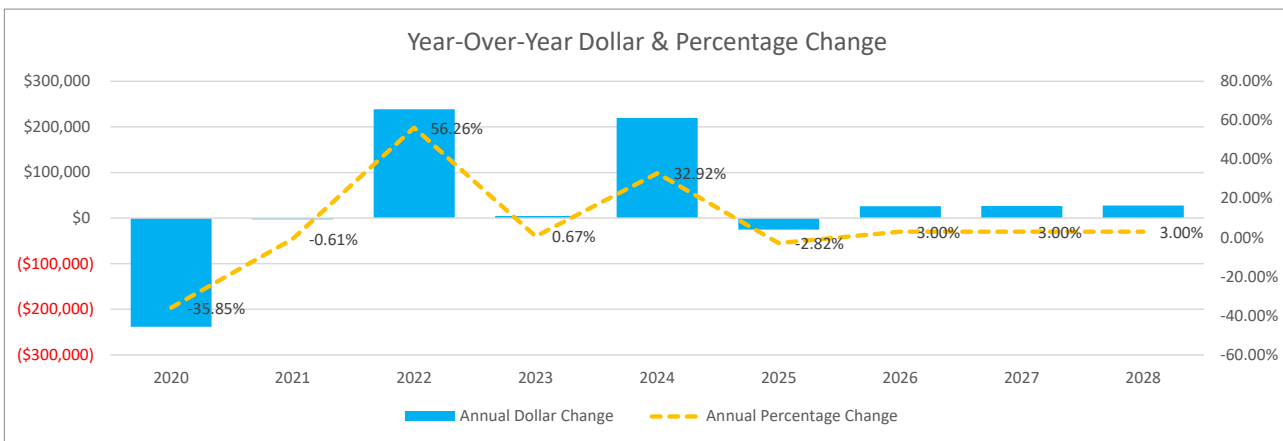
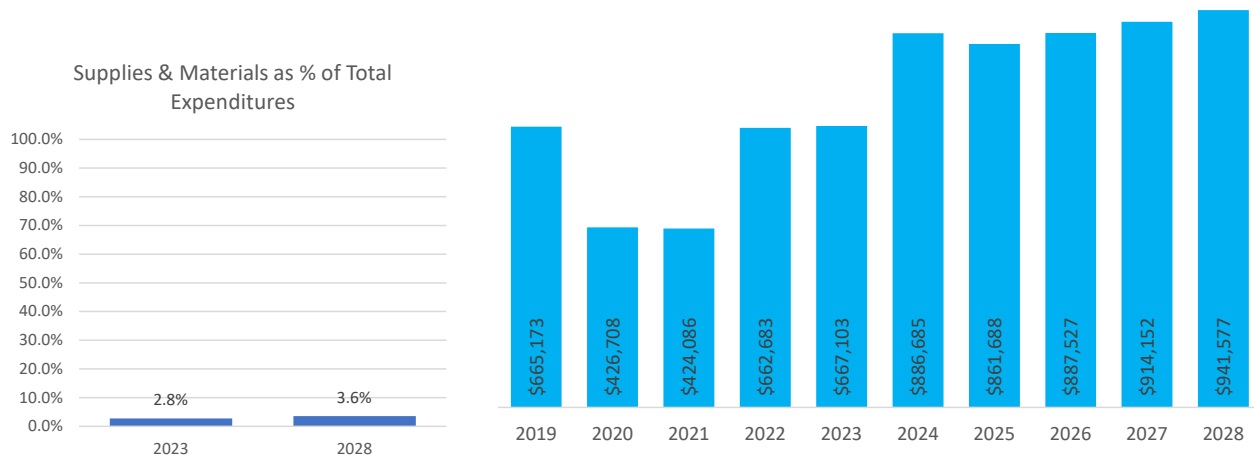
Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utilities costs and other services which the school district may purchase.



Purchased Services represent 10.10% of total expenditures and decreased at a historical average annual rate of -16.66%. This category of expenditure is projected to grow at an annual average rate of 2.36% 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.

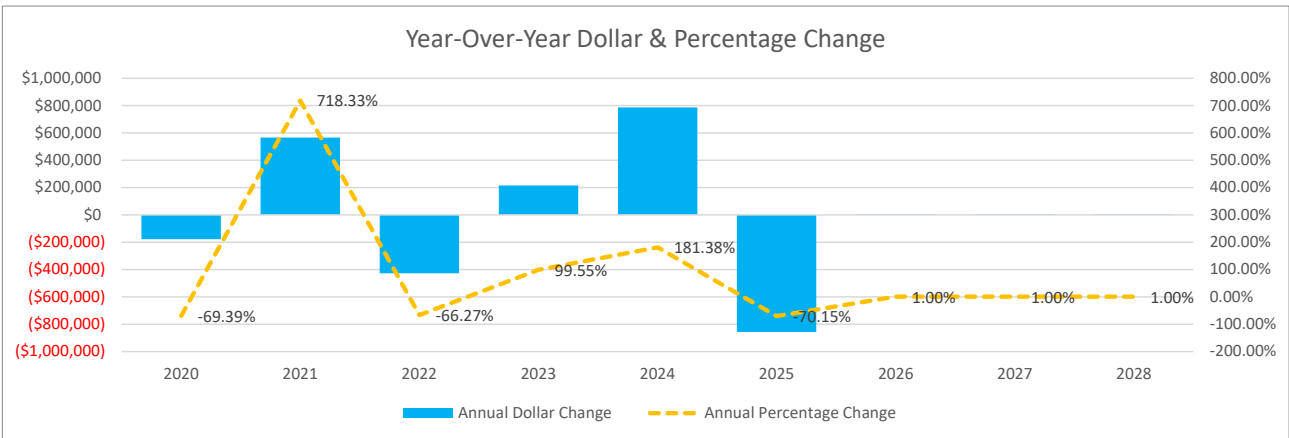
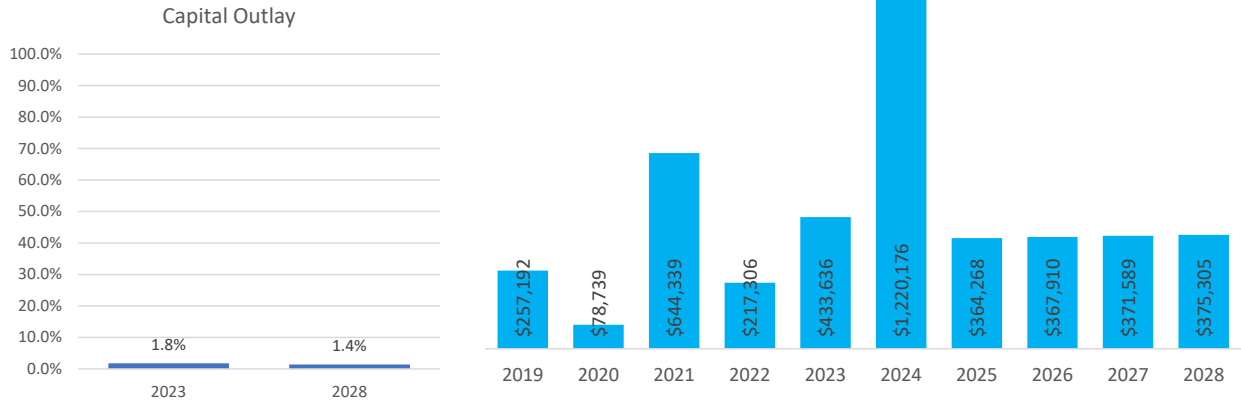


Supplies & Materials represent 2.79% of total expenditures and increased at a historical average annual rate of 5.12%. This category of expenditure is projected to grow at an annual average rate of 7.82% through FY 2028. The projected average annual rate of change is 2.70% more than the five year historical annual average.

The increase in supplies and materials for FY24 is due to the return of ESSER expenses supplanted in previous years and the increase of technology (software and curriculum) to address learning loss in the classroom. Moving forward the district does not anticipate drastic shifts in this area of expenditures.

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.

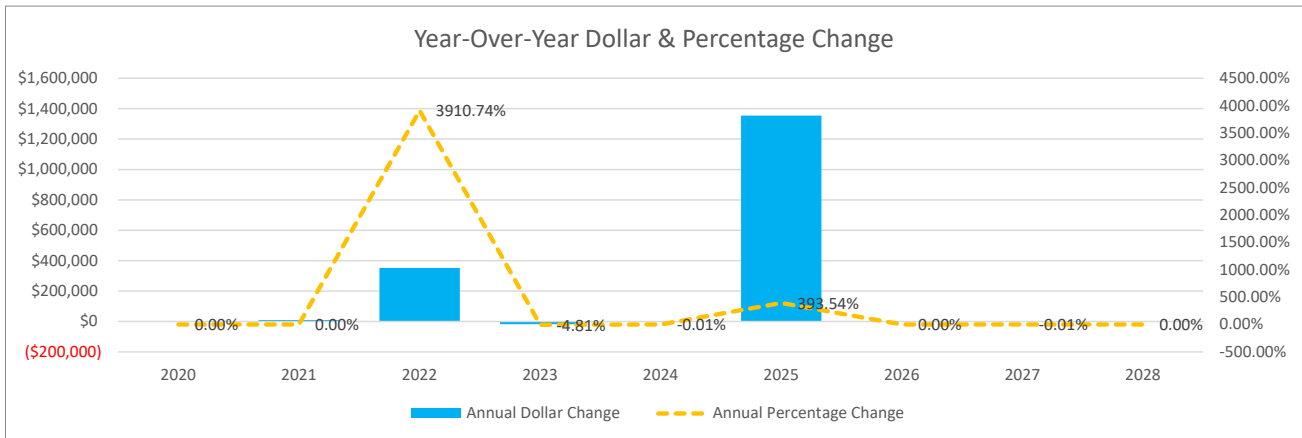
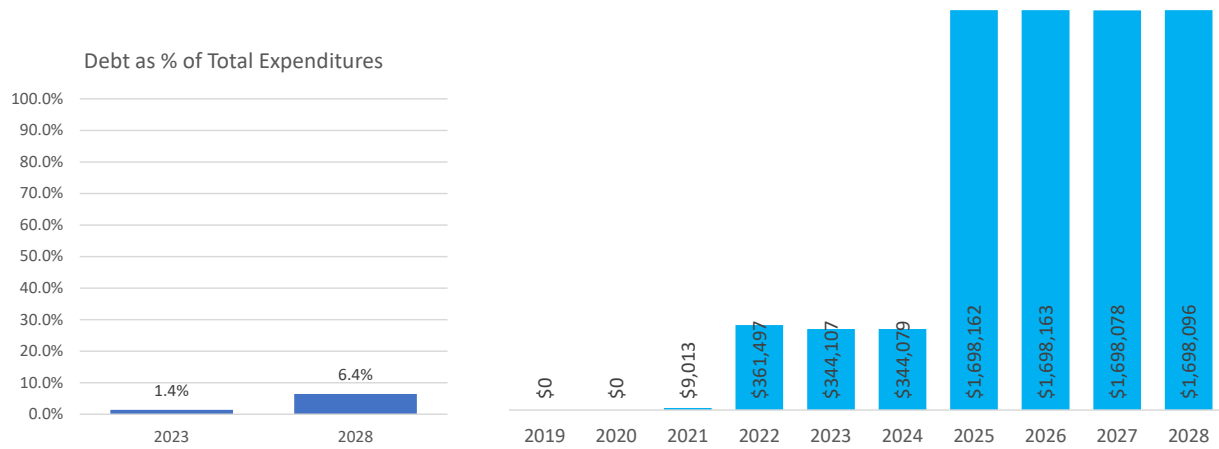


Capital Outlay represent 1.81% of total expenditures and increased at a historical average annual amount of \$44,111. This category of expenditure is projected to grow at an annual average rate of -\$11,666 through FY 2028. The projected average annual change is less than the five year historical annual average.

In FY24, the district is forecasting capital expenditures for transportation and maintenance/replacement for building systems.

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.

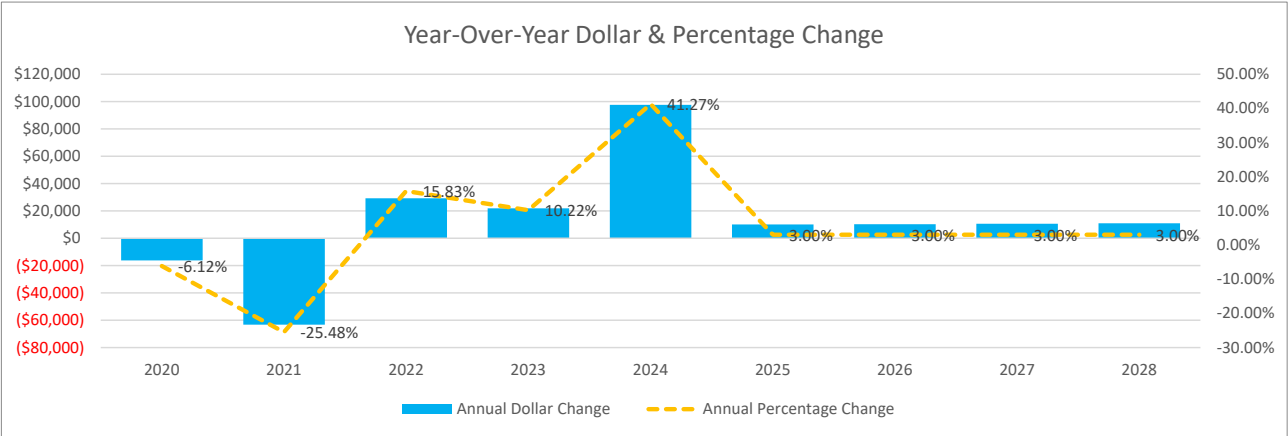
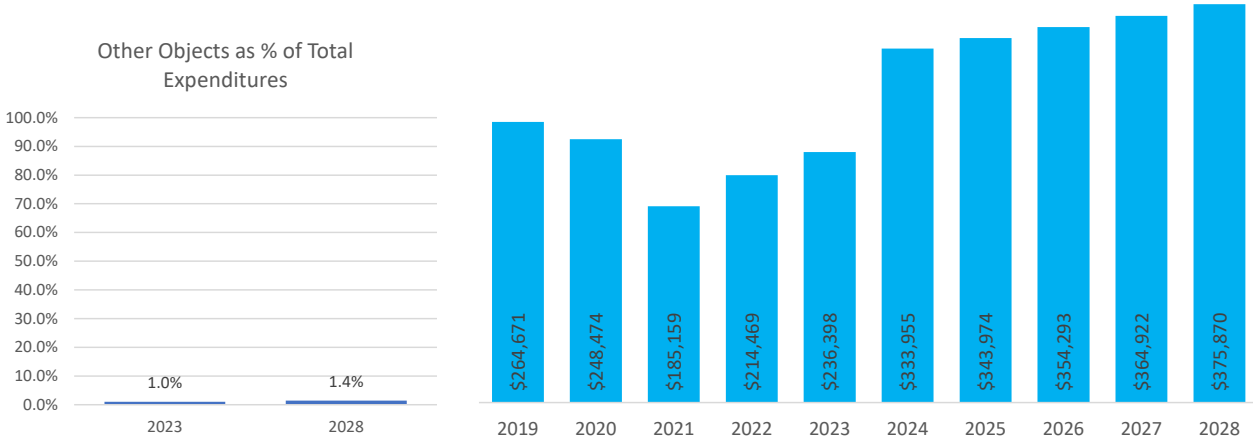


The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

The forecast includes payments for a previous 15 year lease-purchase agreement (2021) and a 30 year Certificate of Participation (COPs) (2025).

4.300 - Other Objects

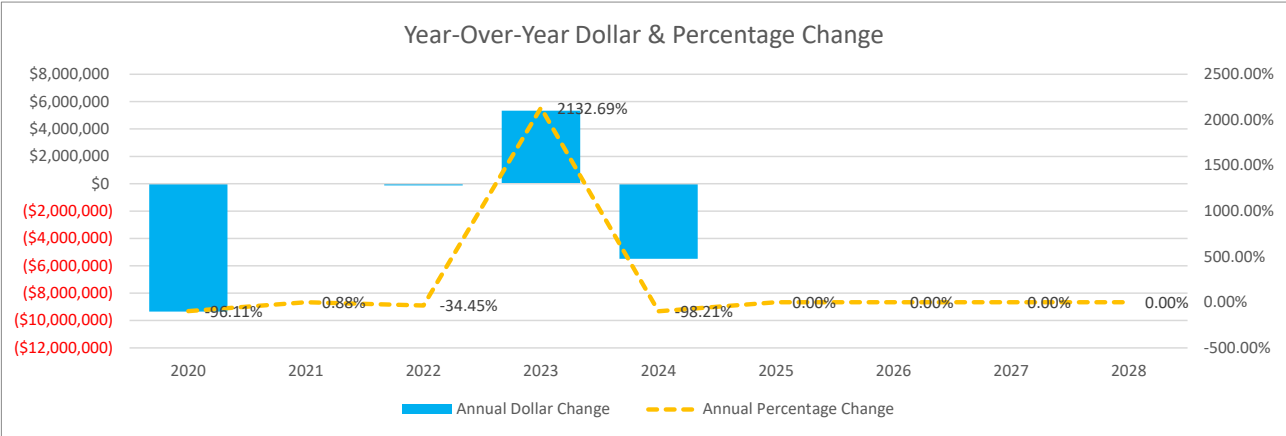
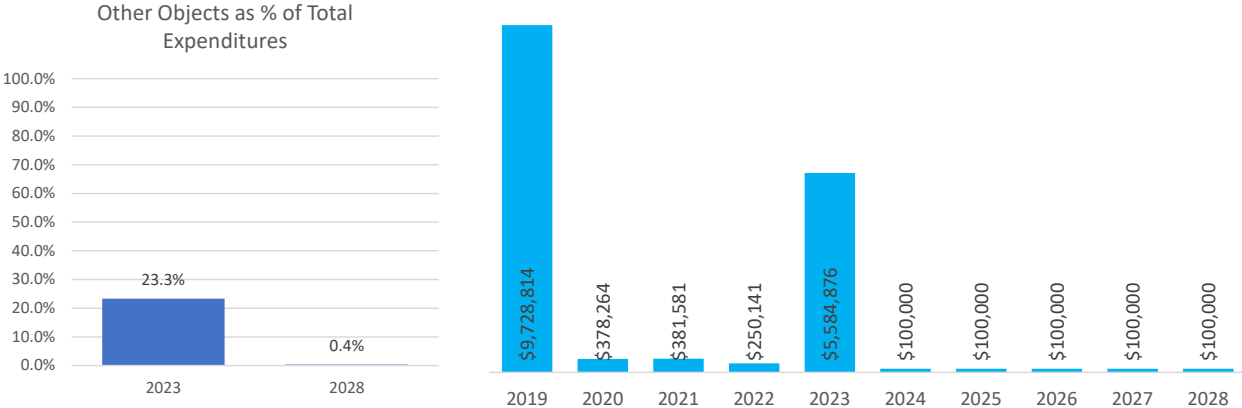
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects represent 0.99% of total expenditures and decreased at a historical average annual rate of -1.39%. This category of expenditure is projected to grow at an annual average rate of 10.65% through FY 2028. The projected average annual rate of change is 12.04% more 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	5,584,876	100,000	100,000	100,000	100,000	100,000
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

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 no advances-out and has no 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.

In 2023, the district transferred \$5,000,000 out of the General Fund to the 070 Capital Project fund. The Food Service and Athletic funds have been stabilized and the district does not anticipate any transfers, however, to remain conservative, \$100,000 expenditure has been added to ensure fiscal fidelity.

Amanda-Clearcreek Local School District

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2023	2024	2025	2026	2027	2028
Revenue:						
1.010 - General Property Tax (Real Estate)	4,492,122	5,018,088	5,055,841	5,422,224	5,693,282	5,733,188
1.020 - Public Utility Personal Property	585,207	619,087	649,710	675,960	702,210	728,460
1.030 - Income Tax	4,774,524	5,112,852	5,319,790	5,535,577	5,760,602	5,995,272
1.035 - Unrestricted Grants-in-Aid	9,766,850	10,050,576	9,965,054	10,130,143	10,250,064	10,792,430
1.040 - Restricted Grants-in-Aid	674,210	702,436	692,060	701,458	696,429	717,269
1.050 - State Share-Local Property Taxes	630,502	702,676	710,914	756,842	803,024	808,603
1.060 - All Other Operating Revenues	1,253,052	1,823,515	1,797,301	1,278,003	1,261,740	1,248,218
1.070 - Total Revenue	22,176,467	24,029,231	24,190,670	24,500,207	25,167,351	26,023,440
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	226,247	3,000	3,000	3,000	3,000	3,000
2.070 - Total Other Financing Sources	226,247	3,000	3,000	3,000	3,000	3,000
2.080 - Total Rev & Other Sources	22,402,714	24,032,231	24,193,670	24,503,207	25,170,351	26,026,440
Expenditures:						
3.010 - Personnel Services	10,075,841	11,920,592	12,569,975	13,094,232	13,555,086	14,013,427
3.020 - Employee Benefits	4,184,142	4,877,449	5,196,384	5,471,837	5,782,858	6,146,568
3.030 - Purchased Services	2,417,268	2,485,179	2,519,323	2,581,229	2,647,632	2,715,814
3.040 - Supplies and Materials	667,103	886,685	861,688	887,527	914,152	941,577
3.050 - Capital Outlay	433,636	1,220,176	364,268	367,910	371,589	375,305
Intergovernmental & Debt Service	344,107	344,079	1,698,162	1,698,163	1,698,078	1,698,096
4.300 - Other Objects	236,398	333,955	343,974	354,293	364,922	375,870
4.500 - Total Expenditures	18,358,495	22,068,116	23,553,774	24,455,192	25,334,317	26,266,657
Other Financing Uses						
5.010 - Operating Transfers-Out	5,584,876	100,000	100,000	100,000	100,000	100,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	5,584,876	100,000	100,000	100,000	100,000	100,000
5.050 - Total Exp and Other Financing Uses	23,943,371	22,168,116	23,653,774	24,555,192	25,434,317	26,366,657
6.010 - Excess of Rev Over/(Under) Exp	(1,540,657)	1,864,115	539,896	(51,985)	(263,967)	(340,217)
7.010 - Cash Balance July 1 (No Levies)	15,143,329	13,602,672	15,466,787	16,006,683	15,954,699	15,690,732
7.020 - Cash Balance June 30 (No Levies)	13,602,672	15,466,787	16,006,683	15,954,699	15,690,732	15,350,515
		Reservations				
8.010 - Estimated Encumbrances June 30	480,000	480,000	480,000	480,000	480,000	480,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	13,122,672	14,986,787	15,526,683	15,474,699	15,210,732	14,870,515
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	13,122,672	14,986,787	15,526,683	15,474,699	15,210,732	14,870,515
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	13,122,672	14,986,787	15,526,683	15,474,699	15,210,732	14,870,515

