

Amanda-Clearcreek Local School District

Five Year Forecast Financial Report

November, 2022

Lana Fairchild, Treasurer/CFO

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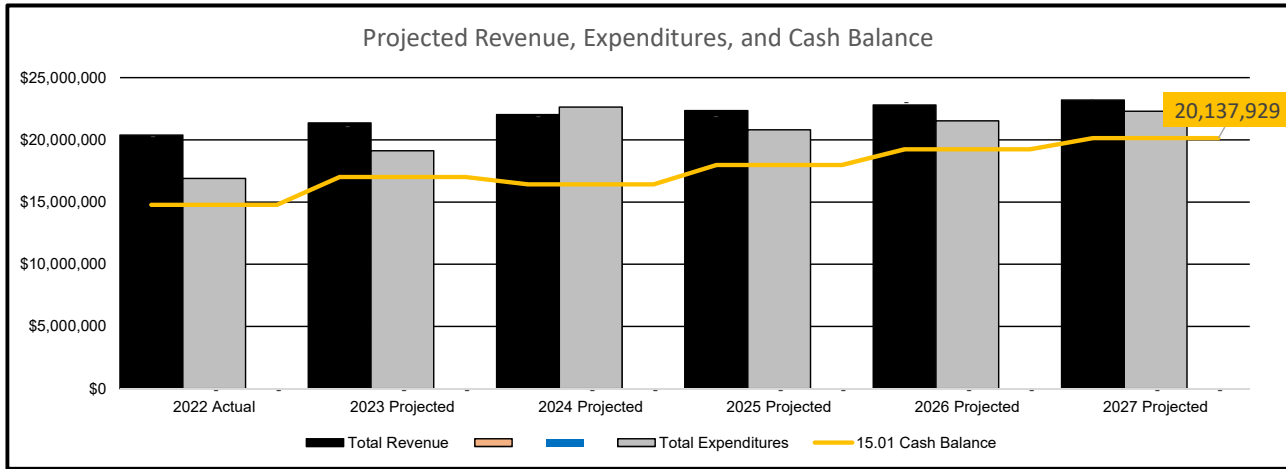
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Forecast Purpose/Objectives

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 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	14,781,829	17,018,189	16,425,316	17,972,471	19,242,860
+ Revenue	21,354,650	22,035,319	22,351,207	22,802,818	23,195,344
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(19,118,290)	(22,628,191)	(20,804,052)	(21,532,430)	(22,300,275)
= Revenue Surplus or Deficit	2,236,360	(592,873)	1,547,156	1,270,388	895,069
Line 7.020 Ending Balance with renewal/new levies	17,018,189	16,425,316	17,972,471	19,242,860	20,137,929

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	2,236,360	(592,873)	1,547,156	1,270,388	895,069
Ending Balance w/o Levies	17,018,189	16,425,316	17,972,471	19,242,860	20,137,929

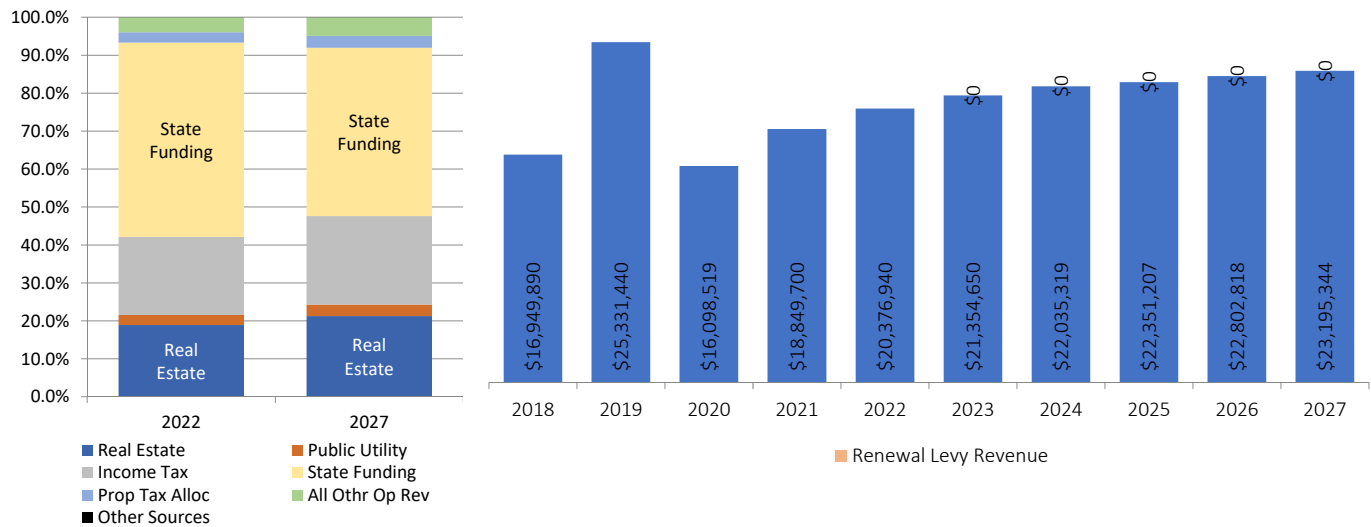
In FY 2023 a revenue surplus is expected. This means that expenditures are expected to be less than revenue by -\$2,236,360 in FY 2023. By the last year of the forecast, FY 2027, the district is expected to have a revenue surplus where expenditures are projected to be less than revenue by -\$895,069

The district's cash balance is positive at year-end in FY 2023 and is projected to improve by FY 2027. A worsening cash balance can erode the district's financial stability over time.

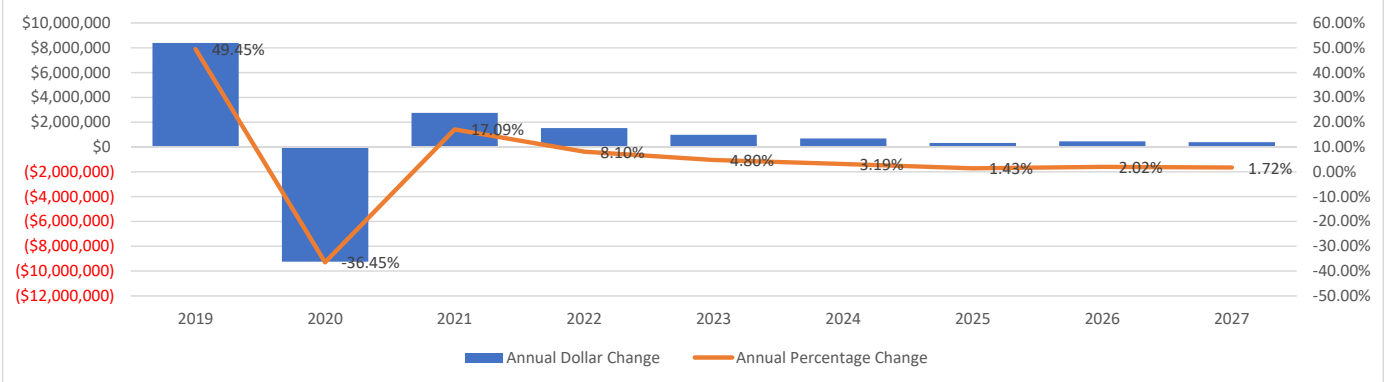
This forecast includes the Fair School Funding Plan (FSFP) adopted by Ohio starting in FY 2022. The district expects a combined impact of \$243,428 in FY 2023. This forecast includes a CFO adjusted trend calculation of the FSFP impact using current information. As information changes the estimates will be updated. The district is considered a guarantee 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



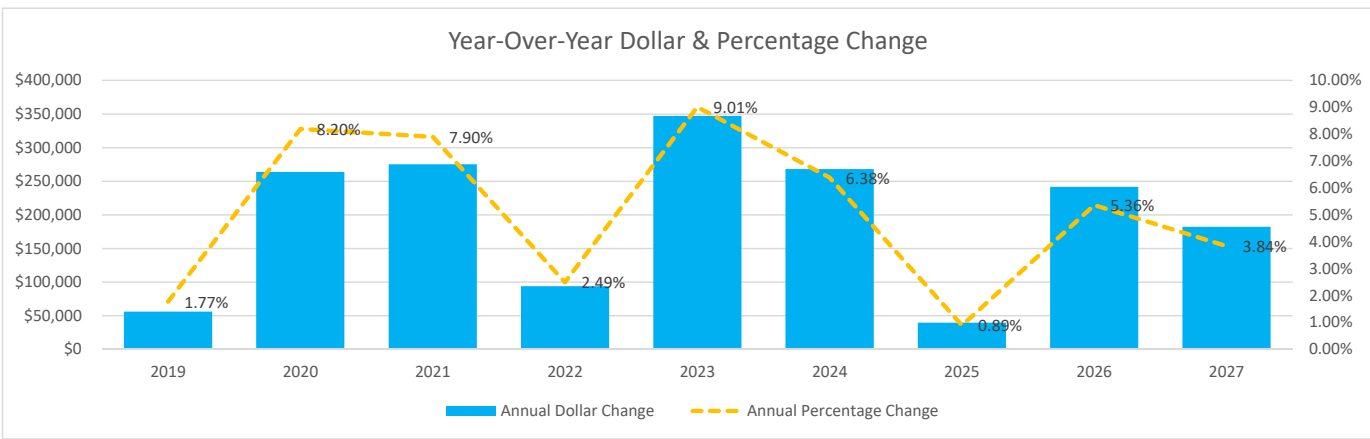
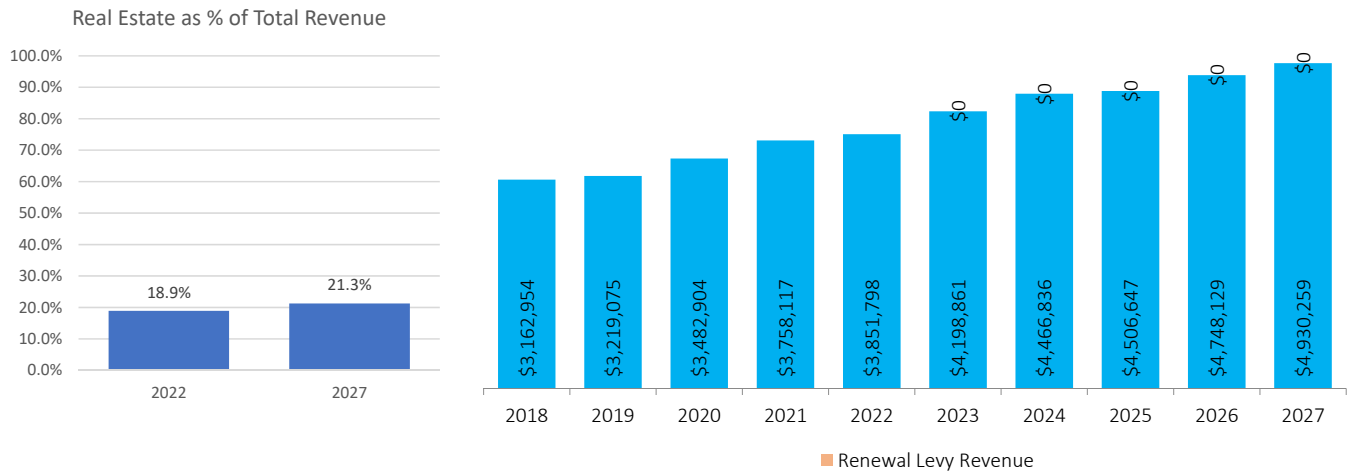
5-Year Historical Actual Average Annual Dollar Change Compared to 5-year Projected

	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	Total revenue increased 2.84% or \$554,699 annually during the past 5-Year period and is projected to increase 2.52% or \$563,681 annually through FY2027. All Othr Op Rev has the most projected average annual variance compared to the historical average at \$180,679
Real Estate	165,216	215,692	\$50,476	In FY2019 a transfer was completed that had a net zero affect on the financial position of the district, however, the revenues and expenditures are inflated by the same amount and skew this graph for that period. This will appear again in expenditures.
Public Utility	\$70,137	\$31,740	(\$38,397)	
Income Tax	\$378,318	\$245,617	(\$132,701)	
State Funding	\$51,303	(30,259)	(\$81,562)	
Prop Tax Alloc	\$17,460	\$35,160	\$17,700	
All Othr Op Rev	(\$115,668)	\$65,010	\$180,679	
Other Sources	(\$12,068)	\$720	\$12,788	
Total Average Annual Change	554,699	563,681	\$8,982	
	2.84%	2.52%	-0.32%	

Note: Expenditure average annual change is projected to be > \$1,079,734 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	
2021	215,931,280	3,026,440	20.00	-	20.86	-	99.9%
2022	254,539,780	38,608,500	20.00	(0.00)	20.77	(0.09)	99.9%
2023	256,909,780	2,370,000	20.00	-	20.83	0.06	99.9%
2024	259,099,780	2,190,000	20.00	-	20.84	0.01	99.9%
2025	281,194,780	22,095,000	20.00	-	20.73	(0.11)	99.9%
2026	283,564,780	2,370,000	20.00	-	20.79	0.05	99.9%

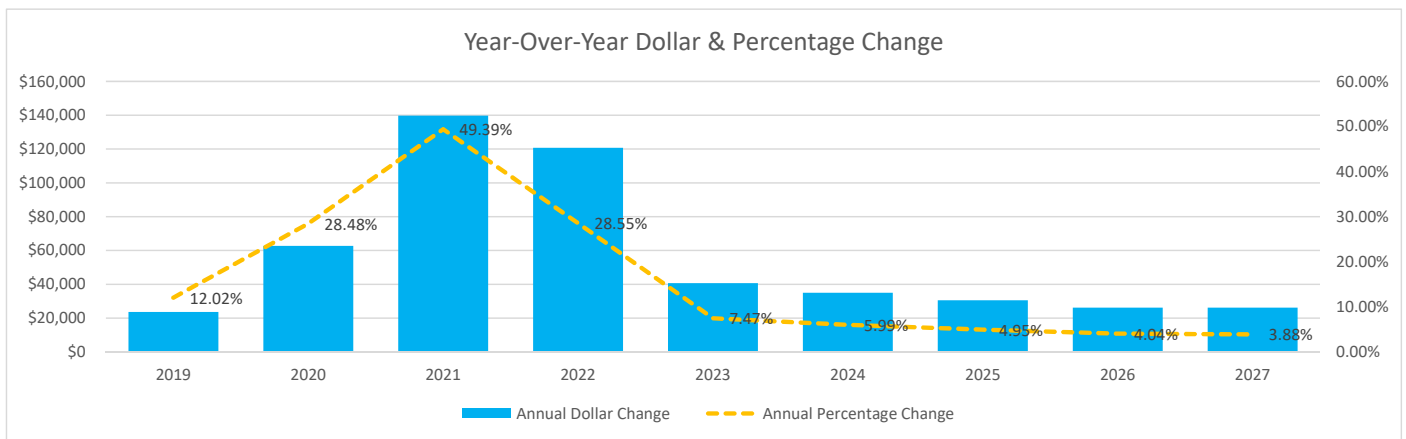
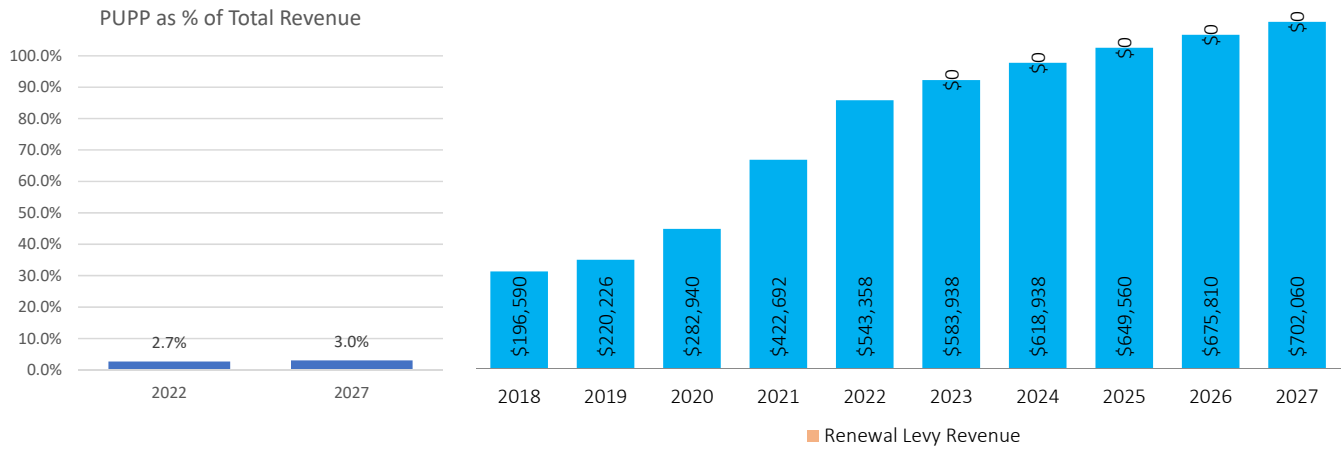
Real estate property tax revenue accounts for 18.90% of total revenue. Class I or residential/agricultural taxes make up approximately 96.01% of the real estate property tax revenue. The Class I tax rate is 20. mills in tax year 2022. The projections reflect an average gross collection rate of 99.9% annually through tax year 2026. The revenue changed at an average annual historical rate of 4.73% and is projected to change at an average annual rate of 4.72% through FY 2027.

2022 was a Reappraisal year. At the time of this forecast the property values have not been adjusted and are still estimates. According to the Auditor, the average in Fairfield County was in increase in value of 24%.

*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.



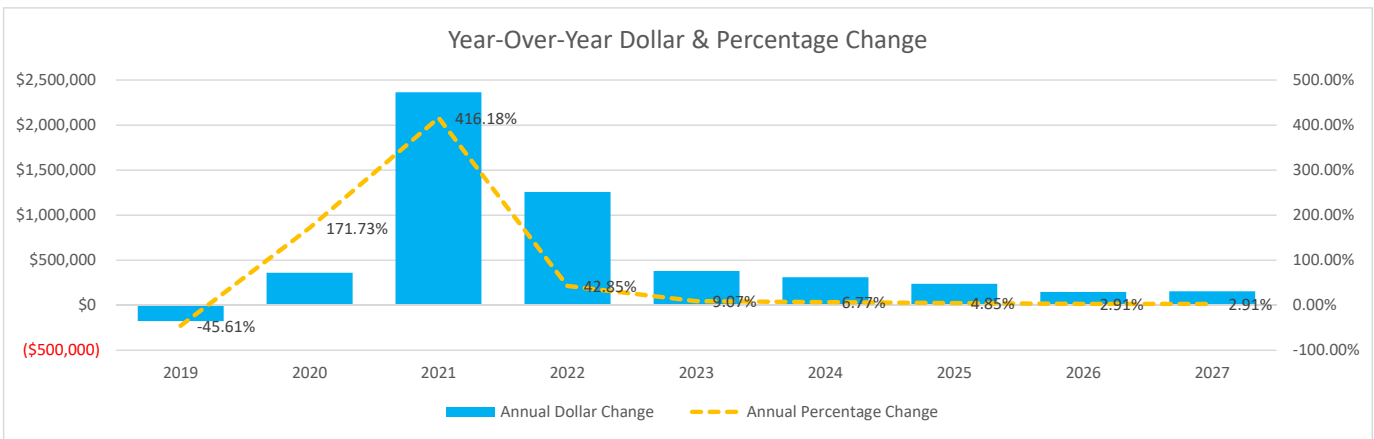
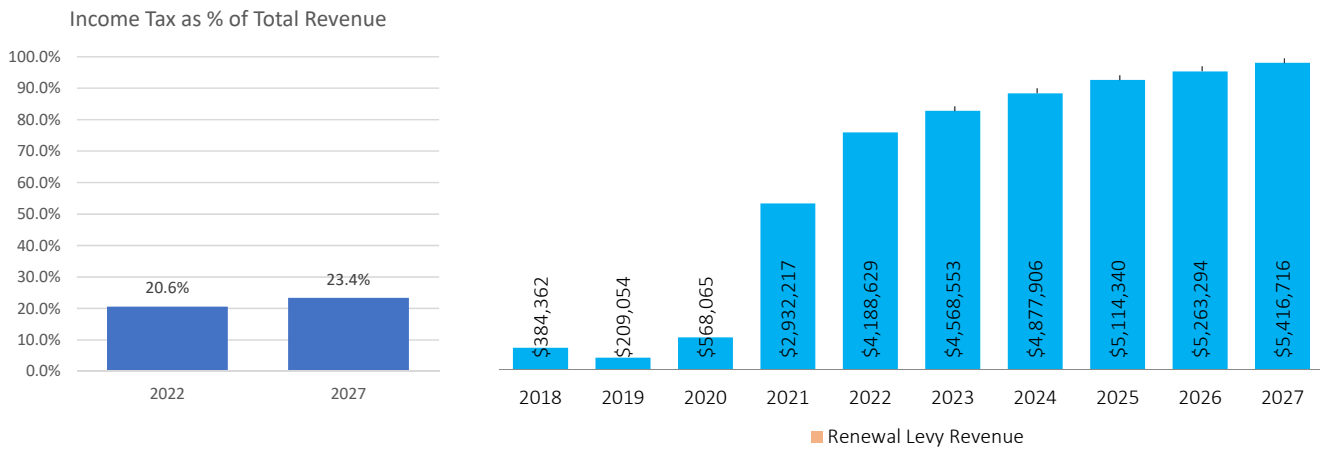
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2021	16,183,510	1,404,060	35.00	-	100.0%
2022	17,183,510	1,000,000	35.00	-	100.0%
2023	18,183,510	1,000,000	35.00	-	100.0%
2024	18,933,510	750,000	35.00	-	100.0%
2025	19,683,510	750,000	35.00	-	100.0%
2026	20,433,510	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 2.67% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2022 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 \$70,137 and is projected to change at an average annual dollar amount of \$31,740 through FY 2027.

*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.

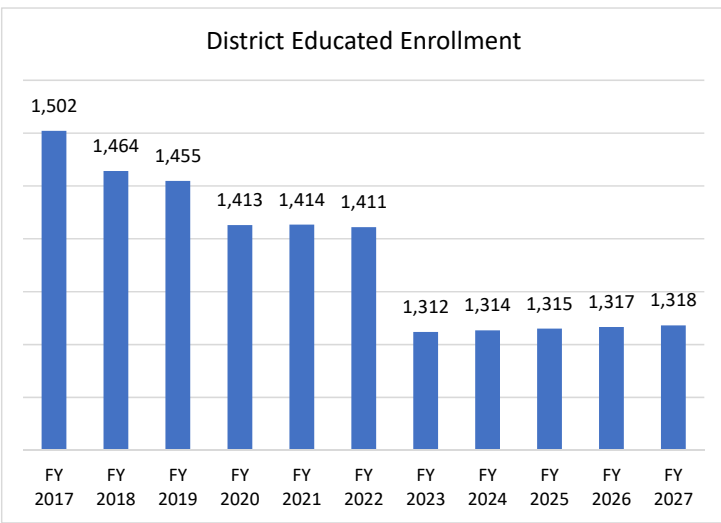
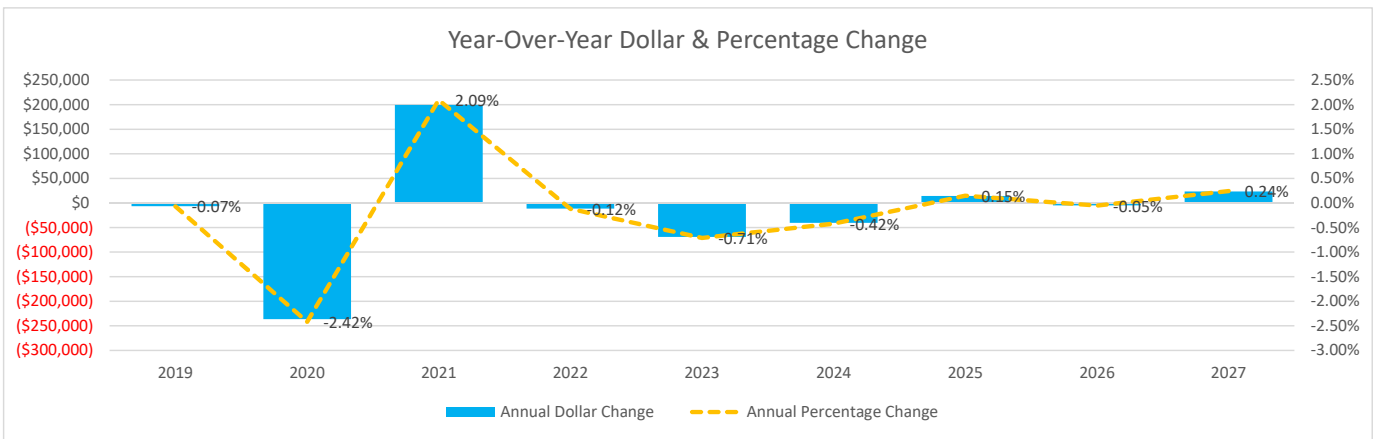
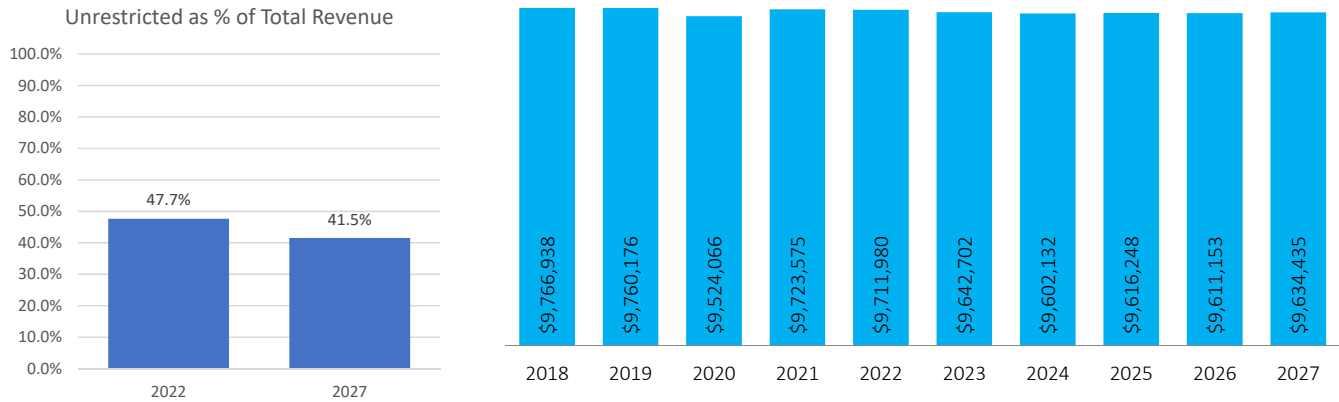


The district maintained one income tax levy in FY 2022. The average annual dollar change in total income tax revenue is forecasted to be \$245,617 through FY 2027. Income tax revenue is projected to account for 23.4% of total district revenue in FY 2027.

*Projected % trends include renewal levies

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



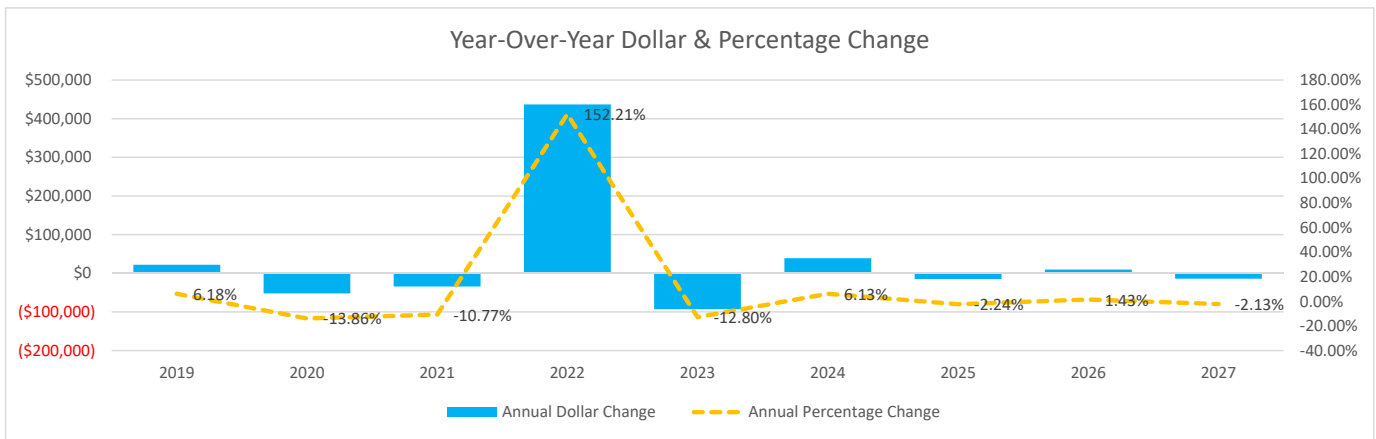
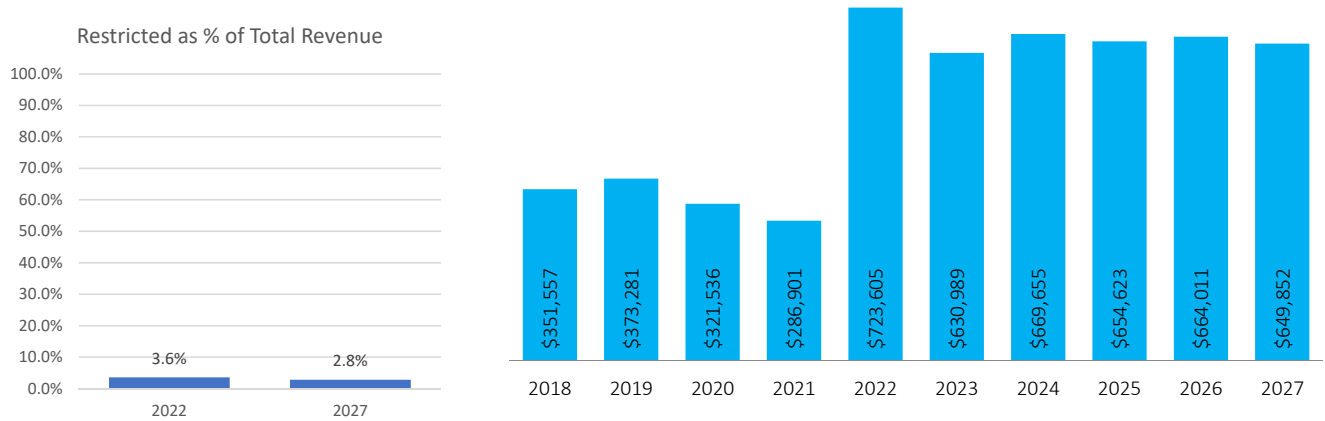
Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual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

For Amanda-Clearcreek Local School District the calculated Base Cost total is \$10,348,994 in FY 2023. The state's share of the calculated Base Cost total is \$4,928,316 or \$3,756 per pupil.

For reference: CF63 The FSFP change to district educated enrollment could be lower than the district's historical formula funded enrollment but also potentially reduces tuition cost. In FY 2021, the district had approximately \$879,105 in possible tuition cost reductions. These reductions will be reflected in the purchased services expenditure note.

1.040 & 1.045 - Restricted Grants-in-Aid

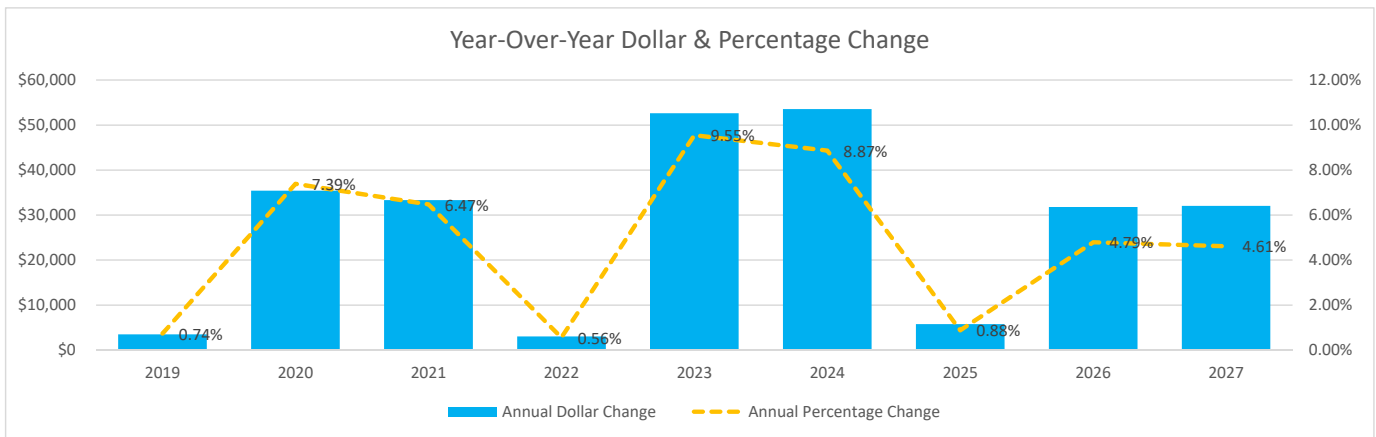
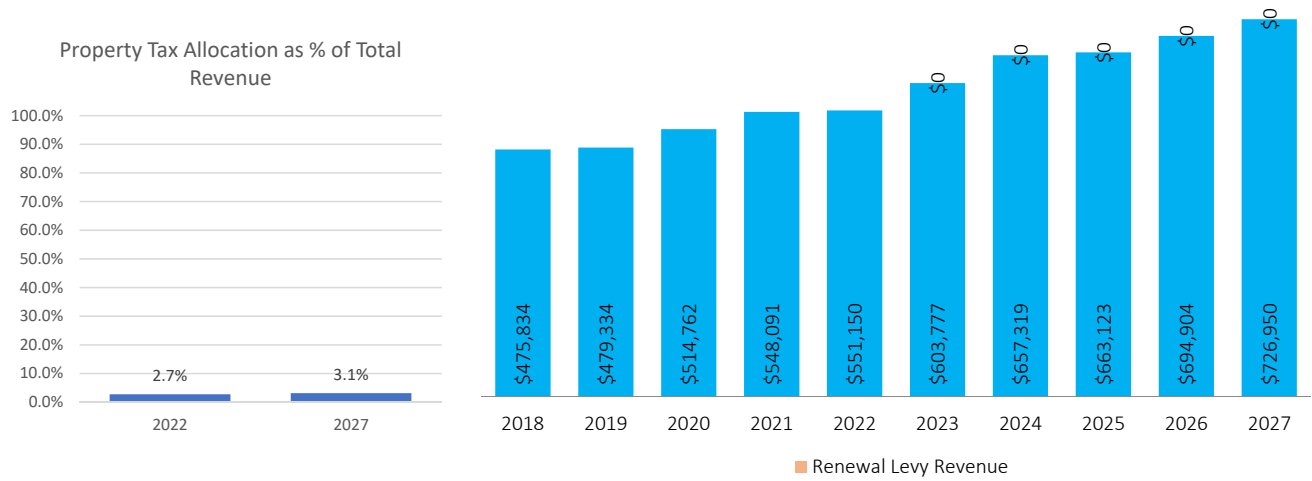
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



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 \$116,774 and is projected to change annually on average by -\$14,751. Restricted funds represent 3.55% 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 \$250,366. 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 - Property Tax Allocation

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

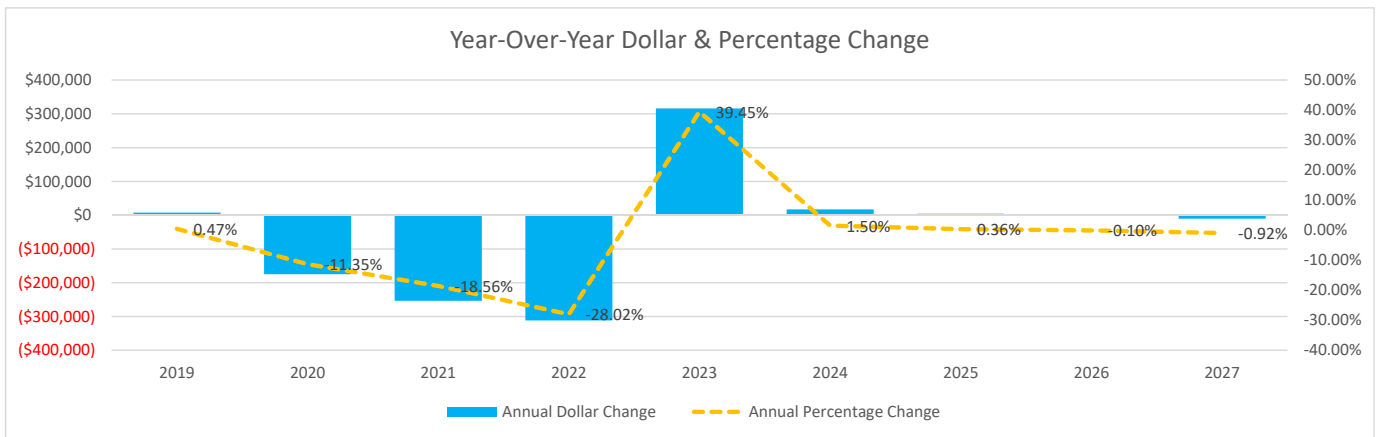
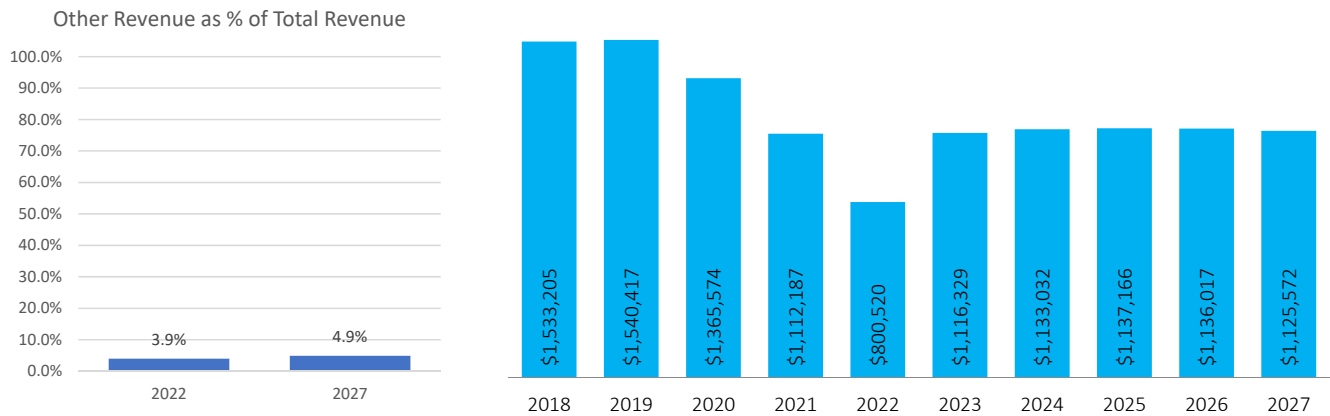


Property tax allocation primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2023, approximately 11.5% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.8% 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.

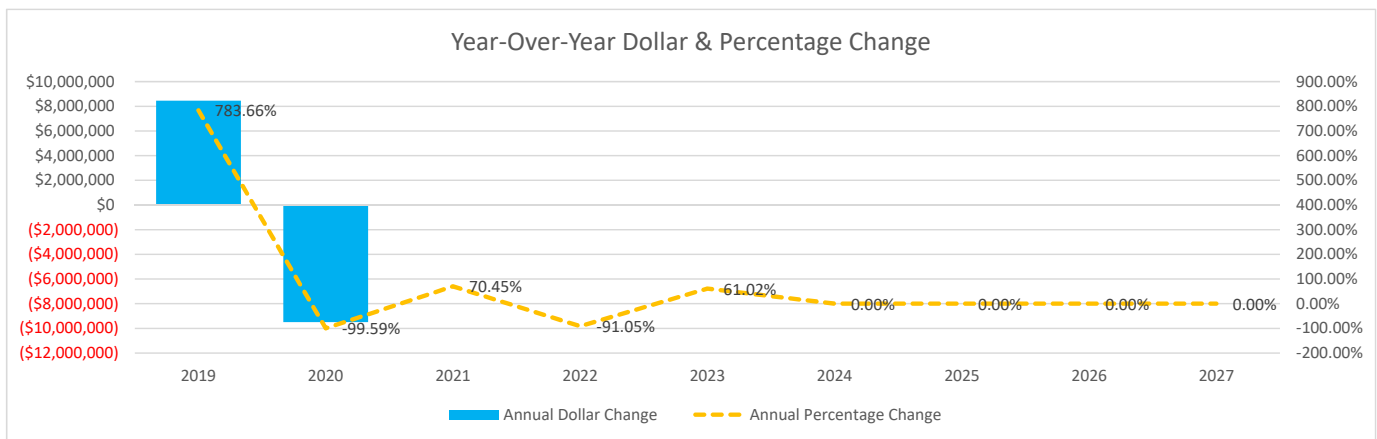
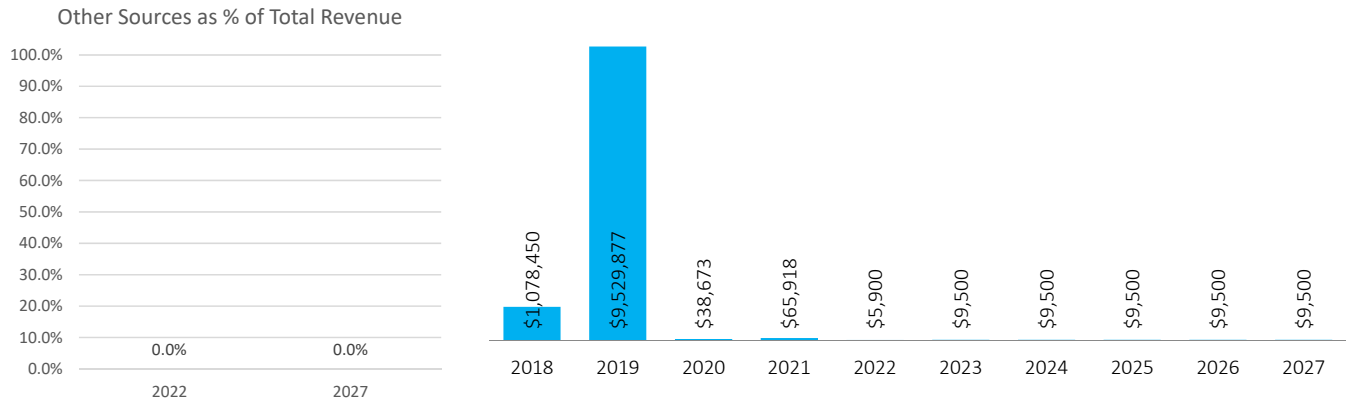


Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$115,668. The projected average annual change is \$65,010 through FY 2027. 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. The district posted revenue code 1227 open enrollment in revenue of \$567,903 in FY 2021.

A significant portion of the increase for FY2023 in this forecast line is the increase in interest from investment. Interest income is estimated at approx \$200,000 for FY2023 based on current earnings and interest rates.

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.



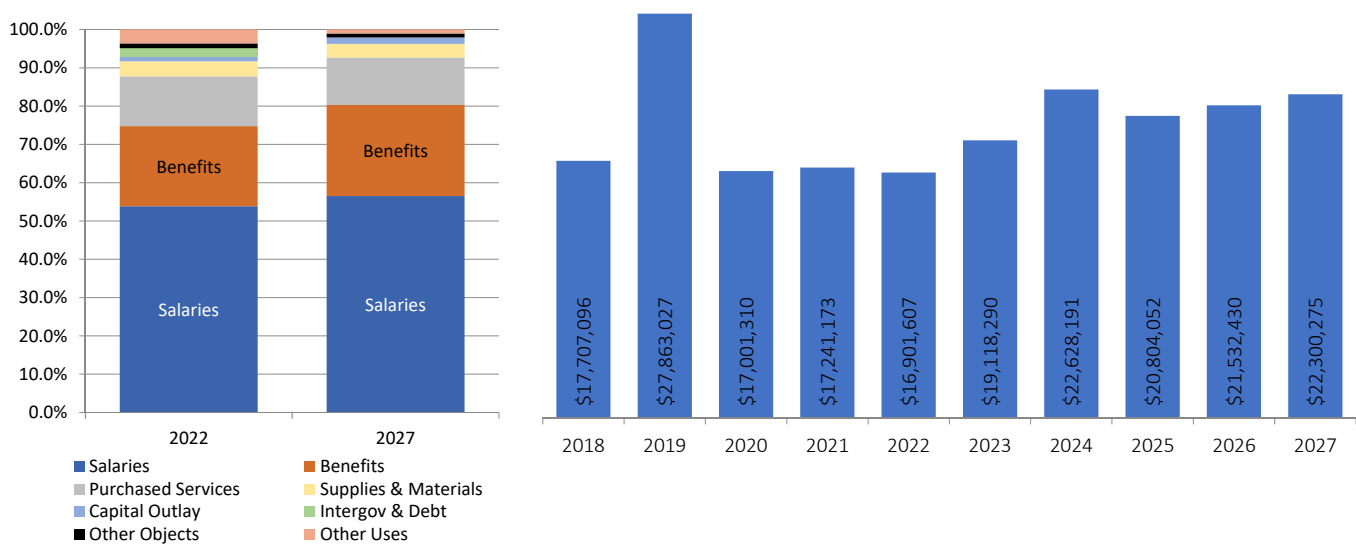
	FORECASTED					
	2022	2023	2024	2025	2026	2027
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	5,900	9,500	9,500	9,500	9,500	9,500

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2022 the district received \$0 as advances-in and is projecting advances of \$0 in FY 2023. 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 \$9,500 in FY 2023 and average \$9,500 annually through FY 2027.

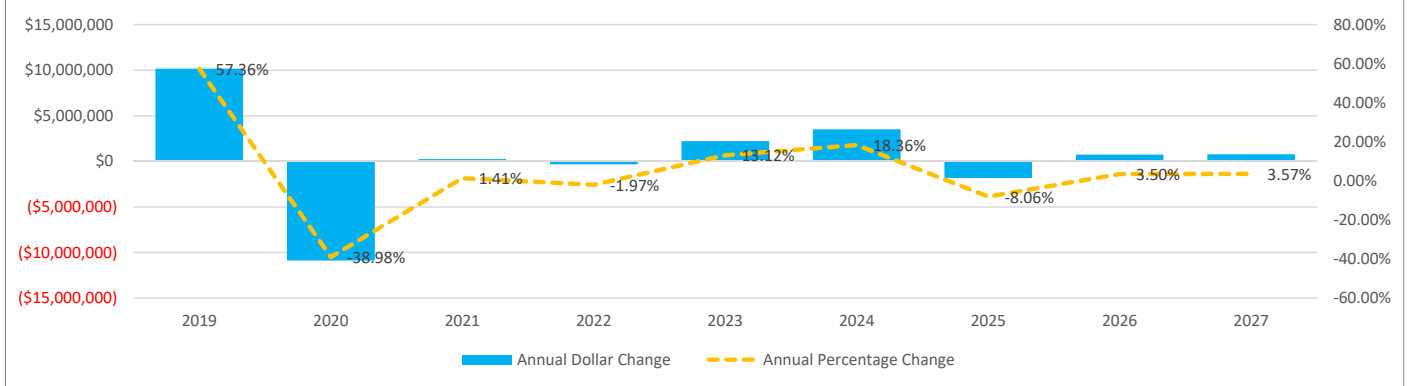
Again, the transfer in FY2019 is creating the volatility in the percentage change graph.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

Expenditure Categories Over Time



Year-Over-Year Dollar & Percentage Change



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

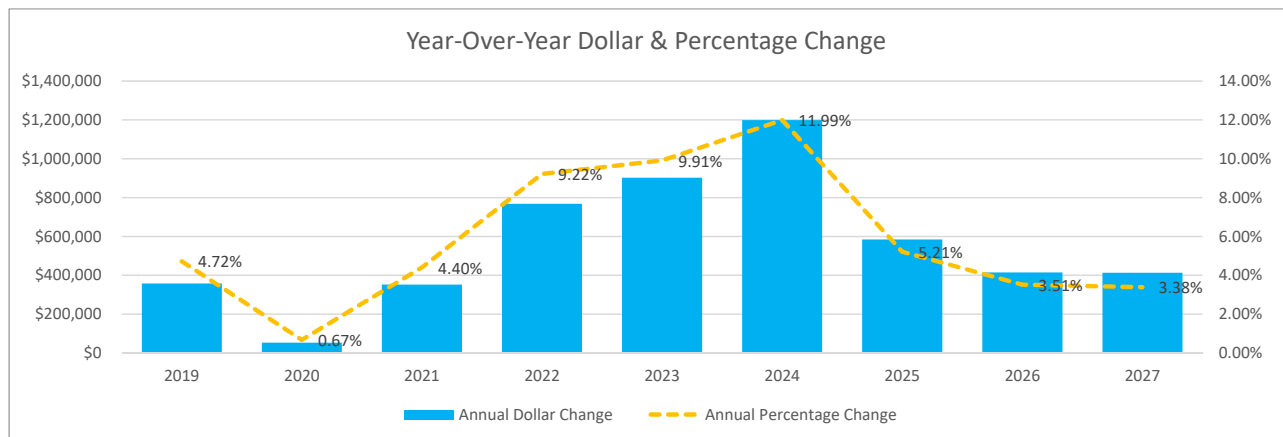
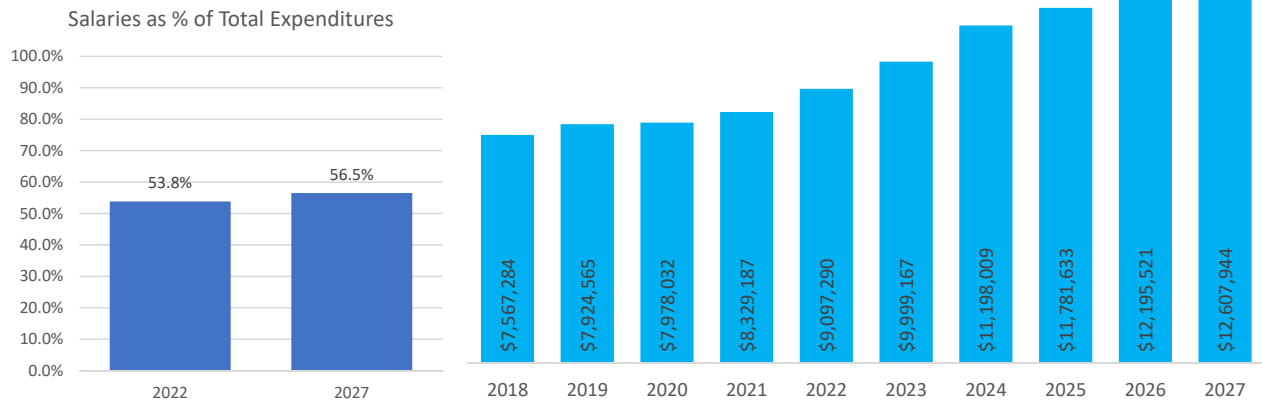
	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	Total expenditures decreased -0.23% or -\$44,490 annually during the past 5-Year period and is projected to increase 6.39% or \$1,079,734 annually through FY2027. Purchased Services has the largest projected average annual variance compared to the historical average at \$593,637.
Salaries	236,340	702,131	\$465,791	As indicated in the revenue, a \$9.5 million increase in expenditures is due to a transfer of funds that had no effect on the district's financial position.
Benefits	\$94,588	\$352,584	\$257,996	
Purchased Services	(\$480,866)	\$112,771	\$593,637	
Supplies & Materials	\$8,472	\$26,572	\$18,101	
Capital Outlay	(\$47,731)	\$29,742	\$77,473	
Intergov & Debt	\$72,300	(\$72,299)	(\$144,599)	
Other Objects	(\$23,093)	\$4,160	\$27,253	
Other Uses	\$95,500	(\$75,928)	(\$171,427)	
Total Average Annual Change	(\$44,490)	\$1,079,734	\$1,124,224	
	-0.23%	6.39%	6.62%	

Note: Revenue average annual change is projected to be > \$563,681

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.

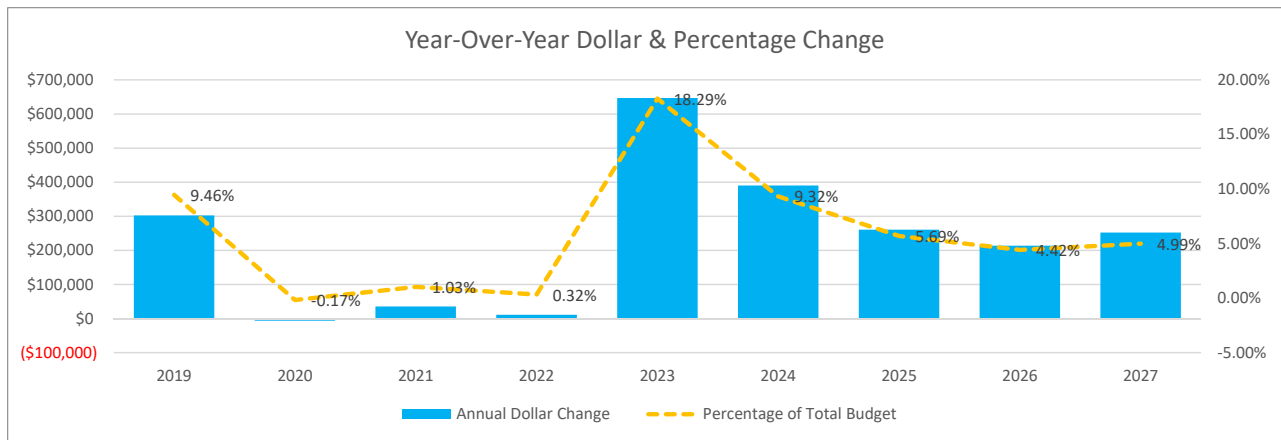
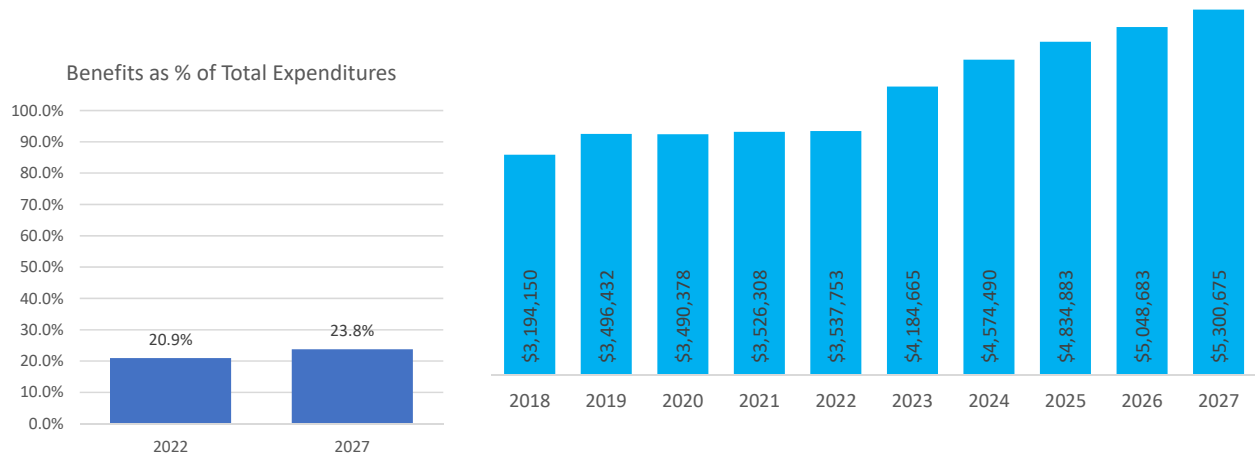


Salaries represent 53.83% of total expenditures and increased at a historical average annual rate of 2.89% or \$236,340. This category of expenditure is projected to grow at an annual average rate of 6.08% or \$702,131 through FY 2027. The projected average annual rate of change is 3.19% more than the five year historical annual average.

The increased number of staff positions contributes to the growth in the expenditure. During the current fiscal year, the district has twelve (12) positions paid with ARP ESSER funds. These federal grants will be exhausted by the end of FY2023. In FY2024 the twelve (12) positions will be paid from the General Fund, which accounts for part of the 11% increase in this expense.

3.020 - Employees' Benefits

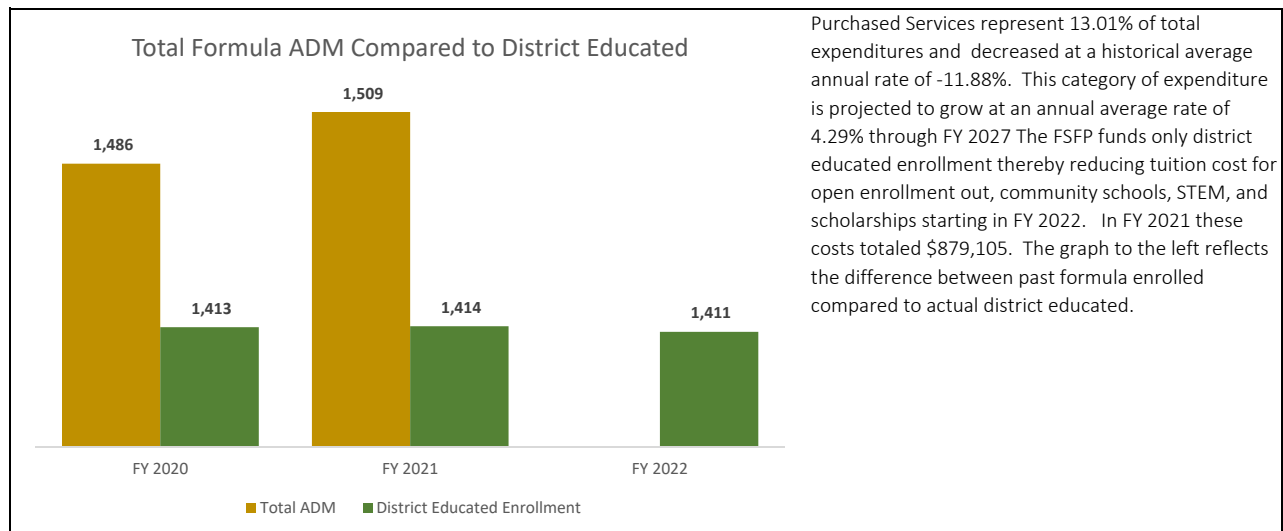
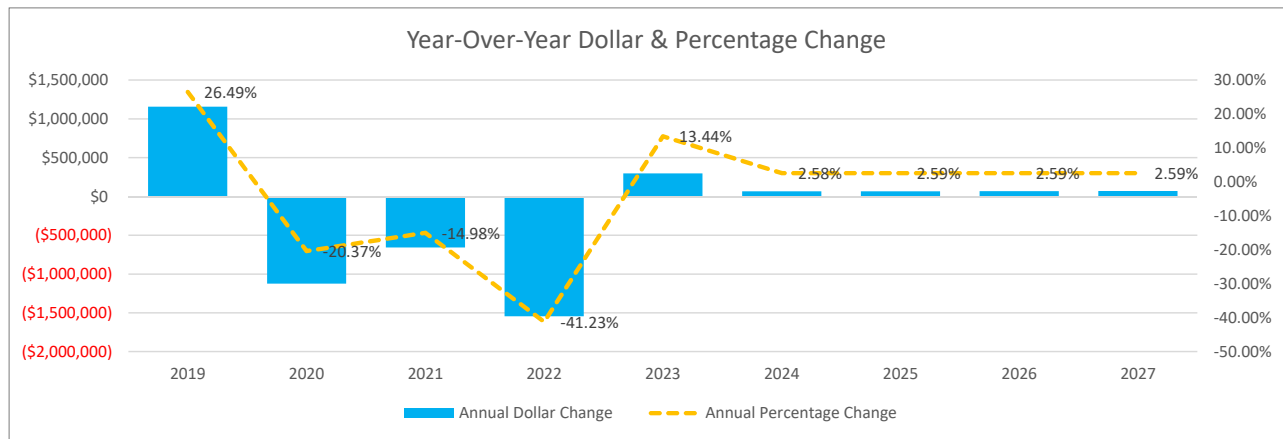
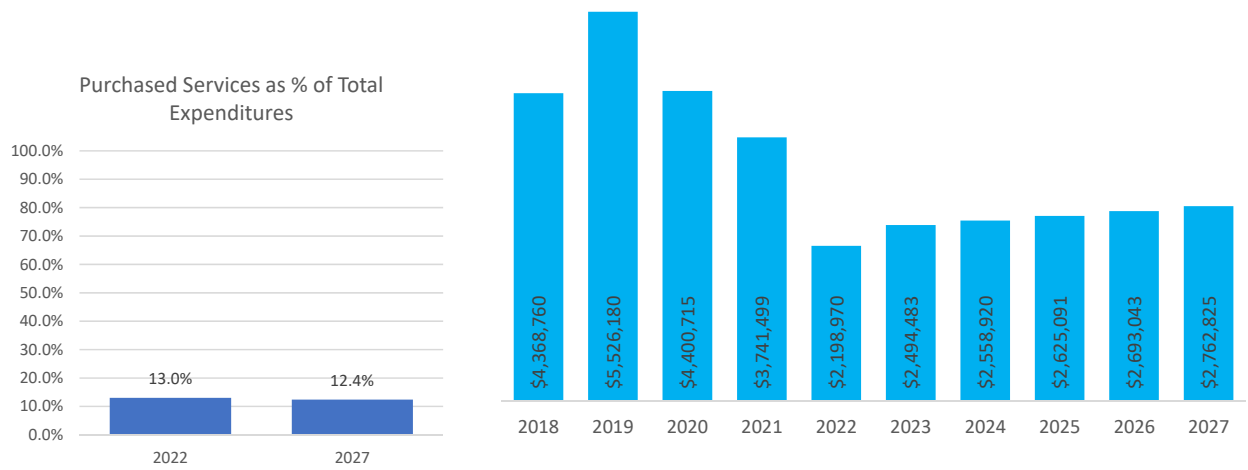
Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits represent 20.93% of total expenditures and increased at a historical average annual rate of 2.74%. This category of expenditure is projected to grow at an annual average rate of 7.36% through FY 2027. The projected average annual rate of change is 4.62% 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.

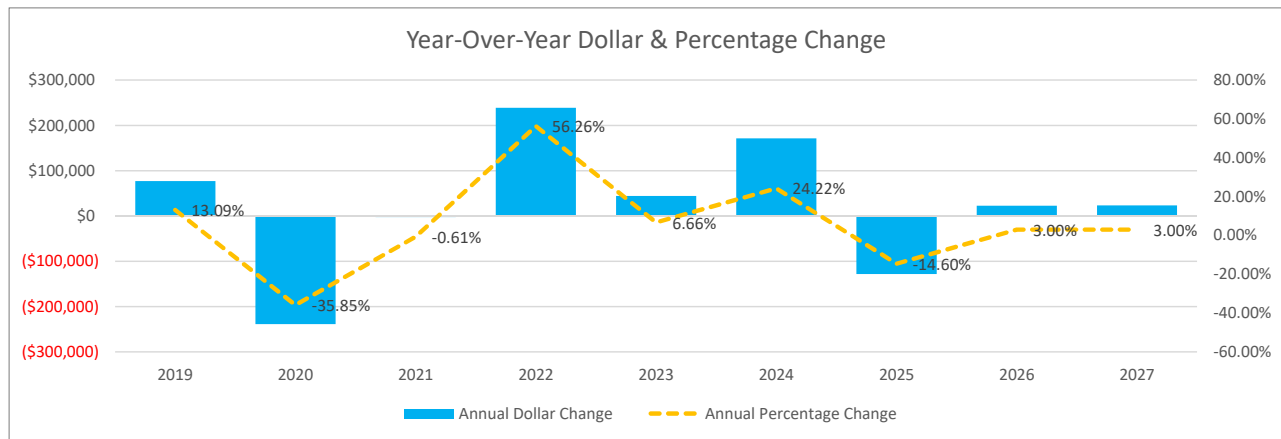
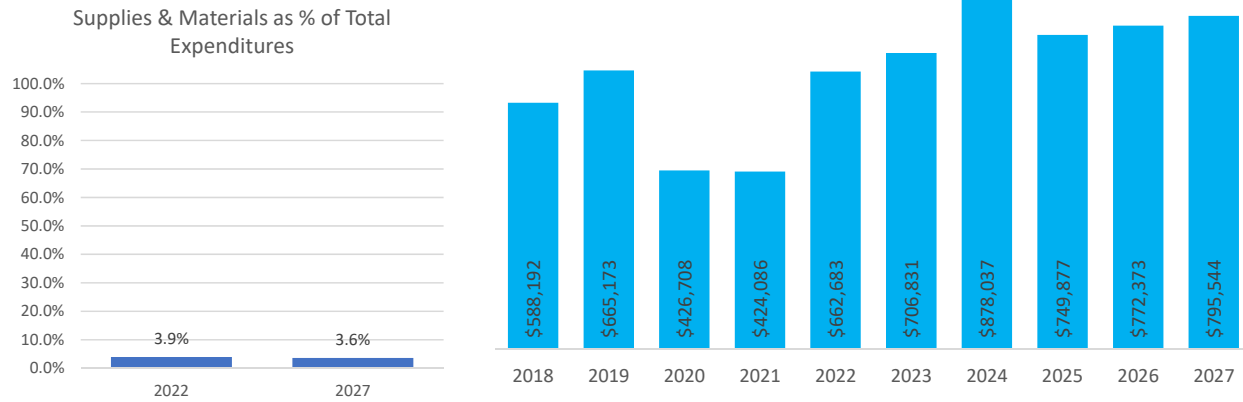


Purchased Services represent 13.01% of total expenditures and decreased at a historical average annual rate of -11.88%. This category of expenditure is projected to grow at an annual average rate of 4.29% through FY 2027. The FSFP funds only district educated enrollment thereby reducing tuition cost for open enrollment out, community schools, STEM, and scholarships starting in FY 2022. In FY 2021 these costs totaled \$879,105. The graph to the left reflects the difference between past formula enrolled compared to actual district educated.

The volatility in purchased services is reflective of the school funding change, the energy savings project (significantly decreased utility expenses), and changes made in Special Services (including preschool).

3.040 - Supplies & Materials

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

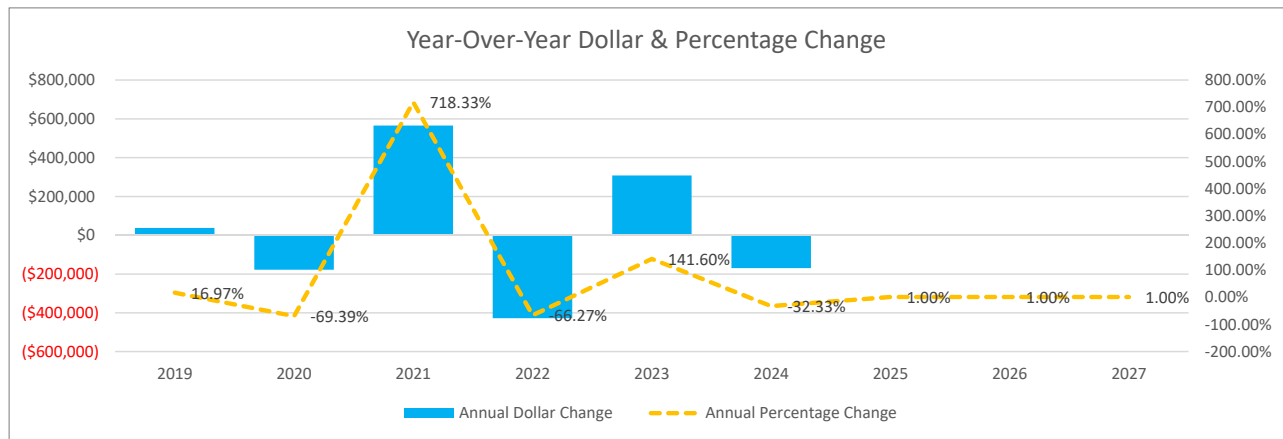
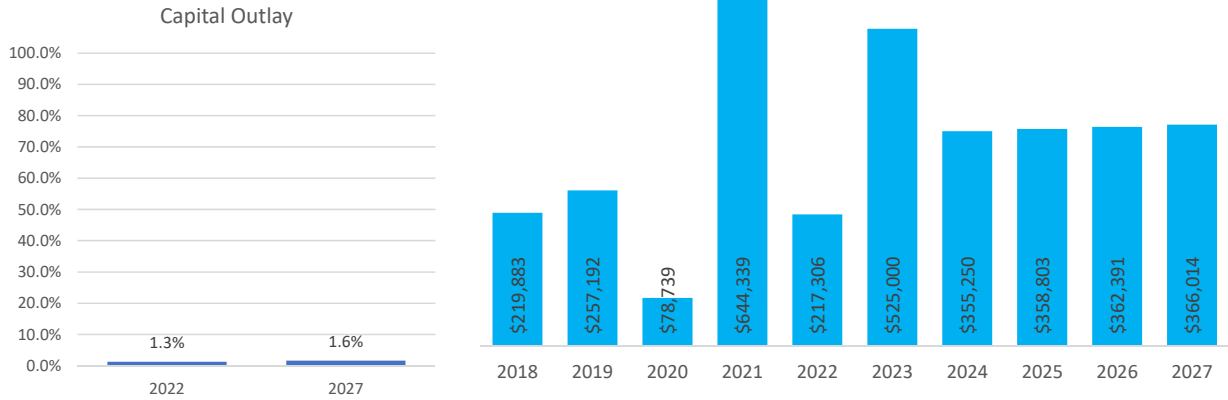


Supplies & Materials represent 3.92% of total expenditures and increased at a historical average annual rate of 1.53%. This category of expenditure is projected to grow at an annual average rate of 3.40% through FY 2027. The projected average annual rate of change is 1.87% more than the five year historical annual average.

The 24% increase in FY2024 is partially due to the purchase of curriculum which is part of a multi year contract which is expiring in FY2023.

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.

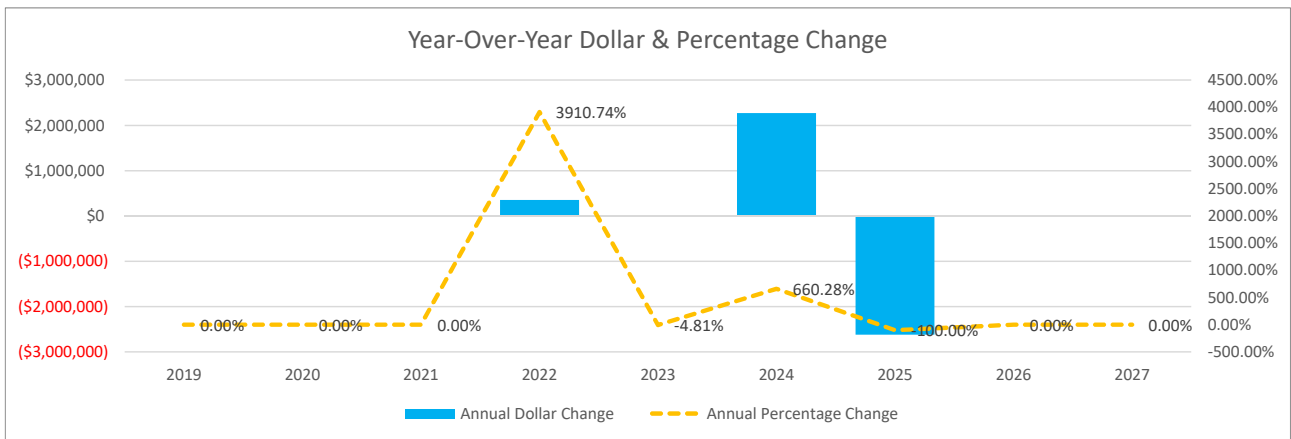
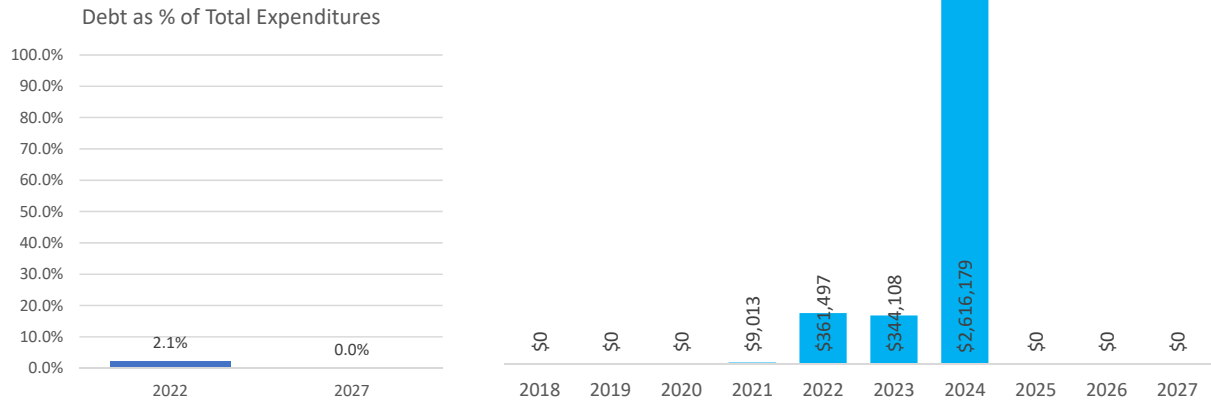


Capital Outlay represent 1.29% of total expenditures and decreased at a historical average annual amount of -\$47,731. This category of expenditure is projected to grow at an annual average rate of \$29,742 through FY 2027. The projected average annual change is more than the five year historical annual average.

The Capital outlay for FY2023 includes the purchase of a diesel bus and the district's portion of an electric school bus project.

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.

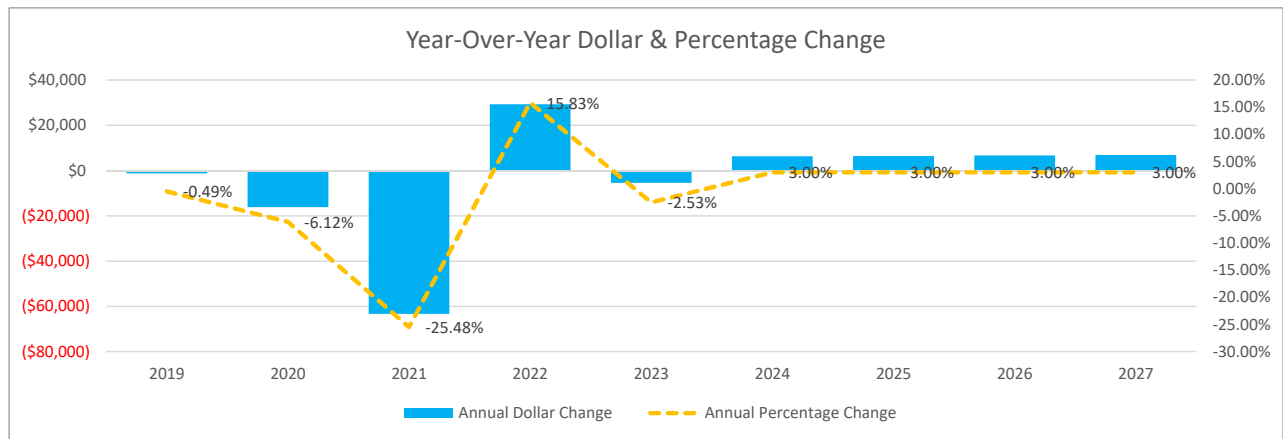
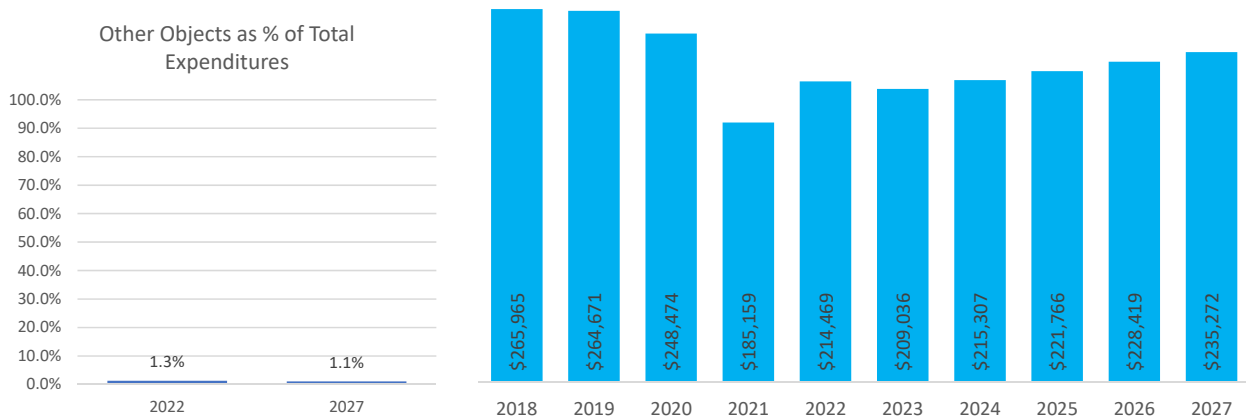


The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

In FY2024 the district plans to pay off lease purchase debt.

4.300 - Other Objects

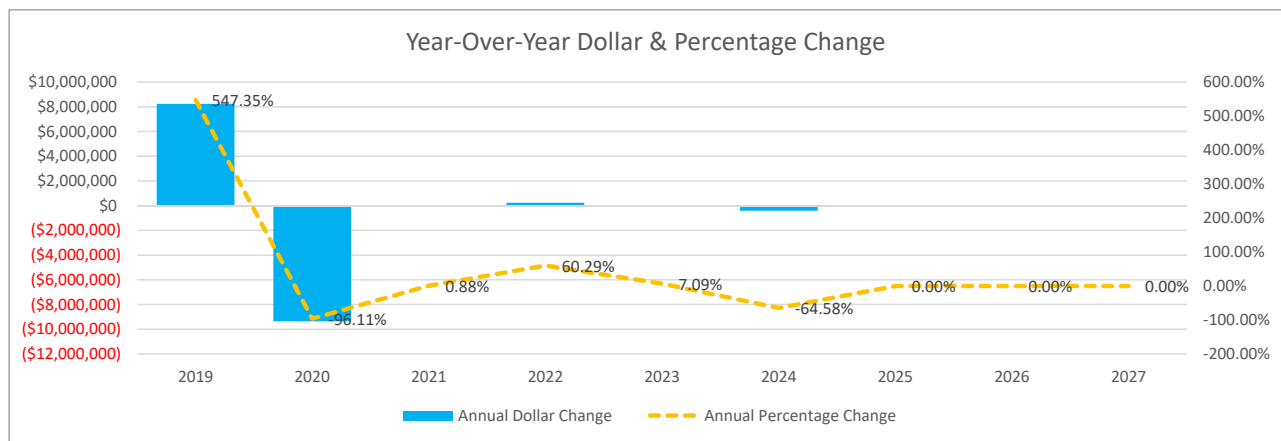
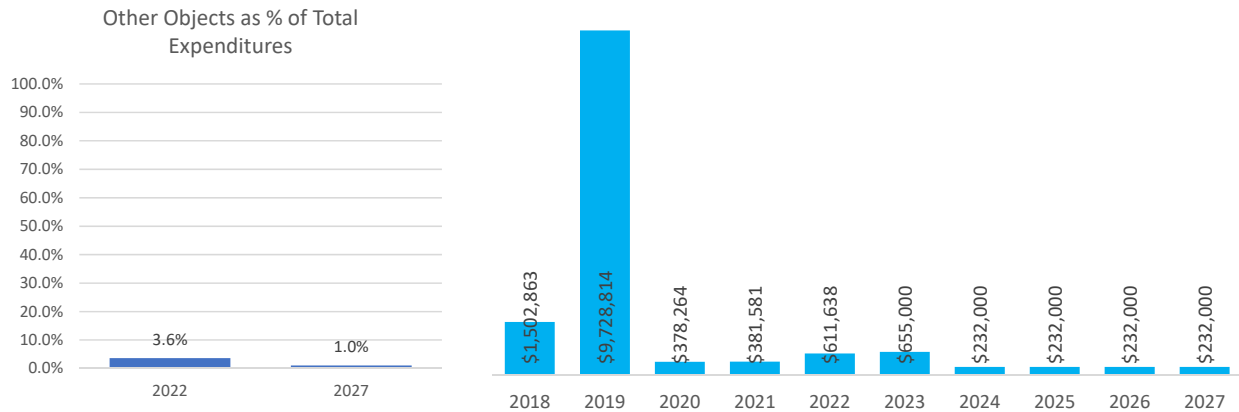
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects represent 1.27% of total expenditures and decreased at a historical average annual rate of -9.80%. This category of expenditure is projected to grow at an annual average rate of 1.87% through FY 2027. The projected average annual rate of change is 11.67% 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.



	2022	FORECASTED				
		2023	2024	2025	2026	2027
Transfers Out	611,638	655,000	232,000	232,000	232,000	232,000
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 2022 the district had no advances-out and has no advances-out forecasted through FY 2027. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2027. 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.

The district has been systemically replace and updating capital items throughout the buildings. To do this, the district utilizes the 003 Permanent Improvement Fund. Because this fund has no tax based revenue source, transfers from the General Fund are made from time to time to fund these projects. In FY2023 the projects include new playground surfaces and equipment at both building, the development of a facility master plan, and replacement of flooring in office areas. Both Food Service (006 Fund) and Athletics (300 Fund) are also supplemented if need be through transfers which would be reflective in this line of the forecast. The district does not anticipate any transfers for these two funds for FY2023.

Amanda-Clearcreek Local School District

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2022	2023	2024	2025	2026	2027
Revenue:						
1.010 - General Property Tax (Real Estate)	3,851,798	4,198,861	4,466,836	4,506,647	4,748,129	4,930,259
1.020 - Public Utility Personal Property	543,358	583,938	618,938	649,560	675,810	702,060
1.030 - Income Tax	4,188,629	4,568,553	4,877,906	5,114,340	5,263,294	5,416,716
1.035 - Unrestricted Grants-in-Aid	9,711,980	9,642,702	9,602,132	9,616,248	9,611,153	9,634,435
1.040 - Restricted Grants-in-Aid	723,605	630,989	669,655	654,623	664,011	649,852
1.050 - Property Tax Allocation	551,150	603,777	657,319	663,123	694,904	726,950
1.060 - All Other Operating Revenues	800,520	1,116,329	1,133,032	1,137,166	1,136,017	1,125,572
1.070 - Total Revenue	20,371,040	21,345,150	22,025,819	22,341,707	22,793,318	23,185,844
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	5,900	9,500	9,500	9,500	9,500	9,500
2.070 - Total Other Financing Sources	5,900	9,500	9,500	9,500	9,500	9,500
2.080 - Total Rev & Other Sources	20,376,940	21,354,650	22,035,319	22,351,207	22,802,818	23,195,344
Expenditures:						
3.010 - Personnel Services	9,097,290	9,999,167	11,198,009	11,781,633	12,195,521	12,607,944
3.020 - Employee Benefits	3,537,753	4,184,665	4,574,490	4,834,883	5,048,683	5,300,675
3.030 - Purchased Services	2,198,970	2,494,483	2,558,920	2,625,091	2,693,043	2,762,825
3.040 - Supplies and Materials	662,683	706,831	878,037	749,877	772,373	795,544
3.050 - Capital Outlay	217,306	525,000	355,250	358,803	362,391	366,014
Intergovernmental & Debt Service	361,497	344,108	2,616,179	-	-	-
4.300 - Other Objects	214,469	209,036	215,307	221,766	228,419	235,272
4.500 - Total Expenditures	16,289,969	18,463,290	22,396,191	20,572,052	21,300,430	22,068,275
Other Financing Uses						
5.010 - Operating Transfers-Out	611,638	655,000	232,000	232,000	232,000	232,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	611,638	655,000	232,000	232,000	232,000	232,000
5.050 - Total Exp and Other Financing Uses	16,901,607	19,118,290	22,628,191	20,804,052	21,532,430	22,300,275
6.010 - Excess of Rev Over/(Under) Exp	3,475,334	2,236,360	(592,873)	1,547,156	1,270,388	895,069
7.010 - Cash Balance July 1 (No Levies)	11,306,495	14,781,829	17,018,189	16,425,316	17,972,471	19,242,860
7.020 - Cash Balance June 30 (No Levies)	14,781,829	17,018,189	16,425,316	17,972,471	19,242,860	20,137,929
		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	14,301,829	16,538,189	15,945,316	17,492,471	18,762,860	19,657,929
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	14,301,829	16,538,189	15,945,316	17,492,471	18,762,860	19,657,929
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	14,301,829	16,538,189	15,945,316	17,492,471	18,762,860	19,657,929

