



Amanda-Clearcreek Local School District

# Five Year Forecast Financial Report

May, 2022

*Lana Fairchild, Treasurer/CFO*

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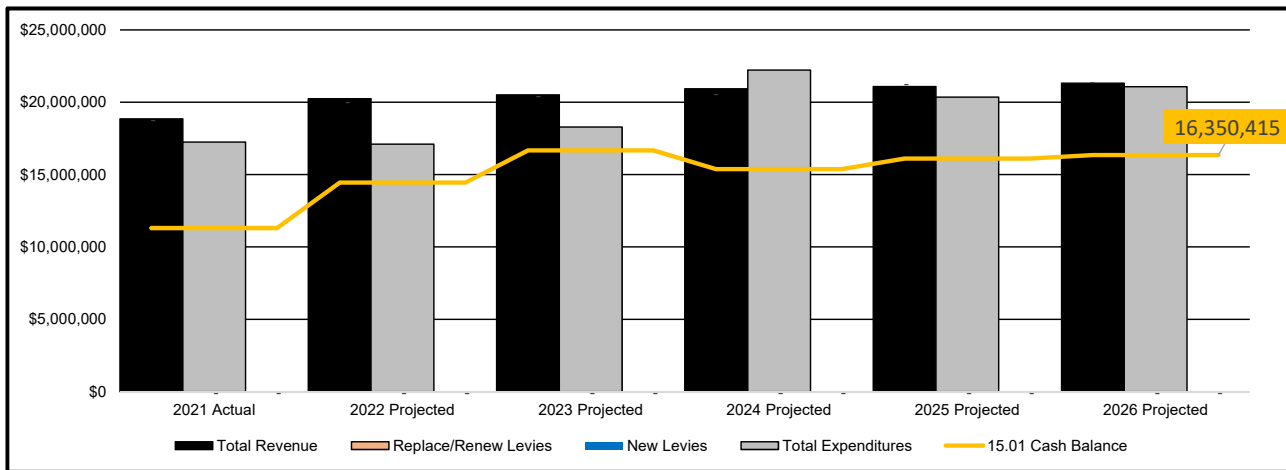
### Forecast Purpose/Objectives

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.

### Forecast Summary



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

Financial Forecast

	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	11,306,495	14,445,061	16,672,769	15,375,710	16,106,723
+ Revenue	20,240,163	20,509,903	20,922,313	21,081,458	21,309,664
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(17,101,597)	(18,282,195)	(22,219,373)	(20,350,445)	(21,065,971)
= Revenue Surplus or Deficit	3,138,566	2,227,708	(1,297,060)	731,013	243,693
Line 7.020 Ending Balance with renewal/new levies	14,445,061	16,672,769	15,375,710	16,106,723	16,350,415

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	3,138,566	2,227,708	(1,297,060)	731,013	243,693
Ending Balance w/o Levies	14,445,061	16,672,769	15,375,710	16,106,723	16,350,415

In FY 2022 a revenue surplus is expected. This means that expenditures are expected to be less than revenue by -\$3,138,566 in FY 2022. By the last year of the forecast, FY 2026, the district is expected to have a revenue surplus where expenditures are projected to be less than revenue by -\$243,693

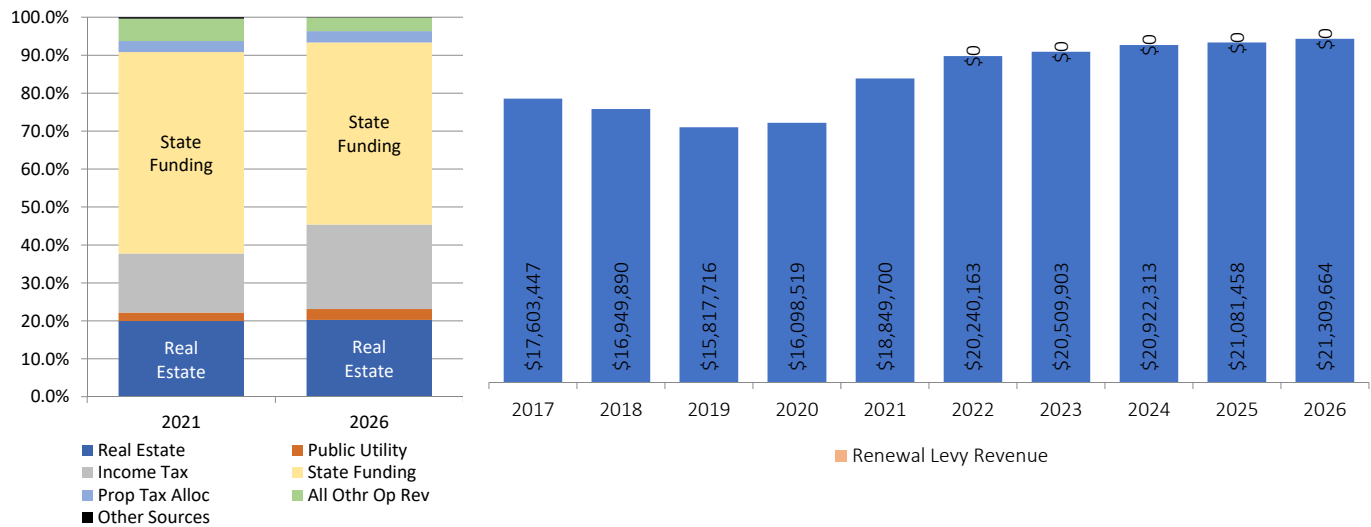
The district's cash balance is positive at year-end in FY 2022 and is projected to improve by FY 2026. A worsening cash balance can erode the district's financial stability over time.

This forecast includes the Fair School Funding Plan (FSFP) adopted by Ohio starting in FY 2022. The district expects a combined impact of \$87,857 in FY 2022. 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 Amanda-Clearcreek Local School District is a guarantee district in FY 2022. A detailed state funding supplement to this forecast has been prepared and should be reviewed and considered part of the forecast assumptions.

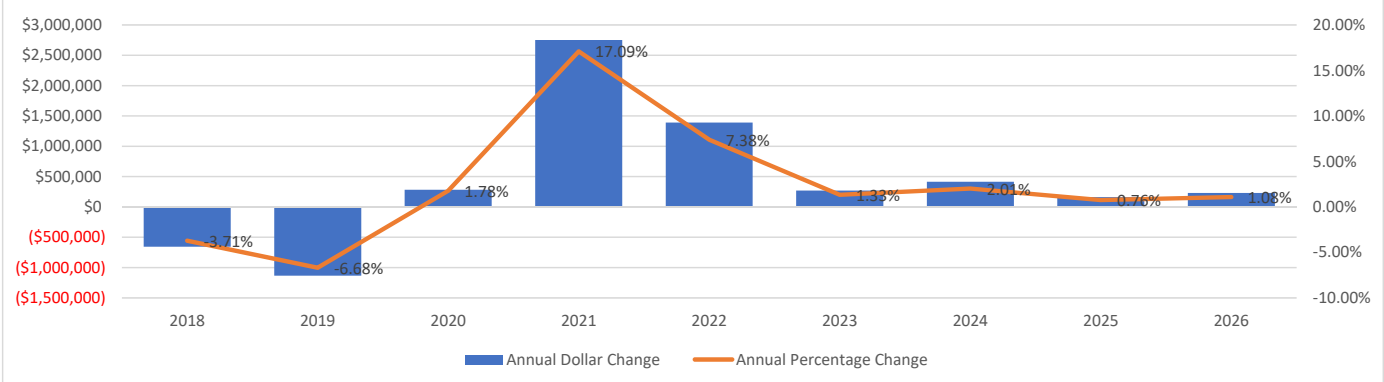
Amanda-Clearcreek Local School District is a guarantee district in FY 2022.

## Revenue Sources and Forecast Year-Over-Year Projected Overview

### Sources of Revenue Over Time



### Year-Over-Year Dollar & Percentage Change



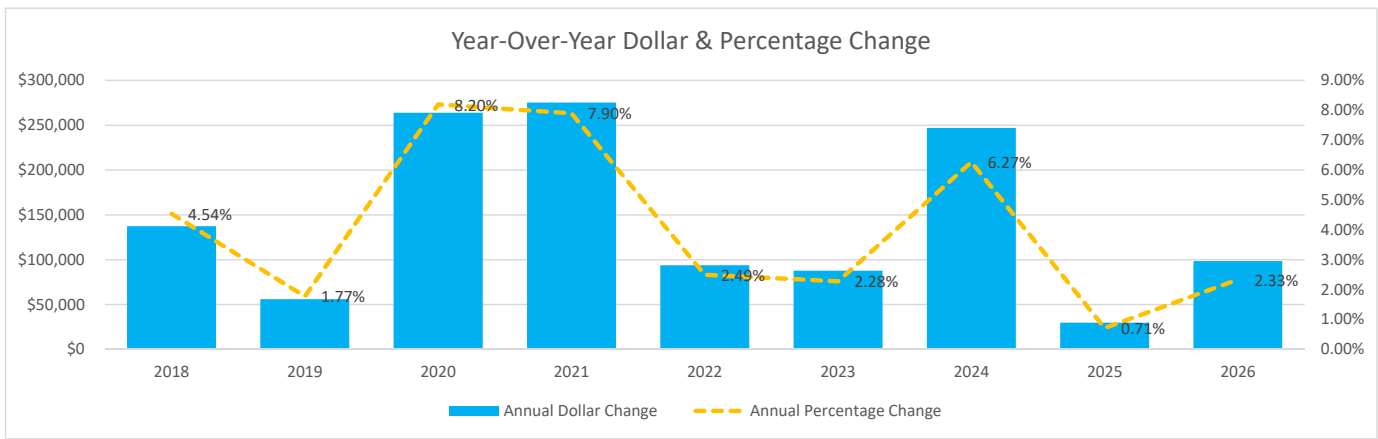
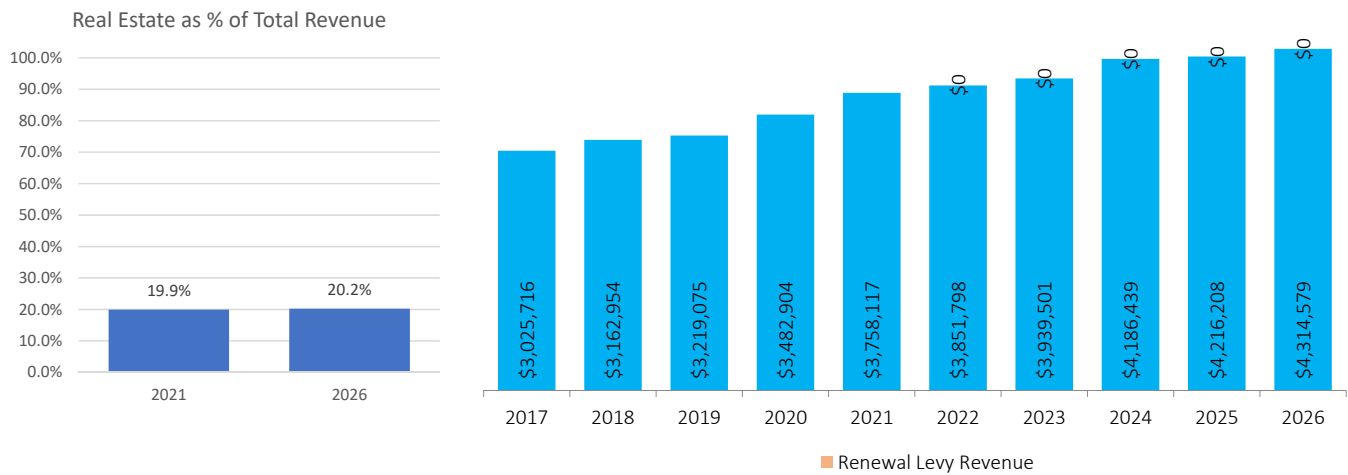
5-Year Historical Actual Average Annual Dollar Change  
Compared to 5-year Projected

	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	Total revenue increased 1.54% or \$262,751 annually during the past 5-Year period and is projected to increase 2.36% or \$491,993 annually through FY2026. Income Tax has the most projected average annual variance compared to the historical average at \$279,156
Real Estate	155,232	111,292	(\$43,939)	
Public Utility	\$46,960	\$38,375	(\$8,585)	
Income Tax	\$82,126	\$361,282	\$279,156	
State Funding	\$22,408	42,852	\$20,444	
Prop Tax Alloc	\$18,776	\$17,986	(\$790)	
All Othr Op Rev	(\$53,473)	(\$68,511)	(\$15,038)	
Other Sources	(\$9,277)	(\$11,284)	(\$2,006)	
<b>Total Average Annual Change</b>	<b>262,751</b>	<b>491,993</b>	<b>\$229,241</b>	
	1.54%	2.36%	0.82%	

Note: Expenditure average annual change is projected to be > \$764,960 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).



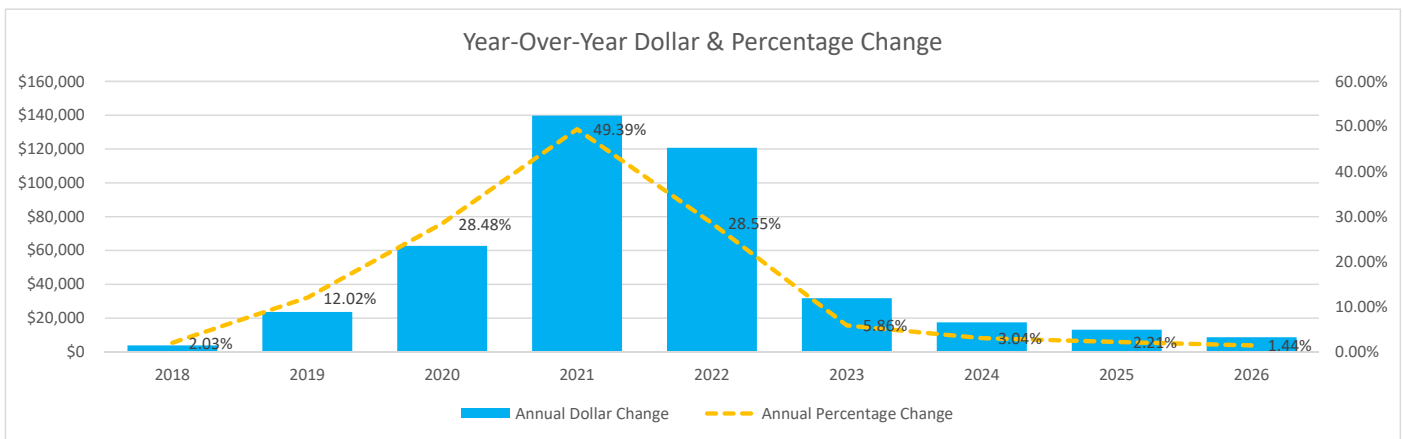
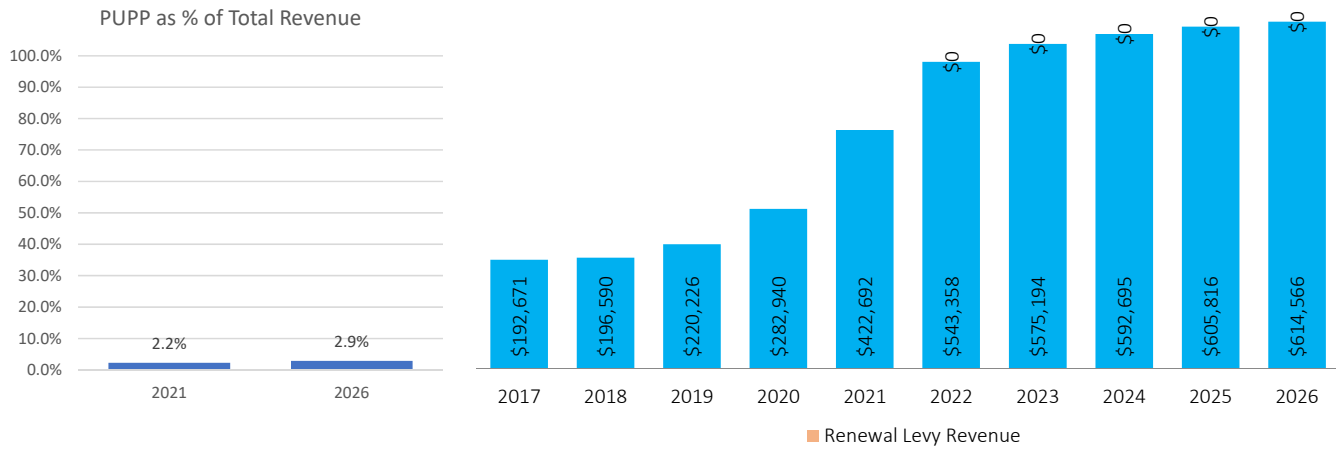
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2020	212,904,840	2,198,140	20.00	-	21.02	-	101.7%
2021	215,931,280	3,026,440	20.00	(0.00)	20.86	(0.16)	100.0%
2022	239,039,780	23,108,500	20.00	-	20.78	(0.09)	100.0%
2023	240,809,780	1,770,000	20.00	-	20.83	0.06	100.0%
2024	242,399,780	1,590,000	20.00	0.00	20.85	0.01	100.0%
2025	250,994,780	8,595,000	20.00	(0.00)	20.74	(0.11)	100.0%

Real estate property tax revenue accounts for 19.94% of total revenue. Class I or residential/agricultural taxes make up approximately 95.97% of the real estate property tax revenue. The Class I tax rate is 20. mills in tax year 2021. The projections reflect an average gross collection rate of 100.0% annually through tax year 2025. The revenue changed at an average annual historical rate of 4.66% and is projected to change at an average annual rate of 2.71% through FY 2026.

\*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.



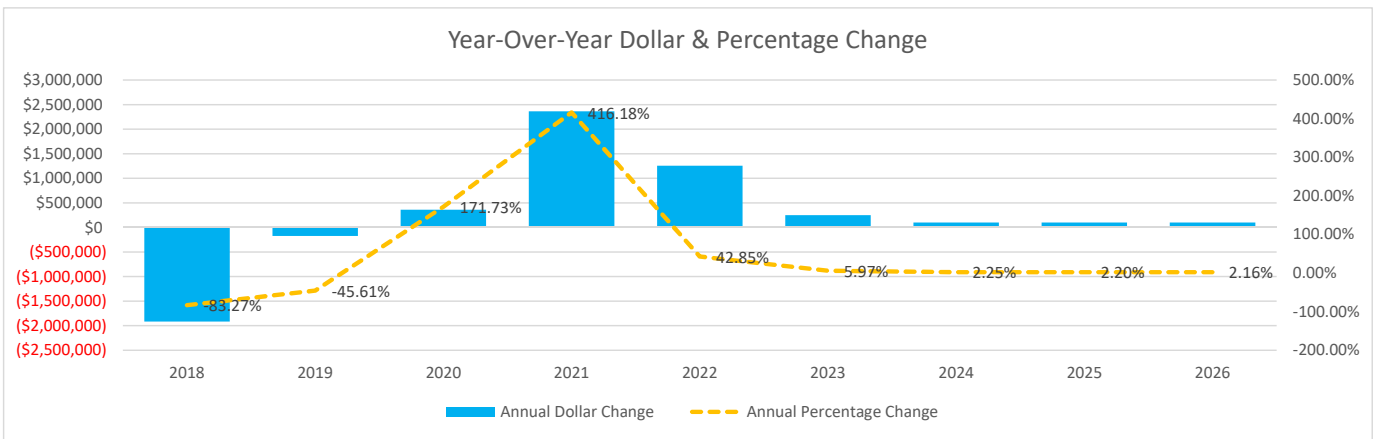
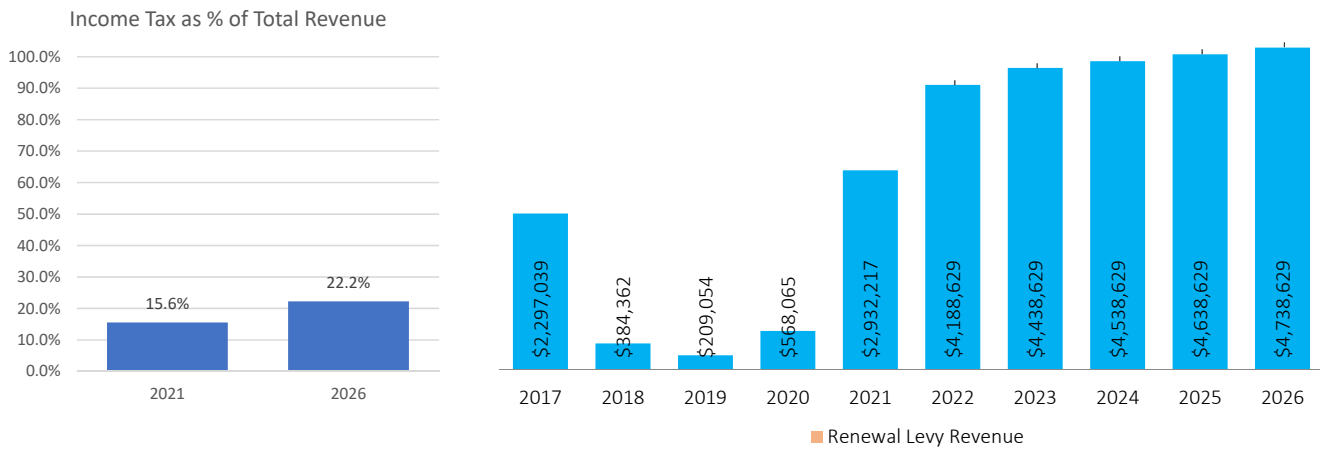
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2020	14,779,450	5,494,960	35.00	-	100.0%
2021	16,183,510	1,404,060	35.00	-	100.0%
2022	16,683,510	500,000	35.00	-	100.0%
2023	17,183,510	500,000	35.00	-	100.0%
2024	17,433,510	250,000	35.00	-	100.0%
2025	17,683,510	250,000	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 2.24% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2021 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 \$46,960 and is projected to change at an average annual dollar amount of \$38,375 through FY 2026.

\*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.

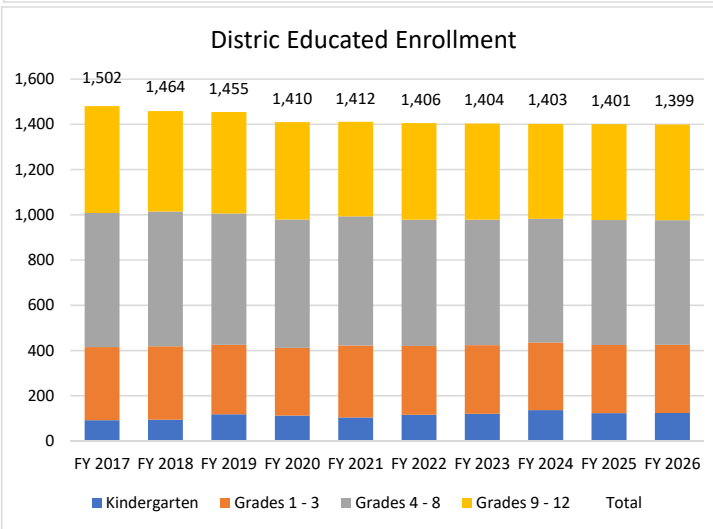
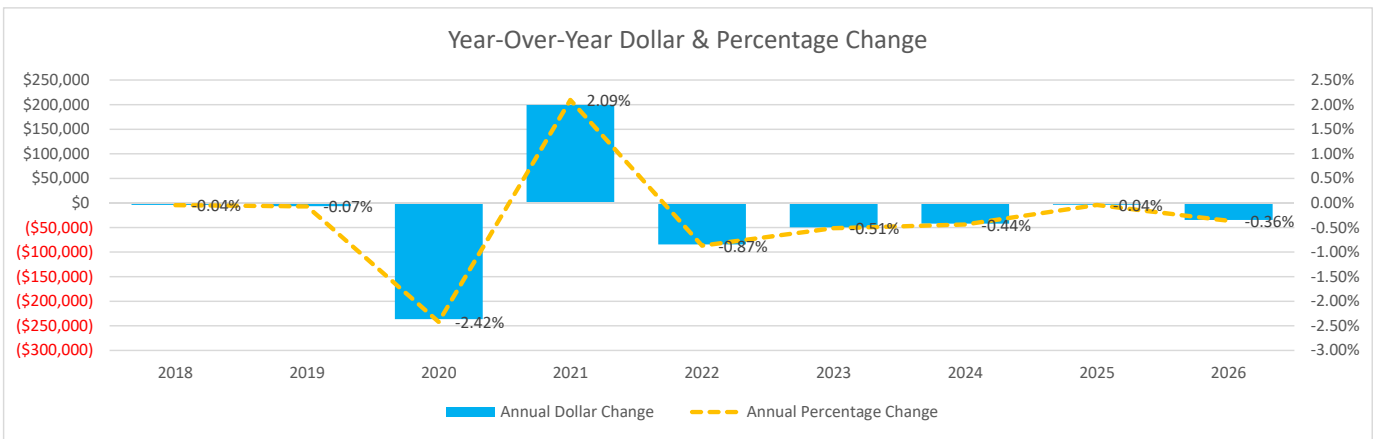
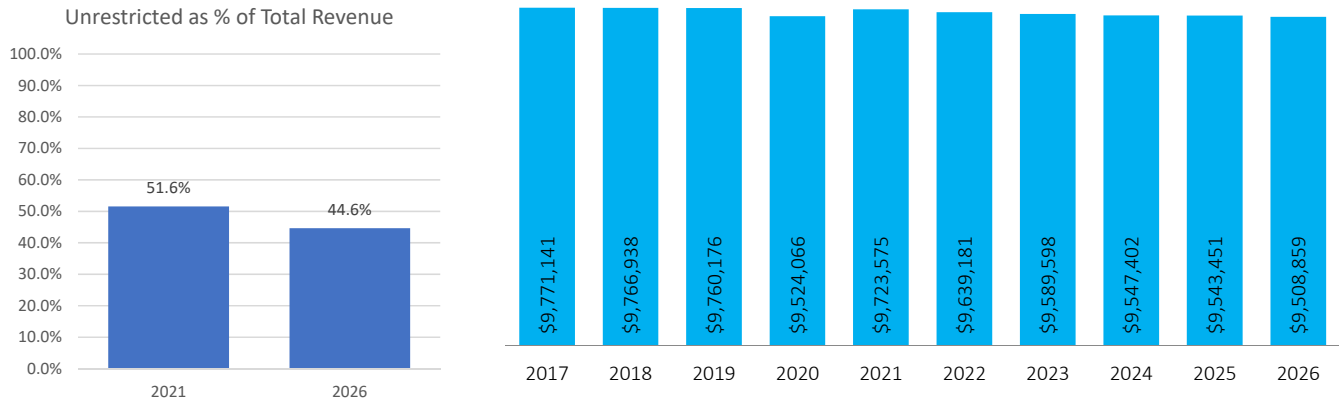


The district maintained one income tax levy in FY 2021. The average annual dollar change in total income tax revenue is forecasted to be \$361,282 through FY 2026. Income tax revenue is projected to account for 22.2% of total district revenue in FY 2026.

\*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.

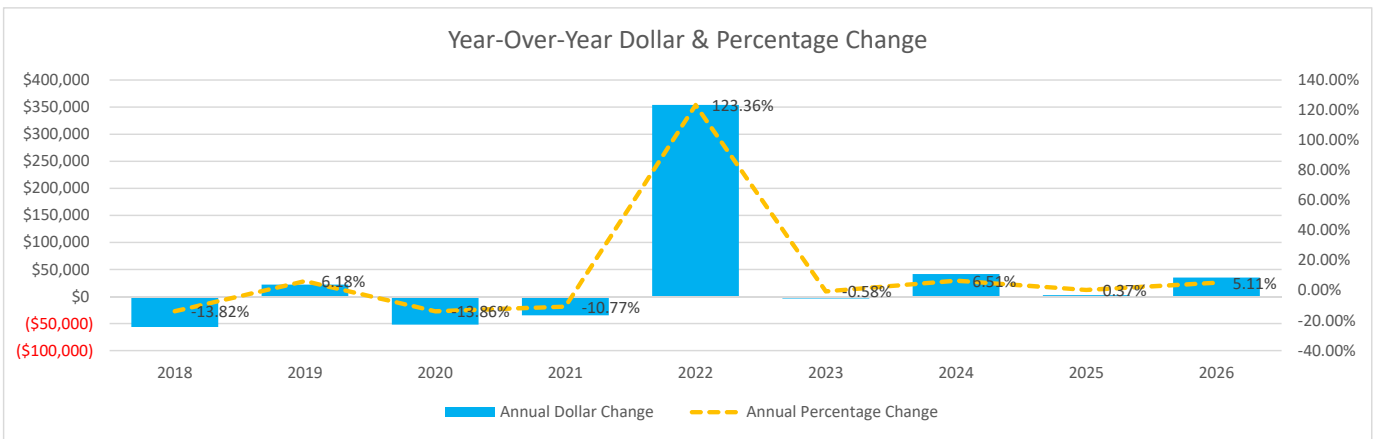
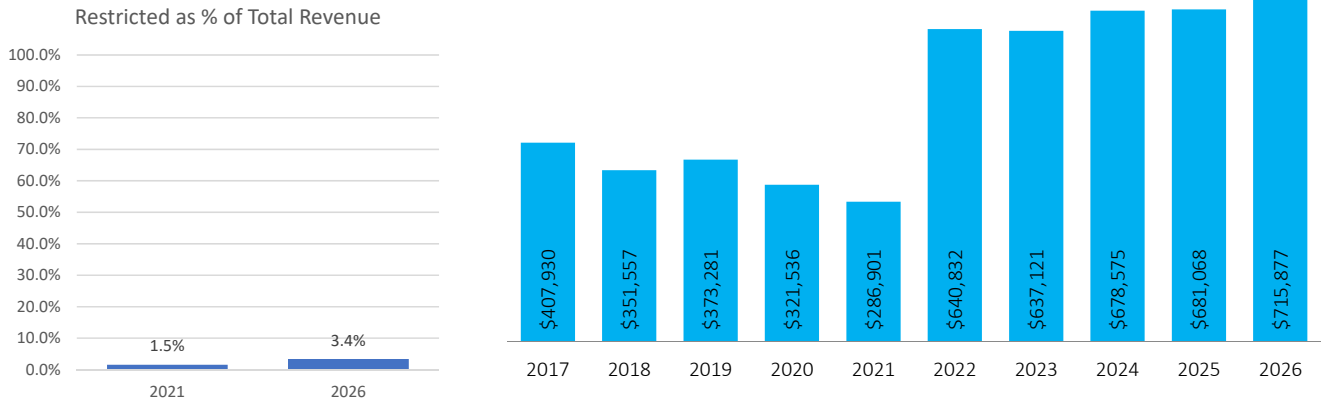
For Amanda-Clearcreek Local School District the calculated Base Cost total is \$10,412,327 in FY 2022. The state's share of the calculated Base Cost total is \$5,549,355 or \$3,948 per pupil.

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

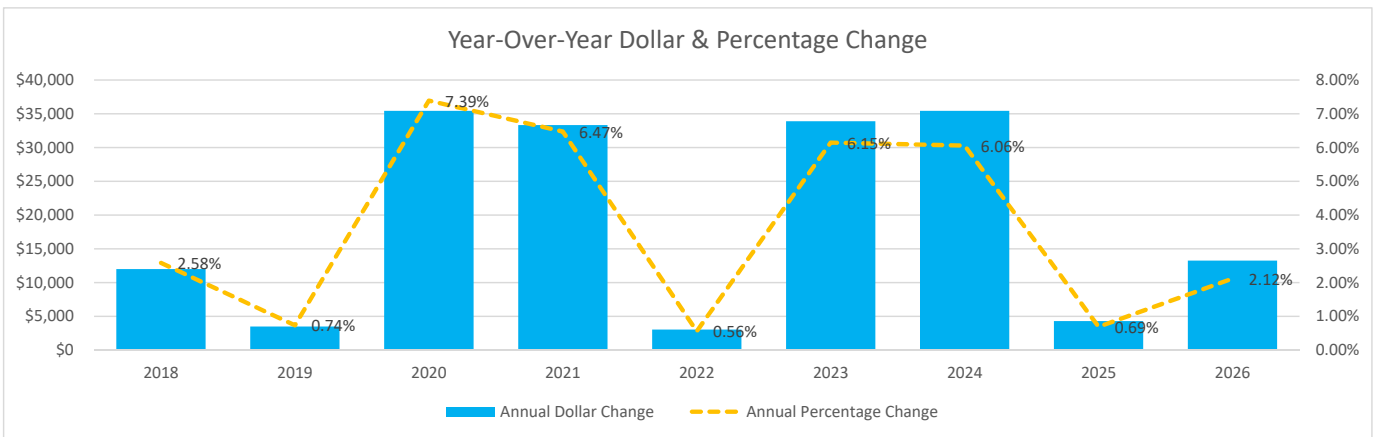
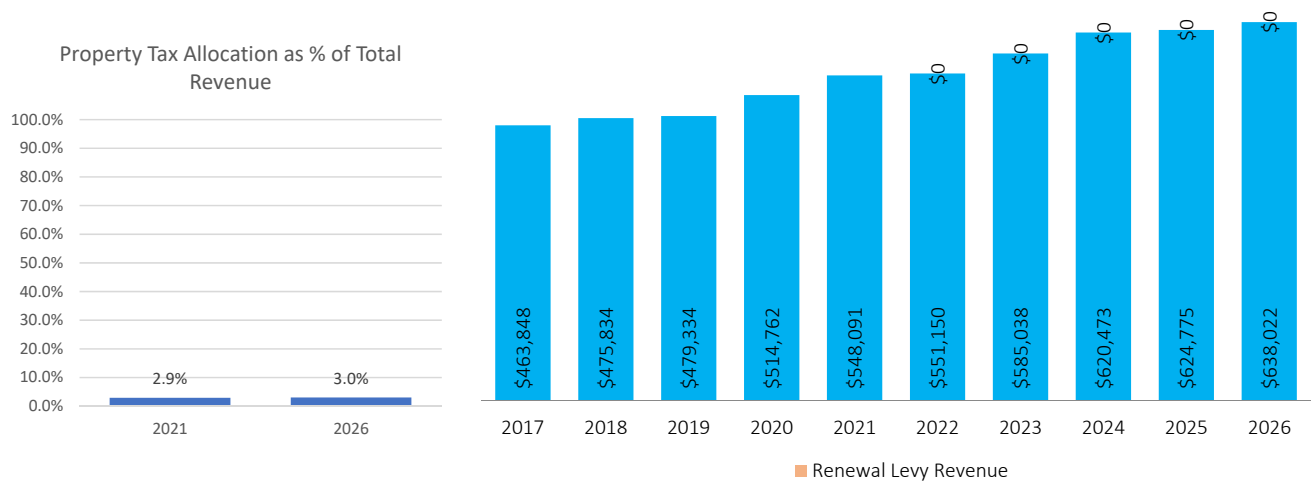
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



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 -\$21,552 and is projected to change annually on average by \$85,795. Restricted funds represent 1.52% 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 \$259,732. 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.

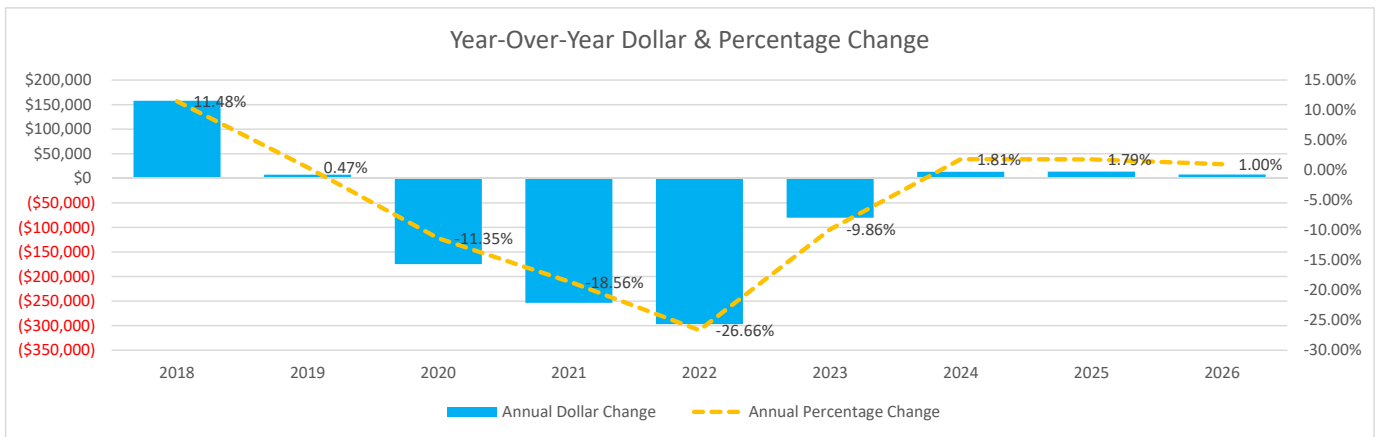


Property tax allocation primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2022, approximately 11.4% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.9% will be reimbursed in the form of qualifying homestead exemption credits.

*\*Projected % trends include renewal levies*

### 1.060 - All Other Operating Revenues

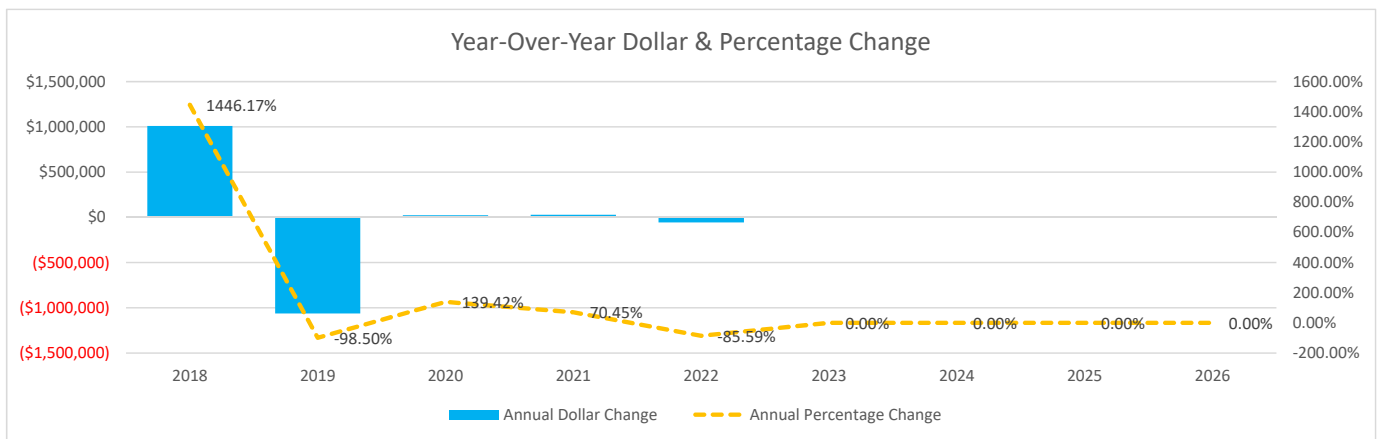
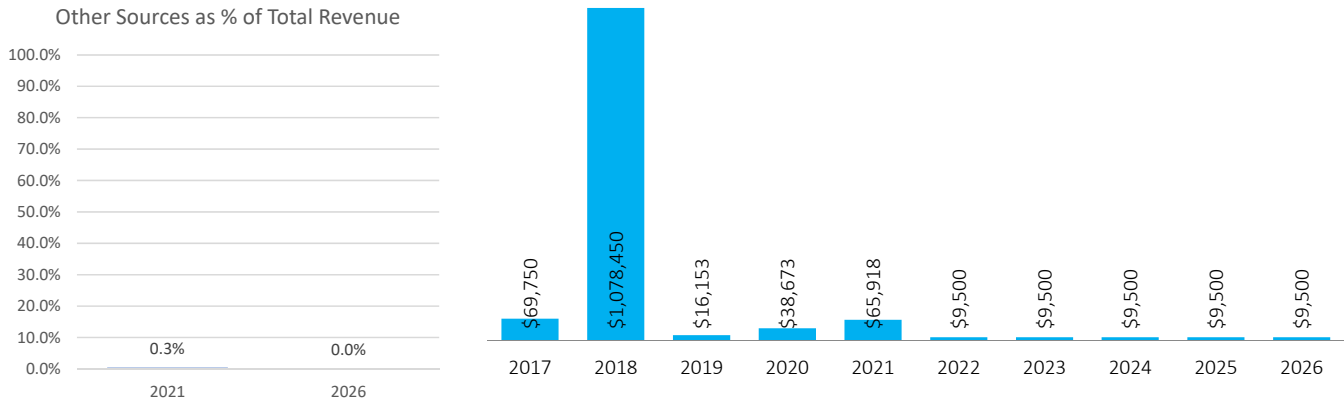
Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



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 -\$53,473. The projected average annual change is -\$68,511 through FY 2026. 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.

## 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.

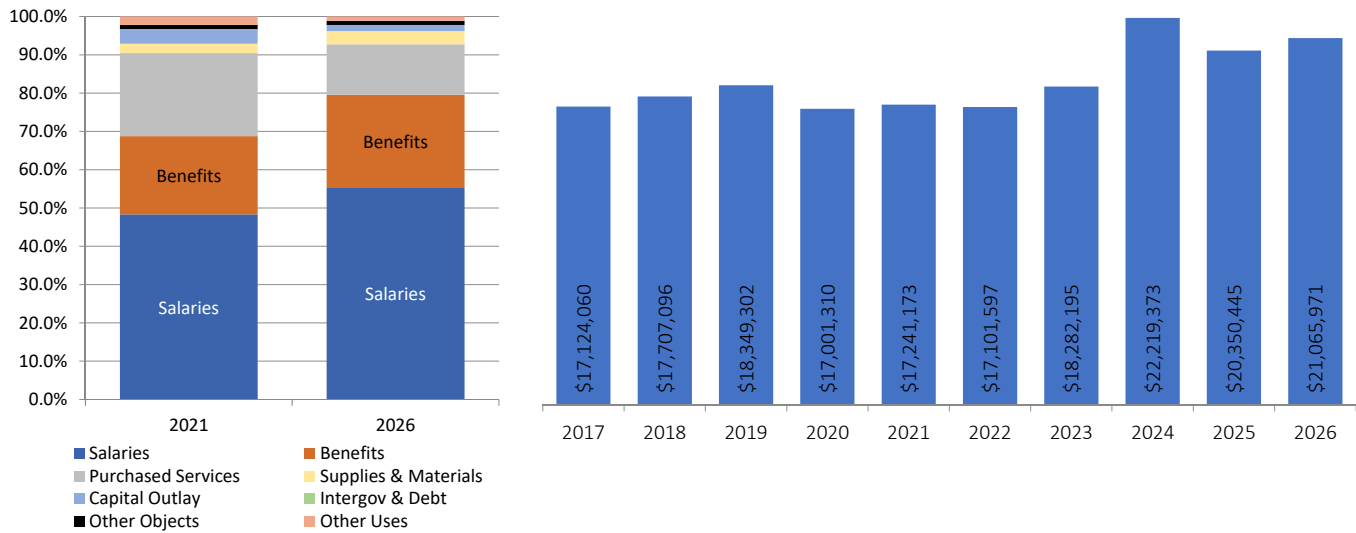


	2021	FORECASTED				
		2022	2023	2024	2025	2026
Transfers In	19,179	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	46,740	9,500	9,500	9,500	9,500	9,500

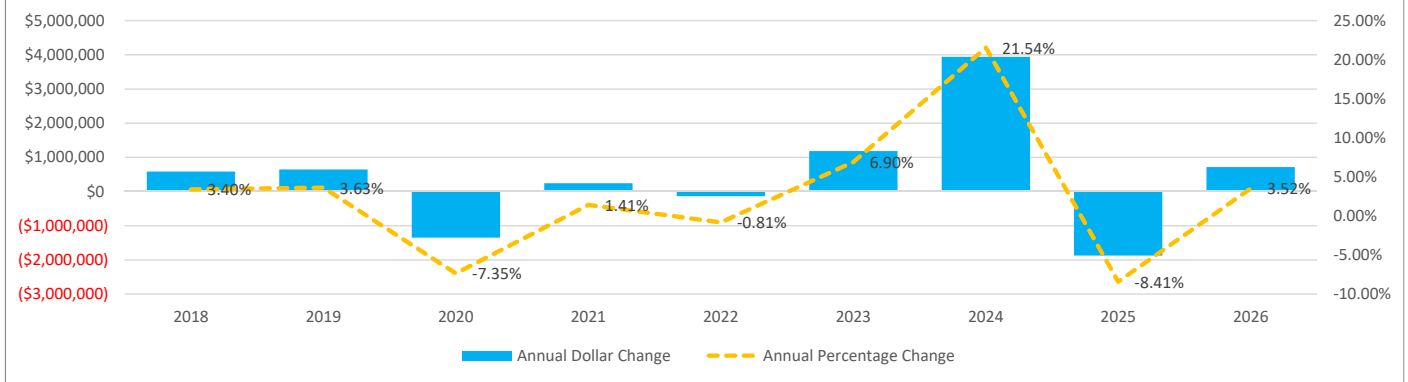
Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2021 the district received \$0 as advances-in and is projecting advances of \$0 in FY 2022. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$9,500 in FY 2022 and average \$9,500 annually through FY 2026.

## 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

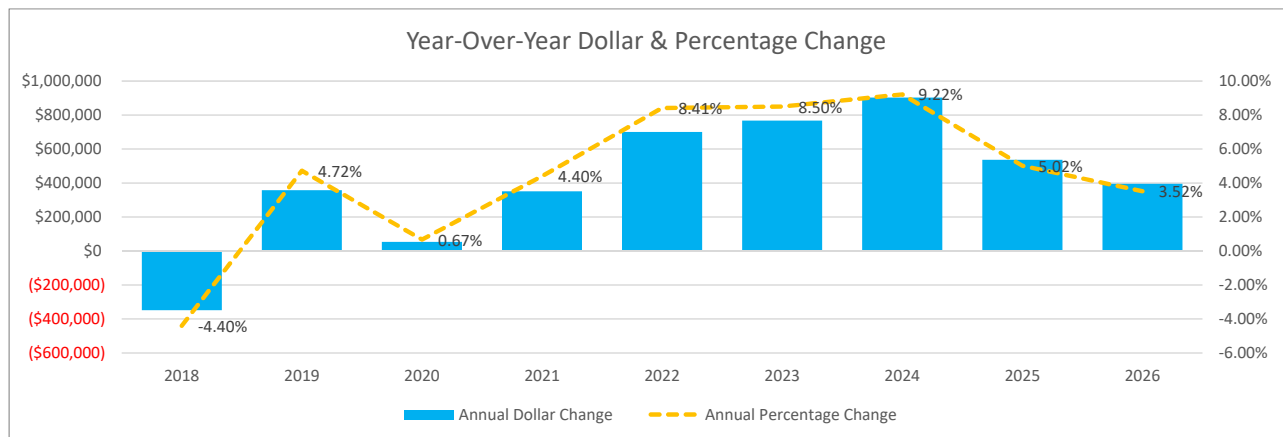
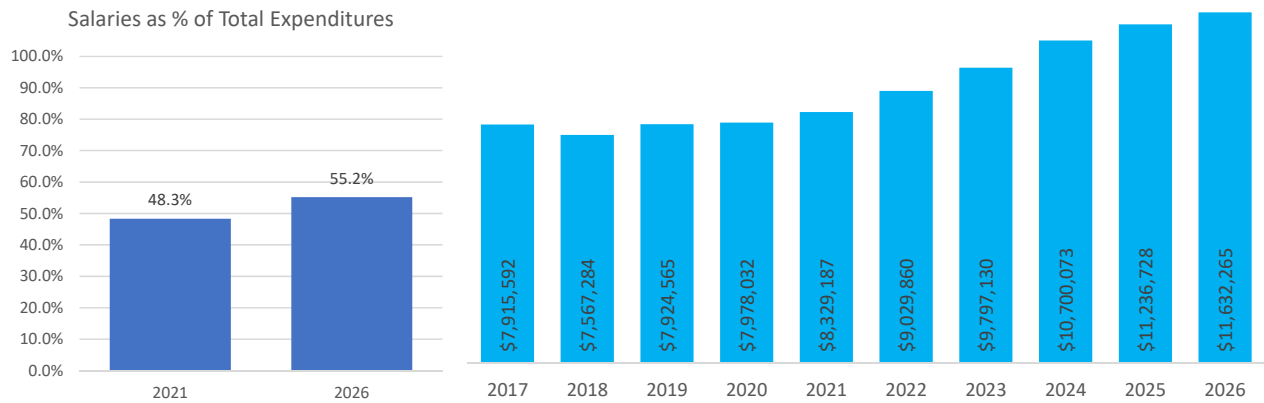
	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	Total expenditures increased 2.01% or \$350,735 annually during the past 5-Year period and is projected to increase 4.44% or \$764,960 annually through FY2026. Salaries has the largest projected average annual variance compared to the historical average at \$486,386.
Salaries	174,229	660,616	\$486,386	
Benefits	\$148,507	\$321,940	\$173,433	
Purchased Services	\$51,680	(\$195,173)	(\$246,853)	
Supplies & Materials	(\$23,089)	\$61,074	\$84,163	
Capital Outlay	\$56,175	(\$60,868)	(\$117,043)	
Intergov & Debt	\$1,803	(\$1,803)	(\$3,605)	
Other Objects	(\$24,712)	\$9,089	\$33,801	
Other Uses	(\$33,858)	(\$29,916)	\$3,942	
<b>Total Average Annual Change</b>	<b>\$350,735</b>	<b>\$764,960</b>	<b>\$414,225</b>	
	2.01%	4.44%	2.43%	

Note: Revenue average annual change is projected to be > \$491,993

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.

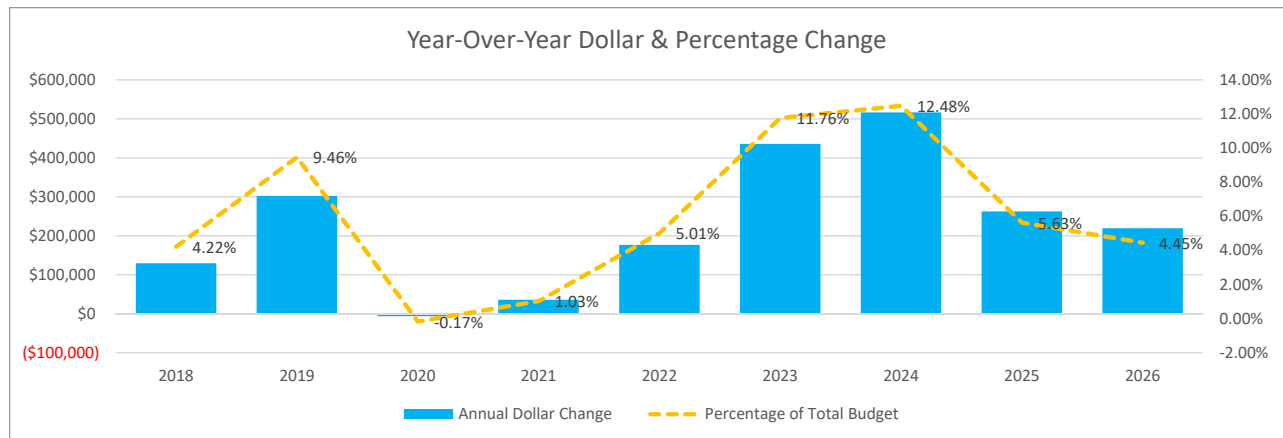
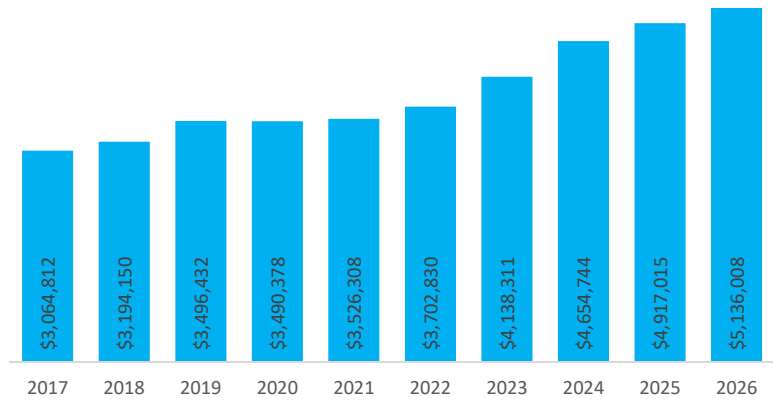
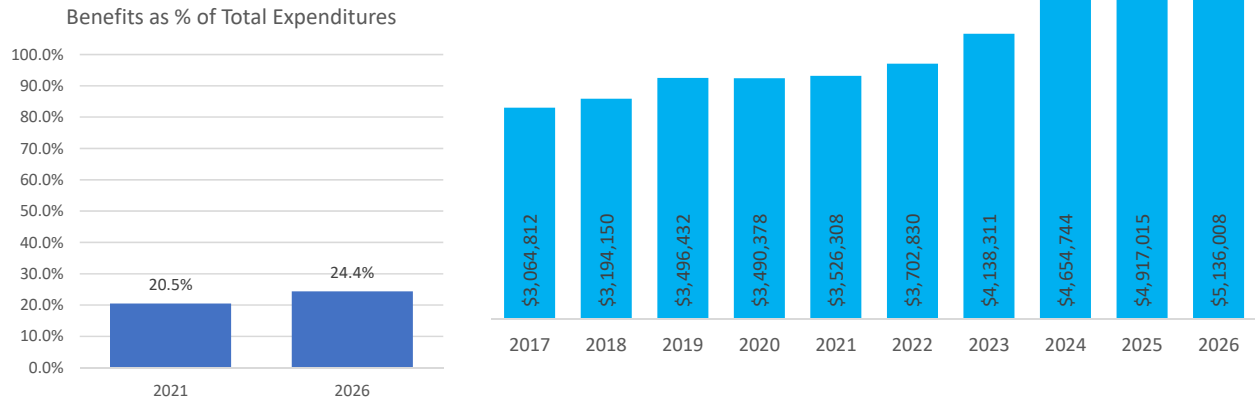


Salaries represent 48.31% of total expenditures and increased at a historical average annual rate of 2.19% or \$174,229. This category of expenditure is projected to grow at an annual average rate of 6.30% or \$660,616 through FY 2026. The projected average annual rate of change is 4.11% more than the five year historical annual average.

This Forecast includes positions returning as general fund expenditures in 2024, once federal grants have been exhausted. Additionally four (4) new certified positions are added for FY23 to meet the needs of the district, as well as, three (3) classified positions.

### 3.020 - Employees' Benefits

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

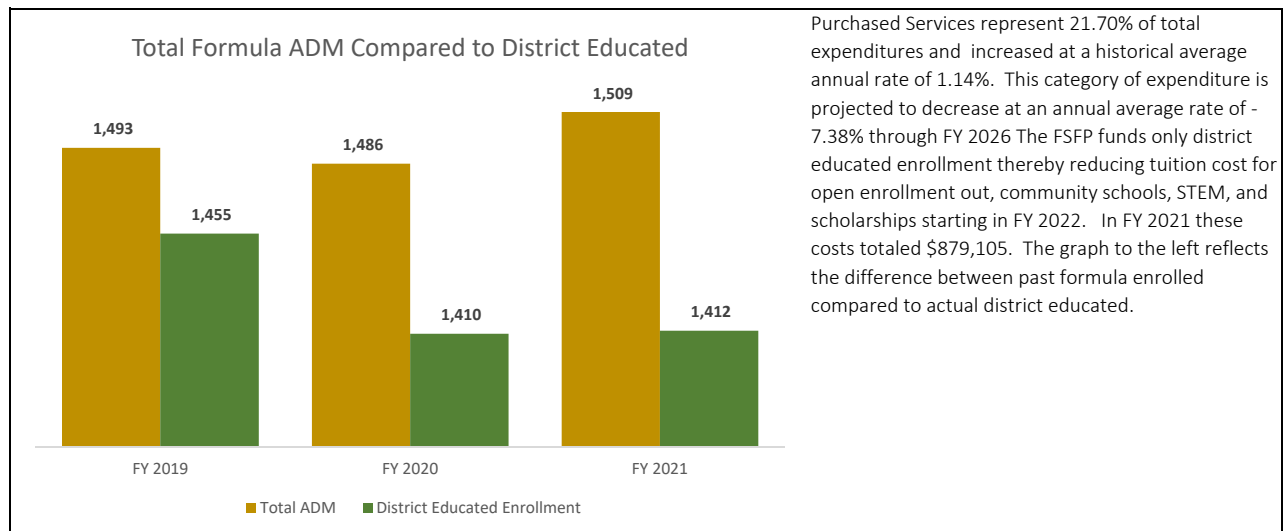
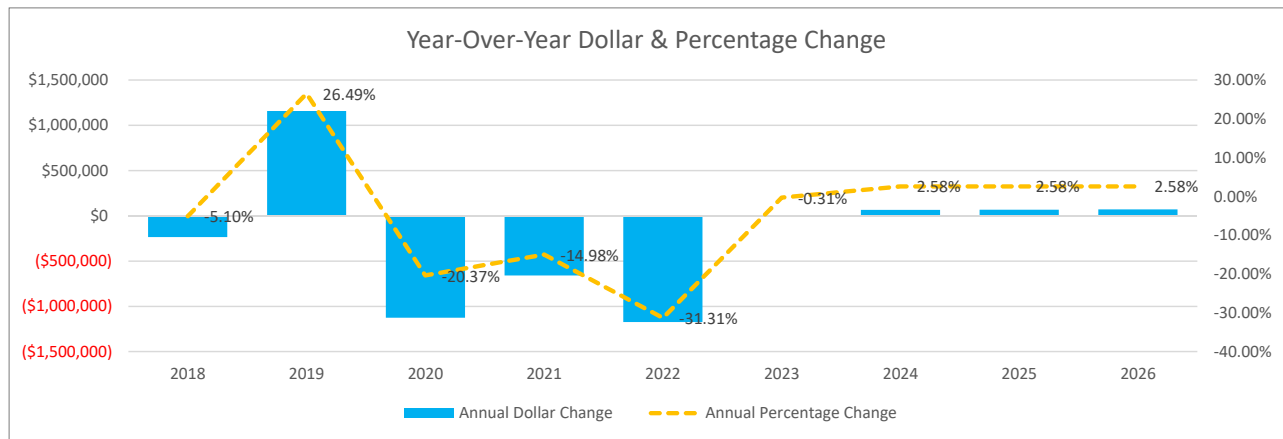
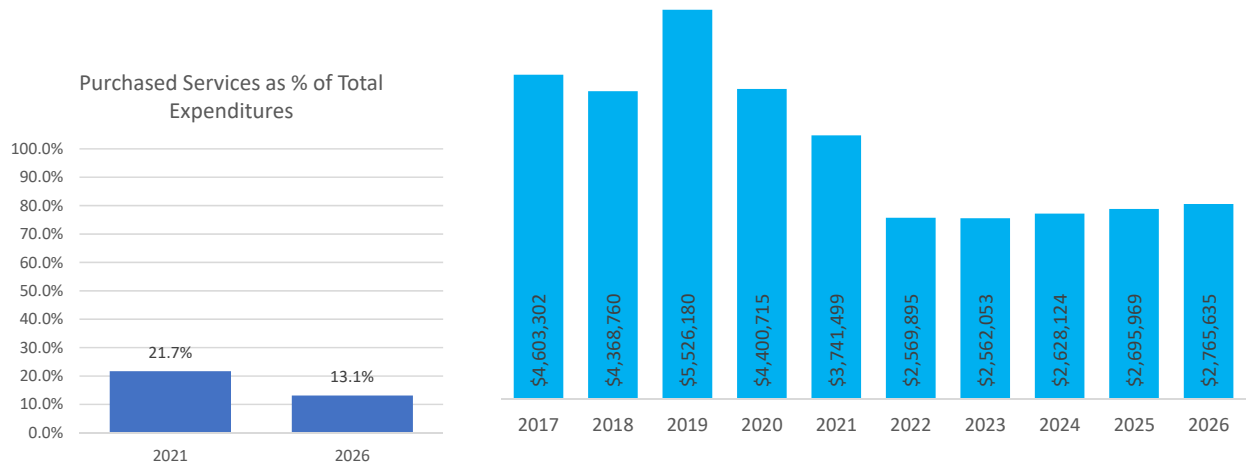


Benefits represent 20.45% of total expenditures and increased at a historical average annual rate of 4.43%. This category of expenditure is projected to grow at an annual average rate of 7.14% through FY 2026. The projected average annual rate of change is 2.71% more than the five year historical annual average.

The addition of positions has a proportionate effect on the cost of benefits.

### 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.

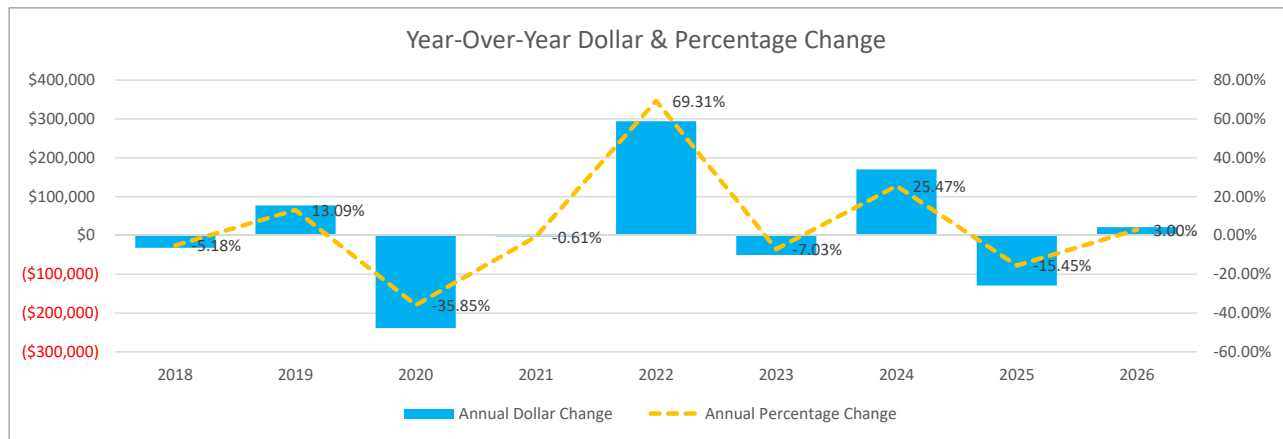
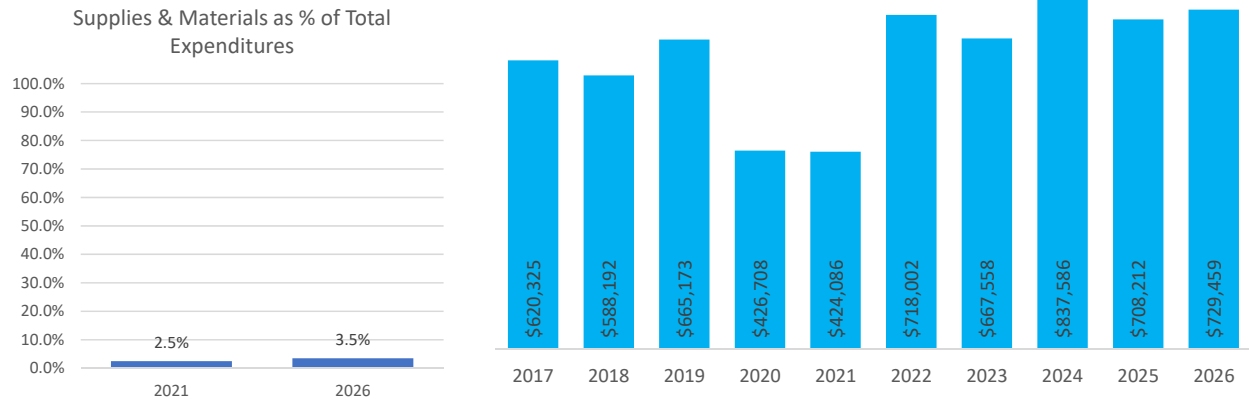


Purchased Services represent 21.70% of total expenditures and increased at a historical average annual rate of 1.14%. This category of expenditure is projected to decrease at an annual average rate of -7.38% through FY 2026. The FSFP funds only district educated enrollment thereby reducing tuition cost 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.



### 3.040 - Supplies & Materials

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

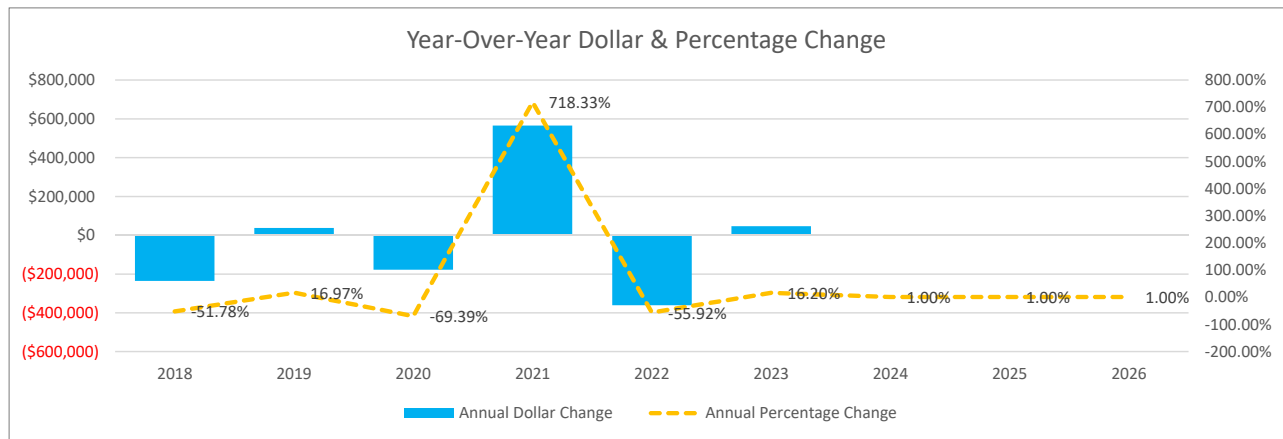
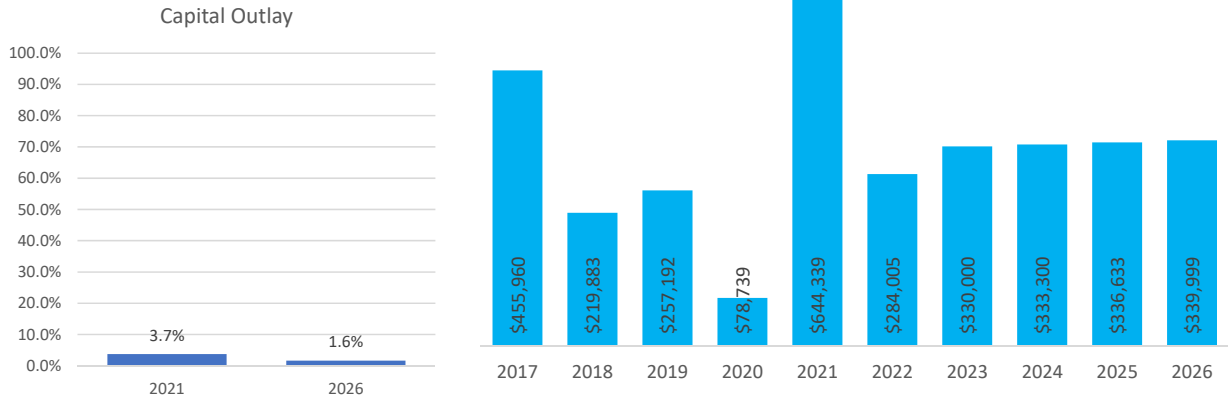


Supplies & Materials represent 2.46% of total expenditures and decreased at a historical average annual rate of -4.24%. This category of expenditure is projected to grow at an annual average rate of 8.34% through FY 2026. The projected average annual rate of change is 12.58% more than the five year historical annual average.

With the unknown increases in utilities and oil based products, these numbers and purchased services may need to be adjusted in November to accurately predict future expenses. The completion of a school wide energy project in 2021 has helped keep the buildings operating efficiently.

### 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.

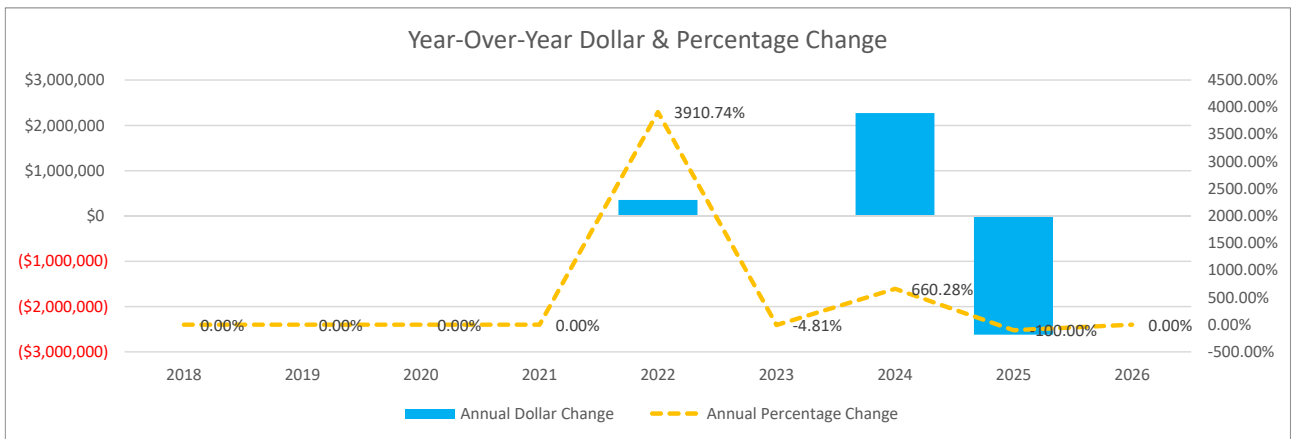
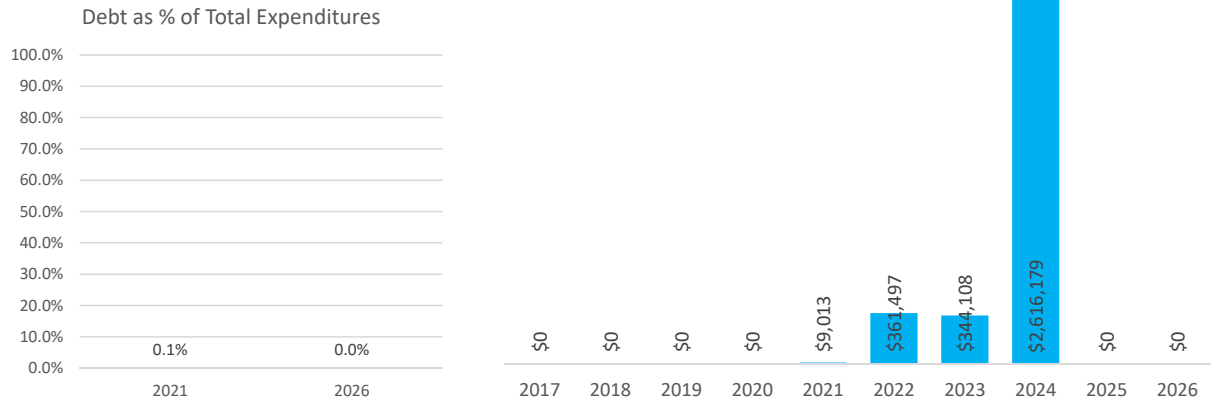


Capital Outlay represent 3.74% of total expenditures and increased at a historical average annual amount of \$56,175. This category of expenditure is projected to decrease at an annual average rate of -\$60,868 through FY 2026. The projected average annual change is less than the five year historical annual average.

Once projects have been prioritized, this expense will be updated in November. Currently, projects are being financed through a Lease-Purchase Agreement that is forecasted to be repaid in 2024.

### 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.

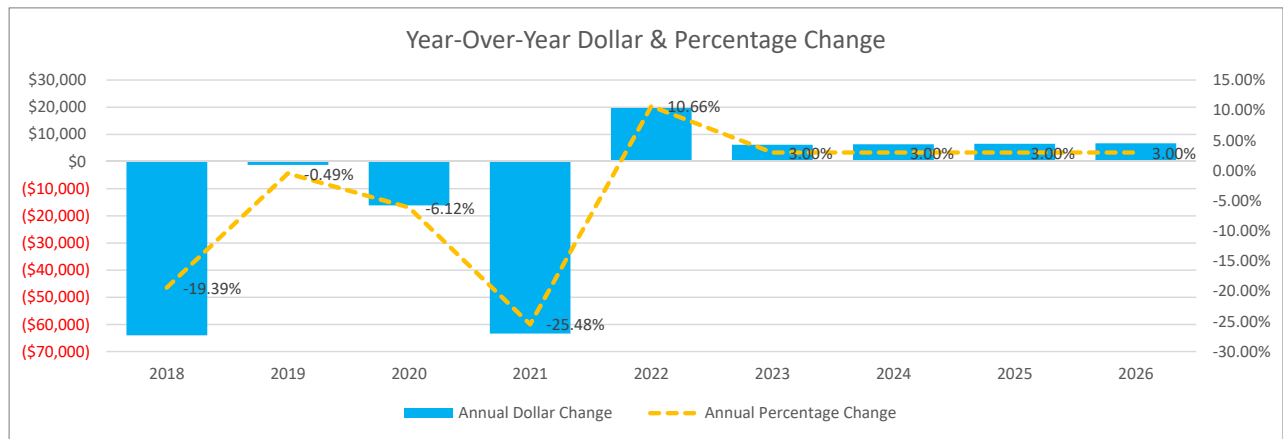
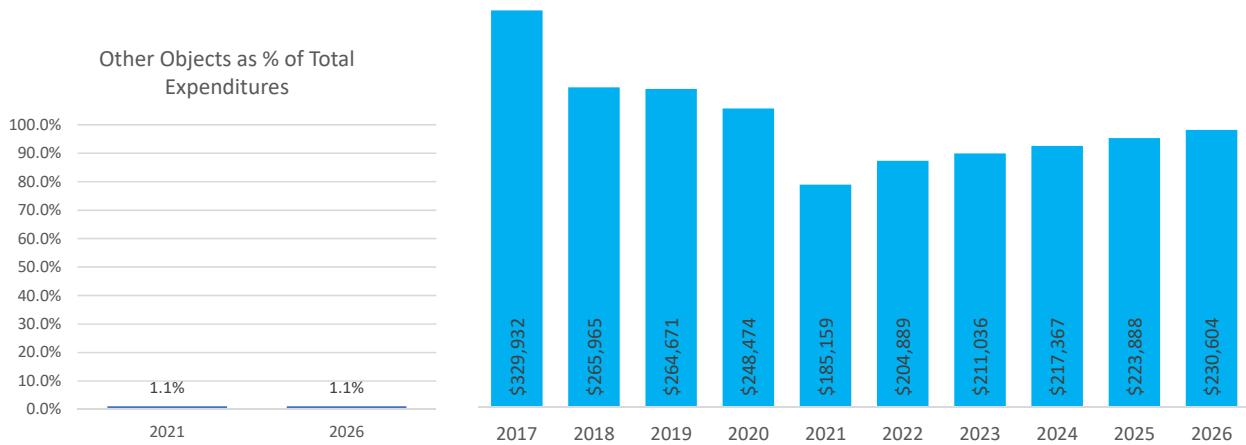


The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

The increase in 2024 is the repayment of a lease purchase agreement that was entered into in 2021.

### 4.300 - Other Objects

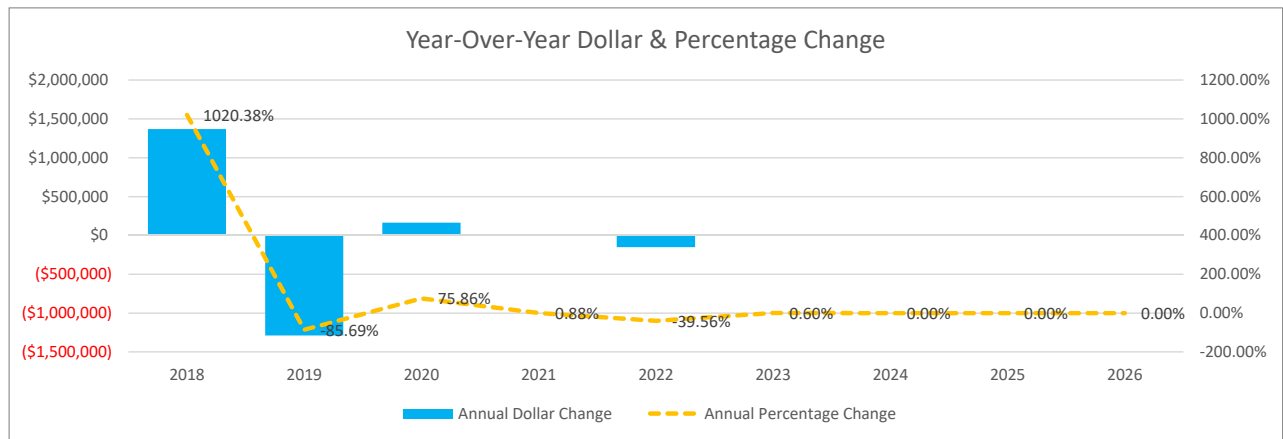
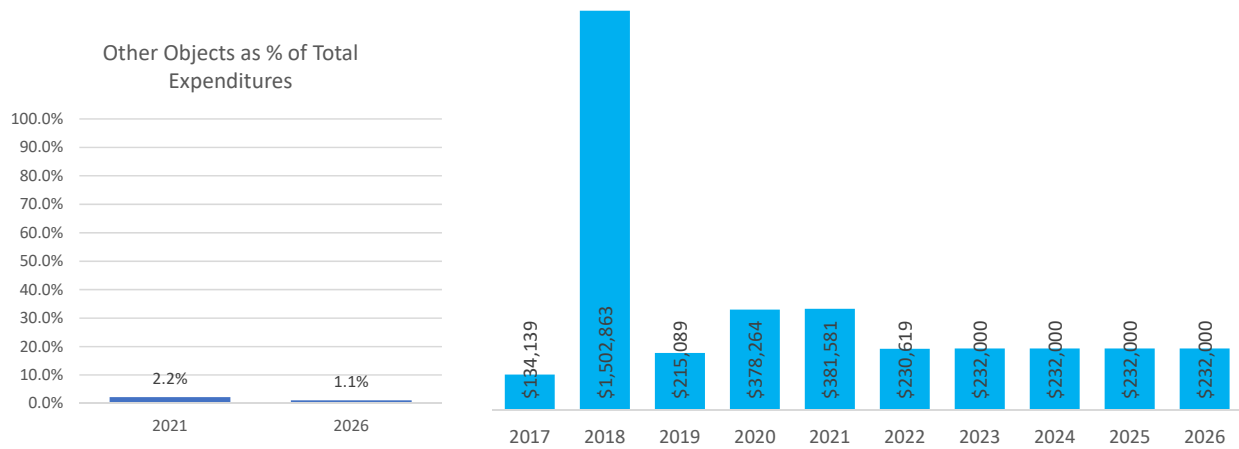
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects represent 1.07% of total expenditures and decreased at a historical average annual rate of -9.55%. This category of expenditure is projected to grow at an annual average rate of 4.18% through FY 2026. The projected average annual rate of change is 13.72% 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.



	2021	FORECASTED				
		2022	2023	2024	2025	2026
Transfers Out	381,581	230,619	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 2021 the district had no advances-out and has no advances-out forecasted through FY 2026. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2026. 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.

Due to changes in funding for Food Service through FY22 and changes to supplemental salaries in Athletics, there should be minimal transfers out of the general fund to cover expenses for these other funds. The Permanent Improvement Fund (003) does not have a revenue source, therefore annual transfers will need to continue to cover expenditures from this fund.

**Amanda-Clearcreek Local School District**

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2021	2022	2023	2024	2025	2026
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	3,758,117	3,851,798	3,939,501	4,186,439	4,216,208	4,314,579
1.020 - Public Utility Personal Property	422,692	543,358	575,194	592,695	605,816	614,566
1.030 - Income Tax	2,932,217	4,188,629	4,438,629	4,538,629	4,638,629	4,738,629
1.035 - Unrestricted Grants-in-Aid	9,723,575	9,639,181	9,589,598	9,547,402	9,543,451	9,508,859
1.040 - Restricted Grants-in-Aid	286,901	640,832	637,121	678,575	681,068	715,877
1.050 - Property Tax Allocation	548,091	551,150	585,038	620,473	624,775	638,022
1.060 - All Other Operating Revenues	1,112,187	815,715	735,322	748,600	762,011	769,632
<b>1.070 - Total Revenue</b>	<b>18,783,781</b>	<b>20,230,663</b>	<b>20,500,403</b>	<b>20,912,813</b>	<b>21,071,958</b>	<b>21,300,164</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	19,179	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	46,740	9,500	9,500	9,500	9,500	9,500
2.070 - Total Other Financing Sources	65,918	9,500	9,500	9,500	9,500	9,500
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>18,849,700</b>	<b>20,240,163</b>	<b>20,509,903</b>	<b>20,922,313</b>	<b>21,081,458</b>	<b>21,309,664</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	8,329,187	9,029,860	9,797,130	10,700,073	11,236,728	11,632,265
3.020 - Employee Benefits	3,526,308	3,702,830	4,138,311	4,654,744	4,917,015	5,136,008
3.030 - Purchased Services	3,741,499	2,569,895	2,562,053	2,628,124	2,695,969	2,765,635
3.040 - Supplies and Materials	424,086	718,002	667,558	837,586	708,212	729,459
3.050 - Capital Outlay	644,339	284,005	330,000	333,300	336,633	339,999
Intergovernmental & Debt Service	9,013	361,497	344,108	2,616,179	-	-
4.300 - Other Objects	185,159	204,889	211,036	217,367	223,888	230,604
<b>4.500 - Total Expenditures</b>	<b>16,859,592</b>	<b>16,870,978</b>	<b>18,050,195</b>	<b>21,987,373</b>	<b>20,118,445</b>	<b>20,833,971</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	381,581	230,619	232,000	232,000	232,000	232,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	381,581	230,619	232,000	232,000	232,000	232,000
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>17,241,173</b>	<b>17,101,597</b>	<b>18,282,195</b>	<b>22,219,373</b>	<b>20,350,445</b>	<b>21,065,971</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>1,608,527</b>	<b>3,138,566</b>	<b>2,227,708</b>	<b>(1,297,060)</b>	<b>731,013</b>	<b>243,693</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>9,697,968</b>	<b>11,306,495</b>	<b>14,445,061</b>	<b>16,672,769</b>	<b>15,375,710</b>	<b>16,106,723</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>11,306,495</b>	<b>14,445,061</b>	<b>16,672,769</b>	<b>15,375,710</b>	<b>16,106,723</b>	<b>16,350,415</b>
		<b>Reservations</b>				
8.010 - Estimated Encumbrances June 30	500,000	480,000	480,000	480,000	480,000	480,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>10,806,495</b>	<b>13,965,061</b>	<b>16,192,769</b>	<b>14,895,710</b>	<b>15,626,723</b>	<b>15,870,415</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>10,806,495</b>	<b>13,965,061</b>	<b>16,192,769</b>	<b>14,895,710</b>	<b>15,626,723</b>	<b>15,870,415</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>10,806,495</b>	<b>13,965,061</b>	<b>16,192,769</b>	<b>14,895,710</b>	<b>15,626,723</b>	<b>15,870,415</b>

