

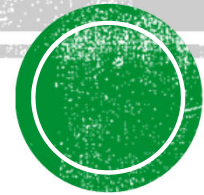
PRIDE
TRADITION
ACHIEVEMENT

BCSD

BEDFORD CITY SCHOOL DISTRICT

BEDFORD • BEDFORD HTS. • OAKWOOD • WALTON HILLS

Five Year Forecast General Fund Only November 16, 2023



**Prepared by:
Tabitha Armstrong, CFO/Treasurer**

OBJECTIVE OF FIVE YEAR FORECAST



To engage the local board of education and the community in long range planning and discussions of financial issues facing the school district.



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".



To provide a method for the Department of Education and Workforce and Auditor of State to identify school districts with potential financial problems.



TIMELINE

Board, Superintendent and Executive Leadership Team used the forecast to analyze and make appropriate adjustment

Time to update the forecast/assumptions based on actual numbers from current school year

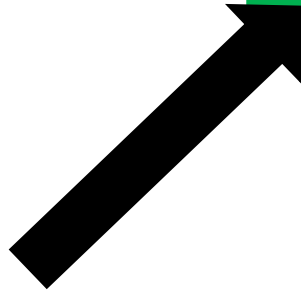
TAX BUDGET

NOVEMBER FIVE YEAR FORECAST

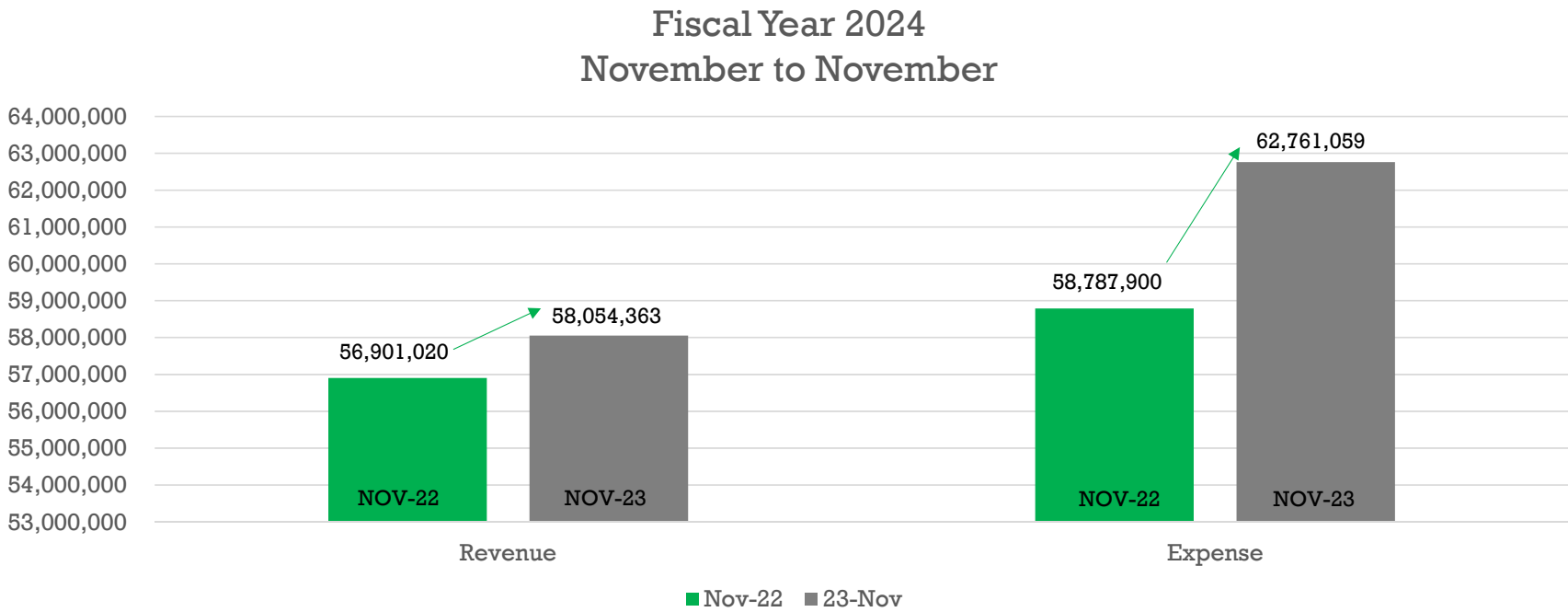
MAY FIVE YEAR FORECAST

PERMANENT APPROPRIATION

TEMPORARY & FINAL APPROPRIATION



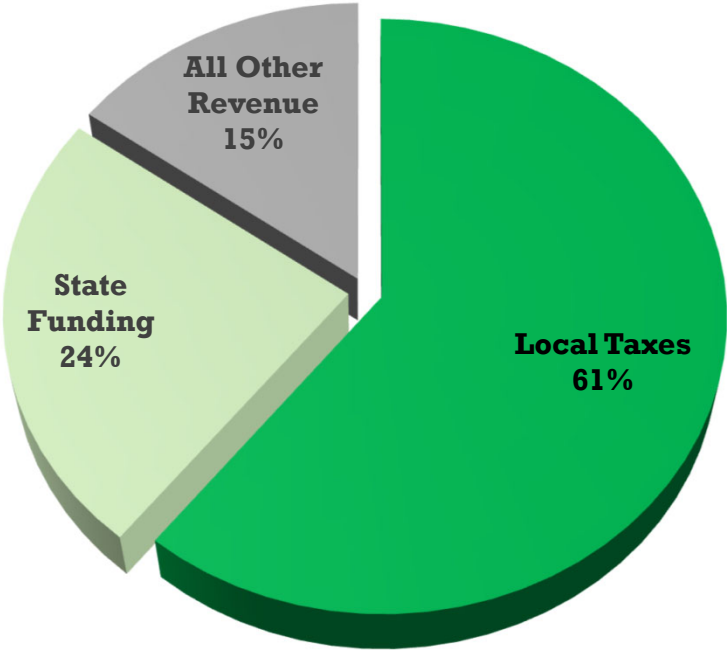
NOVEMBER – TO – NOVEMBER



CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis Bedford City SD

Projected Revenue Analysis

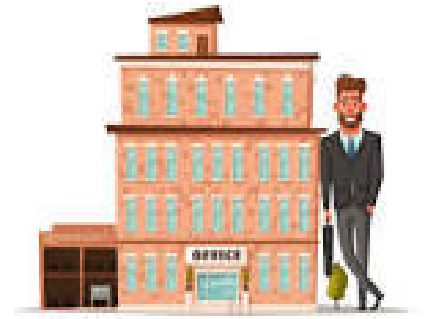


Projected Local Taxes	\$35,275,751
Real Estate Property Taxes	\$27,786,313
Public Utility Property Taxes	\$7,489,438
Projected State Funding	\$13,993,896
Fair School Funding Plan	\$8,374,284
Restricted State Funding	\$1,620,773
State Share of Local Taxes	\$3,998,839
Projected All Other Revenue	\$8,784,716
Other Operating Revenue	\$3,582,715
Other Sources	\$5,202,000

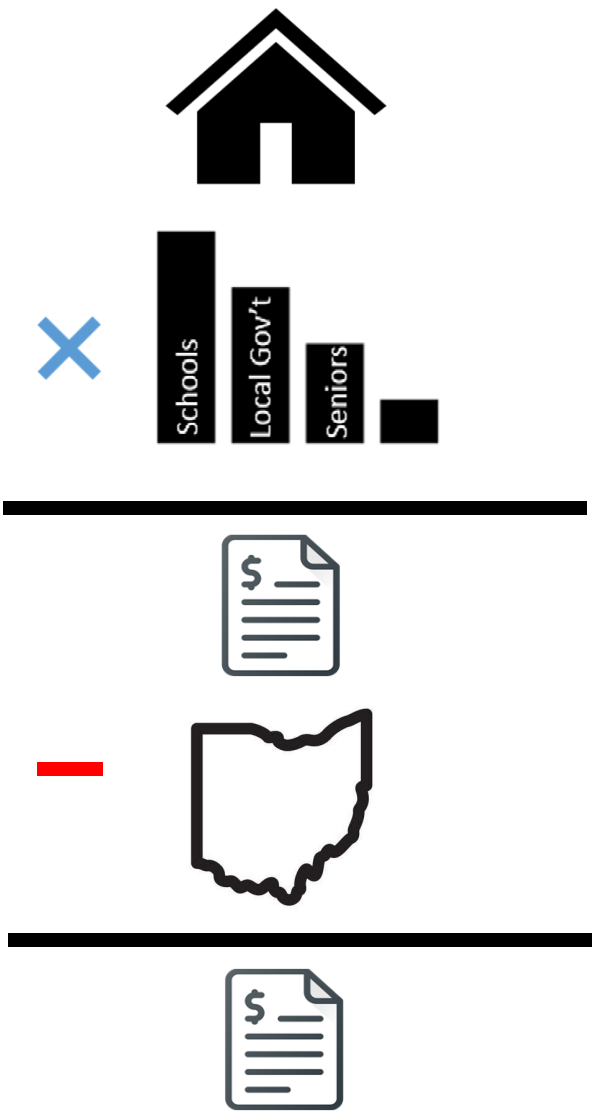


LOCAL TAXES

- General Property Tax
 - Residential
 - Commercial
- Public Utility Personal Property
 - Electric Company
 - Natural Gas Company
 - Railroad Company
 - Etc.



CALCULATING
YOUR
PROPERTY
TAXES



Home Value
@35%

Multiplied by
Effective Tax Rate
*(Effective includes Fixed Rate levies, inside millage plus any
Fixed Sum levies.)*

Initial Tax Bill

Less State Paid
Reimbursements

Current Tax Bill



PROPERTY VALUES VS. TAX RATES

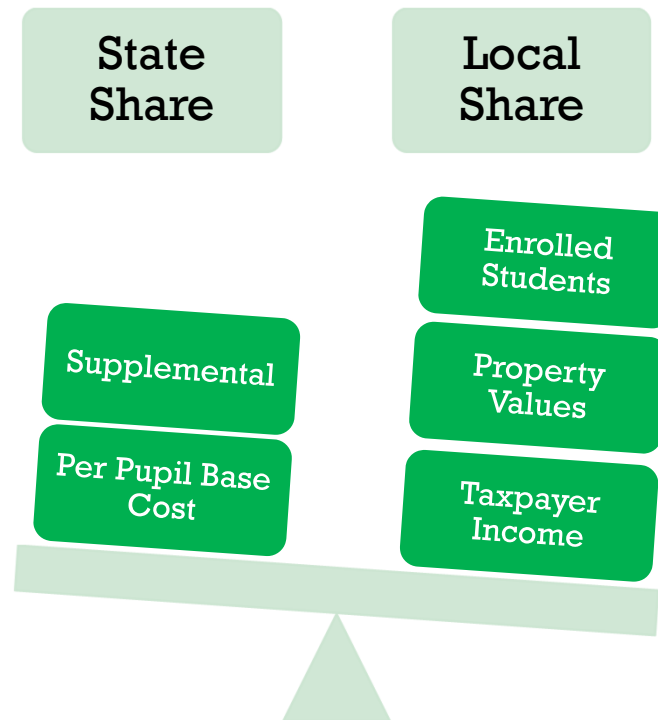
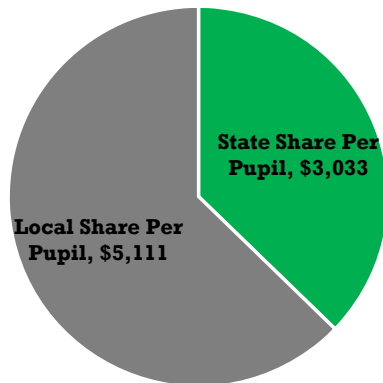
HOW DO INCREASING HOME VALUES IMPACT TAX RATES?



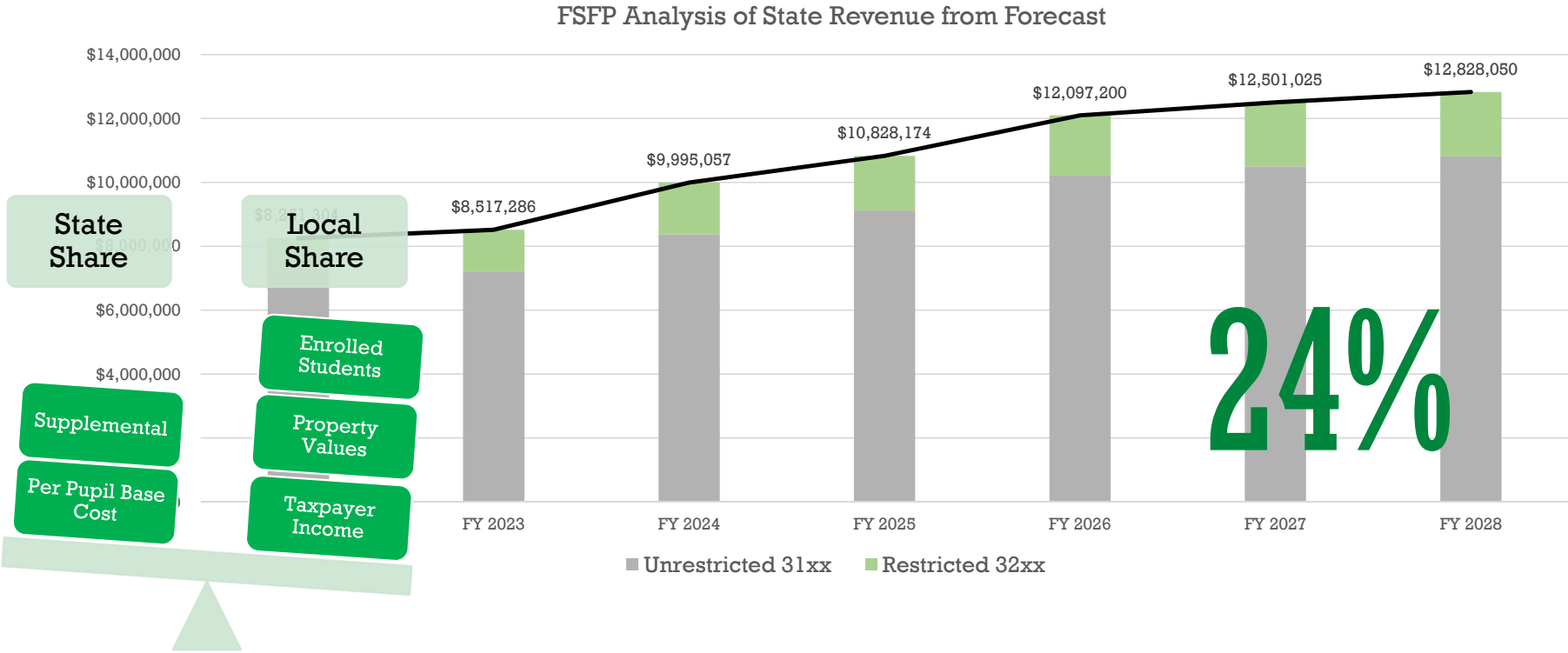
STATE FUNDING — FAIR SCHOOL FUNDING PLAN

LOCAL SHARE VERSUS STATE SHARE

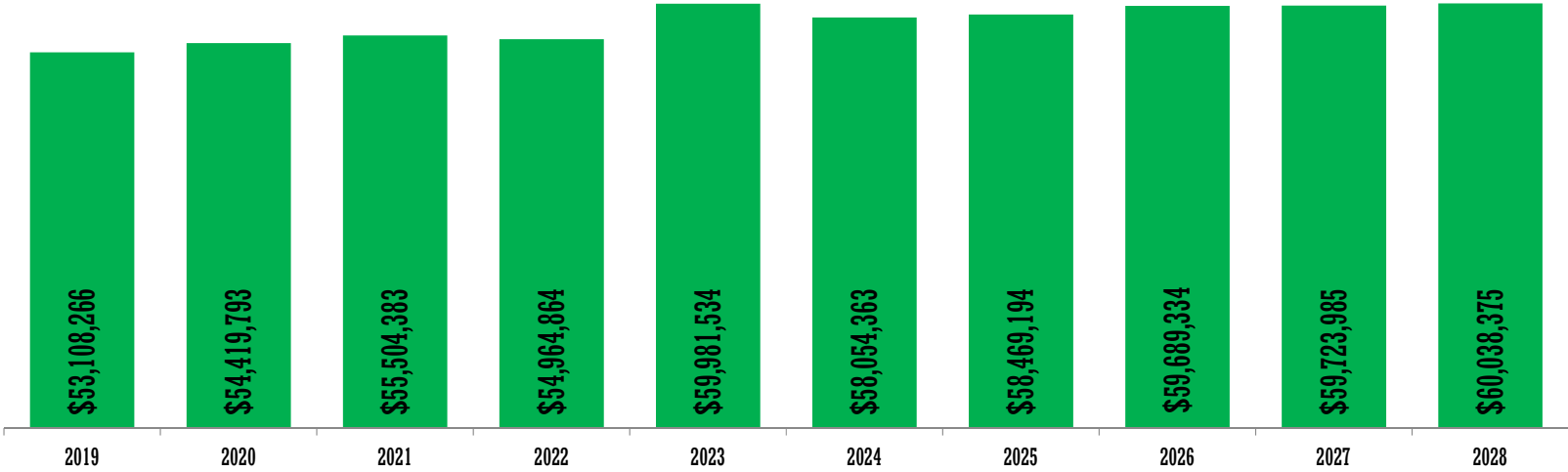
- Base Cost Per Pupil
- Enrolled Students
- Local Personal Property Wealth
- Taxpayer Income



FSFP ANALYSIS OF STATE FUNDING



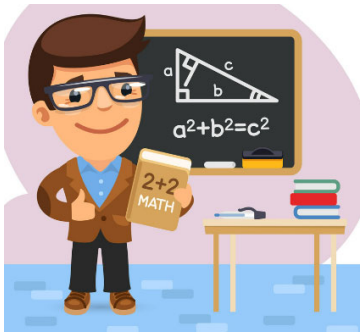
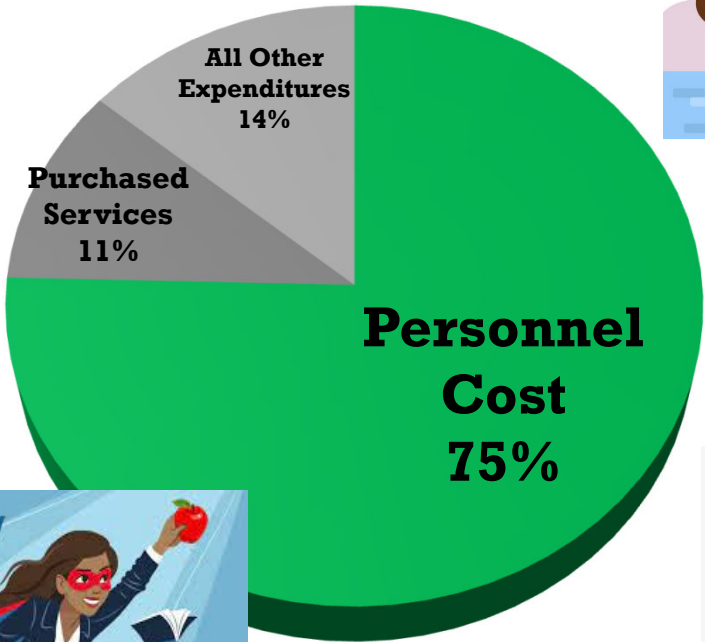
REVENUE ACTUAL AND FORECAST YEAR OVER YEAR



CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis Bedford City SD

Projected Expenditure Analysis



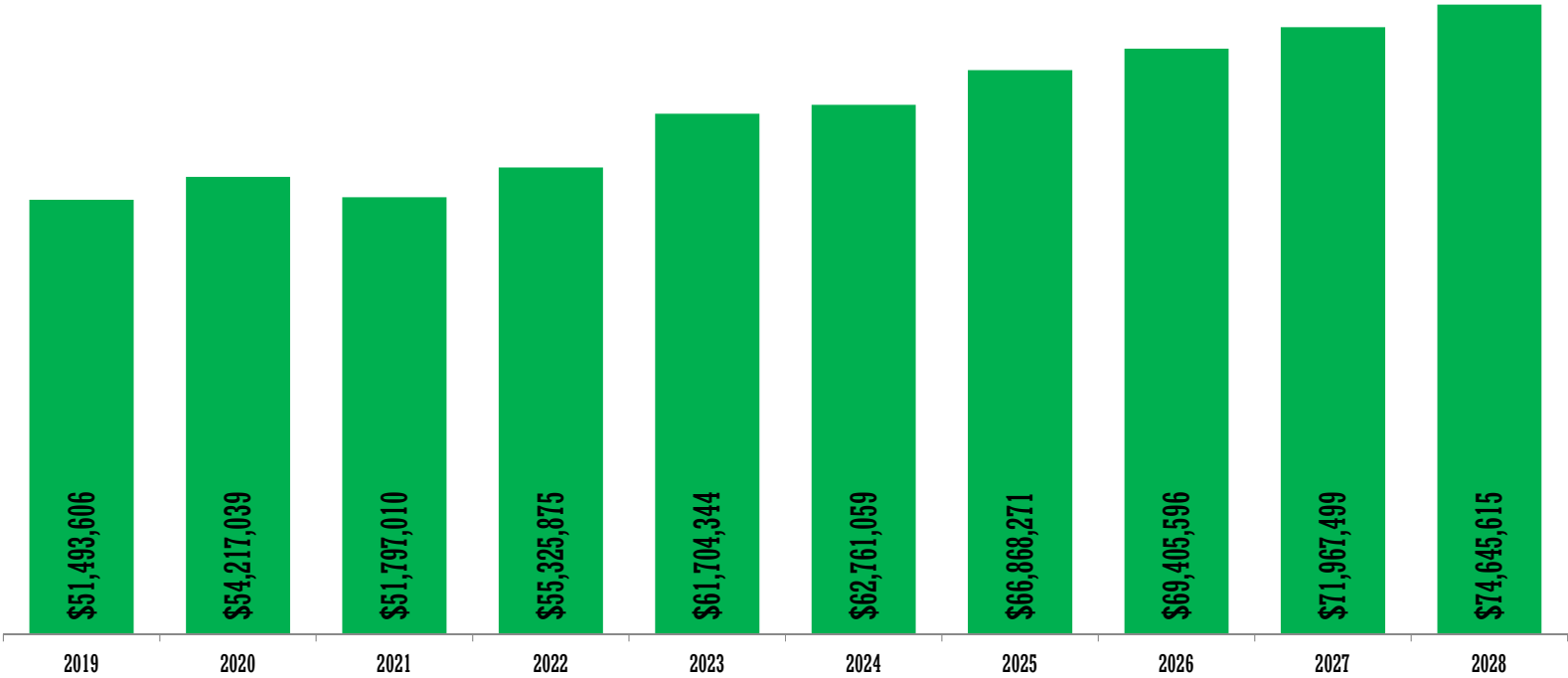
Projected Personnel Costs	\$47,317,065
Salaries	\$35,189,096
Benefits	\$12,127,969

Projected Purchased Services	\$6,745,959
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Projected All Other Expenditures	\$8,698,034
Supplies, Capital, Debt, Other Operating	\$3,497,934
Advances, Transfer, Other Uses	\$5,200,100



EXPENDITURES ACTUAL AND FORECAST YEAR OVER YEAR

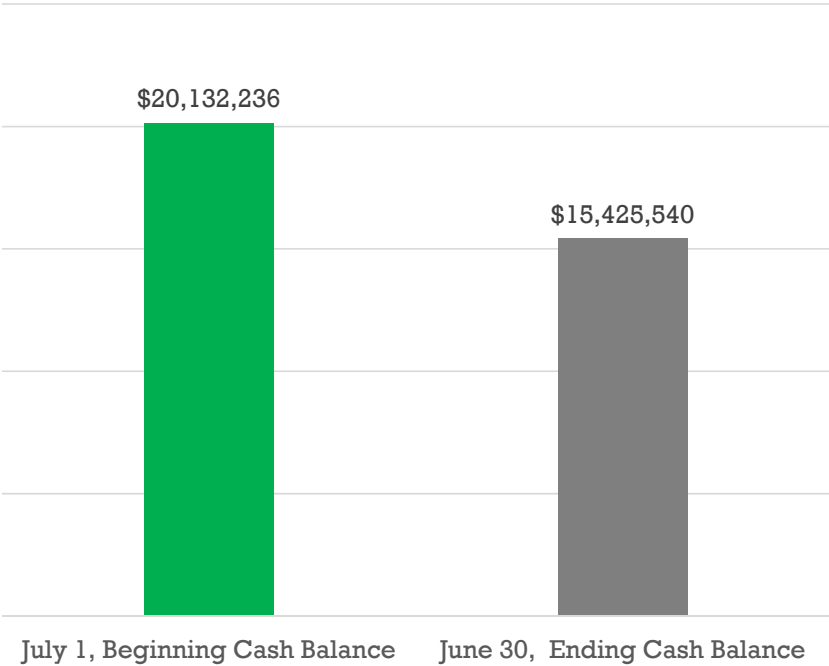


CURRENT FISCAL YEAR

Projected Financial Analysis

Financial Forecast Key Indicators & Analysis

Bedford City SD



Projected General Fund Revenue **\$58,054,363**

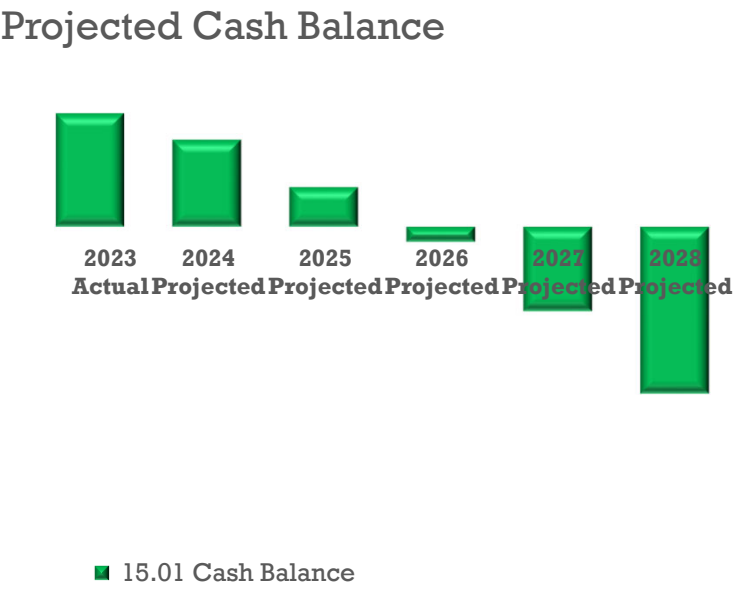
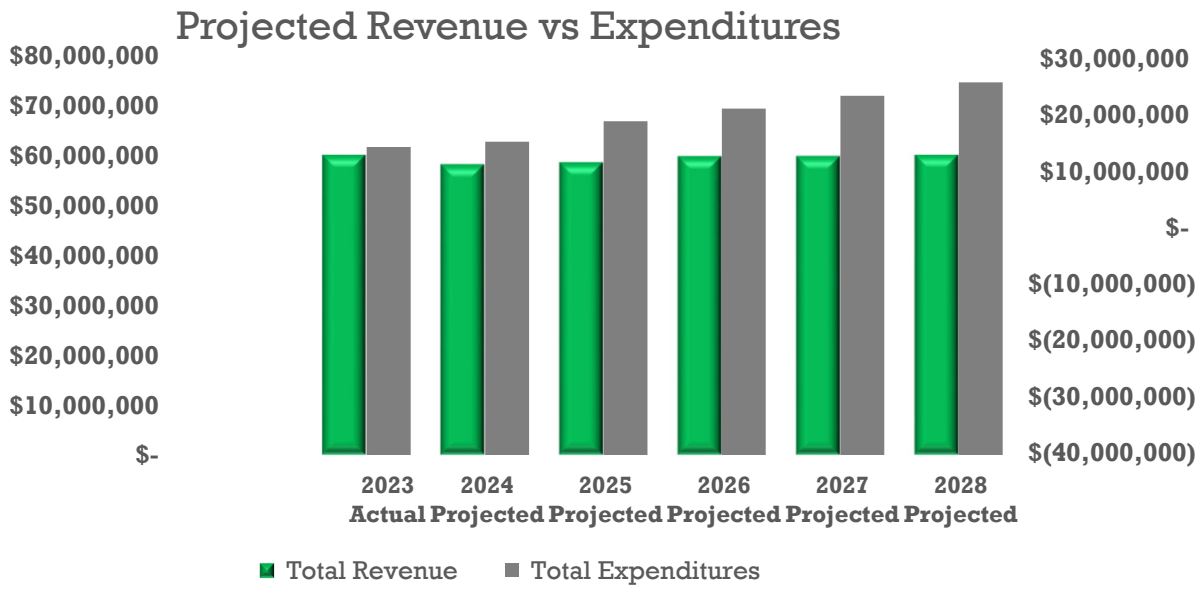
Projected General Fund Expenditures **\$62,761,059**

Projected Loss For The Year Is **-\$4,706,696**



FORECAST

Financial Forecast Key Indicators & Analysis Bedford City SD



Three Year Financial Outlook:

By FY 2026 the district is expected to trend toward a cash balance of **-\$2,689,787**

Net loss for the year is **-\$9,716,262**

Five Year Financial Outlook:

By FY 2028 the district's cash balance is projected to trend toward **-\$29,540,541**

Projected Net loss for FY 2028 is **-\$14,607,240**



FIVE YEAR FORECAST

Financial Forecast	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2024	2025	2026	2027	2028
Beginning Balance (Line 7.010) Plus	20,132,249	15,425,553	7,026,476	(2,689,787)	(14,933,301)
+ Revenue	58,054,363	58,469,194	59,689,334	59,723,985	60,038,375
- Expenditures	(62,761,059)	(66,868,271)	(69,405,596)	(71,967,499)	(74,645,615)
= Revenue Surplus or Deficit 	(4,706,696)	(8,399,077)	(9,716,262)	(12,243,514)	(14,607,240)
Line 7.020 Ending Balance with renewal/new levies	15,425,553	7,026,476	(2,689,787)	(14,933,301)	(29,540,541)
					



SUMMARY OF ASSUMPTIONS

- REVENUE

- State Funding increasing due to FSFP Phase –In and updated Base Cost input!! (24%)
- Local Funding remaining relatively flat (61%)
- Declining Enrollment (State Funding based on enrollment)
- CY24 Property Values Reappraisal
 - Local / State Share on State Funding

- EXPENDITURES

- ESSER (COVID Stimulus) Cliff – FY24 & FY25
 - Salaries and Benefits to General Fund
 - Inflation on Supplies and Contracted Services to General Fund
- Salaries & Benefits Compounding YOY

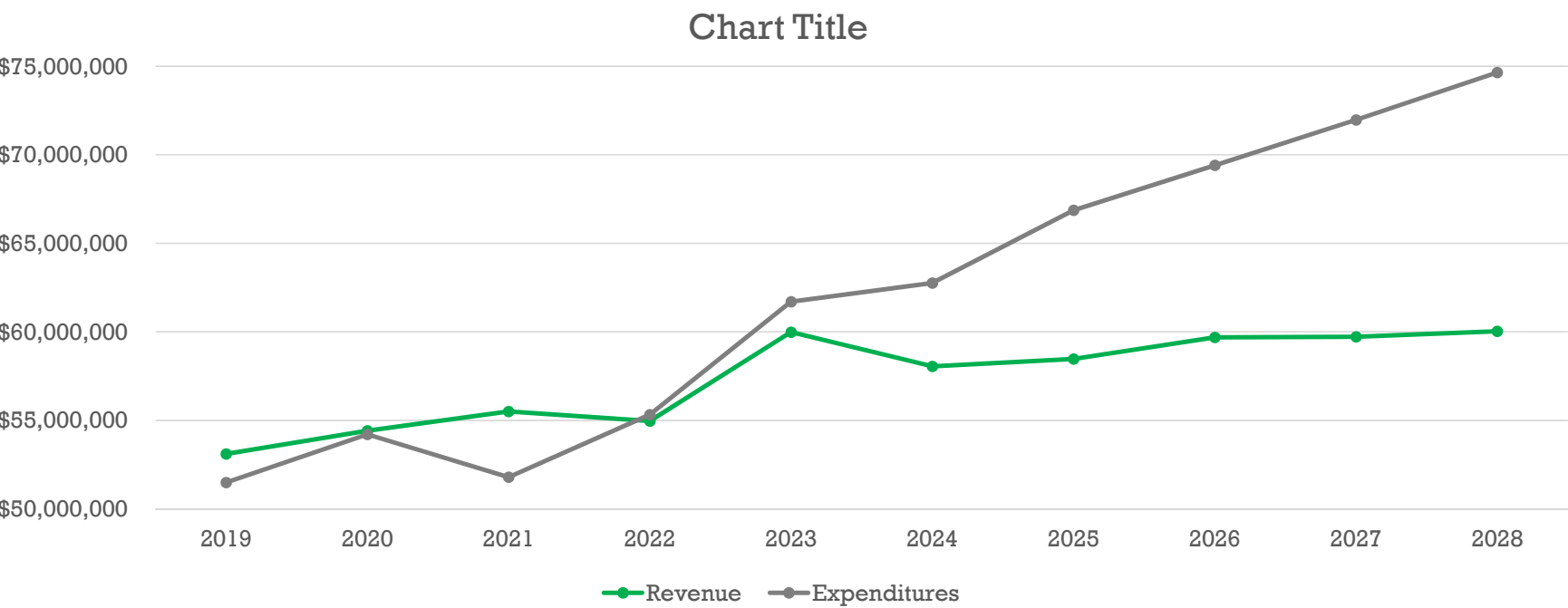


CHALLENGES

- Our Cost of Service Exceeds Available Revenue
 - ESSER Cliff
- Staffing Shortage in Classified Staff
- Cuyahoga County Reappraisals Tax Year 24
 - State Funding based on Personal Property Value
- Declining enrollment
 - State Funding based on Enrollment
- No Operating Levy in 9 years



REVENUE COMPARED TO EXPENDITURES

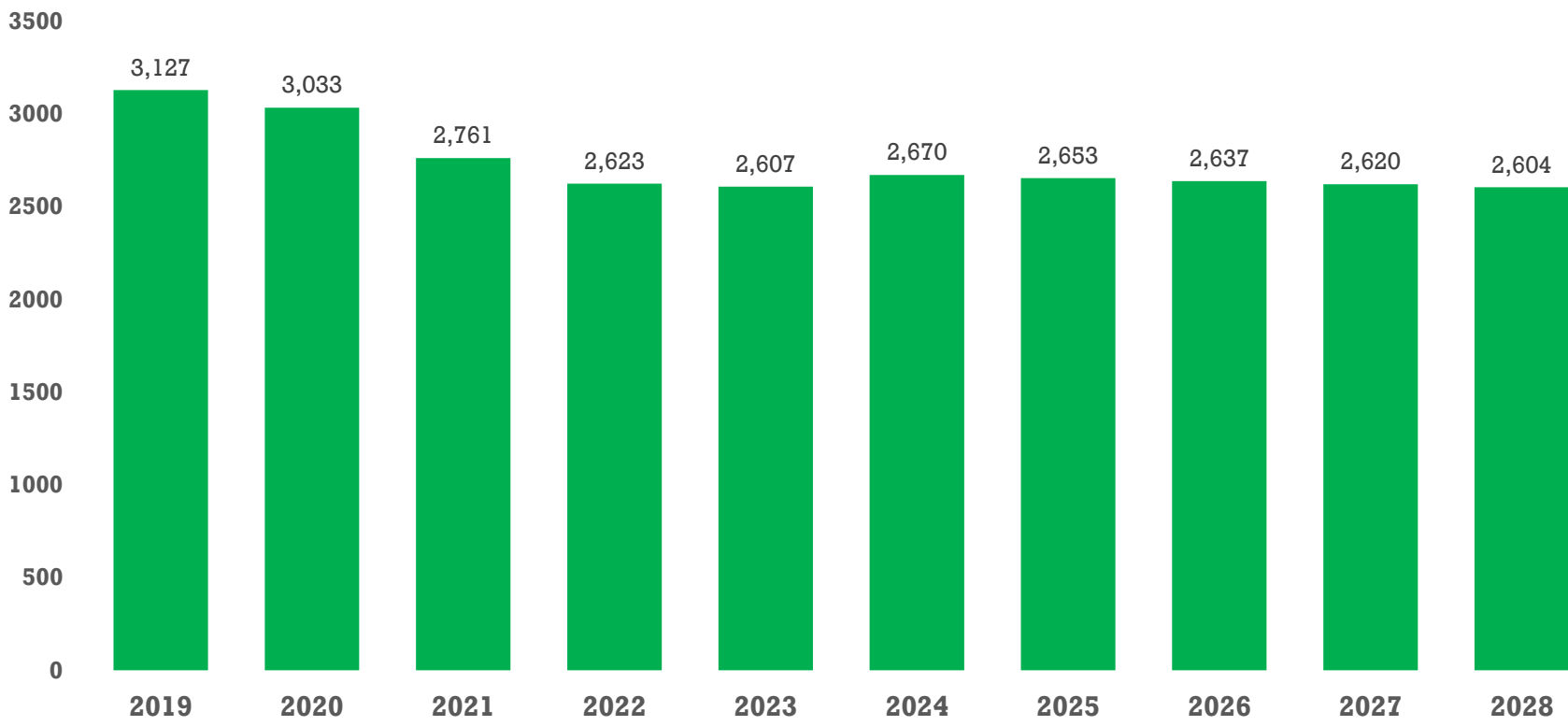


DEMOGRAPHICS

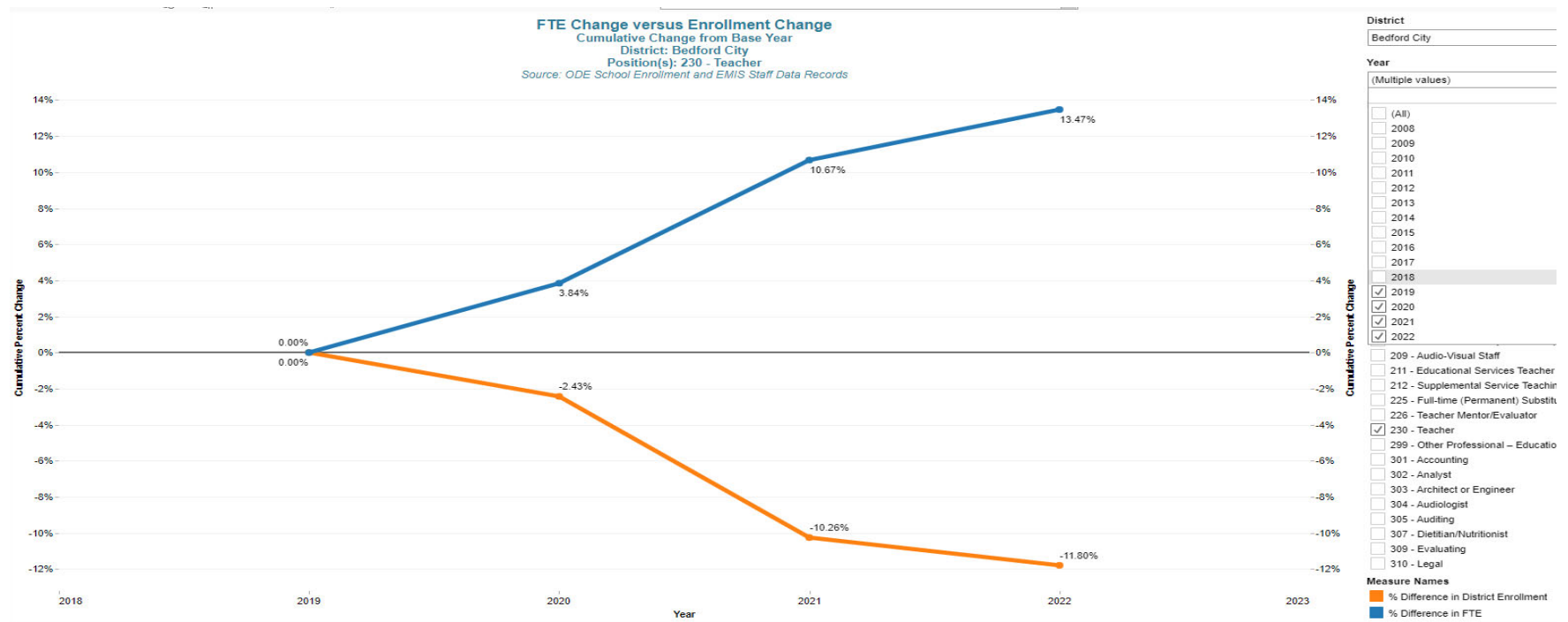
Enrollment

Financial Forecast Key Indicators &
Analysis
Bedford City SD

District Educated Enrollment



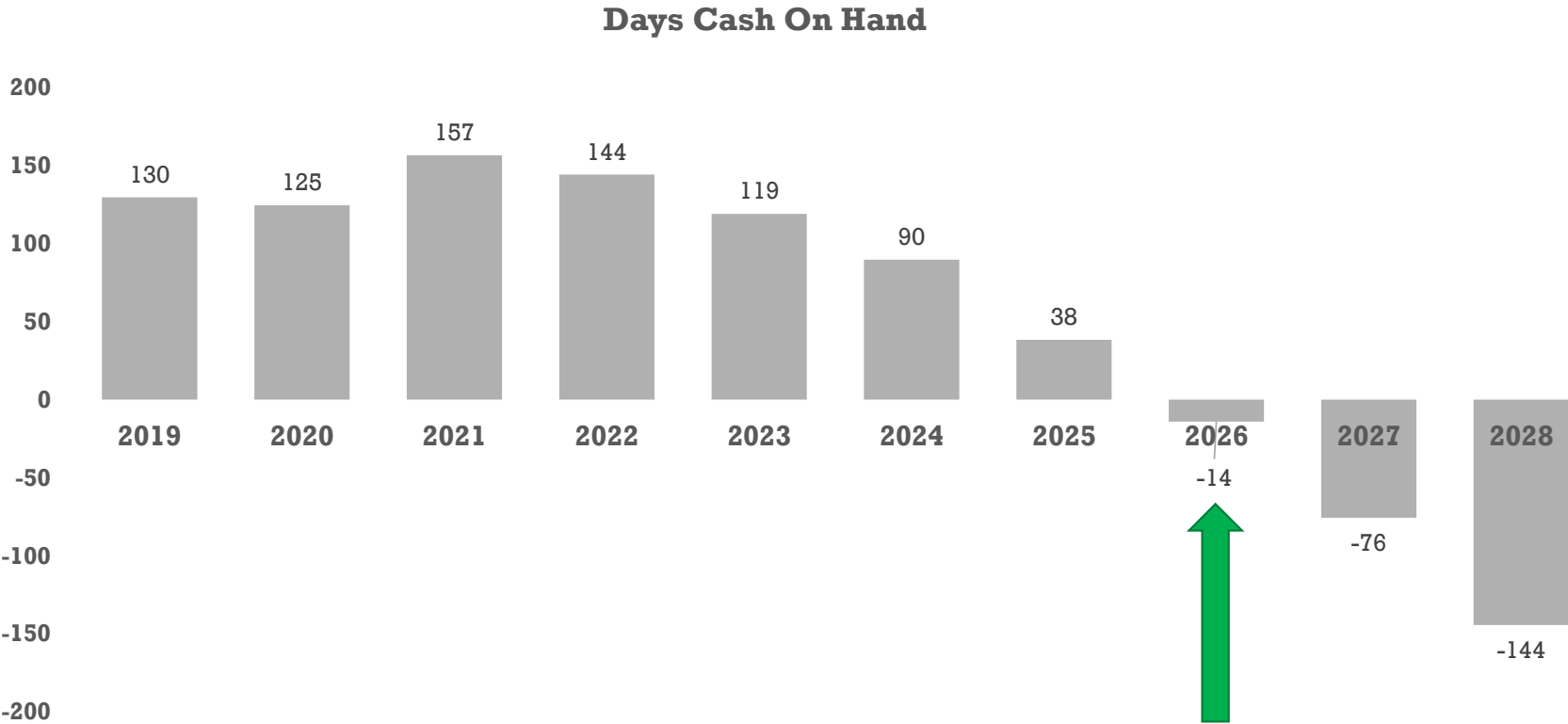
FTE CHANGE VERSUS ENROLLMENT CHANGE



CASH ON HAND

Calendar Days Cash on Hand

Financial Forecast Key Indicators &
Analysis
Bedford City SD

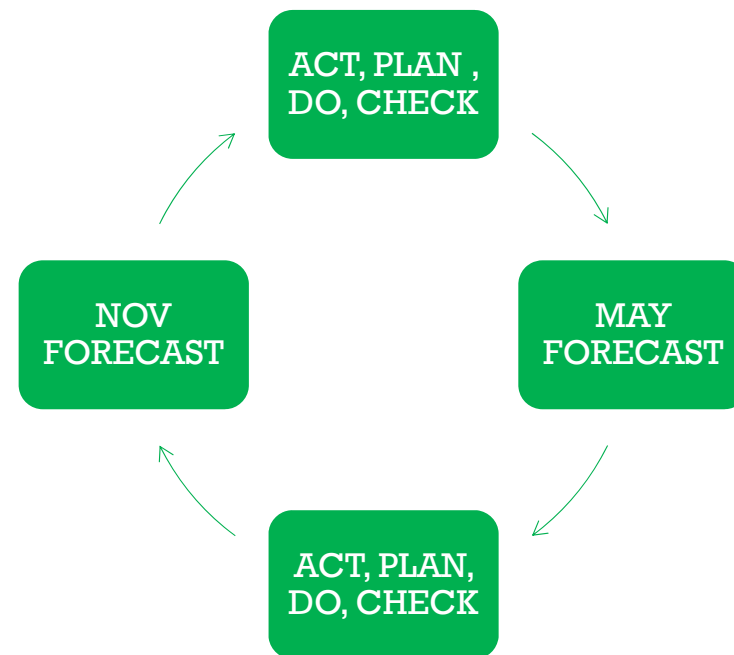


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WHAT'S NEXT?



WHAT'S NEXT — ACT, PLAN, DO, CHECK MAY FORECAST



- CTE Program
 - Enrollment
 - State Funding is weighted based on programs
 - District is Working with Parma School District on the Revenue and Expense assumptions as they currently have a Comprehensive CTE Levy
- Benefit (Healthcare committee)
- Anticipated Administration Cuts
- Staffing/Enrollment Analysis
- Continue to monitor actual data for this year and update assumptions
- **Plan of Action Needs to be put in place between now and March to reduce expenses by at least 3 million**



QUESTIONS?

