



Revere Local Schools

# Five Year Forecast Financial Report

May, 2020

*Richard Berdine, Treasurer*



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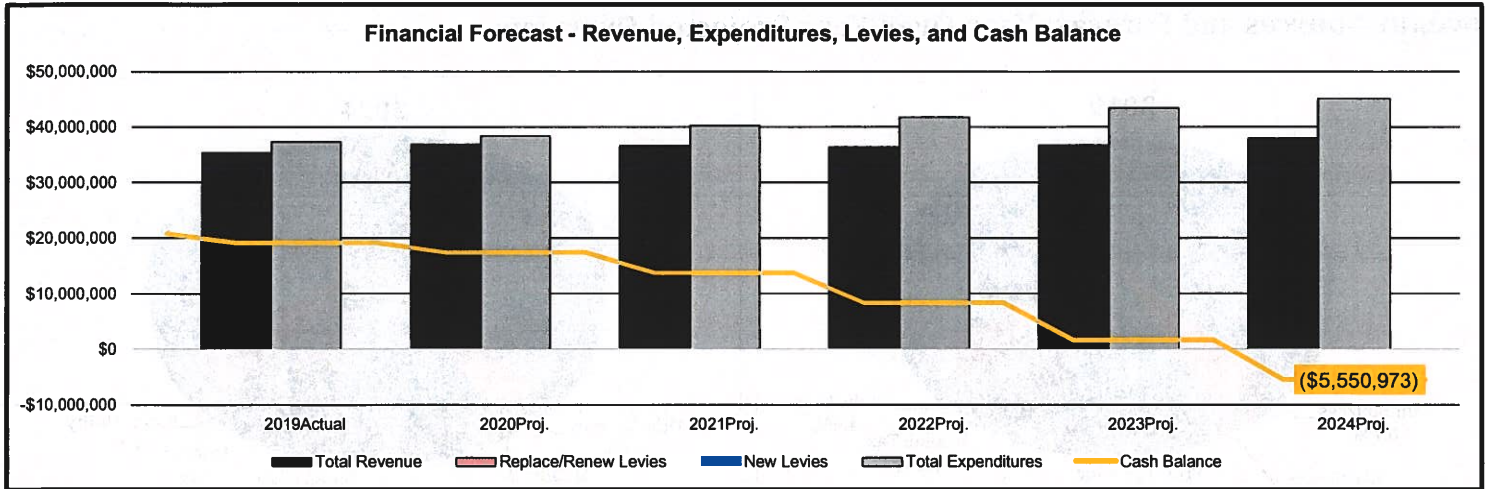
## Forecast Purpose/Objectives

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



### Revere Local Schools

#### Financial Forecast

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning Balance	19,366,449	17,829,951	14,166,076	8,793,666	2,088,330
+ Revenue	36,842,022	36,584,891	36,389,174	36,704,616	37,965,472
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(38,378,520)	(40,248,766)	(41,761,584)	(43,409,952)	(45,129,776)
= Revenue Surplus or Deficit	(1,536,498)	(3,663,875)	(5,372,410)	(6,705,336)	(7,164,304)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	17,829,951	14,166,076	8,793,666	2,088,330	(5,075,973)

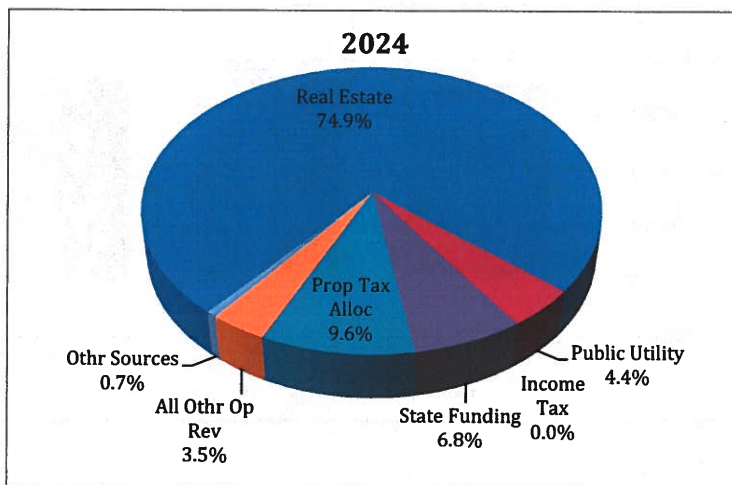
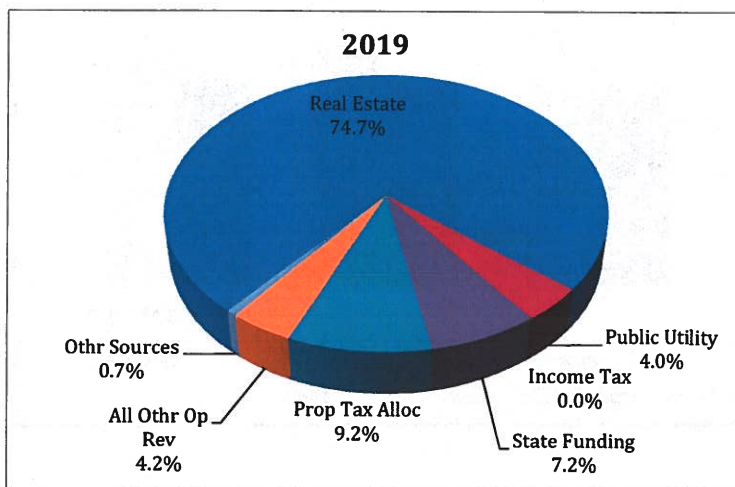
#### Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	(1,536,498)	(3,663,875)	(5,372,410)	(6,705,336)	(7,164,304)
Ending Balance w/o Levies	17,829,951	14,166,076	8,793,666	2,088,330	(5,075,973)

The projected balance of (\$5.5) million at June 30, 2024 compares unfavorably to the November 2019 forecast projected balance of (\$3.8) million. While cash balance is certainly one factor to consider, the "Revenue Surplus or Deficit" is a concern given the \$1.8 million operating deficit in FY20 that increases over the other four years of the forecast. The May 2020 forecast shows a projected ending cash balance for FY20 of \$17.8 million, an increase of approximately \$300,000 over the November 2019 forecast. This increase is due to anticipated additional tax collections from \$31.7 million of new construction in the District.

While our district is very fortunate to have a tax collection rate of 100% of currently billed taxes being collected and distributed to us on an annual basis, as well as new construction growth that generates additional revenue, this will be challenged for the immediate fiscal years due to the current coronavirus pandemic. For this forecast, tax collection rates are reduced by 2% annually in 2021 and 2022, before increasing by 2% annually in 2023 and 2024 back to current levels. New construction and reappraisal growth from County valuations are also reduced for the same years. The 9.02 mill substitute levy, which eliminated two emergency operating levies totaling the same millage, passed by Revere voters in November 2019 is included for this forecast. State revenues are projected to reduce 10% from FY20 levels in FY21 to FY23, before returning to current "guaranteed" funding levels in FY24. This is due to reduced State revenues available during the pandemic economic shutdown. Expenditure growth is a concern that must be managed, and given our existence as a service provider of education to our students, our reliance on staffing is significant and these costs are not small and are not declining. Given our current trajectory of increasing expenditures, relatively flat revenues, and declining cash balance, additional operating funds will be necessary at some point during this five-year forecast period.

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



*\*Projected % trends include renewal levies*

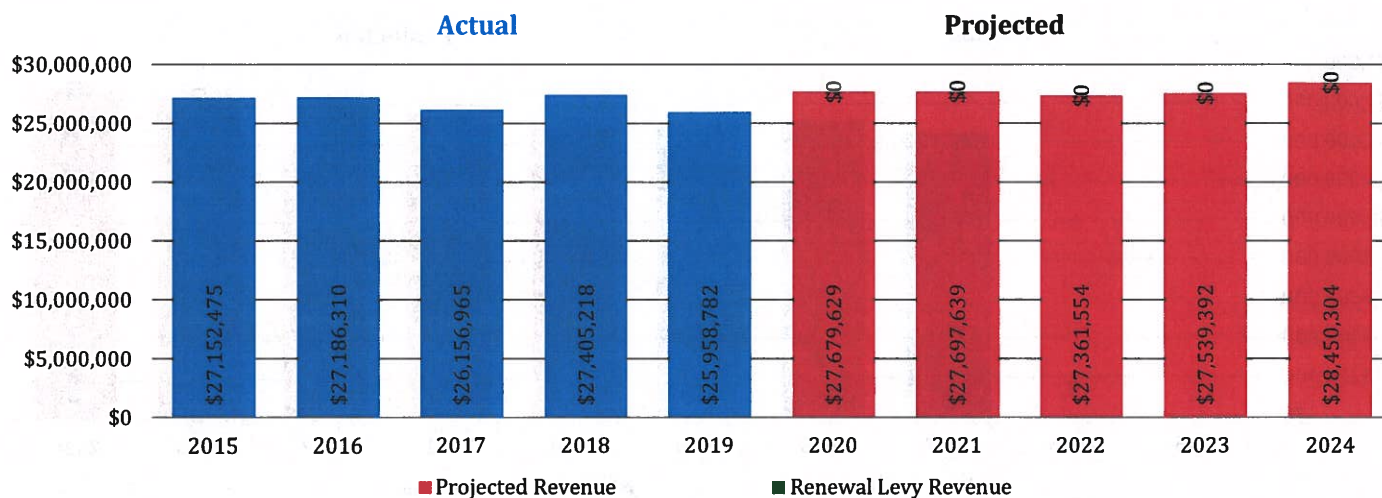
	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
<b>Revenue:</b>							
1.010-Real Estate	-0.53%	6.63%	0.07%	-1.21%	0.65%	3.31%	1.89%
1.020-Public Utility	2.38%	-2.70%	5.54%	2.49%	2.58%	2.29%	2.04%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	1.38%	-3.65%	-9.89%	0.03%	0.03%	11.76%	-0.34%
1.040-Restricted Aid	2280.59%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.045-Restr Federal SF SF	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-1.18%	0.72%	1.37%	1.03%	2.73%	1.45%	1.46%
1.060-All Other Operating	14.26%	-7.84%	-11.20%	5.09%	0.00%	0.00%	-2.79%
<b>1.070-Total Revenue</b>	<b>0.89%</b>	<b>4.24%</b>	<b>-0.70%</b>	<b>-0.54%</b>	<b>0.87%</b>	<b>3.46%</b>	<b>1.47%</b>
<b>2.070-Total Other Sources</b>	<b>2738.19%</b>	<b>-0.90%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-0.18%</b>
<b>2.080-Total w/Other Srcs</b>	<b>0.79%</b>	<b>4.20%</b>	<b>-0.70%</b>	<b>-0.53%</b>	<b>0.87%</b>	<b>3.44%</b>	<b>1.45%</b>

Total revenues are expected to increase in FY20 from FY19 primarily due to prepaid 2018 property taxes paid in full to take advantage of federal tax deduction in 2017 prior to 2018 tax law changes no longer applicable after FY19. This adjusts in FY21 and out years as tax payments return to normal patterns. Property valuation growth from new construction provides revenue growth for the District, but these estimated increases are reduced in this forecast due to the coronavirus pandemic. Tax collection rates are reduced by 2% annually in 2021 and 2022, before increasing by 2% annually in 2023 and 2024 back to current levels. Reappraisal growth from County valuations are also reduced for the same years. The 9.02 mill substitute levy, which eliminated two emergency operating levies totaling the same millage, passed by Revere voters in November 2019 is included for this forecast. State revenues are projected to reduce 10% from FY20 levels in FY21 to FY23, before returning to current "guaranteed" funding levels in FY24. This is due to reduced State revenues available during the pandemic economic shutdown. Declining interest rates and cash balances negatively impact interest earnings in future years of this forecast.

The Notes and Assumptions page for each revenue category provide more detailed considerations used in the development of this forecast.

### 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).



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	25,958,782	27,679,629	27,697,639	27,361,554	27,539,392	28,450,304
YOY \$ Change	(1,446,436)	1,720,847	18,010	(336,085)	177,838	910,912
YOY % Change	-5.3%	6.6%	0.1%	-1.2%	0.6%	3.3%

	2019	2020	2021	2022	2023	2024
Percentage of Total Revenue	73.4%	75.1%	75.7%	75.2%	75.0%	74.9%

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2018	1,009,677,720	21,496,110	29.71	(0.16)	34.00	(0.34)	100.9%
2019	1,043,150,200	33,472,480	29.54	(0.17)	33.60	(0.40)	99.6%
2020	1,069,292,588	26,142,388	29.09	(0.46)	33.44	(0.16)	97.6%
2021	1,074,292,588	5,000,000	29.14	0.05	33.57	0.13	95.6%
2022	1,080,292,588	6,000,000	29.18	0.04	33.58	0.01	97.6%
2023	1,120,092,588	39,800,000	28.64	(0.54)	33.16	(0.42)	99.5%

General Property Tax (Real Estate) accounts for 75.13% of District revenues.

The 9.02 mill substitute levy, which eliminated two emergency operating levies totaling the same millage, passed by Revere voters in November 2019 is included for this forecast.

Revenues are projected to increase in FY20 due to prepaid 2018 property taxes in full to take advantage of federal tax deduction in 2017 prior to 2018 tax law changes no longer applicable after FY19. This adjusts in FY20 and out years as tax payments return to normal patterns.

Triennial update property valuation increase in tax year 2020 is estimated at 2% residential and 0% commercial for this forecast compared to 5% and 2% respectively in November 2019 forecast.

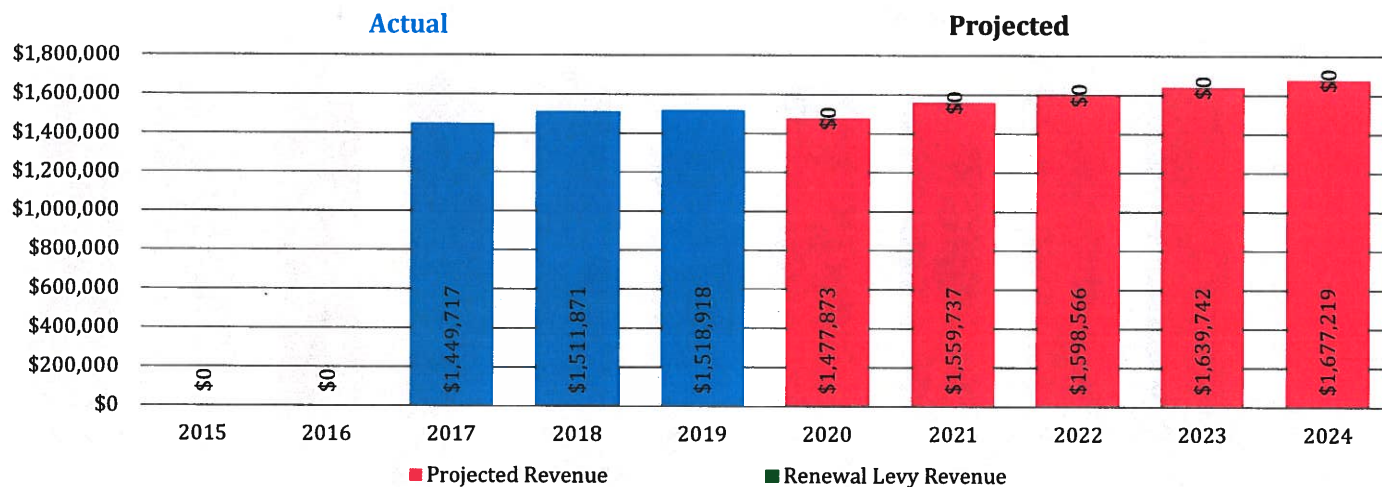
District collected approximately 100% of estimated tax revenues for tax years 2015 through 2019, and this collection rate is used for FY20. Due to the current coronavirus pandemic, tax collection rates are reduced by 2% annually in 2021 and 2022, before increasing by 2% annually in 2023 and 2024 back to current levels.

2018 new construction valuation of \$11.7 million residential and \$11.4 million commercial positively impacts revenues. Additional new construction valuation of \$16.7 million residential and \$15.0 million commercial in 2019 first yields new revenue in FY20 and FY21.

*\*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.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	1,518,918	1,477,873	1,559,737	1,598,566	1,639,742	1,677,219
YOY \$ Change	7,047	(41,045)	81,864	38,829	41,176	37,477
YOY % Change	0.5%	-2.7%	5.5%	2.5%	2.6%	2.3%

Percentage of Total Revenue	2019	2020	2021	2022	2023	2024
	4.3%	4.0%	4.3%	4.4%	4.5%	4.4%

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2018	25,721,820	(394,770)	58.55	(0.19)	106.4%
2019	26,421,820	700,000	58.38	(0.17)	100.0%
2020	27,121,820	700,000	58.22	(0.16)	100.0%
2021	27,821,820	700,000	58.24	0.02	100.0%
2022	28,521,820	700,000	58.25	0.01	100.0%
2023	29,221,820	700,000	58.00	(0.25)	100.0%

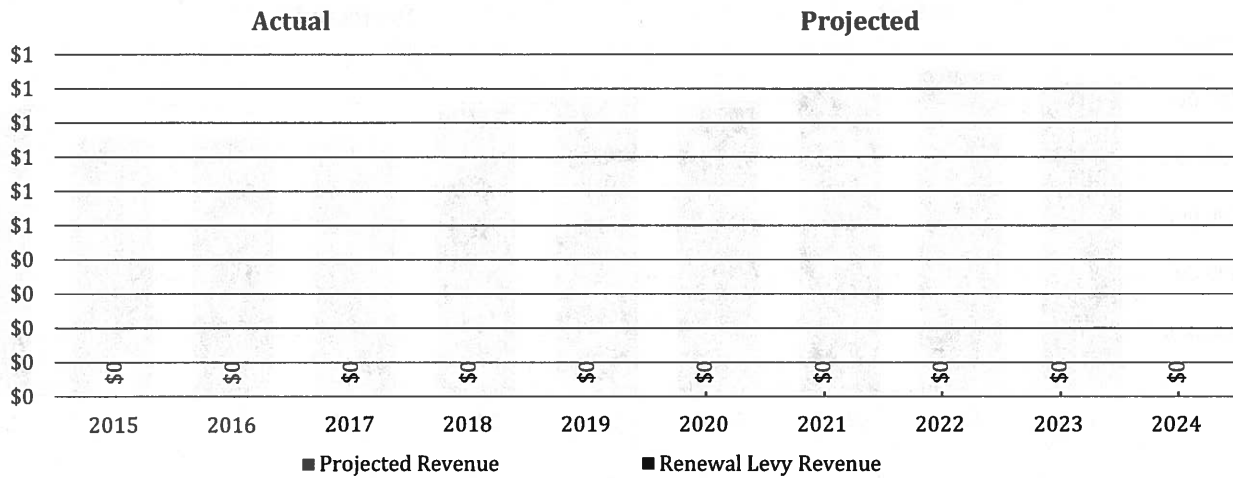
Public Utility Personal Property tax accounts for 4.01% of District revenues.

Revenues are projected to remain relatively flat for all forecast years.

\*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.



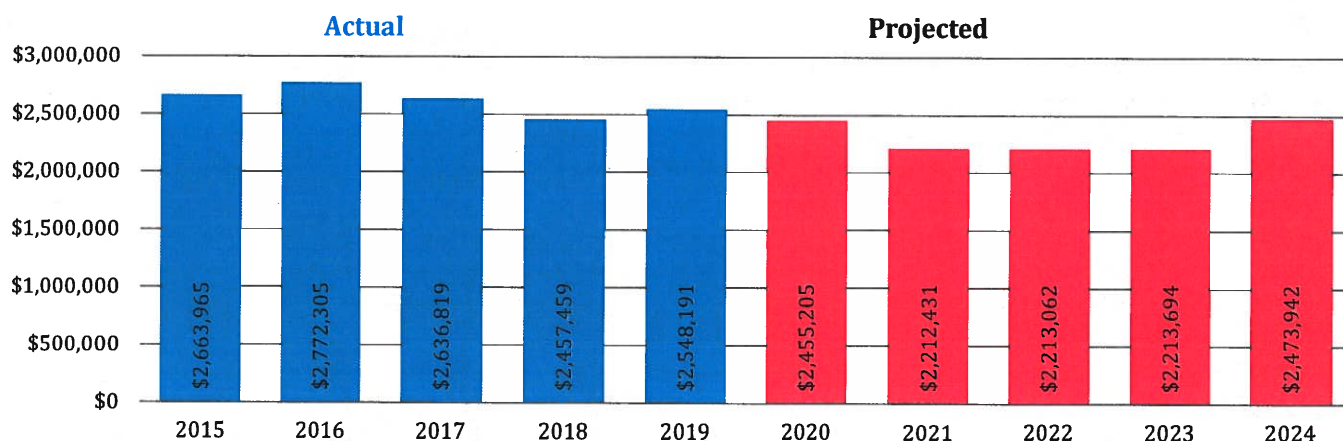
	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Revere Local Schools does not have an Income Tax.

*\*Projected % trends include renewal levies*

### 1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	2,548,191	2,455,205	2,212,431	2,213,062	2,213,694	2,473,942
YOY \$ Change	90,732	(92,986)	(242,774)	631	632	260,248
YOY % Change	3.7%	-3.6%	-9.9%	0.0%	0.0%	11.8%
Percentage of Total Revenue	7.2%	6.7%	6.0%	6.1%	6.0%	6.5%
Base Aid	2,171,779	2,171,779	2,171,779	2,171,779	2,171,779	2,171,779
Student Wellness Aid		81,205	117,683	118,289	118,894	119,500
Supplemental Aid - Wellness & Growing		33,187	49,780	49,780	49,780	49,780
Enrollment	2,634	2,641	2,655	2,668	2,682	2,696

Unrestricted Grants-in-Aid accounts for 6.66% of District revenues.

Revenues are projected to reduce 10% from FY20 levels in FY21 to FY23, before returning to current "guaranteed" funding levels in FY24. This is due to reduced State revenues available during the pandemic economic shutdown. FY21 is the second year of the current State biennial budget, and FY22 and FY23 represent the next State biennial budget cycle.

Increase in FY19 over FY18 is due to receipt of preschool special education funding for FY18 caused by EMIS coding issue corrected with ODE in next fiscal year.

Student Wellness & Success funding first received in the State biennial budget for FY20/21 is not included in this forecast as it is recorded in fund 467.

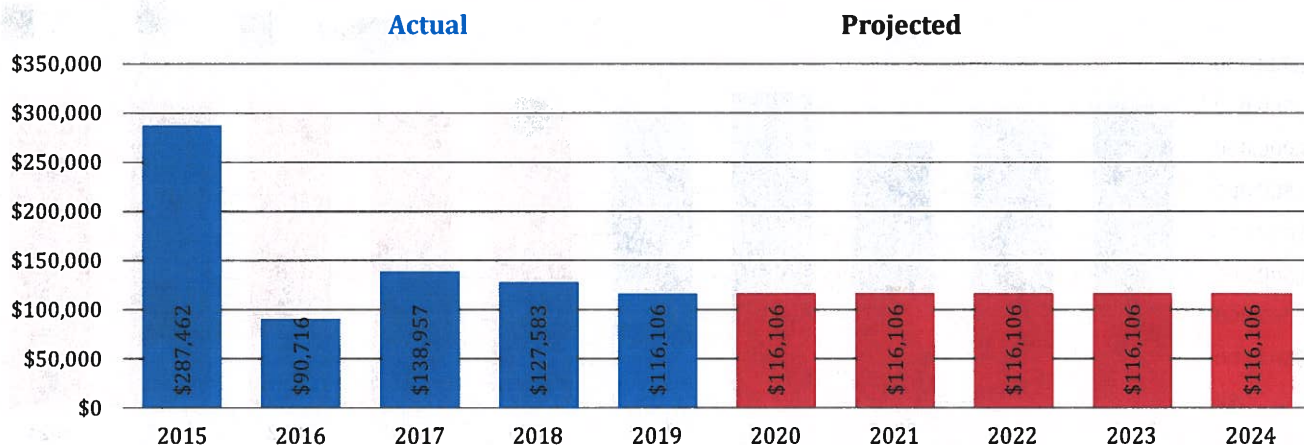
District received final installment (\$43,000) of tangible personal property tax supplement funding from State in FY18.

Casino revenues of \$140,000 are included in this category.



### 1.040 & 1.045 - Restricted Grants-in-Aid

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



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	116,106	116,106	116,106	116,106	116,106	116,106
YOY \$ Change	(11,477)	-	-	-	-	-
YOY % Change	-9.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

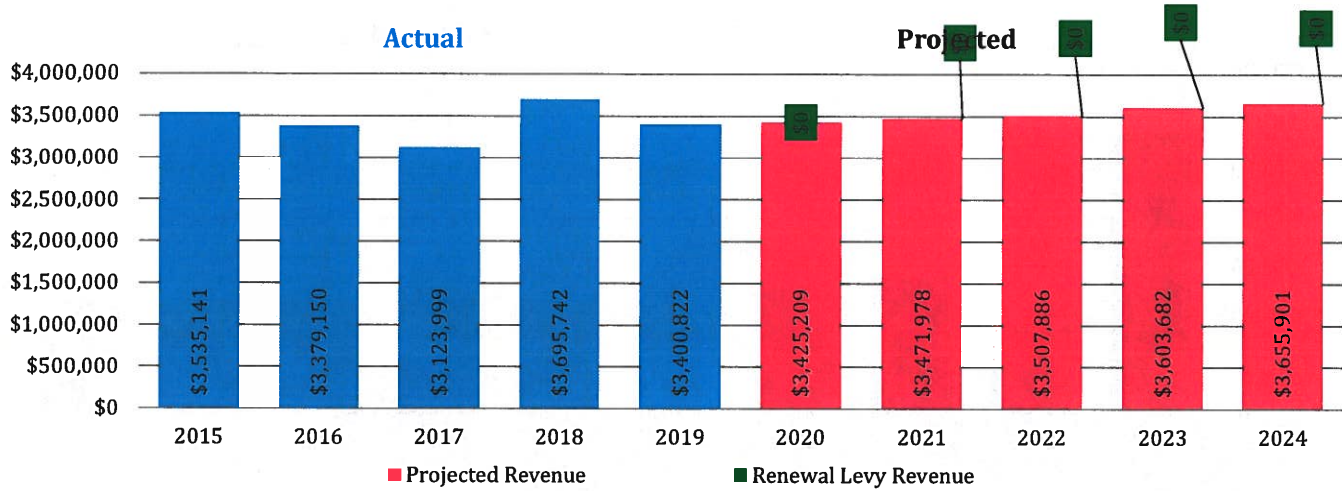
Restricted Grants-in-Aid accounts for .32% of District revenues.

Revenues are projected to remain for all forecast years as the District has been on the State guarantee funding allowance for numerous years.

Catastrophic cost special education funding reimbursement from State for high cost special education students accounts for nearly all of this revenue source.

### 1.050 - Property Tax Allocation

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



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total With Renewal Levies	3,400,822	3,425,209	3,471,978	3,507,886	3,603,682	3,655,901
YOY \$ Change	(294,920)	24,387	46,769	35,908	95,796	52,219
YOY % Change	-8.0%	0.7%	1.4%	1.0%	2.7%	1.4%
Percentage of Total Revenue	9.6%	9.3%	9.5%	9.6%	9.8%	9.6%
% of Residential Real Estate 10% Rollback	10.21%	10.21%	10.21%	10.21%	10.21%	10.21%
% of Residential Real Estate 2.5% Rollback	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%
% of Residential Real Estate Homestead	1.38%	1.38%	1.38%	1.38%	1.38%	1.38%

Property Tax Allocation accounts for 9.30% of District revenues.

This revenue source comes from homestead and rollback payments paid by the State on behalf of residential property tax owners. Residential, owner-occupied properties receive a 12.5% property tax reduction on existing tax levies, and residential, non-owner-occupied properties receive a 10.0% property tax reduction on existing tax levies, both of which are considered "rollback." The homestead payments made by the State help offset taxes for certain residential, owner-occupied properties wherein the owner meets certain age and income requirements. The substitute levy passed by Revere voters in November 2019 retains these payments from the State in same manner as the two emergency operating levies which were eliminated with passage of the substitute levy.

Revenues increased slightly in FY18 due to inside millage growth from tax reappraisals and triennial updates, as indicated in the notes for 1.010 General Property Tax (Real Estate).

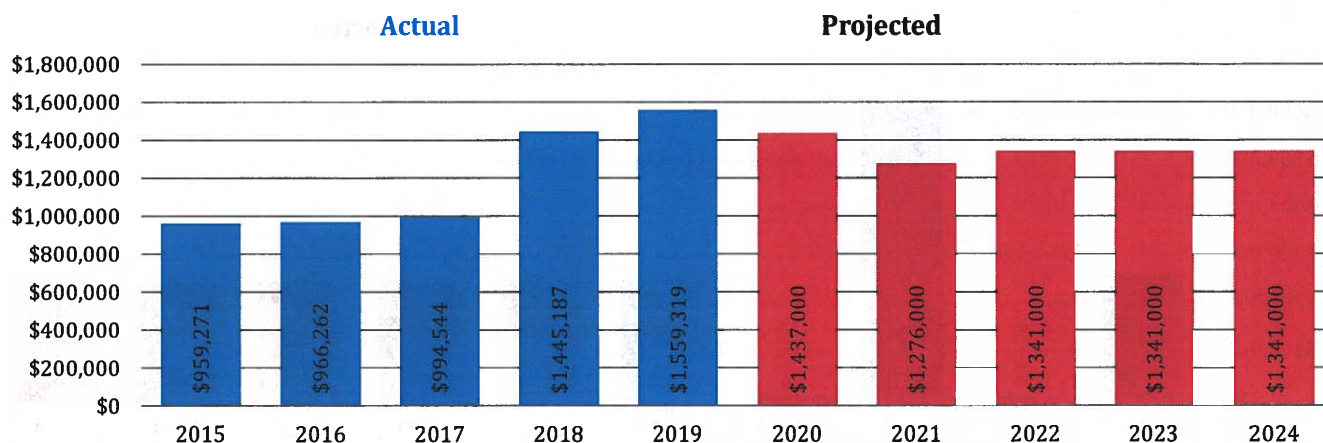
Revenues also increased in FY18 from FY17 due to prepaid 2018 property taxes in full to take advantage of federal tax deduction in 2017 prior to 2018 tax law changes, as the State pays the 12.5% or 10% homestead and rollback payments on any 2018 property taxes paid in 2017 to take advantage of this deduction before the 2018 federal tax law changes. This adjusts in FY19 and out years as tax payments return to normal patterns.

FY18 also shows an increase due to correction of a \$305,000 receipt posting error to the bond retirement and permanent improvement funds that was due to the general funds. This will not reoccur.

*\*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.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	1,559,319	1,437,000	1,276,000	1,341,000	1,341,000	1,341,000
YOY \$ Change	114,132	(122,319)	(161,000)	65,000	-	-
YOY % Change	7.9%	-7.8%	-11.2%	5.1%	0.0%	0.0%
Percentage of Total Revenue	4.4%	3.9%	3.5%	3.7%	3.7%	3.5%

All Other Operating Revenues accounts for 3.90% of District revenues.

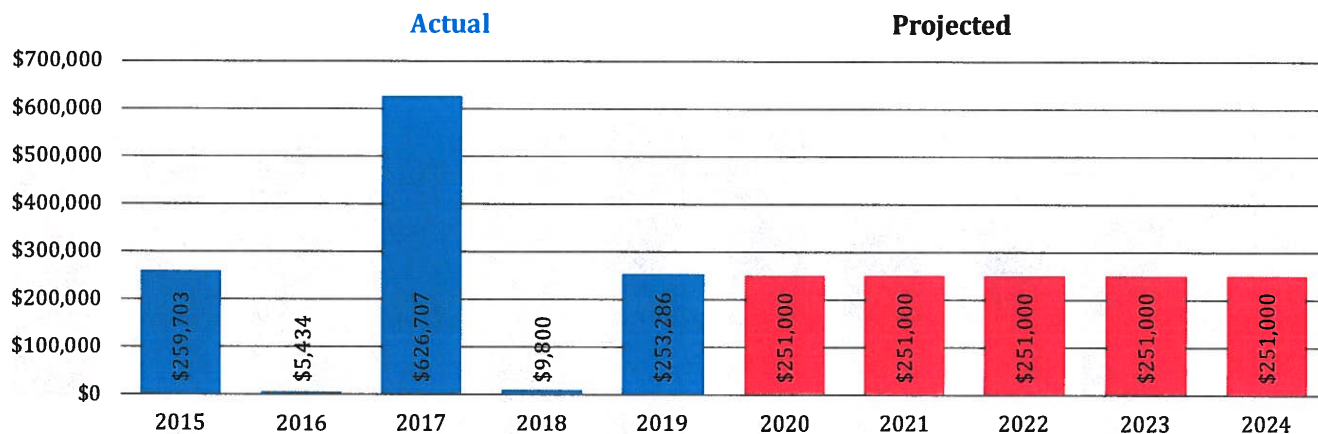
This category is comprised of tuition, student fees, investment earnings, mobile home taxes, and payments in lieu of taxes for Village of Richfield development agreements. The Village has held the District harmless from revenue losses related to these development agreements.

A reduction in tuition receipts is included for FY20 due to two months of school closure for pre-K and extended day K programs due to coronavirus pandemic.

The increase in forecast years above FY17 is primarily due to increased investment earnings, with slight declines projected beginning FY20 due to declining interest rates and investable balance. Current interest rates are less than half the rate from one year ago, thus a reduction in in this revenue item for FY20 and FY21.

## 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.

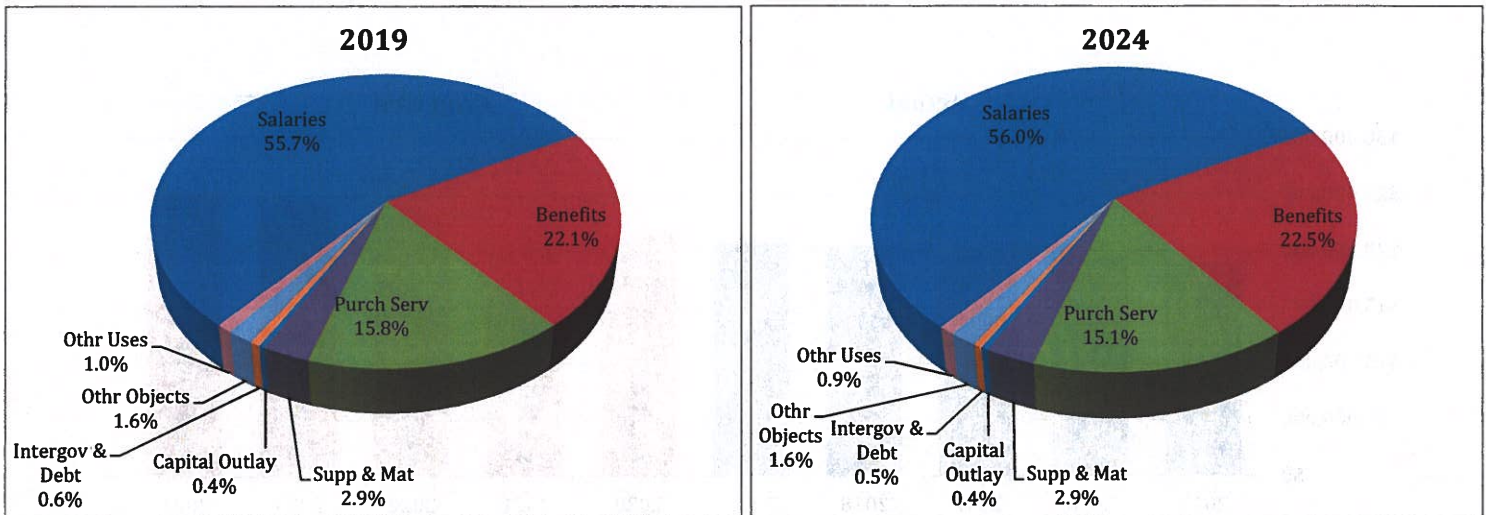


	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	253,286	251,000	251,000	251,000	251,000	251,000
YOY \$ Change	243,486	(2,286)	-	-	-	-
YOY % Change	2484.6%	-0.9%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Transfers In	-	-	-	-	-	-
Advances In	250,000	250,000	250,000	250,000	250,000	250,000

Total Other Financing Sources accounts for 0.68% of District revenues.

This revenue source primarily accounts for the return of advances to other funds of the District. These revenues are simply a return of temporary "loans" for cash flow purposes to these other funds, thus there is an offsetting expense in the prior or current fiscal year, resulting in no gain or loss to the District.

### Expenditure Categories and Forecast Year-Over-Year Projected Overview

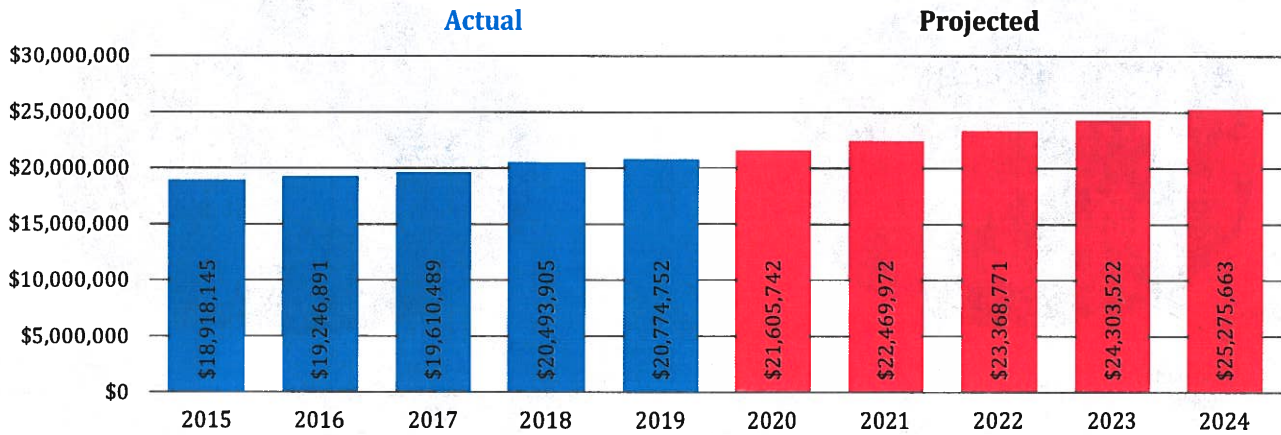


	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
<b>Expenditures:</b>							
3.010-Salaries	2.01%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
3.020-Benefits	5.36%	0.01%	5.47%	5.43%	5.44%	5.45%	4.36%
3.030-Purchased Services	8.56%	-0.14%	6.92%	2.47%	2.69%	2.70%	2.93%
3.040-Supplies & Materials	-0.05%	14.81%	2.00%	2.00%	2.00%	2.00%	4.56%
3.050-Capital Outlay	-1.82%	31.03%	2.00%	2.00%	2.00%	2.00%	7.81%
3.060-Intergov	n/a	-100.00%	n/a	n/a	n/a	n/a	-100.00%
4.010-4.060-Debt	80.54%	0.32%	0.00%	0.00%	0.00%	0.00%	0.06%
4.300-Other Objects	-5.99%	11.01%	2.00%	2.00%	2.00%	2.00%	3.80%
4.500-Total Expenditures	3.18%	2.95%	4.64%	3.94%	3.99%	4.00%	3.90%
5.040-Total Other Uses	16.44%	2.24%	29.08%	-11.58%	0.00%	0.00%	3.95%
5.050-Total w/Other Uses	3.11%	2.94%	4.87%	3.76%	3.95%	3.96%	3.90%

Total expenditures are expected to increase in FY20 from FY19 primarily due to increased staffing costs related to salary increases and new positions added (three kindergarten teachers, assistant elementary principal, Bath Elementary School STEM teacher, additional days for Bath guidance counselor, full-time second administrative assistant at Bath, and additional days for high school administrative assistant). Special education services and out-of-district placement costs continue to increase in Purchased Services. The Notes and Assumptions page for each expenditure category provide more detailed considerations used in the development of this forecast.

### 3.010 - Personnel Services

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



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	20,774,752	21,605,742	22,469,972	23,368,771	24,303,522	25,275,663
YOY \$ Change	280,847	830,990	864,230	898,799	934,751	972,141
YOY % Change	1.4%	4.0%	4.0%	4.0%	4.0%	4.0%
Percentage of Total Budget	55.7%	56.3%	55.8%	56.0%	56.0%	56.0%

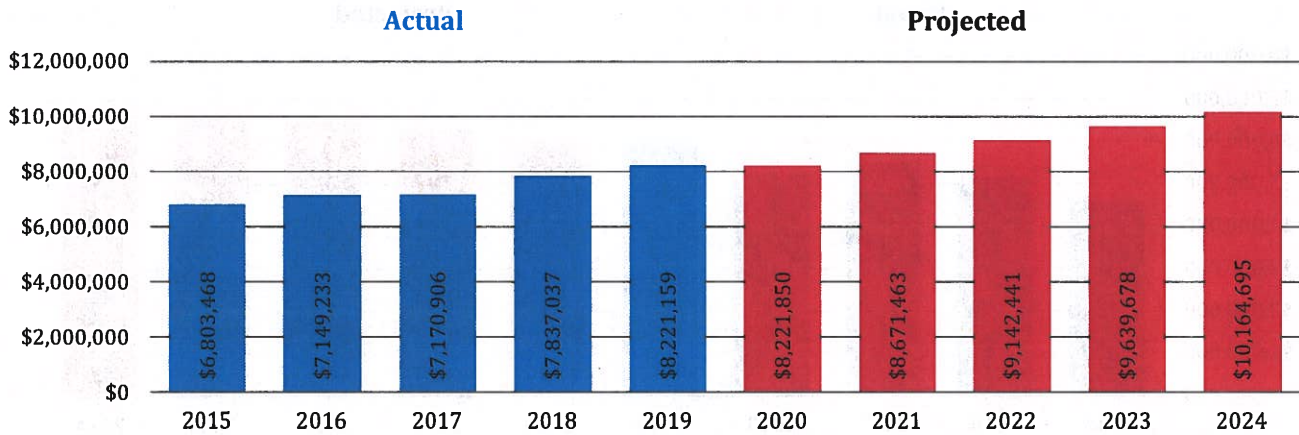
Personnel Services accounts for 56.30% of District expenditures.

2019/2020 school year staffing counts as of May 2020 are used as the basis for this forecast. All provisions of current negotiated agreements are included. Base and step/education increases of 2% and 2% respectively are included for FY20 and out years. Additional staff are not included for FY21 and out years of this forecast.

New positions added for FY20 include three kindergarten teachers, assistant elementary principal, Bath Elementary School STEM teacher, additional days for Bath guidance counselor, full-time second administrative assistant at Bath, and additional days for high school administrative assistant. Some of these costs offset by attrition savings from replacement of other retiring/resigning staff. New positions added for FY21 assumed to be offset by other staffing changes/replacements per plan discussed with Board in March 2020.

### 3.020 - Employees' Benefits

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



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	8,221,159	8,221,850	8,671,463	9,142,441	9,639,678	10,164,695
YOY \$ Change	384,122	691	449,613	470,978	497,237	525,017
YOY % Change	4.9%	0.0%	5.5%	5.4%	5.4%	5.4%
Percentage of Total Budget	22.1%	21.4%	21.5%	21.9%	22.2%	22.5%

Employees' Benefits accounts for 21.42% of District expenditures.

Insurance counts and premiums for May 2020 are used for the base cost calculations, as well as the 2017.2018 salaries which drive the retirement/medicare/workers' compensation costs (estimated 16.7% of total salaries).

Medical and prescription insurance premiums decreased 2.00% for FY20. Vision and dental insurance premiums remain unchanged.

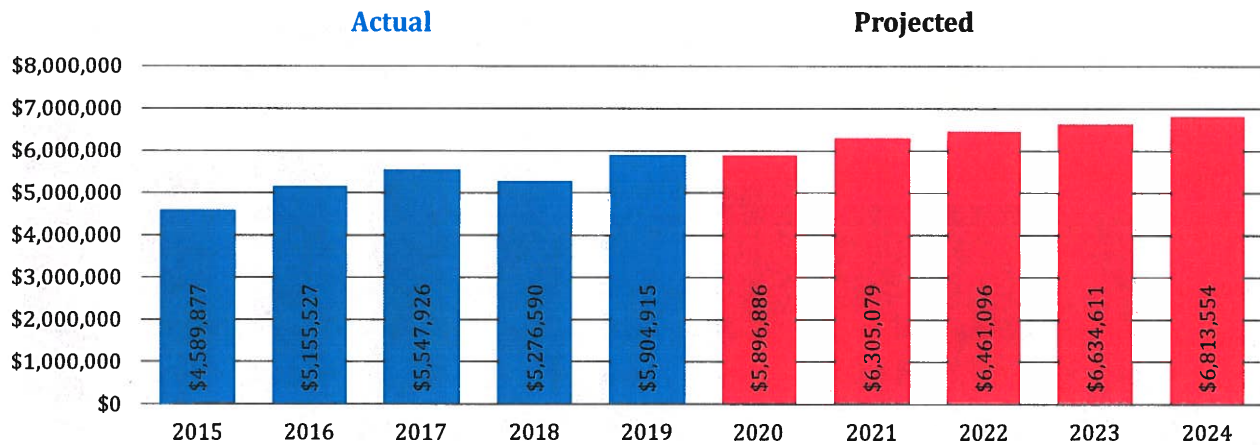
Administration, exempt support, and REA-represented employees will incur 1% annual employee share premium increases beginning FY20 for three years. OAPSE-represented employees will incur 1% annual employee share premium increases beginning FY20 for two years.

Medical and prescription insurance premiums will increase 7.02%, and dental premiums will increase 2.1%, effective July 1, 2020. Vision premiums anticipated to remain same in FY21. Insurance premium increases of 6% blended rate are included for FY22 and out years. Medical and prescription insurance premiums increased 6.85% for FY19. Vision insurance premiums increased 9.2% for FY19. Dental insurance premiums were unchanged for FY19. Premiums increased 9.2% for FY18 for medical/prescription insurance, and 0% for dental, vision and life insurances.

All provisions of current negotiated agreements are included.

### 3.030 - Purchased Services

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



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	5,904,915	5,896,886	6,305,079	6,461,096	6,634,611	6,813,554
YOY \$ Change	628,325	(8,029)	408,193	156,017	173,515	178,943
YOY % Change	11.9%	-0.1%	6.9%	2.5%	2.7%	2.7%
Percentage of Total Budget	15.8%	15.4%	15.7%	15.5%	15.3%	15.1%

Purchased Services accounts for 15.37% of District expenditures. Utilities, special education services, staffing services procured from Educational Service Center of Cuyahoga County, building maintenance and repairs, property and fleet insurance, copier leases/costs, technology services and repairs, legal and other professional services, and staff professional development comprise the majority of these expenditures.

FY20 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 95% of authorized budgets being expended based upon historical review of budgets being utilized in prior fiscal years.

HVAC ten-year lease purchase agreement (\$1.4 million) for high school construction approved by Board in February 2020 and executed in March 2020 with Huntington Bank increases expenditures by \$161,000 annually for FY21 to FY30.

Special education related services and out-of-district tuition costs (\$130,000 budget increase in FY21) and special education out-of-district transportation (\$75,000 budget increase in FY21) continue to increase. Compensatory services due to coronavirus pandemic included in cost increase in this category for FY21.

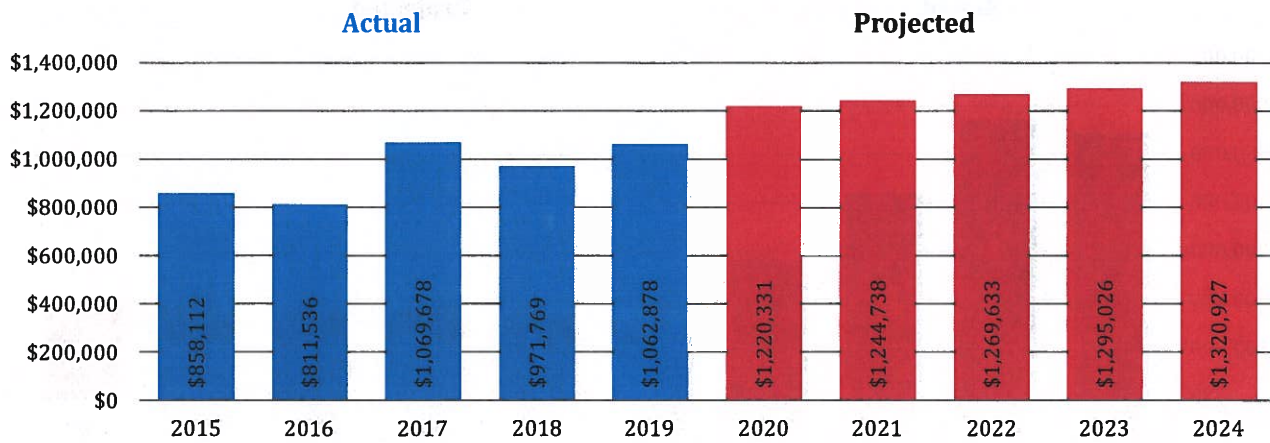
Utility costs projected to increase in FY21, but this possibility will be better known once current high school and bus garage are demolished and only the new buildings are in operation.

2% inflationary growth is generally applied to all purchased services items for FY21 and out years of this forecast.



### 3.040 - Supplies & Materials

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



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	1,062,878	1,220,331	1,244,738	1,269,633	1,295,026	1,320,927
YOY \$ Change	91,109	157,453	24,407	24,895	25,393	25,901
YOY % Change	9.4%	14.8%	2.0%	2.0%	2.0%	2.0%
Percentage of Total Budget	2.9%	3.2%	3.1%	3.0%	3.0%	2.9%

Supplies & Materials accounts for 3.18% of District expenditures.

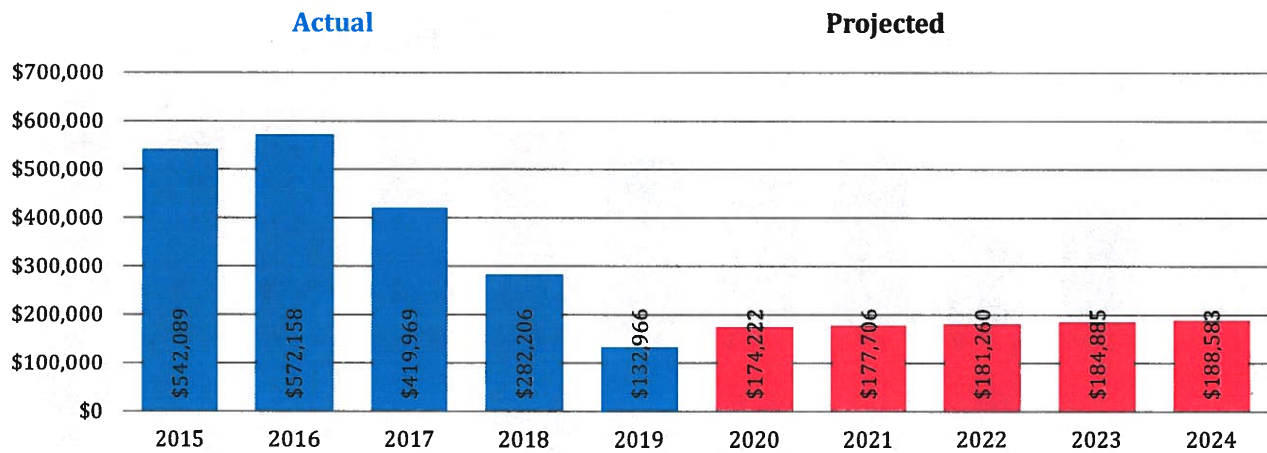
Textbooks, custodial and maintenance supplies, software, technology supplies, and paper and other building/office supplies comprise the majority of these expenditures.

FY20 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 96% of authorized budgets being expended based upon historical review of budgets being utilized in prior fiscal years.

2% inflationary growth is generally applied to all supplies and materials items for FY21 and out years of this forecast.

### 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.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	132,966	174,222	177,706	181,260	184,885	188,583
YOY \$ Change	(149,240)	41,256	3,484	3,554	3,625	3,698
YOY % Change	-52.9%	31.0%	2.0%	2.0%	2.0%	2.0%
Percentage of Total Budget	0.4%	0.5%	0.4%	0.4%	0.4%	0.4%

Capital Outlay accounts for 0.45 of District expenditures.

Equipment for technology and other instructional uses, custodial/maintenance, security, and transportation comprises the majority of these expenditures.

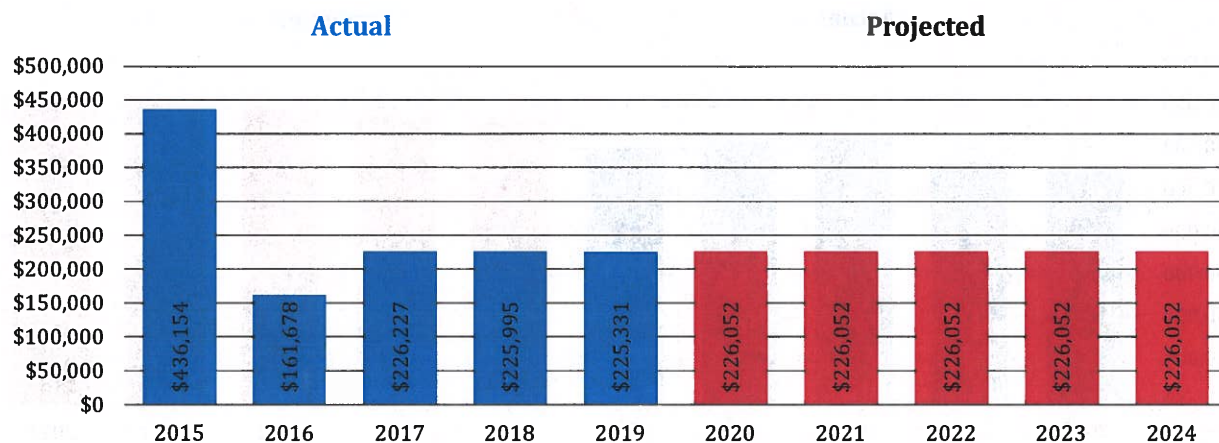
FY20 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 75% of authorized budgets being expended based upon historical review of budgets being utilized in prior fiscal years.

\$60,000 included in FY21 for replacement plow truck.

2% inflationary growth is generally applied to all capital outlay items for FY21 and out years of this forecast.

### 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.



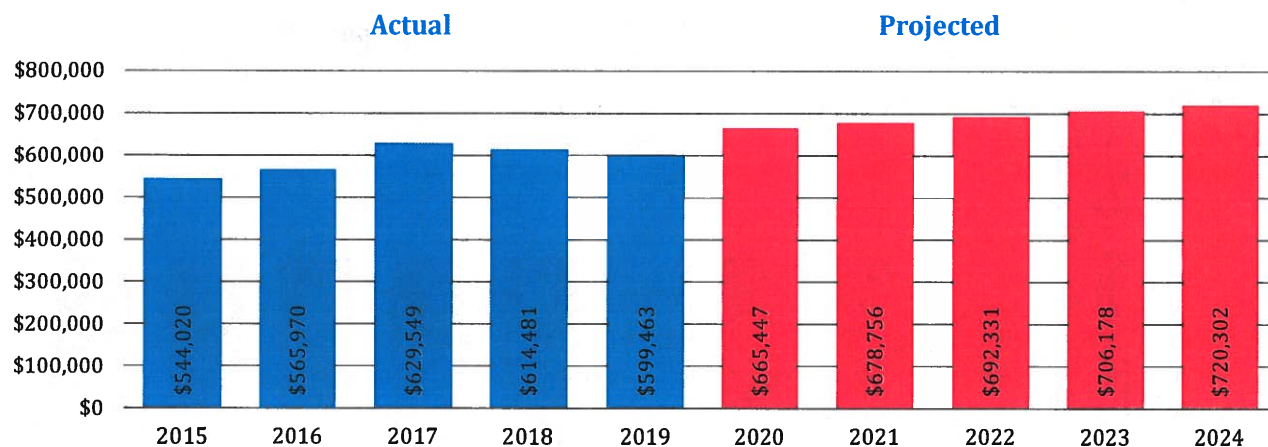
	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	225,331	226,052	226,052	226,052	226,052	226,052
YOY \$ Change	(664)	721	-	-	-	-
YOY % Change	-0.3%	0.3%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%

Intergovernmental & Debt accounts for .59% of District expenditures.

The District completed a House Bill 264 energy conservation project in various buildings, and the debt repayment from operational savings from reduced energy consumption occurs in this category. The District is obligated for a \$215,000 annual principal payment, and estimated annual interest of \$15,000, until December 1, 2026 (FY27). Payments for FY27 and FY26 will be eliminated and/or reduced due to investment of these annual principal funds in a "sinking fund" for debt retirement for the 15-year time period.

### 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.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	599,463	665,447	678,756	692,331	706,178	720,302
YOY \$ Change	(15,018)	65,984	13,309	13,575	13,847	14,124
YOY % Change	-2.4%	11.0%	2.0%	2.0%	2.0%	2.0%
Percentage of Total Budget	1.6%	1.7%	1.7%	1.7%	1.6%	1.6%

Other Objects accounts for 1.73% of District expenditures.

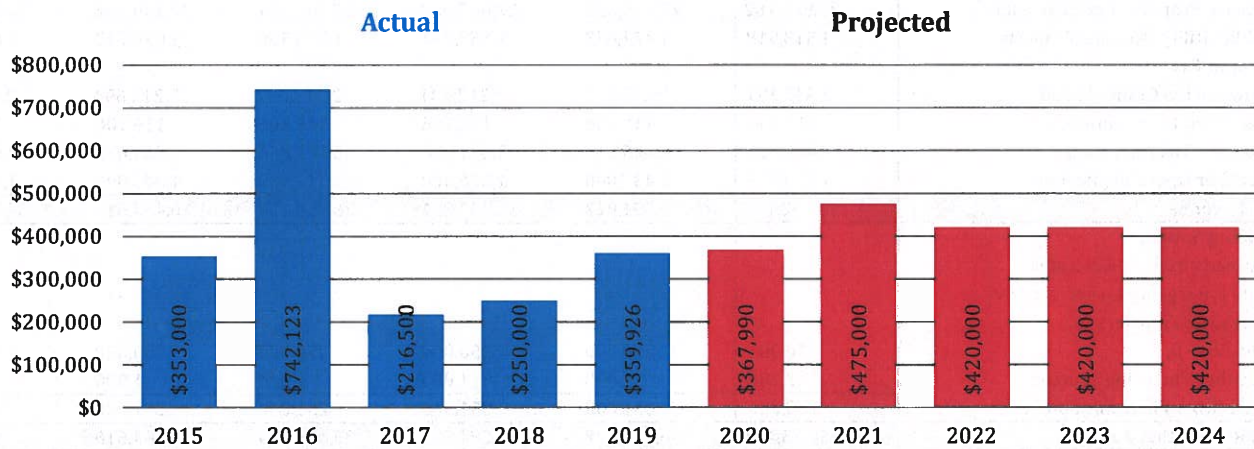
FY20 appropriations approved by the Board of Education are used as the basis for this forecast, with application of 90% of authorized budgets being expended based upon historical review of budgets being utilized in prior fiscal years.

Tax collection fees charged by Summit County, liability insurance, and memberships comprise the majority of these expenditures. As tax collections continue to increase due to valuation growth from new construction, these fees will increase.

2% inflationary growth is generally applied to all other objects items for FY21 and out years of this forecast.

### 5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	359,926	367,990	475,000	420,000	420,000	420,000
YOY \$ Change	109,926	8,064	107,010	(55,000)	-	-
YOY % Change	44.0%	2.2%	29.1%	-11.6%	0.0%	0.0%
<b>Percentage of Total Budget</b>	<b>1.0%</b>	<b>1.0%</b>	<b>1.2%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.9%</b>
Transfers Out	109,926	117,990	225,000	170,000	170,000	170,000
Advances Out	250,000	250,000	250,000	250,000	250,000	250,000

Total Other Financing Uses accounts for 0.9% of District expenditures.

Advances and transfers to food services and athletics are recorded in this category. Advances are simply a temporary "loan" for cash flow purposes to these other funds, thus there is offsetting revenue in the current or subsequent fiscal year, resulting in no gain or loss to the District. Advances of \$150,000 to food services and \$100,000 to athletics are included for all forecast years. Transfers are permanent allocations of resources to the receiving funds, used to help offset operating costs. Transfers will be made in the next fiscal year to only provide funding for the actual operating deficit from the prior fiscal year. Estimates for annual transfers to food services and athletics are \$125,000 and \$45,000 for FY22 to FY24 to include the fitness training program for Revere student-athletes. This amount is \$100,000 in FY21 for athletics.

## Revere Local Schools

### Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2019	2020	2021	2022	2023	2024
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	25,958,782	27,679,629	27,697,639	27,361,554	27,539,392	28,450,304
1.020 - Public Utility Personal Property	1,518,918	1,477,873	1,559,737	1,598,566	1,639,742	1,677,219
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	2,548,191	2,455,205	2,212,431	2,213,062	2,213,694	2,473,942
1.040 - Restricted Grants-in-Aid	116,106	116,106	116,106	116,106	116,106	116,106
1.050 - Property Tax Allocation	3,400,822	3,425,209	3,471,978	3,507,886	3,603,682	3,655,901
1.060 - All Other Operating Revenues	1,559,319	1,437,000	1,276,000	1,341,000	1,341,000	1,341,000
<b>1.070 - Total Revenue</b>	<b>35,102,138</b>	<b>36,591,022</b>	<b>36,333,891</b>	<b>36,138,174</b>	<b>36,453,616</b>	<b>37,714,472</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	-	-	-	-	-	-
2.050 - Advances-In	250,000	250,000	250,000	250,000	250,000	250,000
2.060 - All Other Financing Sources	3,286	1,000	1,000	1,000	1,000	1,000
<b>2.070 - Total Other Financing Sources</b>	<b>253,286</b>	<b>251,000</b>	<b>251,000</b>	<b>251,000</b>	<b>251,000</b>	<b>251,000</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>35,355,424</b>	<b>36,842,022</b>	<b>36,584,891</b>	<b>36,389,174</b>	<b>36,704,616</b>	<b>37,965,472</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	20,774,752	21,605,742	22,469,972	23,368,771	24,303,522	25,275,663
3.020 - Employee Benefits	8,221,159	8,221,850	8,671,463	9,142,441	9,639,678	10,164,695
3.030 - Purchased Services	5,904,915	5,896,886	6,305,079	6,461,096	6,634,611	6,813,554
3.040 - Supplies and Materials	1,062,878	1,220,331	1,244,738	1,269,633	1,295,026	1,320,927
3.050 - Capital Outlay	132,966	174,222	177,706	181,260	184,885	188,583
Intergovernmental & Debt Service	225,331	226,052	226,052	226,052	226,052	226,052
4.300 - Other Objects	599,463	665,447	678,756	692,331	706,178	720,302
<b>4.500 - Total Expenditures</b>	<b>36,921,464</b>	<b>38,010,530</b>	<b>39,773,766</b>	<b>41,341,584</b>	<b>42,989,952</b>	<b>44,709,776</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	109,926	117,990	225,000	170,000	170,000	170,000
5.020 - Advances-Out	250,000	250,000	250,000	250,000	250,000	250,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>359,926</b>	<b>367,990</b>	<b>475,000</b>	<b>420,000</b>	<b>420,000</b>	<b>420,000</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>37,281,390</b>	<b>38,378,520</b>	<b>40,248,766</b>	<b>41,761,584</b>	<b>43,409,952</b>	<b>45,129,776</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>(1,925,966)</b>	<b>(1,536,498)</b>	<b>(3,663,875)</b>	<b>(5,372,410)</b>	<b>(6,705,336)</b>	<b>(7,164,304)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>21,292,415</b>	<b>19,366,449</b>	<b>17,829,951</b>	<b>14,166,076</b>	<b>8,793,666</b>	<b>2,088,330</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>19,366,449</b>	<b>17,829,951</b>	<b>14,166,076</b>	<b>8,793,666</b>	<b>2,088,330</b>	<b>(5,075,973)</b>
		<b>Reservations</b>				
8.010 - Estimated Encumbrances June 30	229,794	475,000	475,000	475,000	475,000	475,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>19,136,655</b>	<b>17,354,951</b>	<b>13,691,076</b>	<b>8,318,666</b>	<b>1,613,330</b>	<b>(5,550,973)</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>19,136,655</b>	<b>17,354,951</b>	<b>13,691,076</b>	<b>8,318,666</b>	<b>1,613,330</b>	<b>(5,550,973)</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>19,136,655</b>	<b>17,354,951</b>	<b>13,691,076</b>	<b>8,318,666</b>	<b>1,613,330</b>	<b>(5,550,973)</b>