

Winton Woods City School District

Five Year Forecast Financial Report

November, 2023

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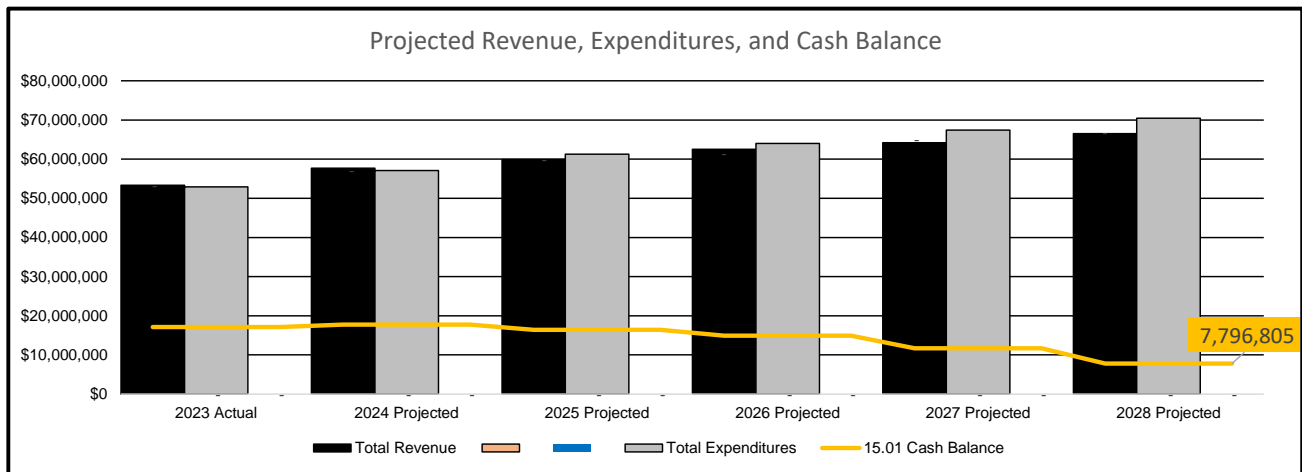
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Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.



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

Financial Forecast	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	17,131,696	17,745,132	16,415,201	14,947,927	11,729,401
+ Revenue	57,708,101	59,924,754	62,528,938	64,200,638	66,502,720
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(57,094,665)	(61,254,685)	(63,996,213)	(67,419,164)	(70,435,316)
= Revenue Surplus or Deficit	613,436	(1,329,931)	(1,467,274)	(3,218,526)	(3,932,596)
Line 7.020 Ending Balance with renewal/new levies	17,745,132	16,415,201	14,947,927	11,729,401	7,796,805

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	613,436	(1,329,931)	(1,467,274)	(3,218,526)	(3,932,596)
Ending Balance w/o Levies	17,745,132	16,415,201	14,947,927	11,729,401	7,796,805

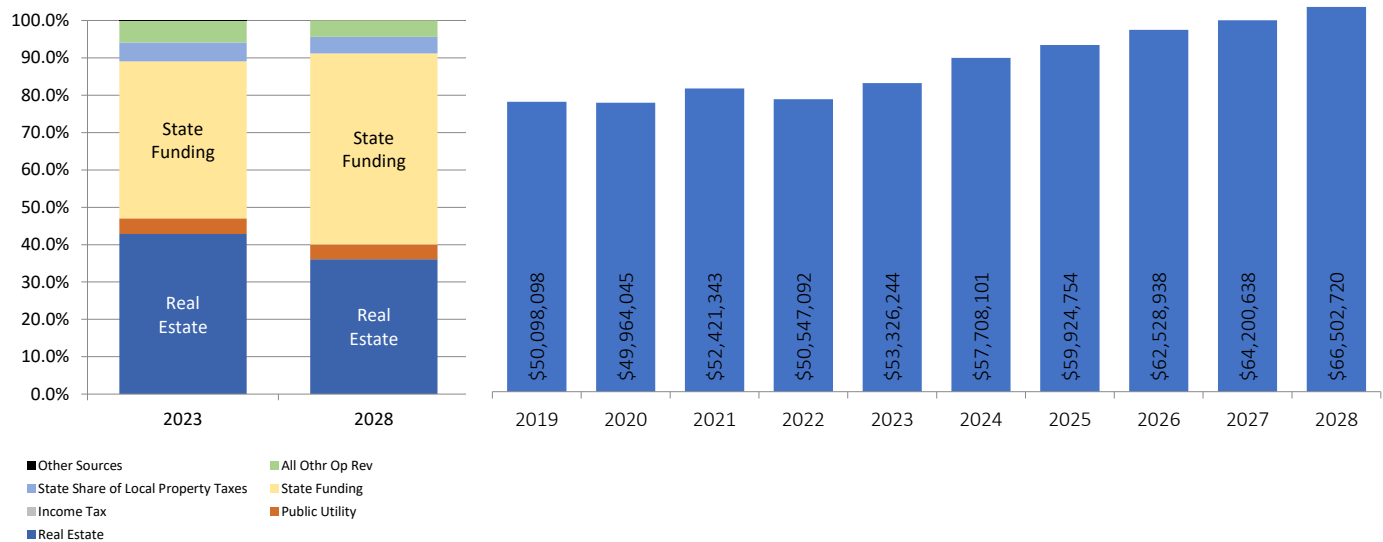
In FY 2024 a revenue surplus is expected. This means that expenditures are expected to be less than revenue by -\$613,436 in FY 2024. By the last year of the forecast, FY 2028, the district is expected to have a revenue shortfall where expenditures are projected to be greater than revenue by \$3,932,596. The district would need to cut its FY 2028 projected expenses by 5.58% in order to balance its budget without additional revenue.

The district's cash balance is positive at year-end in FY 2024 and is projected to worsen by FY 2028. A worsening cash balance can erode the district's financial stability over time.

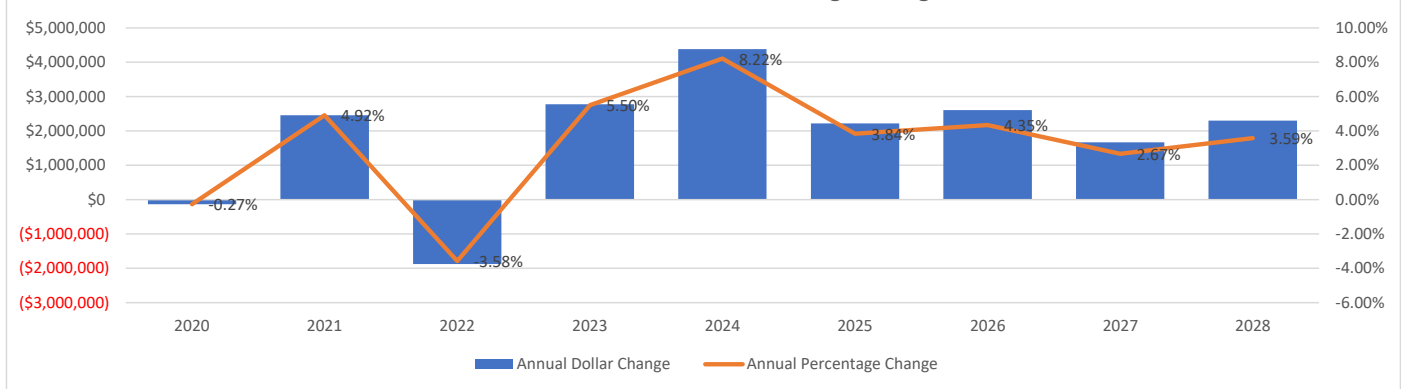
This forecast includes the Fair School Funding Plan (FSFP) adopted by Ohio starting in FY 2022. In addition to calculated results, this forecast includes a CFO adjusted trend calculation of the FSFP impact using current information. As information changes the estimates will be updated. The district is considered a formula district in FY 2023. A detailed state funding supplement to this forecast has been prepared and should be reviewed and considered part of the forecast assumptions.

Revenue Sources and Forecast Year-Over-Year Projected Overview

Sources of Revenue Over Time



Year-Over-Year Dollar & Percentage Change



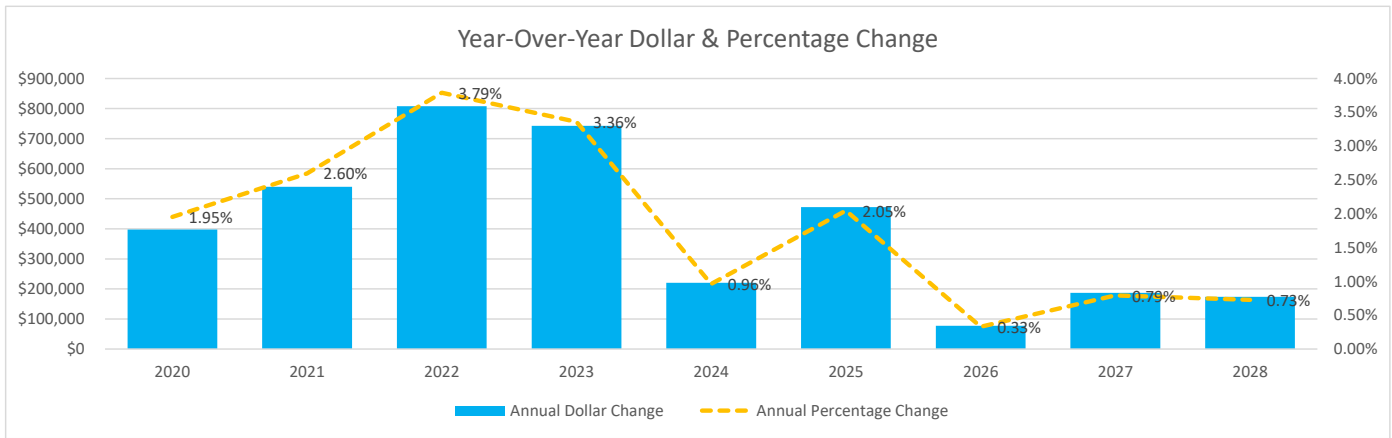
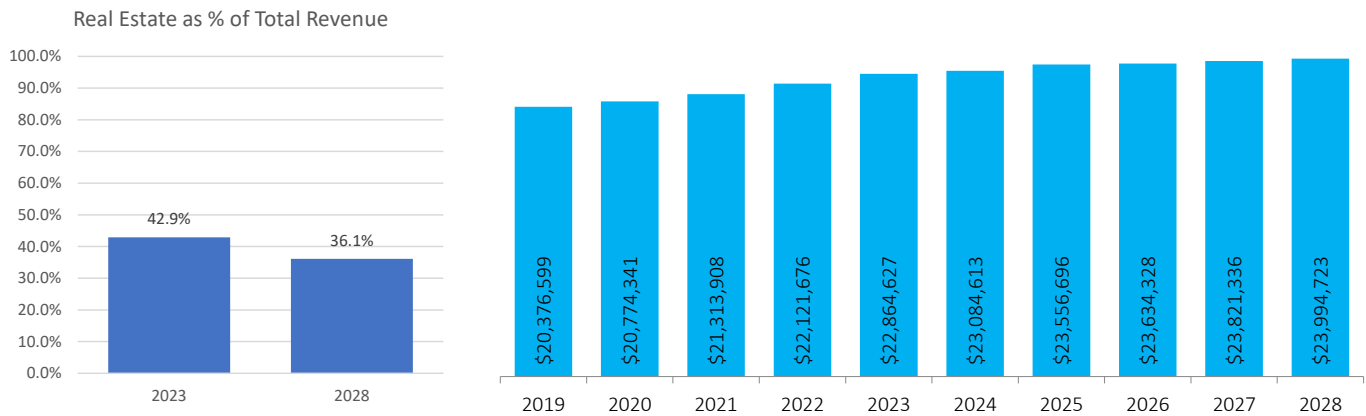
4-Year Historical Actual Average Annual Dollar Change Compared to 5-year Projected

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Total revenue increased 1.64% or \$807,037 annually during the past 4-Year period and is projected to increase 4.53% or \$2,635,295 annually through FY2028. State Funding has the most projected average annual variance compared to the historical average at \$1,834,677
Real Estate	622,007	226,019	(\$395,988)	
Public Utility	\$95,114	\$83,339	(\$11,775)	
Income Tax	\$0	\$0	\$0	
State Funding	\$490,529	2,325,206	\$1,834,677	
Prop Tax Alloc	(\$16,183)	\$46,445	\$62,628	
All Othr Op Rev	(\$383,467)	(\$45,400)	\$338,067	
Other Sources	(\$963)	(\$314)	\$648	
Total Average Annual Change	807,037	2,635,295	\$1,828,259	
	1.64%	4.53%	2.89%	

Note: Expenditure average annual change is projected to be > \$3,503,533 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	
2022	537,124,060	6,847,440	44.17	-	58.71	-	99.1%
2023	720,724,060	183,600,000	32.63	(11.54)	56.24	(2.47)	99.5%
2024	722,724,060	2,000,000	32.62	(0.01)	56.23	(0.01)	99.5%
2025	724,724,060	2,000,000	32.61	(0.01)	56.22	(0.01)	99.5%
2026	778,324,060	53,600,000	30.52	(2.10)	55.31	(0.91)	99.5%
2027	780,324,060	2,000,000	30.51	(0.01)	55.30	(0.01)	99.5%

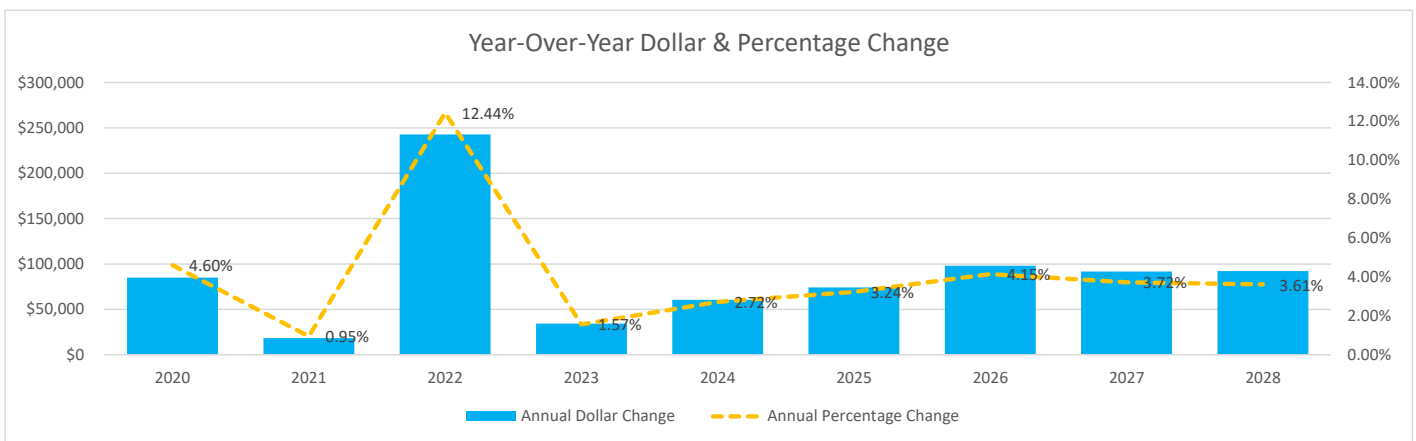
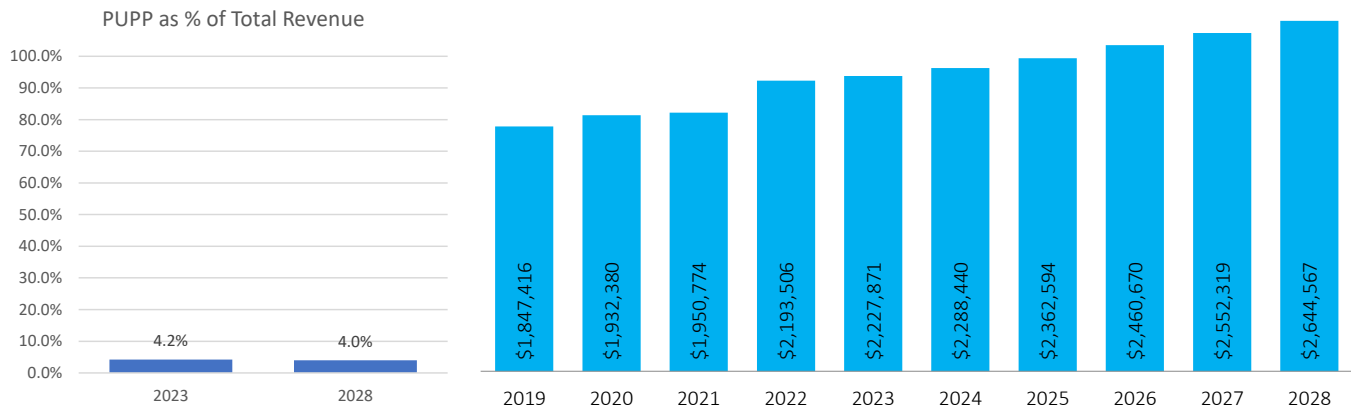
Real estate property tax revenue accounts for 42.88% of total revenue. Class I or residential/agricultural taxes make up approximately 67.89% of the real estate property tax revenue. The Class I tax rate is 32.63 mills in tax year 2023. The projections reflect an average gross collection rate of 99.5% annually through tax year 2027. The revenue changed at an average annual historical rate of 2.92% and is projected to change at an average annual rate of 0.97% through FY 2028.

The Hamilton County Auditor’s Office has increased residential values by an average of 46% for calendar year 2023. The revenues are reflective of this increase.

*Projected % trends include renewal levies

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



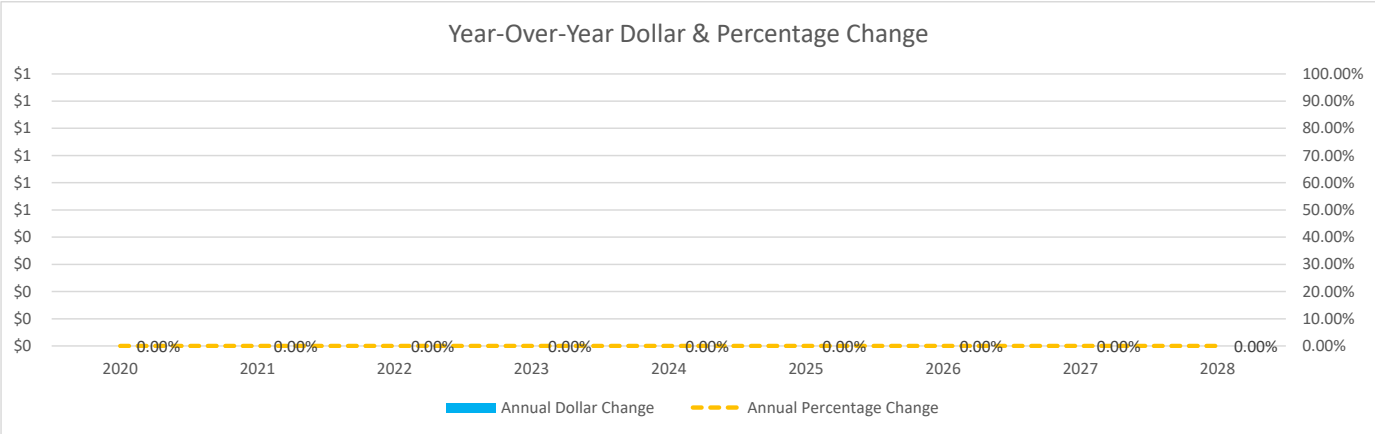
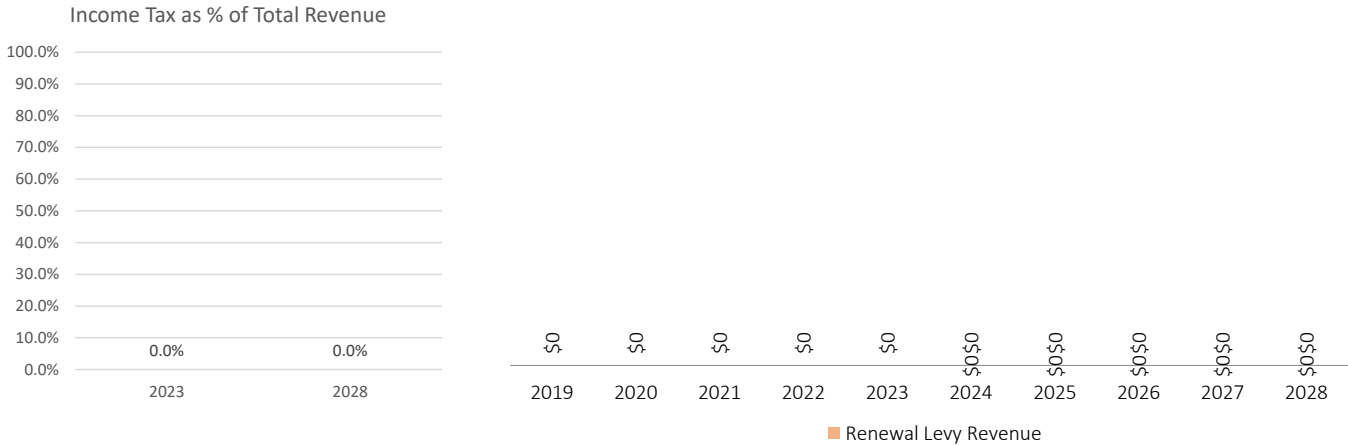
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2022	26,981,780	1,031,600	83.89	(0.04)	100.0%
2023	28,181,780	1,200,000	81.97	(1.92)	100.0%
2024	29,381,780	1,200,000	81.96	(0.01)	100.0%
2025	30,581,780	1,200,000	81.95	(0.01)	100.0%
2026	31,781,780	1,200,000	81.57	(0.39)	100.0%
2027	32,981,780	1,200,000	81.56	(0.01)	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 4.18% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2023 is 81.97 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$95,114 and is projected to change at an average annual dollar amount of \$83,339 through FY 2028.

*Projected % trends include renewal levies

1.030 - No 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.

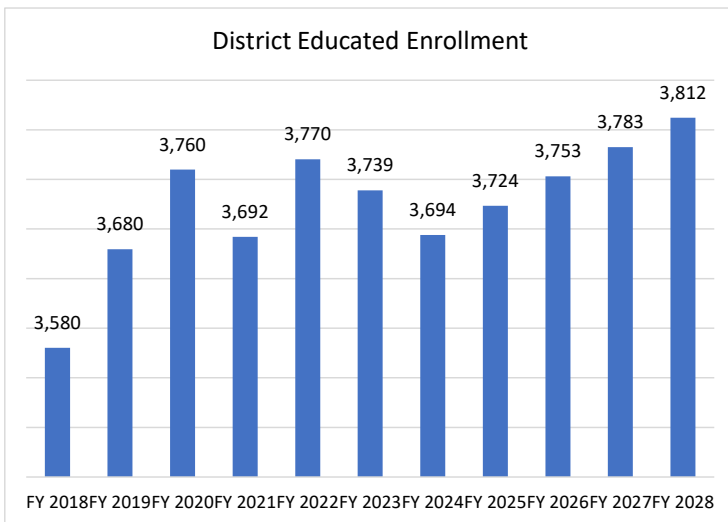
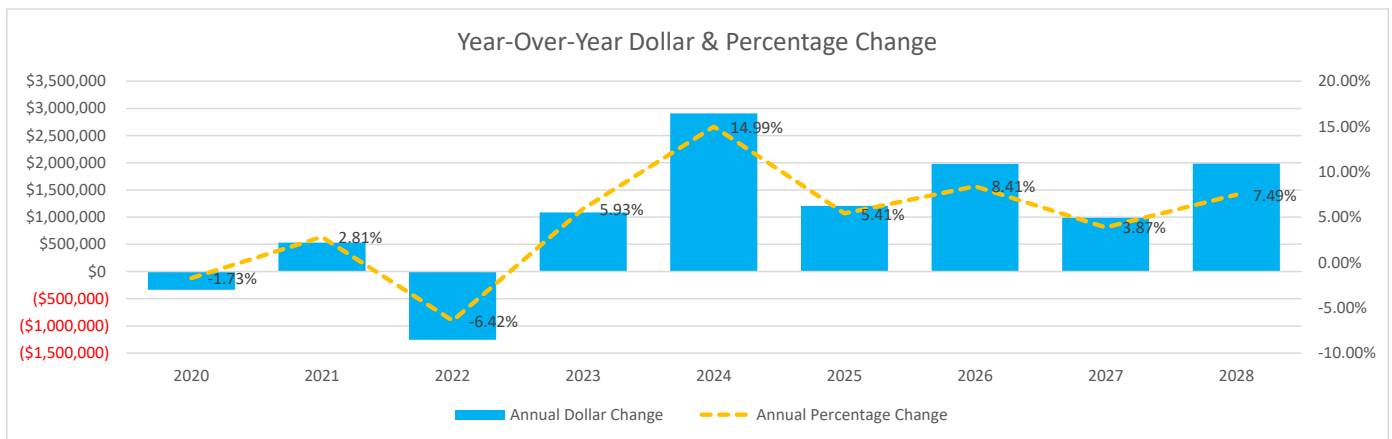
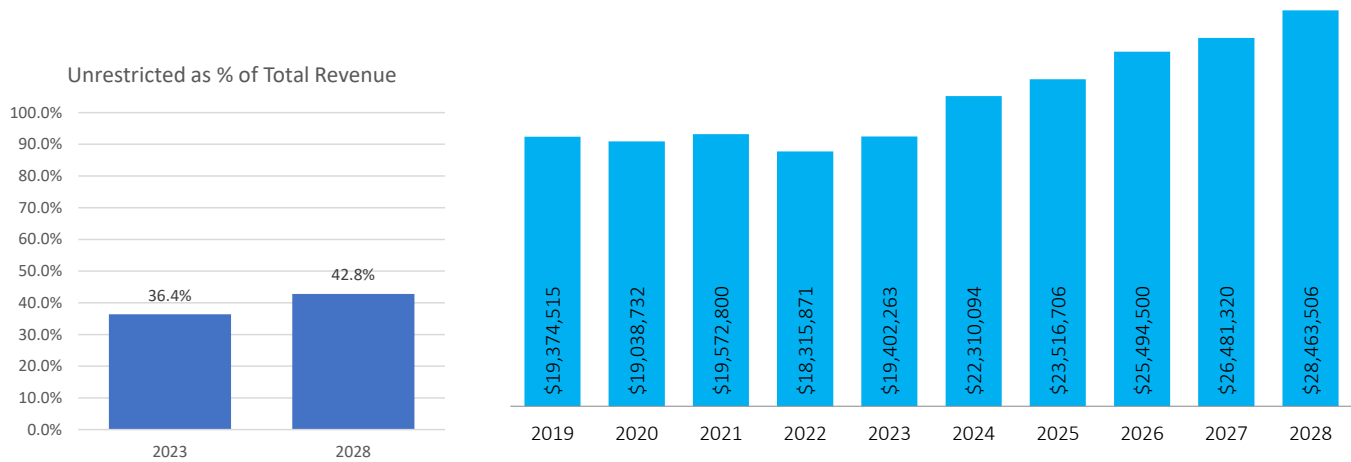


The district does not have an income tax levy.

*Projected % trends include renewal levies

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



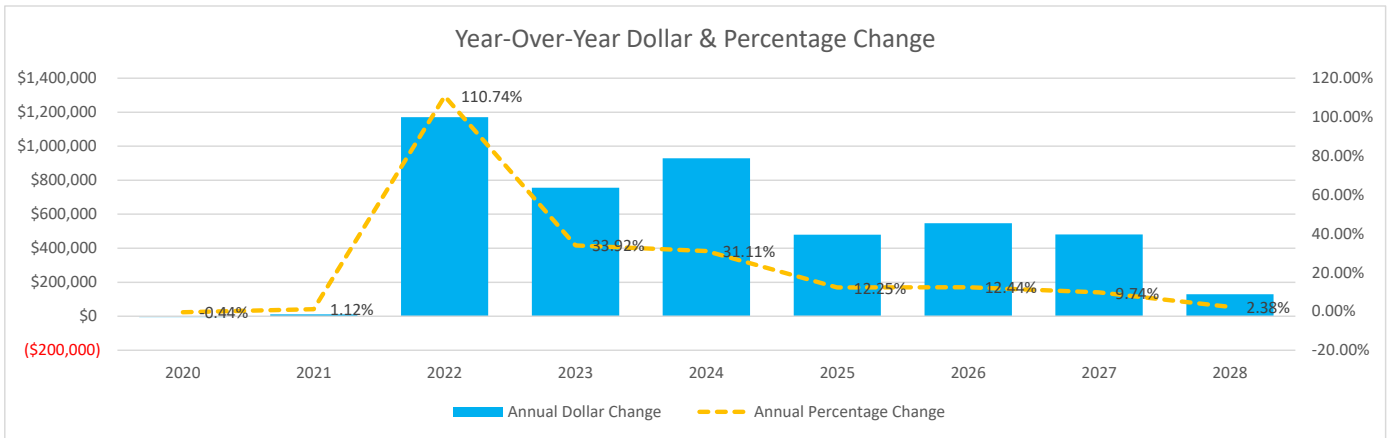
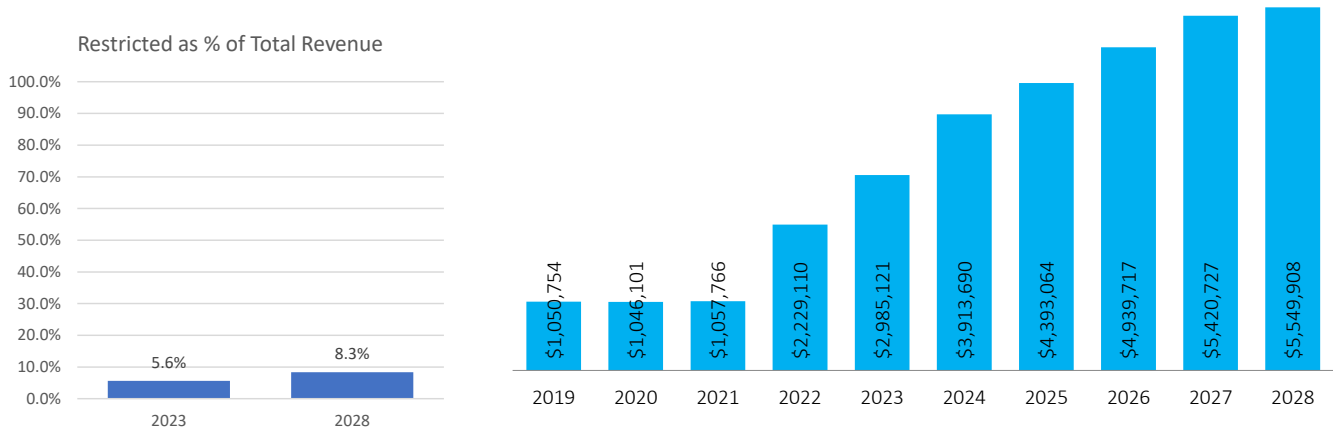
Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual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

For Winton Woods City School District the calculated Base Cost total is \$30,481,060 in FY 2023. The state's share of the calculated Base Cost total is \$18,055,356 or \$4,888 per pupil.

The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts.

1.040 & 1.045 - Restricted Grants-in-Aid

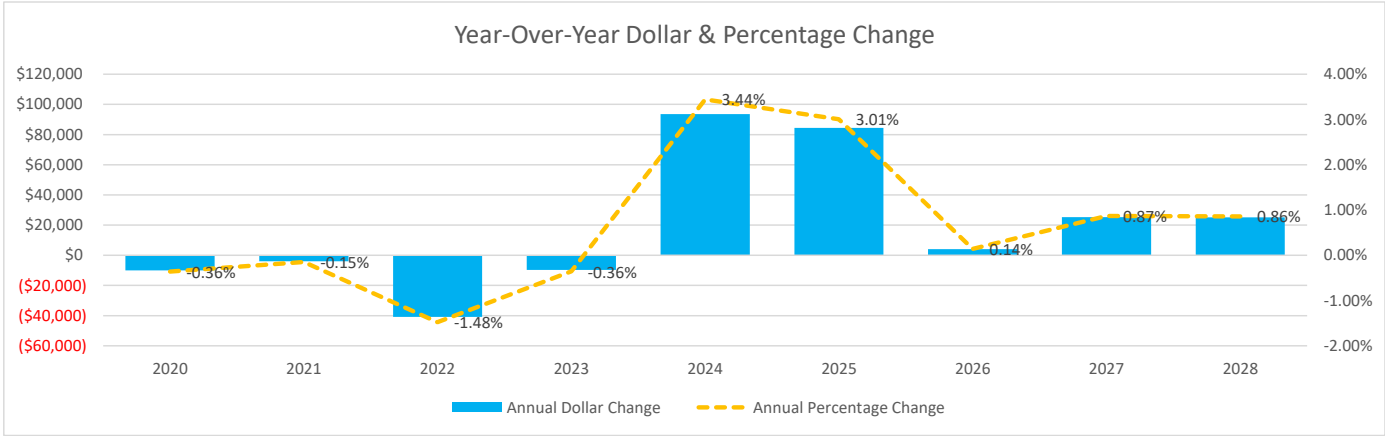
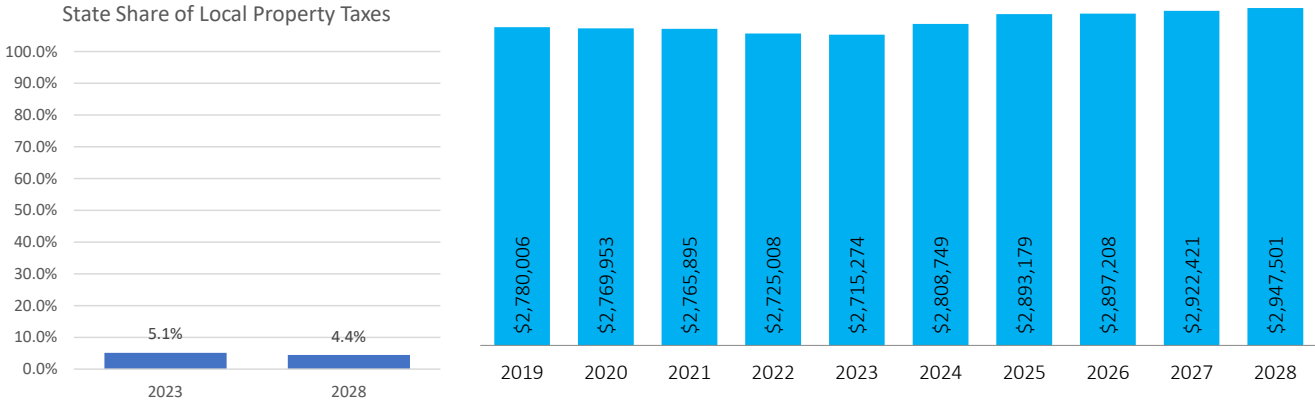
Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$646,340 and is projected to change annually on average by \$512,957. Restricted funds represent 5.60% 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 \$682,533. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

1.050 - State Share of Local Property Taxes

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

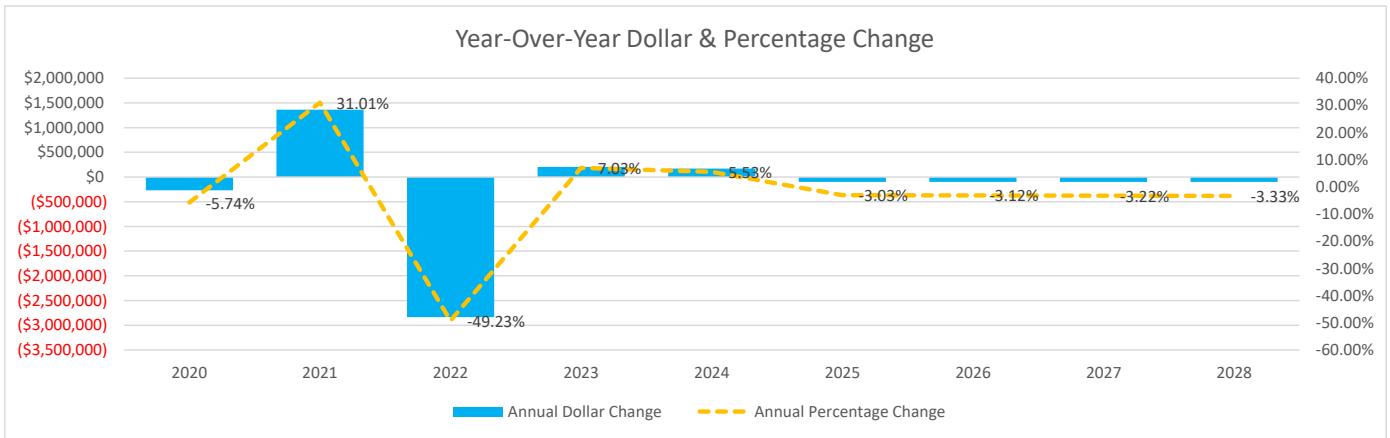
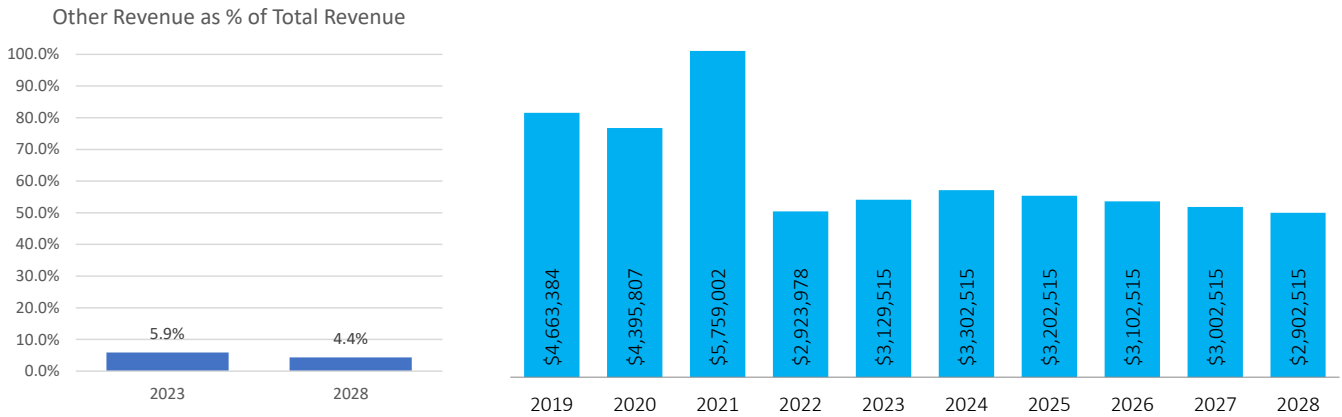


State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2024, approximately 12.0% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.9% 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.



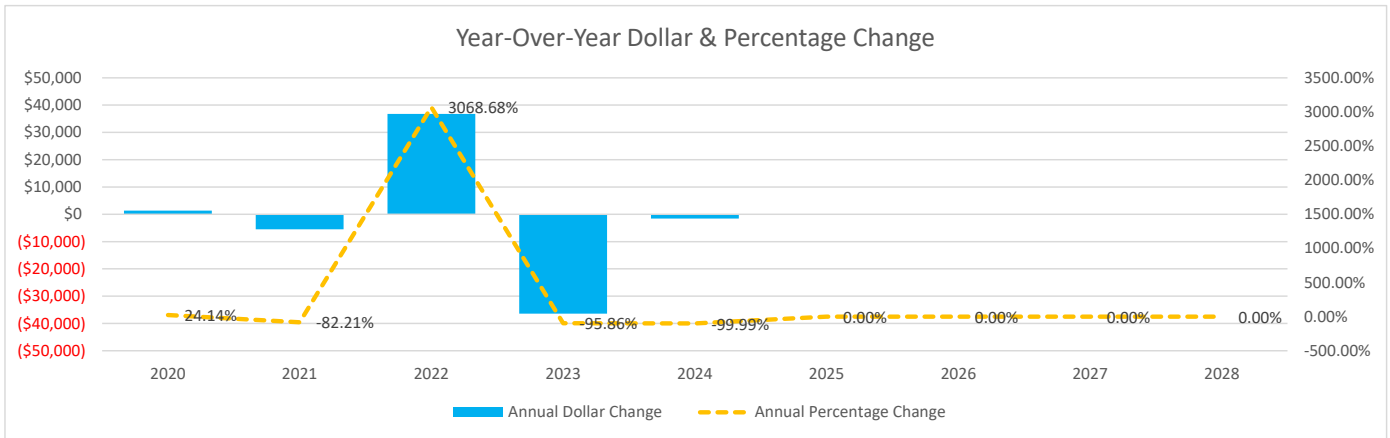
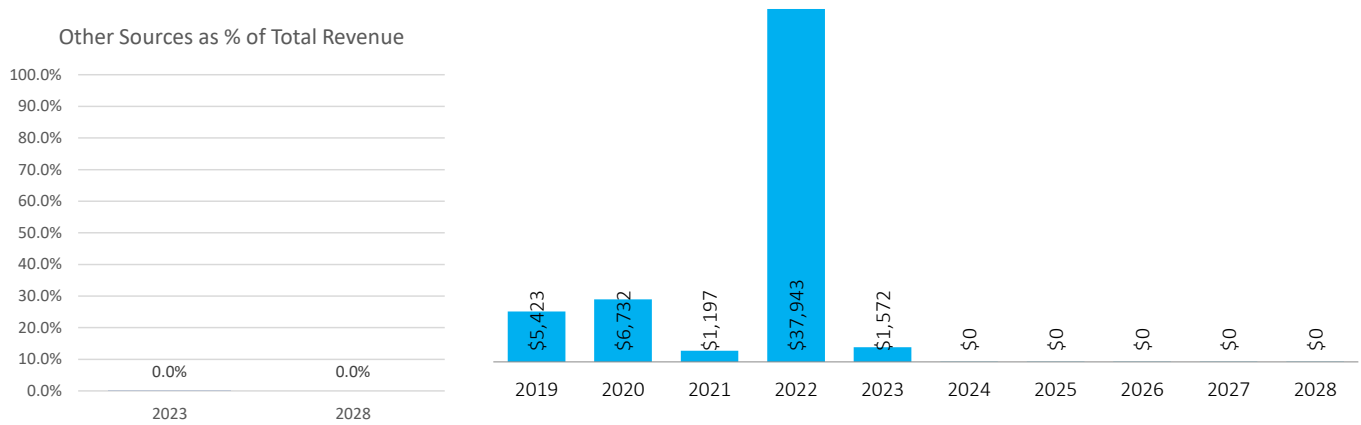
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$383,467. The projected average annual change is -\$45,400 through FY 2028.

Fiscal Years 2019 through 2021 the district received open enrollment and was included in Other Operating Revenues. Beginning in fiscal year 2022 these funds are now part of the state funding formula.

Fiscal Year 2021 included a one-time payment from Worker’s Compensation as a rebate in the amount of \$907,500.00.

2.070 - Total Other Financing Sources

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

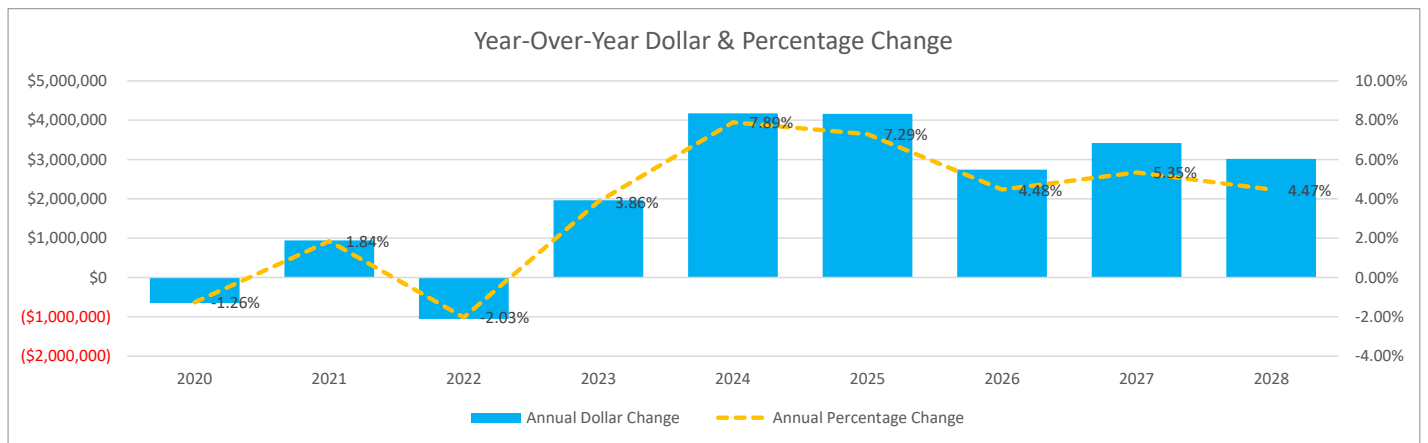
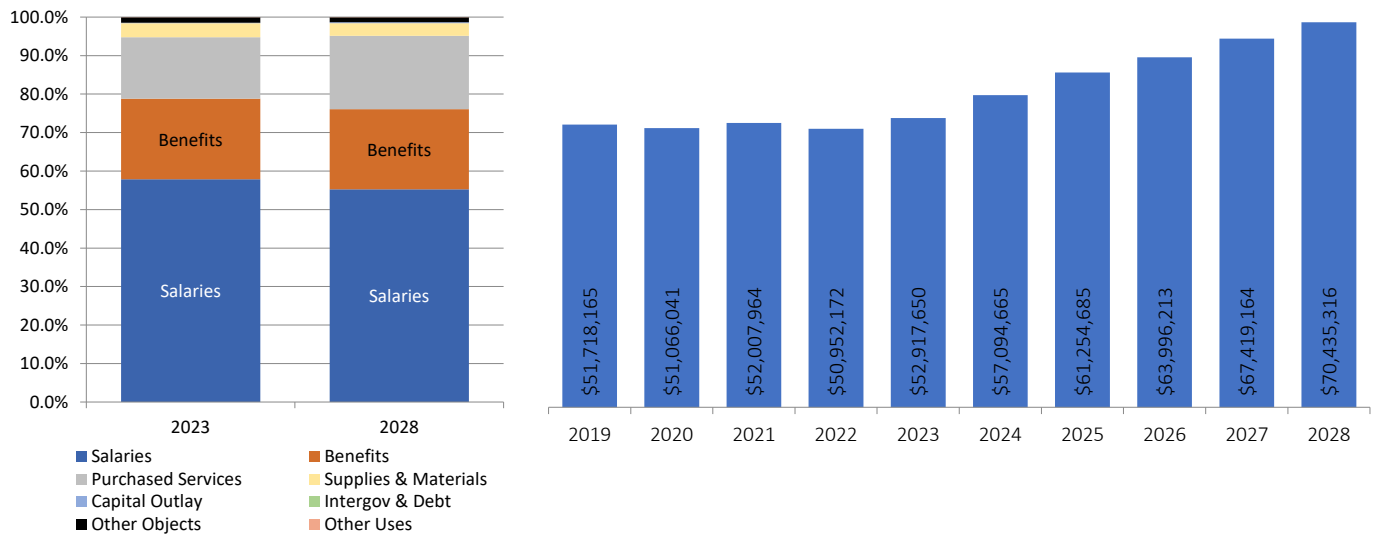


	2023	FORECASTED				
		2024	2025	2026	2027	2028
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	1,572	0	0	0	0	0

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2023 the district receipted \$0 as advances-in and is projecting advances of \$0 in FY 2024. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$ in FY 2024 and average \$ annually through FY 2028.

Expenditure Categories and Forecast Year-Over-Year Projected Overview

Expenditure Categories Over Time



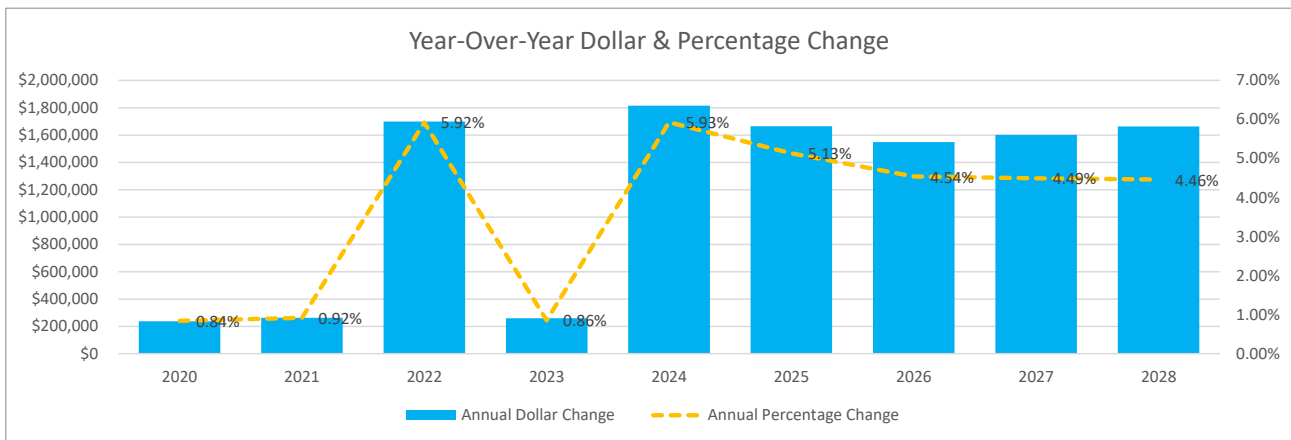
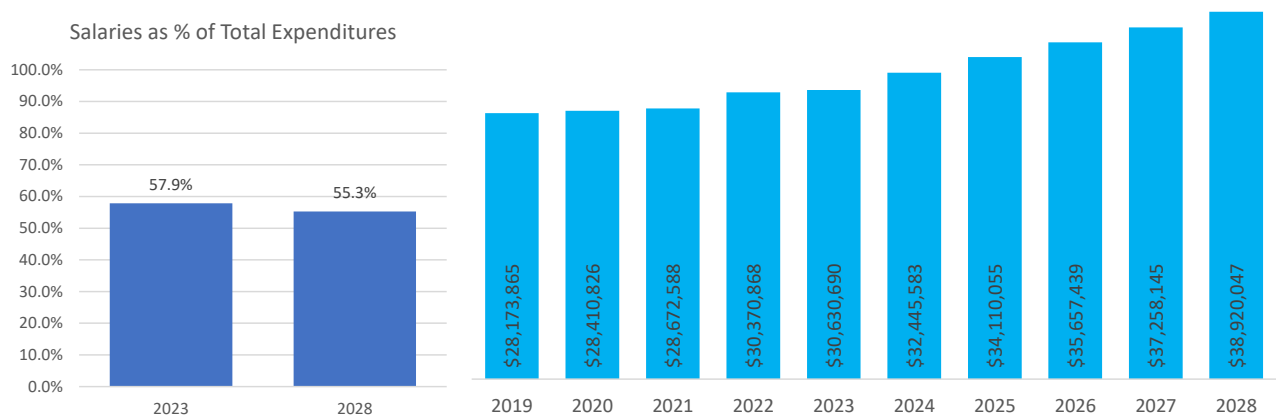
4-Year Historical Actual Average Annual Dollar Change Compared to 5-Year Projected

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Total expenditures increased 0.60% or \$299,871 annually during the past 4-Year period and is projected to increase 6.62% or \$3,503,533 annually through FY2028. Purchased Services has the largest projected average annual variance compared to the historical average at \$1,611,109.
Salaries	614,206	1,657,871	\$1,043,665	
Benefits	\$299,260	\$723,269	\$424,008	
Purchased Services	(\$627,524)	\$983,584	\$1,611,109	
Supplies & Materials	\$51,719	\$85,764	\$34,044	
Capital Outlay	(\$84,348)	\$14,257	\$98,605	
Intergov & Debt	\$0	\$0	\$0	
Other Objects	\$41,058	\$39,188	(\$1,870)	
Other Uses	\$5,500	(\$400)	(\$5,900)	
Total Average Annual Change	\$299,871	\$3,503,533	\$3,203,662	
	0.60%	6.62%	6.02%	

Note: Revenue average annual change is projected to be > \$2,635,295. 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.

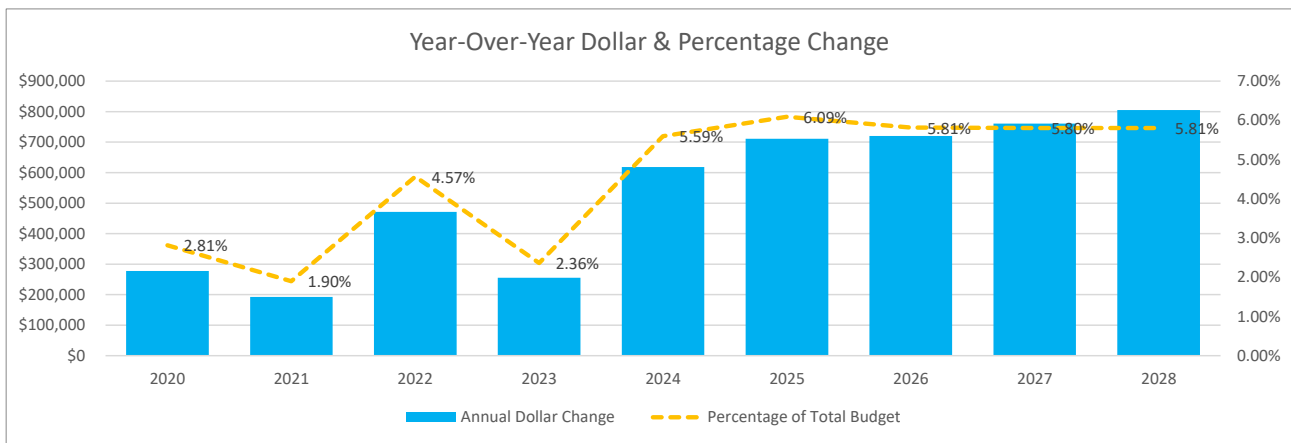
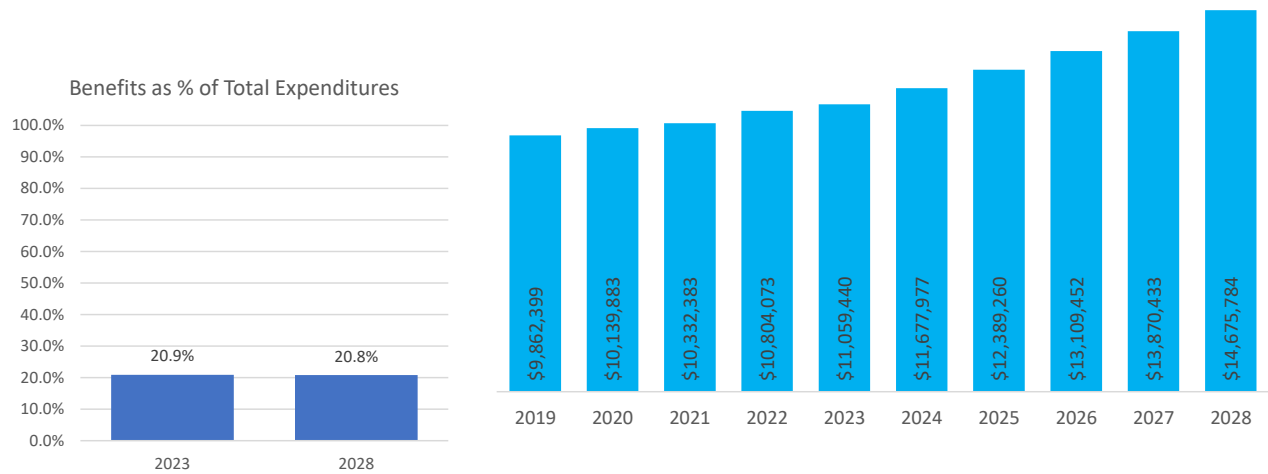


Salaries represent 57.88% of total expenditures and increased at a historical average annual rate of 2.14% or \$614,206. This category of expenditure is projected to grow at an annual average rate of 4.91% or \$1,657,871 through FY 2028. The projected average annual rate of change is 2.77% more than the five year historical annual average.

The District is projecting an annual 2.0% increase in salaries for step/incremental experience steps. For fiscal year 2024 a 2.5% salary (cost of living) increase is included. A 2.0% salary (cost of living) increase has been projected for fiscal years 2025 through 2028. Also, beginning in fiscal year 2024 are 4 positions for Social Emotional Learning teachers which were funded by ARP ESSER funds for fiscal year 2023.

3.020 - Employees' Benefits

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

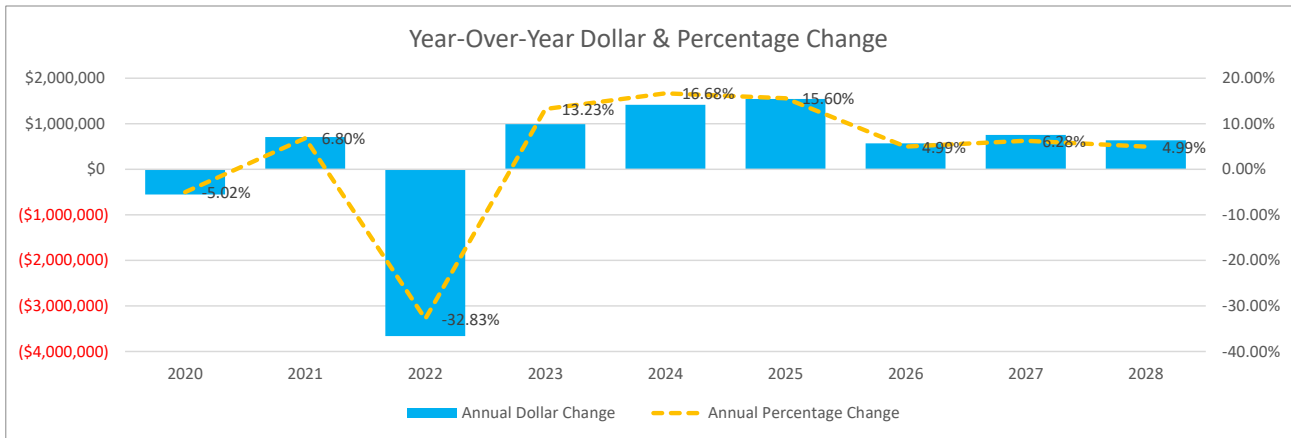
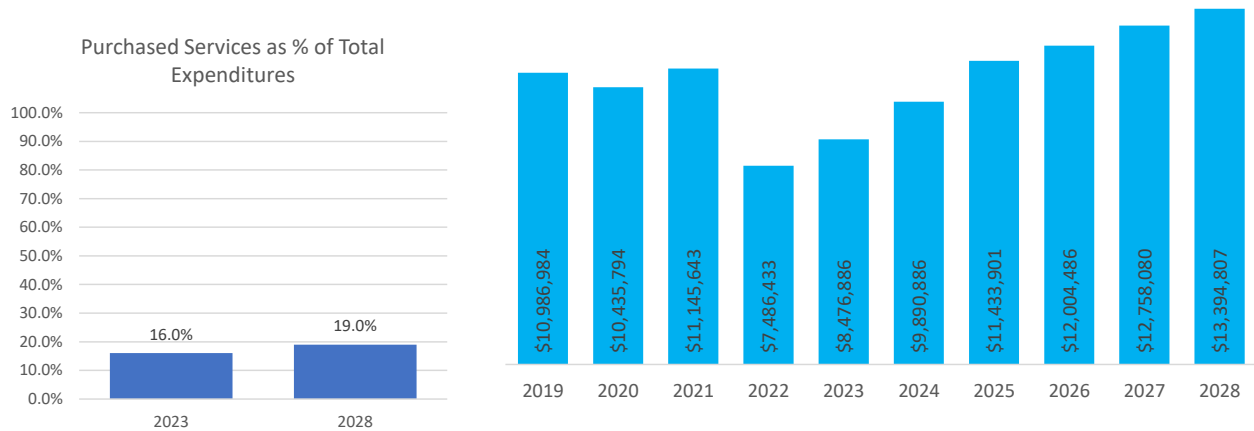


Benefits represent 20.90% of total expenditures and increased at a historical average annual rate of 2.91% This category of expenditure is projected to grow at an annual average rate of 5.82% through FY 2028. The projected average annual rate of change is 2.91% more than the five year historical annual average.

Employee retirement and Medicare benefits have been adjusted to include related increase to salary increases. Health care has been project at an 7% annual increase and dental and life insurance at a 2% annual increase.

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.

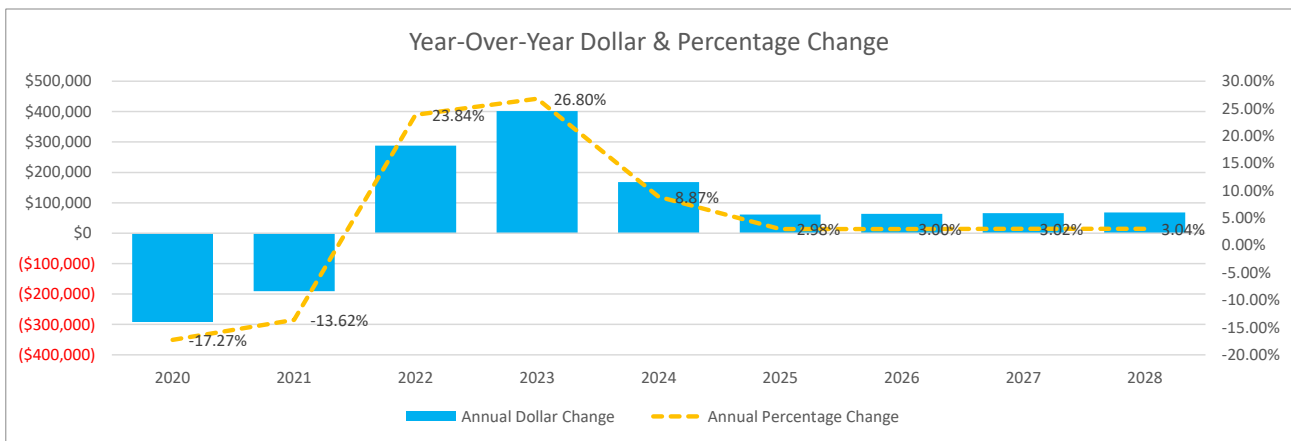
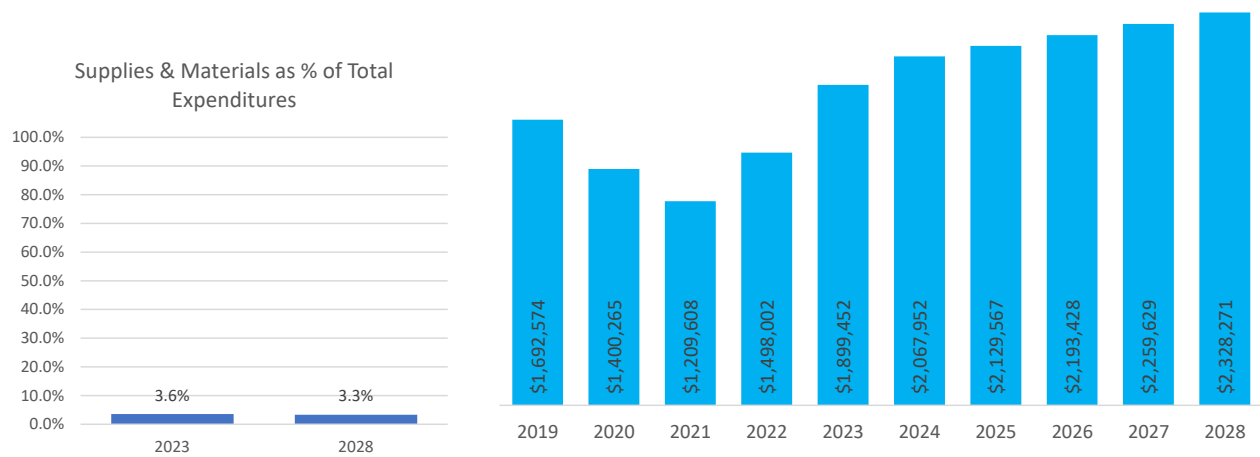


Purchased Services represent 16.02% of total expenditures and decreased at a historical average annual rate of -4.45%. This category of expenditure is projected to grow at an annual average rate of 9.71% through FY 2028. The FSFP funds only district educated enrollment thereby reducing tuition cost for open enrollment out, community schools, STEM, and scholarships starting in FY 2022. This change resulted in lower district cost but also less per pupil state revenue since per pupil funding was paid directly by the state to the attending school.

Beginning in fiscal year 2024 purchased services will increase by approximately an additional \$1.0 million for services provided by the Hamilton County Educational Service Center for curriculum and technology coaches. The coaches support the curriculum of the district's instructional program. These services were funded by ARP ESSER funds.

3.040 - Supplies & Materials

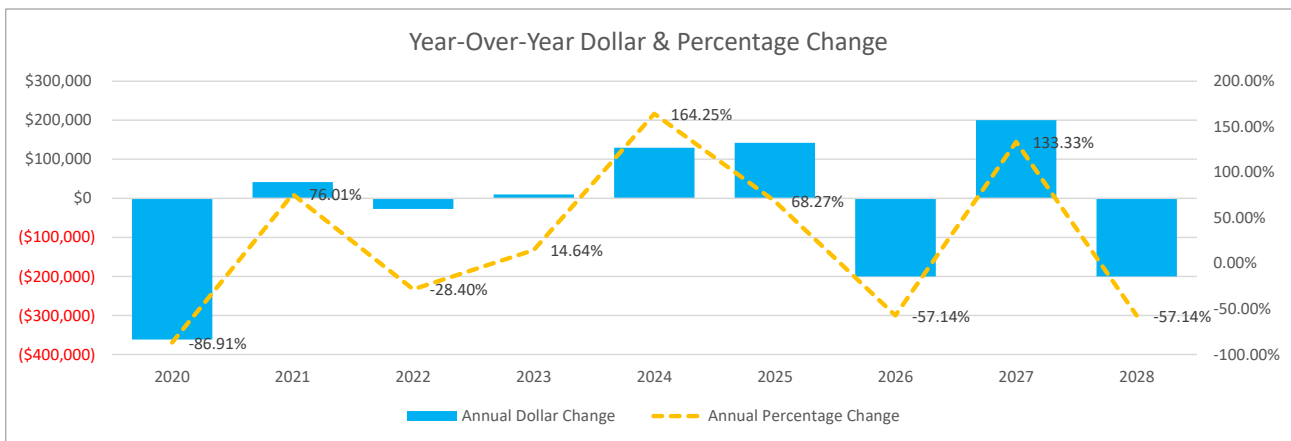
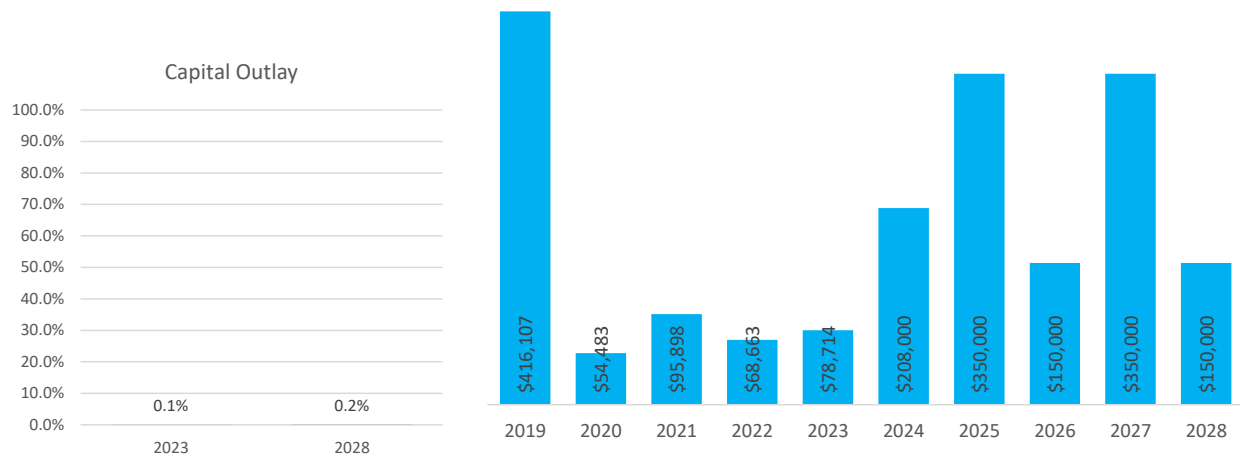
Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies & Materials represent 3.59% of total expenditures and increased at a historical average annual rate of 4.94%. This category of expenditure is projected to grow at an annual average rate of 4.18% through FY 2028. The projected average annual rate of change is -0.76% less than the five year historical annual average.

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.

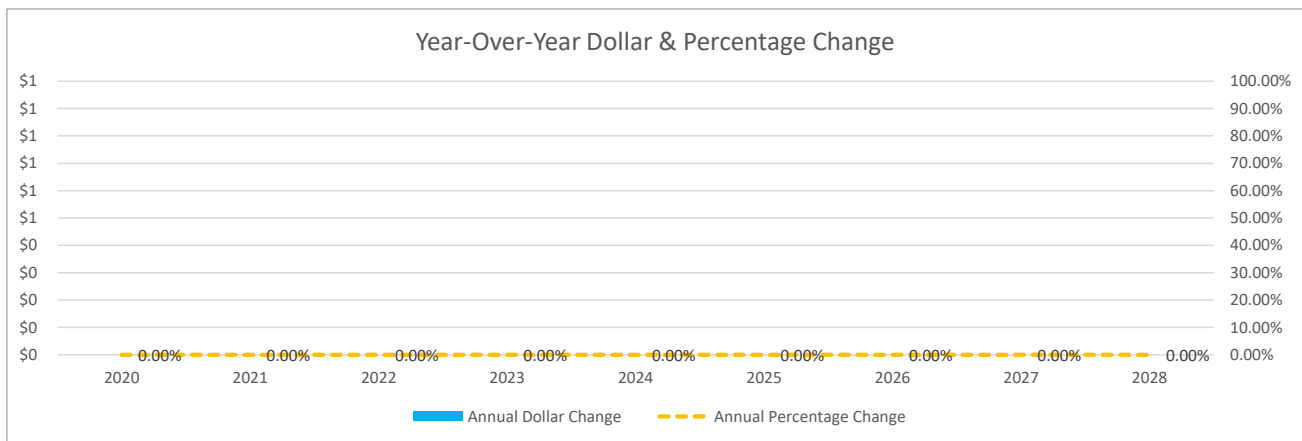
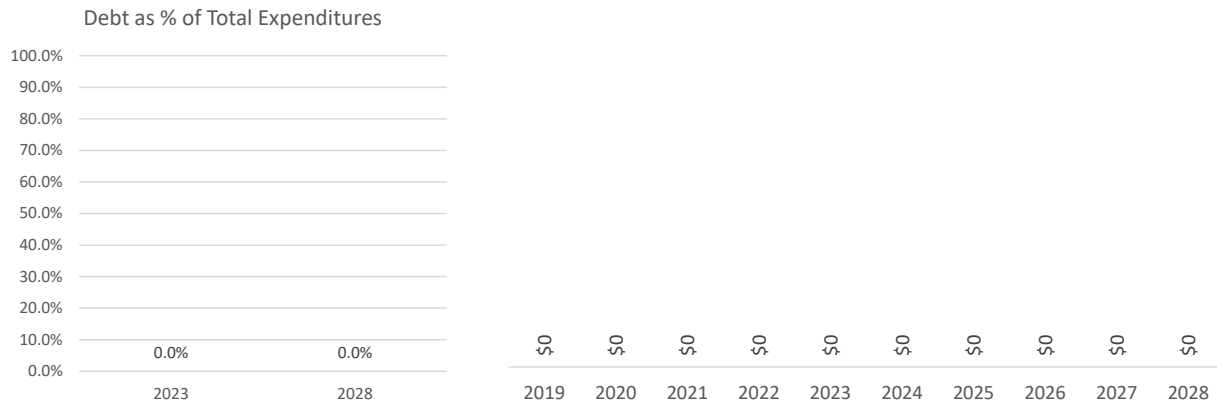


Capital Outlay represent 0.15% of total expenditures and decreased at a historical average annual amount of -\$84,348. This category of expenditure is projected to grow at an annual average rate of \$14,257 through FY 2028. The projected average annual change is more than the five year historical annual average.

The District anticipates on purchasing 2 buses in fiscal years 2025 and 2027.

3.060-4.060 - Intergovernmental & Debt

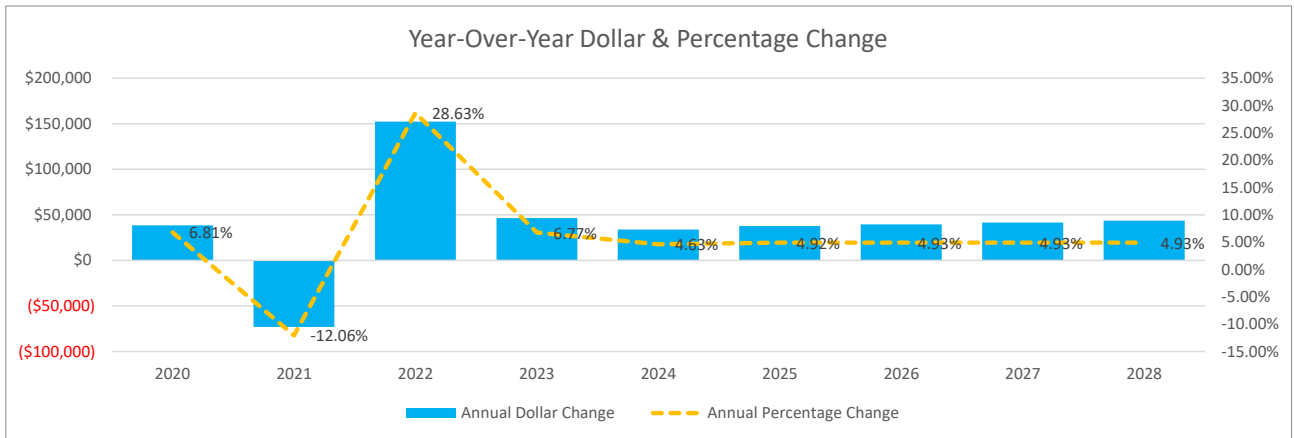
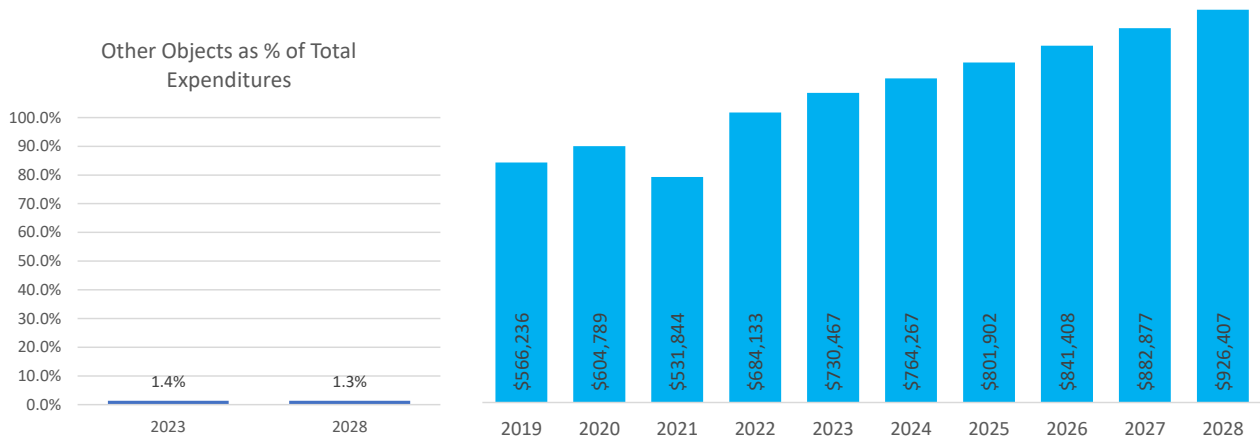
These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



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

4.300 - Other Objects

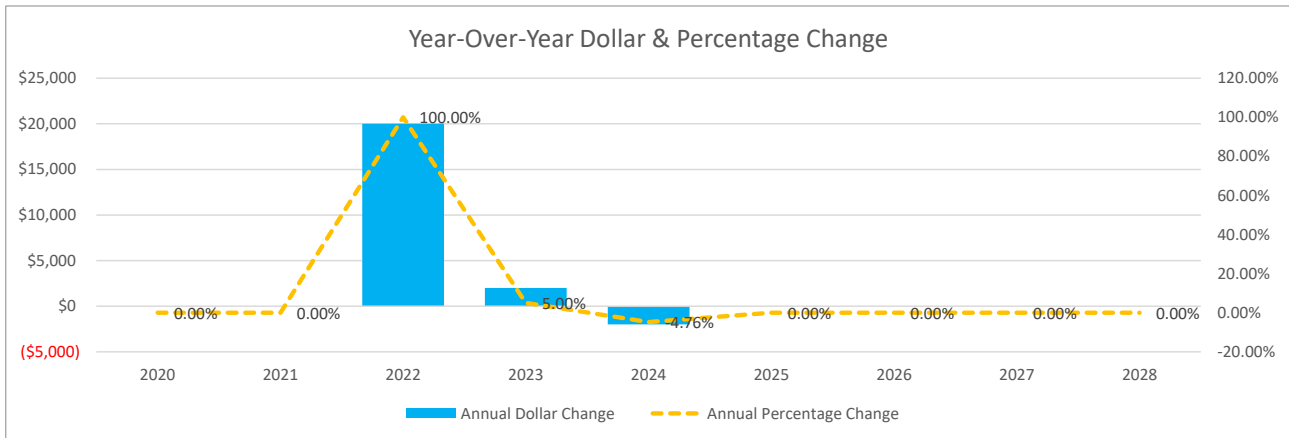
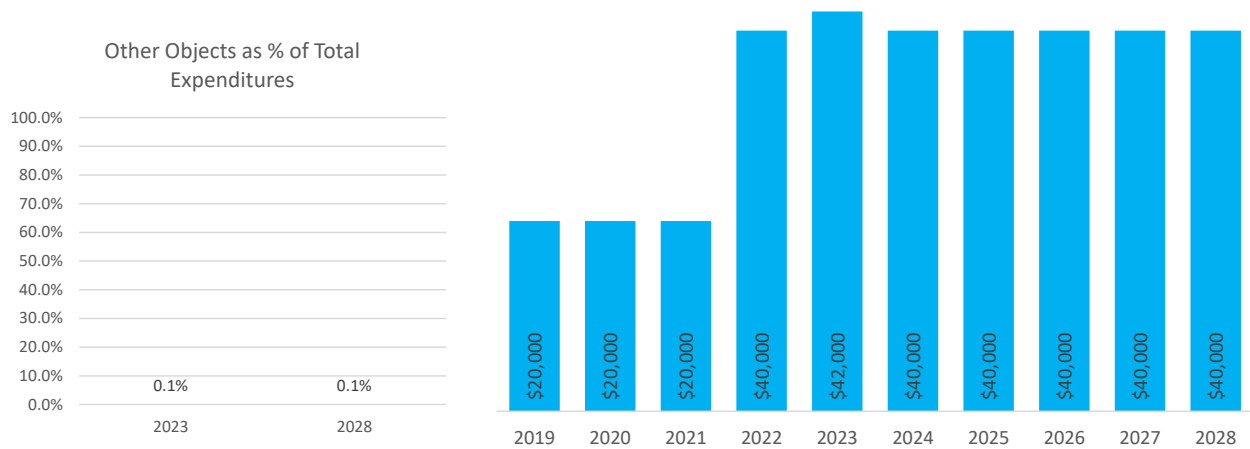
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects represent 1.38% of total expenditures and increased at a historical average annual rate of 7.54%. This category of expenditure is projected to grow at an annual average rate of 4.87% through FY 2028. The projected average annual rate of change is -2.67% less than the five year historical annual average.

5.040 - Total Other Financing Uses

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



	2023	FORECASTED				
		2024	2025	2026	2027	2028
Transfers Out	42,000	40,000	40,000	40,000	40,000	40,000
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In FY 2023 the district had no advances-out and has no advances-out forecasted through FY 2028. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2028. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

Winton Woods City School District

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2023	2024	2025	2026	2027	2028
Revenue:						
1.010 - General Property Tax (Real Estate)	22,864,627	23,084,613	23,556,696	23,634,328	23,821,336	23,994,723
1.020 - Public Utility Personal Property	2,227,871	2,288,440	2,362,594	2,460,670	2,552,319	2,644,567
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	19,402,263	22,310,094	23,516,706	25,494,500	26,481,320	28,463,506
1.040 - Restricted Grants-in-Aid	2,985,121	3,913,690	4,393,064	4,939,717	5,420,727	5,549,908
1.050 - State Share-Local Property Taxes	2,715,274	2,808,749	2,893,179	2,897,208	2,922,421	2,947,501
1.060 - All Other Operating Revenues	3,129,515	3,302,515	3,202,515	3,102,515	3,002,515	2,902,515
1.070 - Total Revenue	53,324,672	57,708,101	59,924,754	62,528,938	64,200,638	66,502,720
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	1,572	0	0	0	0	0
2.070 - Total Other Financing Sources	1,572	0	0	0	0	0
2.080 - Total Rev & Other Sources	53,326,244	57,708,101	59,924,754	62,528,938	64,200,638	66,502,720
Expenditures:						
3.010 - Personnel Services	30,630,690	32,445,583	34,110,055	35,657,439	37,258,145	38,920,047
3.020 - Employee Benefits	11,059,440	11,677,977	12,389,260	13,109,452	13,870,433	14,675,784
3.030 - Purchased Services	8,476,886	9,890,886	11,433,901	12,004,486	12,758,080	13,394,807
3.040 - Supplies and Materials	1,899,452	2,067,952	2,129,567	2,193,428	2,259,629	2,328,271
3.050 - Capital Outlay	78,714	208,000	350,000	150,000	350,000	150,000
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	730,467	764,267	801,902	841,408	882,877	926,407
4.500 - Total Expenditures	52,875,650	57,054,665	61,214,685	63,956,213	67,379,164	70,395,316
Other Financing Uses						
5.010 - Operating Transfers-Out	42,000	40,000	40,000	40,000	40,000	40,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	42,000	40,000	40,000	40,000	40,000	40,000
5.050 - Total Exp and Other Financing Uses	52,917,650	57,094,665	61,254,685	63,996,213	67,419,164	70,435,316
6.010 - Excess of Rev Over/(Under) Exp	408,594	613,436	(1,329,931)	(1,467,274)	(3,218,526)	(3,932,596)
7.010 - Cash Balance July 1 (No Levies)	16,723,102	17,131,696	17,745,132	16,415,201	14,947,927	11,729,401
7.020 - Cash Balance June 30 (No Levies)	17,131,696	17,745,132	16,415,201	14,947,927	11,729,401	7,796,805
		Reservations				
8.010 - Estimated Encumbrances June 30	212,969	200,000	200,000	200,000	200,000	200,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	16,918,727	17,545,132	16,215,201	14,747,927	11,529,401	7,596,805
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	16,918,727	17,545,132	16,215,201	14,747,927	11,529,401	7,596,805
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	16,918,727	17,545,132	16,215,201	14,747,927	11,529,401	7,596,805

