LAKOTA LOCAL SCHOOL DISTRICT-BUTLER COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2021, 2022, and 2023 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2024 THROUGH JUNE 30, 2028

Lakota Local Schools

Forecast Provided By
Lakota Local School District
Treasurer's Office
Mr. Adam Zink, Treasurer/CFO

May 20, 2024

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Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2021, 2022, 2023 Actual;
Forecasted Fiscal Year Ending June 30, 2024 through 2028

		Actual				Forecasted				
		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Average Change	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
	Revenues									
1.010	General Property Tax (Real Estate)	98,079,630	100,670,326	102,849,758	2.4%	107,850,861	114,287,609	116,408,724	120,290,761	123,869,359
1.020	Tangible Personal Property	7,969,882	8,869,566	9,295,585	8.0%	10,141,351	10,885,164	11,762,132	12,283,283	12,821,103
1.030	Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	50,394,027	46,947,398	47,430,636	-2.9%	48,644,080	49,602,817	50,263,773	50,940,731	51,494,740
1.040	Restricted State Grants-in-Aid	151,776	3,093,319	2,950,544	966.7%	4,524,731	3,105,371	3,193,543	3,283,994	3,376,782
1.045	Restricted Fed. SFSF Fd. 532 FY10&11/Ed Jobs Fd.504 FY12	0	0	0	0.0%	0	0	0	0	0
1.050	State Share of Local Property Taxes	10,480,153	10,922,109	11,132,848	3.1%	11,714,680	12,176,321	12,328,104	12,757,021	13,178,580
1.060	All Other Revenues	20,641,703	20,023,358	23,601,610	7.4%	27,250,976	25,874,005	25,021,280	24,656,629	24,859,567
1.070	*Total Revenues*	187,717,171	190,526,076	197,260,981	2.5%	210,126,679	215,931,287	218,977,556	224,212,419	229,600,131
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020	State Emergency Loans and Advancements (Approved)	0	0	0	0.0%	0	0	0	0	0
2.040	Operating Transfers-In	732,413	1,984,281	2,016,173	86.3%	69,656	0	0	0	0
2.050	Advances-In	597,959	0	0	0.0%	178,925	1,405,097	1,058,000	816,000	574,000
2.060	All Other Financing Sources	137,101	215,689	160,825	15.9%	74,399	151,602	128,942	130,855	120,174
2.070	*Total Other Financing Sources*	1,467,473	2,199,970	2,176,998	24.4%	322,980	1,556,699	1,186,942	946,855	694,174
2.080	*Total Revenues and Other Financing Sources*	189,184,644	192,726,046	199,437,979	2.7%	210,449,659	217,487,986	220,164,498	225,159,274	230,294,305
	Expenditures									
3.010	Personal Services	103,798,482	107,158,336	111,653,418	3.7%	114,233,851	120,072,283	123,841,069	127,392,558	131,044,187
3.020	Employees' Retirement/Insurance Benefits	33,689,469	35,578,252	36,936,010	4.7%	41,850,811	46,914,427	49,444,987	52,034,420	54,770,958
3.030	Purchased Services	36,952,921	34,481,911	36,195,955	-0.9%	36,085,056	37,952,051	38,426,078	39,550,682	40,727,526
3.040	Supplies and Materials	4,214,392	4,729,834	5,173,315	10.8%	6,664,700	8,990,249	11,635,628	7,868,998	5,458,781
3.050	Capital Outlay	807,295	1,215,134	985,834	15.8%	740,915	396,986	403,153	409,417	415,779
3.060	Intergovernmental	0	0	0	0.0%	0	0	0	0	0
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	664,000	689,000	550,000	-8.2%	570,000	600,000	620,000	640,000	670,000
4.020	Principal-Notes	0	0	0	0.0%	0	0	0	0	0
4.030	Principal-State Loans	0	0	0	0.0%	0	0	0	0	0
4.040	Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0
4.050	Principal-HB 264 Loans	846,000	856,000	796,005	-2.9%	865,000	870,000	670,000	0	0
4.055	Principal-Other	0	0	0	0.0%	0	0	0	0	0
4.060	Interest and Fiscal Charges	202,952	84,219	213,875	47.7%	120,720	86,500	58,100	32,900	10,050
4.300	Other Objects	1,322,817	2,107,896	2,206,261	32.0%	2,112,298	1,954,681	2,047,937	2,042,096	2,037,197
4.500	*Total Expenditures*	182,498,328	186,900,582	194,710,673	3.3%	203,243,351	217,837,177	227,146,952	229,971,071	235,134,478
	Other Financing Uses									
5.010	Operating Transfers Out	2,458,211	3,813,012	3,889,119	28.6%	5,607,537	4,267,926	4,362,922	4,460,271	4,560,036
5.020	Advances-Out	0	0	178,925	0.0%	1,405,097	1,058,000	816,000	574,000	332,000
5.030	All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040	*Total Other Financing Uses*	2,458,211	3,813,012	4,068,044	30.9%	7,012,634	5,325,926	5,178,922	5,034,271	4,892,036
5.050	*Total Expenditures and Other Financing Uses*	184,956,539	190,713,594	198,778,717	3.7%	210,255,985	223,163,103	232,325,874	235,005,342	240,026,514
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	4,228,105	2,012,452	659,262	-59.8%	193,674	(5,675,117)	(12,161,376)	(9,846,068)	(9,732,209)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	109,080,662	113,308,767	115,321,219	2.8%	115,980,481	116,174,155	110,499,038	98,337,662	88,491,594
7.020	*Cash Balance June 30*	113,308,767	115,321,219	115,980,481	1.2%	116,174,155	110,499,038	98,337,662	88,491,594	78,759,385
8.010	*Estimated Encumbrances June 30*	562,965	792,118	520,451	3.2%	500,000	500,000	500,000	500,000	500,000
	Reservation of Fund Balance									
9.045	Fiscal Stabilization	5,036,949	7,021,231	7,913,380	26.1%	7,982,786	4,330,919	4,330,919	4,330,919	4,330,919
9.080	*Subtotal*	5,036,949	7,021,231	7,913,380	26.1%	7,982,786	4,330,919	4,330,919	4,330,919	4,330,919
10.010	*Fund Balance June 30 for Certification of Appropriations*	107,708,853	107,507,870	107,546,650	-0.1%	107,691,369	105,668,119	93,506,743	83,660,675	73,928,466
	Revenue from New Levies									
13.010	Income Tax - New	0	0	0	0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	0	0	0	0.0%	0	0	0	0	0
15.010	*Unreserved Fund Balance June 30*	107,708,853	107,507,870	107,546,650	-0.1%	107,691,369	105,668,119	93,506,743	83,660,675	73,928,466

Lakota Local School District – Butler County
Notes to the Five-Year Forecast
General Fund, Related Debt, and Federal Funds Only
May 20, 2024

Introduction to the Five-Year Forecast

In the bustling corridors of Ohio's K-12 schools, educators and administrators grapple with a fundamental challenge: envisioning what lies ahead for their students. The forecast becomes the compass, helping to guide educators and administrators to get the most out of the district's resources to achieve that vision. But what does forecasting mean in the context of Ohio's schools and this five-year forecast?

At its heart, a five-year forecast is a calculated projection of future events, trends, and educational outcomes. It is not a crystal ball; rather, it's a deliberate process grounded in data, analysis, and prudent judgment. Five-year forecasts are a tool used to assist in illuminating the path forward by addressing the financial implications of questions such as:

- What educational shifts might occur?
- How likely are they?
- What factors influence student success? and
- What factors influence the district's funding?

Our stakeholders – dedicated teachers, staff, parents, and community members – seek more than mere numbers. They yearn to understand the assumptions that shape the five-year forecast. They want to peer into the gears of prediction, appreciating the delicate balance struck between revenue streams, expenditures, and educational priorities.

In a world where each student's journey is unique, the five-year forecast embraces the challenge of possibility. It acknowledges that learning pathways unfold in unexpected ways and are influenced by a myriad of forces – instructional innovations, societal shifts, technological leaps, and individual aspirations. The goal is not infallibility but rather informed financial decision-making that provides our staff with the tools they need to nurture student growth.

As we delve into the underlying assumptions of the five-year forecast, let us remember that we tread on a financial tightrope. The forecast is built upon a combination of state appropriations (adopted every two years), the phase-in of a new funding formula, property taxes (levy and reappraisal cycles), economic outlook, and enrollment fluctuations. The past informs our present, but the future remains an open book. Together, we'll navigate the currents of educational possibility, ensuring that every dollar invested contributes to student success.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact the Treasurer/Chief Financial Officer of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

Here are three essential purposes or objectives of the five-year forecast:

1. To engage the local board of education and the community in 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;" and
3. To provide a method for the Department of Education and Workforce and Auditor of State to identify school districts with potential financial problems.

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five-year financial forecast by November 30, 2023 and May 31, 2024 for the fiscal year 2024 (July 1, 2023 to June 30, 2024). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The fiscal year 2024 (July 1, 2023-June 30, 2024) is the first year of the five-year forecast and is considered the baseline year. Our forecast is updated to reflect the most current economic data and assumptions available for the May 2024 filing.

May 2024 Updates

Revenues FY24

The overview of revenues shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues (Line 1.07) are estimated to be $1 million, or 0.5%, higher than the November forecasted amount of $209 million. This indicates that the November forecast was 99.5% accurate.

Lines 1.01 and 1.02 - Property tax revenues represent our largest source of revenues at 56.2% and are estimated to be just under $118 million, which is $766 thousand higher for FY24 than the original November estimate of $117.2 million. Our estimates are 99.3% accurate for FY24 and should mean future projections are also on target.

Lines 1.035 and 1.04 - State aid continues the implementation of the Fair School Funding Plan (FSFP), which has caused significant changes to the way our state revenues are calculated. We are estimating our state aid to be $53.1 million, which is $1.4 million higher than the original estimate for FY24. The main driver of this change was the state distribution of Highly Qualified Instruction Materials (HQIM) to which the district received just under $1 million to support the purchase of implementing the science of reading. We are pleased that we were able to be 97.2% accurate for FY24. We are currently on the formula in FY24, and are expected to change to a guarantee district for FY25 through FY28 due to the dramatic increases to property tax values in tax year 2023, which is a result of the triennial update.

Line 1.06 - Other revenues are $1 million below original estimates, primarily due to payments in lieu of taxes (PILOT) from local tax incentive financing (TIF) districts being lower than anticipated. This was caused by commercial and industrial values not increasing as quickly inside the TIF district as surrounding commercial and industrial values in the triennial update.

Overall, all areas of revenue are tracking as anticipated for FY24 based on our best information at this time.

Expenditures FY24

Total General Fund expenditures (Line 4.5) are estimated to be $203.2 million for FY24, which is approximately $2 million lower than the original estimate of $205.2 million in the November forecast, which is roughly 99% on target with initial estimates. The expenditure line most significantly under projection is Personnel Services (Line 3.010) due to FY24 severance expenditures being moved to the transfers-out line of the forecast (Line 5.01). This move is being made to stabilize the severance payments against cyclical changes in revenues and expenditures.

This forecast reflects a large shift in expenditures to the Other Financing Uses (Lines 5.01 and 5.02) in comparison to the November submission. There has been a tremendous effort to align expenditures to the proper funds and calibrate the true cost of programming within the district. As the district moves forward, this will allow for greater transparency and accountability with our community.

All other areas of expenses are expected to remain on target with original projections for the year.

Unreserved Ending Cash Balance

With revenues increasing from estimates and expenditures decreasing, our ending unreserved cash balance on June 30, 2024 is anticipated to be roughly $107.6 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2028 if assumptions we have made for property tax collections, state aid in future state budgets, and expenditure assumptions remain close to our estimates.

Forecast Risks and Uncertainty

A five-year financial forecast has risks and uncertainty, not only due to the economic delays noted above but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues and the effect that may occur in the forecast in the long term:

I. Property tax collections are the largest single revenue source for the school system. The housing market in our district is stable and growing. We project growth in appraised values every three (3) years and new construction growth with modest increases in local taxes as the economy continues its recovery from the pandemic as anticipated. Total local revenues, which are predominately local taxes, equate to 69% of the district's resources. We believe there is a low risk that local collections will fall below projections throughout the forecast.

   The state legislature has formed a "Joint Committee on Property Tax Review and Reform" which is pending as of this forecast. We are watching these deliberations closely and they could impact future reappraisals and possibly the impact of the 20-mill floor currently in law. Our district is currently not on the 20-mill floor for either Class I or Class II values. We are watching the Joint Committee carefully and will adjust the forecast as needed pending their outcome. The district is not anticipating to reach the 20-mill floor in Class I or Class II in the forecasted period through FY28. This reduces our current risk of legislative impacts to the 20-mill floor at this time. It should be noted that changes to the 20-mill floor would result in an increase in the dependence on levy cycles for public schools, much like our other local governments.

II. Butler County experienced a triennial update in the 2023 tax year, which will be collected in 2024**.** The 2023 update increased residential and commercial assessed values by 32.9%. A sexennial reappraisal will occur in tax year 2026 for collection in calendar year 2027. We anticipate overall value increases for residential and commercial property of 15.3% at that time. We feel these estimates are conservative, but they could unexpectedly be lower which would reduce anticipated property tax collections. New construction assessed value in 2023 for residential property was $56.1 million and $22.6 million for commercial industrial property.

III. The state budget represents 31% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to the high inflation or the Fair School Funding Plan is not funded in future state budgets due to an economic recession. In this forecast, two forthcoming State Biennium Budgets cover FY26-27 and FY28-29. Future uncertainty in the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long-range through FY28. We have projected our state funding in FY24 and FY25 based on the additional phase-in of HB.33 (the Fair School Funding Plan). This forecast reflects state revenue growing with minimal inflationary increases in FY26 through FY28, which we feel is conservative and should be close to what-the State approves for the FY26-FY28 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

IV. HB.33, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY24 and FY25. FY24 reflects 50% of the implementation cost at year three of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.66% funding of the FSFP. However, the final two years of the phase-in are not guaranteed. The FSFP has made many significant changes to how foundation revenues are calculated for school districts and how expenses are charged off. State foundation basic aid will be calculated on a base cost methodology with funding paid to the district where a student is enrolled to be educated. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY25.

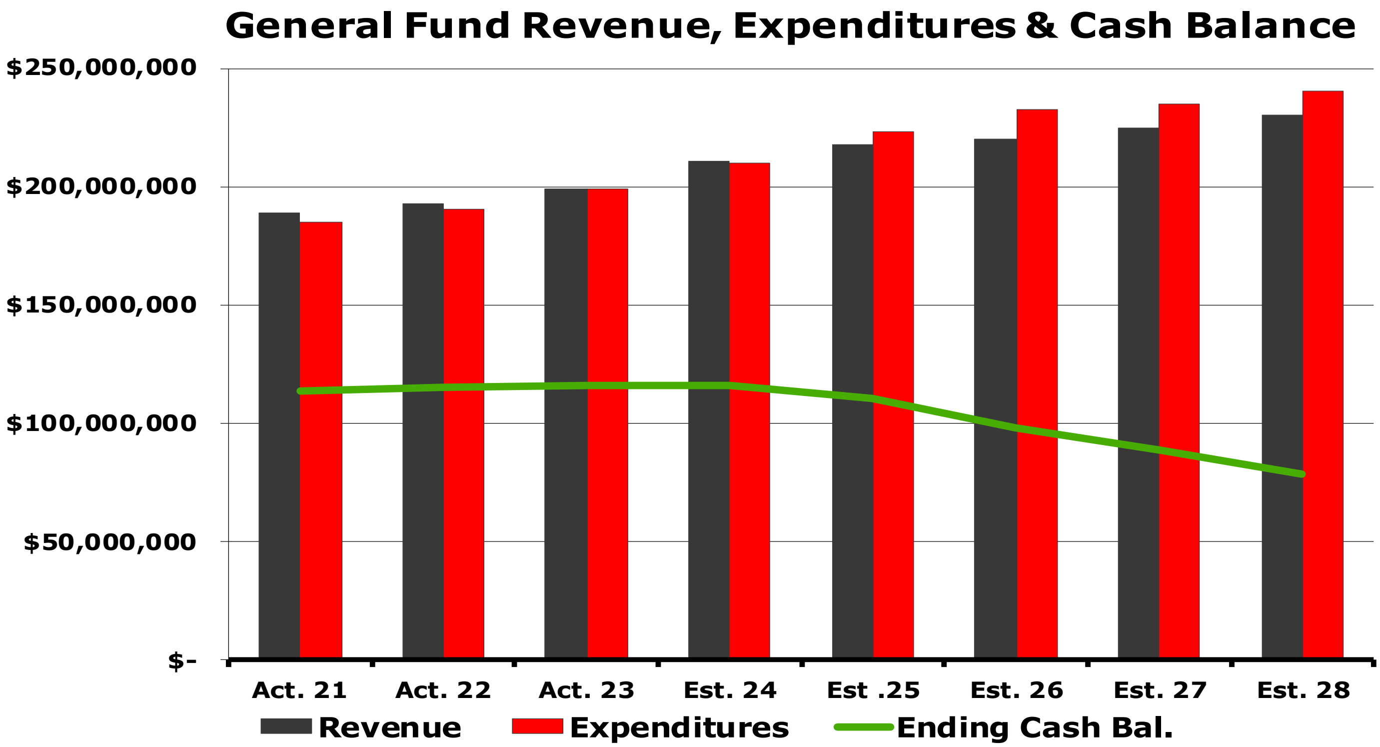
V. HB.33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid for by the State of Ohio can expose the district to new expenditures currently outside the forecast. We closely monitor any new threats to our state aid and increased costs as new proposed laws are introduced in the legislature.

VI. Labor relations in our district have been amicable with all parties working for the best interest of students. We believe as we move forward our positive working relationship will continue. Both labor union contracts cover the period of July 1, 2021 through June 30, 2024.

The significant lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer to the forecast. It should assist the reader in reviewing the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please contact Mr. Adam Zink, Treasurer/CFO of Lakota Local Schools at 513-644-1180, adam.zink@lakotaonline.com, or visit our webpage for additional resources.

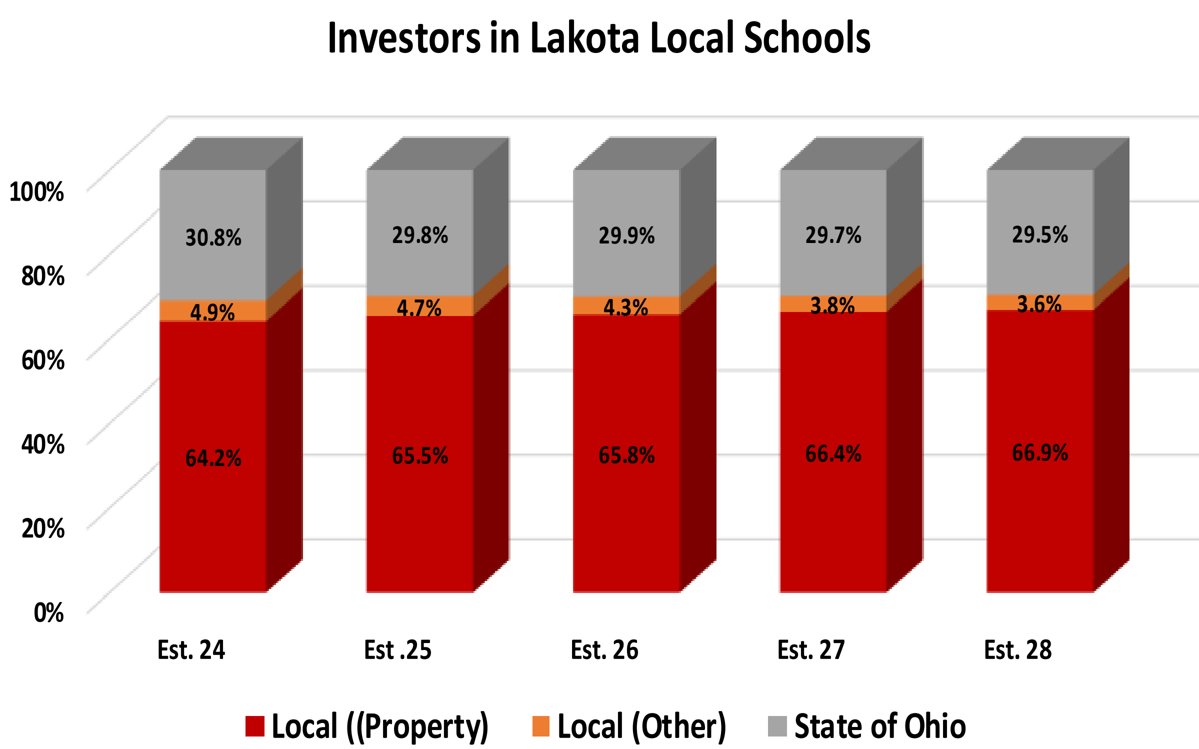
General Fund Revenue, Expenditures and Ending Cash Balance Actual FY21-23 and Estimated FY24-28

The following graph captures in one snapshot the operating scenario facing the district over the next few years.

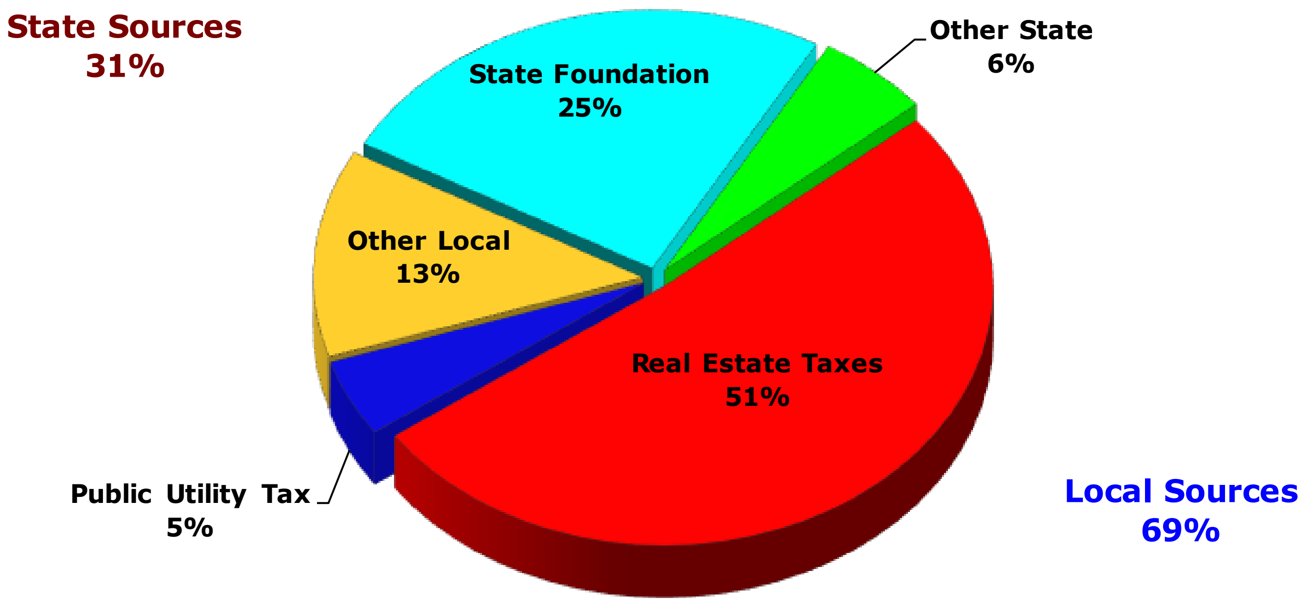


Revenue Assumptions

In this section the reader will find information on where district revenues come from, as well as the methodology used to estimate future years' revenues. These estimates are based on the best information we have at the time of submission.



Est. General Fund Revenues FY2024 $210,126,679



Real Estate Value Assumptions – Line #1.010

Property values have shown a trend of recovery since 2014 and the pace is picking up. Our 2023 triennial update shows values increasing at a pace not seen since before 2008. When the district values rise due to inflation, HB.920 will reduce voted tax rates so there is no increase other than on the un-voted inside millage amount. As we get further away from the recession of 2008, our values will continue to increase and HB.920 will prevent our district from collecting additional revenues from those increased values until our district reaches the 20-mill floor.

Property values are established each year by the county auditor based on new construction, demolitions, Board of Revisions and Board of Tax Appeals activity and complete reappraisal or updated values. Butler County experienced a triennial update for the 2023 tax year to be collected in 2024. Residential/agricultural values increased 38.05%, or $1.11 billion, due to the update led by an improving housing market.

For tax year 2023, new construction in residential property was up 1.9%, or $56.1 million, in assessed value and commercial/industrial values increased 3%, or $22.6 million. Overall values rose $1.29 billion, or 35%, which includes new construction for all classes of property. At this time, we are modeling property tax collections over the forecasted period using average new construction growth trends for both Class I and Class II (omitting abnormally high or low years from trend calculations). Due to the rapid growth the district has seen for both Class I and Class II properties, we have been moderately aggressive in our new construction estimates. New construction growth has additional revenue considerations for our real property collections caused by HB.920. The new construction revenue is received prior to the new values being added to the district's total property valuation, which would reduce the effective millage collected for Class I and Class II properties. Because the revenue is received prior to the effective millage reduction, these are new revenues to the district and are a significant area of risk that we monitor closely for any changes in value.

A sexennial reappraisal will occur in 2026 for collection in fiscal year 2027, which we are estimating to increase 15% in residential and 8% for commercial/industrial property. Overall, we anticipate Residential/Agricultural and Commercial/Industrial values to increase $786.5 million, or 15.3%. Due to HB.920, the assumed reappraisal growth will decrease the voted effective millage. The increase to collections in the reappraisal are only to the 6.49 inside mills Lakota receives.

Public Utility Personal Property (PUPP) is not impacted by HB.920, due to tax payments being calculated with voted millage, or 64.14 mills for Lakota. PUPP values increased by roughly $21.1 million in tax year 2023. However, we have reduced the increase by $4.2 million to account for a value dispute that Duke Energy has filed on parcels within Lakota's boundaries. We anticipate that Duke will "tender pay" these property taxes until the dispute is settled. This is to ensure that the district does not collect the funds ahead of the determination. If the funds are collected, and the value is reduced, the district would owe a refund to Duke Energy. If the values remain at the higher amount, then Duke will make payments to the district on the unpaid amounts. This would result in a windfall in future years, due to the high level of risk, we do not anticipate this in this forecast. We are assuming our values will continue to grow by a rolling three-year average (omitting the dramatic increase in tax year 2023, which was not in alignment with trend) for each year of the forecasted period.

Tangible personal property (TPP) values decreased to $0 in 2011 because of HB.66 passed in 2005 to be effective July 1, 2005. This began a systematic phase-out of the tax base statewide to be replaced by a Commercial Activities Tax (CAT). The district has not been held harmless from the loss of the local taxes by the state TPP reimbursements noted below for Line 1.050 under TPP reimbursements due to cuts made in HB.153 reimbursements. In 2004, our district's TPP values were $183,373,135 and yielded the general fund $11,119,738 in local taxes, which is equivalent to losing a 4.42 mill levy each year. Eliminating the TPP taxes, in effect, transferred the burden for those lost dollars into increased taxes on local taxpayers, a shift of the tax burden from businesses to residential taxpayers.

Estimated Assessed Property Valuations by Collection Years

Classification	Actual TAX YEAR 2023 COLLECT 2024	Estimated TAX YEAR 2024 COLLECT 2025	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027	Estimated TAX YEAR 2027 COLLECT 2028
Res./Ag.	$4,118,435,780	$4,169,547,837	$4,222,160,252	$4,908,666,287	$4,960,968,444
Comm./Ind.	860,154,050	888,162,780	916,979,760	1,016,992,504	1,044,819,196
Public Utility (PUPP)	164,240,250	179,065,093	187,529,954	195,328,823	204,277,127
Total	$5,142,830,080	$5,236,775,710	$5,326,669,967	$6,120,987,614	$6,210,064,767

Tax Rate Assumptions

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law provides for "reduction factors" of all voted property tax levies to adjust the millage rates lower for the levy to not increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II) resulting in different effective millage rates. The district-voted rate for all general fund operating levies is 64.14 mills while the Class I effective millage rate is 23.29 mills, and the Class II effective millage rate is 32.69 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the "20-Mill Floor". Currently, our district is not on the floor for Class I or Class II in TY23 or assumed to be in the forecasted period.

Tax Levies	Year Approved	Last Calendar Year of Collection	Full Tax Rate (per $1,000 of assessed valuation)	Effective Rates Res/Ag	Effective Rates Comm/Ind
Inside Ten-Mill Limitation	n/a	n/a	6.49	6.49	6.49
Continuing Operating	1976	n/a	15.88	1.82	3.66
Continuing Operating	1978	n/a	3.80	0.44	0.88
Continuing Operating	1985	n/a	5.90	1.32	2.06
Continuing Operating	1988	n/a	5.67	1.43	2.34
Continuing Operating	1991	n/a	5.90	2.02	3.25
Continuing Operating	1996	n/a	6.50	2.56	4.20
Continuing Operating	2000	n/a	4.90	2.21	3.44
Continuing Operating	2005	n/a	5.60	3.08	3.93
Continuing Operating	2013	n/a	3.50	1.93	2.46
Total Gross & Effective Tax Rates			64.14	23.29	32.69

Estimated Real Estate Tax Collections

Property tax levies are estimated to be collected at 99% of the annual amount. This allows for a 1% delinquency factor. In general, 52.5% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the March tax settlement and 47.5% collected in the August tax settlement. Collections in FY23 were up $540 thousand due to additional delinquent taxes collected in the August and March tax settlements. In FY24, the delinquent collections were lower than FY23 by $626 thousand. We believe this is due to the dramatic increase in values caused by the 2023 triennial update, which increased tax bills for many taxpayers in 2024. We believe the delinquent collections will return to the trend for FY25 and beyond.

Estimated Real Estate Tax Collections - Line #1.010

Source	FY24	FY25	FY26	FY27	FY28
Estimated Real Estate Tax Line # 1.010	$107,850,861	$114,287,609	$116,408,724	$120,290,761	$123,869,359

New Tax Levies – Line #13.020

No new tax levies are modeled in this five-year forecast.

Renewal and Replacement Levies – Line #11.02

Tax levies that are not continuous by law cannot be included with the property taxes. The levies passed by Lakota's residents are continuing levies; therefore, there are no levies that will appear on this line of the forecast.

Estimated Tangible Personal Tax and Public Utility Personal Property (PUPP) – Line #1.020

The phase out of TPP taxes, as noted earlier, began in FY06 because of HB.66, which systematically phased out General Personal Property tax along with telephone/railroad public utility property by 2011. The last collection of local TPP taxes was October 2010. Any amounts received in the forecast period are from settlement of old, outstanding delinquent TPP taxes. The last settlements were received in FY22 and are no longer projected in this forecast.

Amounts noted below are PUPP tax payments from public utilities. The values for PUPP are noted in the table below, which were $164.2 million in assessed values in 2023 and are collected at the district's gross voted millage rate. Collections are typically 51% in March and 49% in August along with the real estate settlements from the county auditor. The values in 2022 rose by 11.4%, or $16.8 million, and are expected to grow by a rolling three-year average (omitting the dramatic increase in tax year 2023, which was not in alignment with trend) for each year of the forecasted period.

Source	FY24	FY25	FY26	FY27	FY28
Public Utility Personal Property Taxes Line #1.02	$10,141,351	$10,885,164	$11,762,132	$12,283,283	$12,821,103

School District Income Tax – Line #1.030

Our school district does not have an income tax levy; therefore, income tax revenues are not modeled in this forecast.

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045

Current State Funding Model per HB.33 through June 30, 2025

Unrestricted State Foundation Revenue – Line #1.035

HB.33, which is the current state budget, continues the Fair School Funding Plan for FY24 and FY25. We have projected the funding in FY24 based on the May 2024 foundation settlement and funding factors for FY25 from the April 12th simulation provided by the Department of Education and Workforce.

The state foundation funding formula has gone through many changes in recent years. The previous funding formula began in FY14. It was dropped in FY19 after six (6) years, followed by no foundation formula for two (2) years in FY20 and FY21, then HB.110, as amended by HB.583 for FY22 and FY23, with continuation of this formula in HB.33 for FY24 and FY25. The current formula introduced many changes to how state foundation is calculated and expenses deducted from state funding, which will potentially make the actual five-year forecast look differently with estimates FY24 through FY28 compared to real data in FY21 through FY23 on Lines 1.035, 1.04, 1.06, and 3.03 of the forecasts.

Overview of Key Factors that Influence State Basic Aid in the Fair School Funding Plan

A. Student Population and Demographics;
B. Property Valuation Per Pupil;
C. Personal Income of District Residents Per Pupil; and
D. Historical Funding - CAPS and Guarantees from prior funding formulas "Funding Bases" for guarantees.

Base Cost Approach - Unrestricted Basic Aid Foundation Funding

The current funding formula uses FY22 statewide average district costs and develops a base cost approach that includes minimum service levels and student-teacher ratios to calculate a unique base cost for each district. Newer, more up-to-date statewide average prices will not update for FY24 and FY25 and remain frozen at FY22 levels, while other factors impacting a district's local capacity will update for FY24. Base costs per pupil include funding for five (5) areas:

1. Teacher Base Cost (4 subcomponents)
2. Student Support (7 subcomponents-including a restricted Student Wellness component)
3. District Leadership & Accountability (7 subcomponents)
4. Building Leadership & Operations (3 subcomponents)
5. Athletic Co-curricular (contingent on participation)

State Share Percentage – Unrestricted Basic Aid Foundation Funding

Once the base cost is calculated, which is currently at a state-wide average of $8,242.19 per pupil in FY24, the FSFP calculates a state share percentage (SSP). The SSP, in concept, will be higher for districts with less capacity (lower local wealth) and lower for districts with more capacity (higher local wealth). In other words, the higher the district's ability to raise taxes based on local wealth, the lower the SSP will be as a result of the calculation. HB.33 increased the minimum state share from 5% in FY23 to 10% for FY24 and FY25. The SSP will be based on 60% property valuation of the district, 20% on federally adjusted gross income, and 20% on federal median income, as follows:

1. 60% based on the most recent three (3) year average assessed values or the most recent year, whichever is lower, divided by base students enrolled;
2. 20% based on the most recent three-year average federal adjusted gross income of district residents or the most recent year, whichever is lower, divided by base students enrolled;
3. 20% based on the most recent year's federal median income of district residents multiplied by the number of returns in that year divided by base students enrolled; and
4. When the weighted values are calculated, and items 1 through 3 above are added together, the total is multiplied by a Local Share Multiplier Index from 0% for low-wealth districts to a maximum of 2.5% for wealthy districts.

When the unrestricted base cost is determined and multiplied by the state share percentage, the resulting amount is multiplied by the current year enrolled students (including open-enrolled students being educated in each district) and multiplied by the local share multiplier index for each district. The result is the local per pupil capacity of the base per pupil funding amount.

Categorical State Aid

In addition to the base state foundation funding calculated above, the FSFP also has unrestricted categorical funding and new restricted funding that began in FY22, some of which will have the state share percentage applied to these calculations as noted below:

Unrestricted Categorical State Aid

1. Targeted Assistance/Capacity Aid – Provides additional funding based on a wealth measure that is weighted 60% on property value and 40% on income. Uses current year enrolled average daily membership (ADM), which is a headcount of public school students used as a measure with which to indicate the size of a school district in terms of enrollment and as the basis of state funding calculations. It also will provide supplemental targeted assistance to lower wealth districts whose enrolled ADM is less than 88% of their total FY19 ADM.
2. Special Education Additional Aid – Based on six (6) weighted funding categories of disability and moved to a weighted funding amount, not a specific amount. 10% will be reduced from all districts' calculations to be used toward the state appropriation for Catastrophic Cost reimbursement.
3. Transportation Aid – Funding is based on all resident students who ride school transportation, including preschool students and those living within one (1) mile of school. Provides supplemental transportation for low-density districts. Increases state minimum share to 37.5% in FY24 and 41.67% in FY25.

Restricted Categorical State Aid

1. Disadvantage Pupil Impact Aid (DPIA) - Formerly Economically Disadvantaged Funding, DPIA is based on the number and concentration of economically disadvantaged students compared to the state average and multiplied by $422 per pupil. Phase-in increases are limited to 50% in FY24 and 66.67% in FY25.
2. English Learners – Based on funded categories based on the time students are enrolled in schools and multiplied by a weighted amount per pupil.
3. Gifted Funds – Based on average daily membership multiplied by a weighted amount per pupil.
4. Career-Technical Education Funds – Based on career technical average daily membership and five (5) weighted funding categories students enrolled in.
5. Student Wellness and Success Funds – These funds are based on initiatives similar to those for DPIA. They are restricted funds for school climate, attendance, discipline, and academic achievement programs.

State Funding Phase-In FY24 and FY25 and Guarantees

While the FSFP was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB.110, which was amended by HB.583 in June 2022 and has now extended the plan in HB.33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it will consist of a general phase-in percentage for most components of 50% in FY24 and 66.67% in FY25.

The funding formula includes three (3) guarantees: 1) "Formula Transition Aid," 2) Supplemental Targeted Assistance, and 3) Formula Transition Supplement. The three (3) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY24 and FY25 than they received in FY21.

Our district is currently a formula district in FY24 and is expected to change to a guarantee district in FY25-FY28 on the new Fair School Funding Plan (FSFP). Based on the April 12th simulation, if fully phased-in, Lakota would receive just under $12 million in guarantee revenue. This ensures the district does not receive less than FY21 state aide, which is the equivalent of 2.33 mills should the state remove the guarantees. This creates significant risk to our district, and community.

Future State Budget Projections beyond FY25

Our funding status for FY26-28 will depend on two (2) unknown new state budgets. There is no guarantee that the current Fair School Funding Plan in HB.33 will be funded or continued beyond FY25; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative data to use. For this reason, funding is projected to grow with modest inflationary increases and anticipated student growth for FY26 through FY28.

Threshold Aid

Threshold Aid (formerly Catastrophic Aid) nearly doubled in FY22 due to increased appropriations, which are funded at the state level by a reduction in special education funding at the local level. These revenues are inconsistent year-to-year and we are not projecting any growth over the remainder of the forecast.

Casino Revenue

On November 3, 2009, Ohio voters passed the Ohio casino ballot issue. This issue allowed four (4) casinos to open in Cleveland, Toledo, Columbus, and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% of Gross Casino Revenue that will be paid into a student fund at the state level. These funds are distributed to school districts on the 31st of January and August each year since January 31, 2013.

The casino revenue has recovered from casinos closing in 2020 due to the pandemic. Total funding in FY22 was $109.39 million for schools, or $62.86 per pupil. In FY23, the funding totaled $113.1 million, or $64.90 per pupil, and in FY24 the funding totaled $113.11 million, or $65.02 average per pupil. We expect the casino revenues to have resumed their historical growth rate and are assuming a 1.5% annual growth rate for the remainder of the forecast.

Source	FY24	FY25	FY26	FY27	FY28
Basic Aid-Per HB110	$43,095,087	$35,669,910	$34,097,166	$32,561,276	$33,006,476
HB33 Guarantee	0	7,972,905	9,982,077	11,958,759	11,958,759
Additional Items	2,998,293	3,270,823	3,347,337	3,425,407	3,505,063
Basic Aid- Subtotal	$46,093,380	$46,913,638	$47,426,580	$47,945,442	$48,470,298
Casino Revenue	$1,161,668	$1,189,024	$1,217,026	$1,245,509	$1,274,662
Threshold Aid	1,389,032	1,500,155	1,620,167	1,749,780	1,749,780
Total Unrestricted State Aid Line # 1.035	$48,644,080	$49,602,817	$50,263,773	$50,940,731	$51,494,740

Restricted State Revenues – Line #1.040

HB.33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged Funding) and Career Technical funding. In addition, new restricted funds have been added under "Restricted Categorical Aid" for Gifted, English Language Learners (ELL), and Student Wellness. We have estimated revenues for these new restricted funding lines using current May funding factors and the simulations from the Department of Education and Workforce for FY25. The amount of DPIA is limited to a 50% phase in growth for FY24 and 66.67% in FY25. We have projected funding to grow with modest inflationary increases and anticipated student growth for FY26-FY28 due to uncertainty on continued funding of the current funding formula.

HB.33 set aside $64 million state-wide to subsidize the cost of high-quality instructional materials purchased by schools and districts aligned to the Science of Reading. The funds are provided to support both high-quality core curriculum and instructional materials in English language areas and evidenced-based reading intervention programs. The district received $987,338 from this one-time subsidy and is required to maintain documentation as to how the funds were leveraged along with expenses incurred beyond the subsidy.

Source	FY24	FY25	FY26	FY27	FY28
DPIA	$359,062	$208,235	$214,148	$220,213	$226,435
ESL	612,043	489,641	503,544	517,806	532,436
Gifted	831,189	677,931	697,180	716,927	737,184
Other Restricted State Funds	993,458	0	0	0	0
Student Wellness and Success Funds	1,728,979	1,729,564	1,778,671	1,829,048	1,880,727
Total Restricted State Revenues Line # 1.040	$4,524,731	$3,105,371	$3,193,543	$3,283,994	$3,376,782

Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected in this forecast.

Summary of State Aid Projections

Summary	FY24	FY25	FY26	FY27	FY28
A) Unrestricted State Aid Line # 1.035	$48,644,080	$49,602,817	$50,263,773	$50,940,731	$51,494,740
B) Restricted State Aid Line # 1.040	4,524,731	3,105,371	3,193,543	3,283,994	3,376,782
C) Restricted Federal Grants Line # 1.045	0	0	0	0	0
Total State Foundation Revenue	$53,168,811	$52,708,188	$53,457,316	$54,224,725	$54,871,522

State Share of Local Property Taxes – Line #1.050

Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given to owner-occupied residences. Credits equal 12.5% of the gross property taxes charged to residential taxpayers on levies passed before September 29, 2013. HB.59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013.

Homestead Exemptions are credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007, HB.119 expanded the Homestead Exemption for all seniors 65 years or older or disabled, regardless of income. Effective September 29, 2013, HB.59 changed the requirement for Homestead Exemptions. Individual taxpayers who still need to get their Homestead Exemption approved or those who did not get a new application approved for the tax year 2013 and who become eligible after that will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013 will not lose it and will not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the State is increasing the tax burden on our local taxpayers.

Source	FY24	FY25	FY26	FY27	FY28
Rollback and Homestead	$11,714,680	$12,176,321	$12,328,104	$12,757,021	$13,178,580

Other Local Revenues – Line #1.060

All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been open enrollment, interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, and general rental fees.

HB.110, the previous state budget, stopped paying open enrollment as an increase to other revenue for the district. This is projected below as zeros to help show the difference between projected FY24-FY28 Line 1.06 revenues and historical FY21 through FY23 revenues on the five-year forecast. Open-enrolled students will be counted in the enrolled student base at the school district where they are being educated, and state aid will follow the students. Open-enrolled student revenues will be included in Line 1.035 as basic state aid. In the November 2023 forecast, we had included the HB.33 provisions for reimbursement of Lakota’s English Language Arts textbook adoption in Other Local Revenue (Line 1.06) in FY25. Since November, the funds have been distributed by the ODEW in FY24 and are now shown in Restricted State Revenues (Line 1.04).

Interest income is based on the district’s cash balance and increased interest rates due to the Federal Reserve raising rates to curb inflation. The district has been diligent in ensuring our strong cash reserves are maximizing interest revenues, which are expected to be $2.3 million higher than FY23. Once the economy stabilizes, there will be pressure on the Federal Reserve to lower interest rates, which we believe will begin sometime in the second half of 2024, decreasing the opportunity for more significant interest income for the district in FY25-28. We will continue to monitor the investments for the district.

Medicaid revenues will be inflated for FY24 due to a shift in the timing of receiving the FY23 settlement payment in FY24. Preschool tuition revenue in the Local Tuition line below has decreased beginning in FY24 due to fewer inclusion classroom offerings, which reduces the number of seats available for tuition-based students. Rental revenues will grow by 4% annually to accommodate wage and benefit increases for the staff paid by the rental fees, which is the largest portion of the expense related to rentals.

The district will begin receiving new revenue in the general fund from indirect costs. This amount is the portion of administrative costs incurred by programs administered by the district, such as food services and federal programs.

Lakota receives payments in lieu of taxes (PILOT) from several TIFs and RIDs to help facilitate economic development within the district. These are significant revenue sources for the district. In total, the Lakota Local School District’s borders include eight TIF districts for West Chester Township, 12 TIF/RID districts for Liberty Township, four TIF districts for Butler County, and one TIF district for the City of Fairfield. The district currently receives compensation for all but one TIF, the Union Centre Boulevard (UCB) TIF. The UCB TIF district was created before legislation was adopted, which required school district involvement and approval. Due to the early expiration of a portion of the UCB TIF, the district began receiving tax revenue in the collection year of 2019. West Chester did extend the remaining UCB TIF district for 15 years, but at the same time worked with the district to modify the current 747 TIF. All other TIFs involve some sort of compensation agreement with the district. Unfortunately, not all agreements hold the district financially harmless. The district strives to balance the economic vitality of the entire community with the financial well-being of the district. Two RIDs in Liberty Township have also been terminated early: Hawthorne Hills and Allen Estates, which lowered our payments beginning in 2018 and beyond. This has merely moved the revenue line item from Other Local Revenues (Line 1.06) to Real Estate Tax collections (Line 1.01). In FY23, additional parcels were pulled into the Cincinnati-Dayton TIF from TY18 through TY21. We anticipate payments from these parcels to be $1.9 million in TY23, which pays first half in FY23 and second half in FY24 for the collections in arrears, then $760 thousand moving forward for annual collections. These abated properties can result in positive or negative implications for our state funding due to fluctuations in valuation. A continued partnership with West Chester and Liberty townships and Butler County is vital not just to the district, but the community. During the triennial update in tax year 2023, the values inside TIF districts did not increase to the same level as values outside the TIF districts, which caused the collection of PILOTs from TIF districts to be lower than originally estimated by $2 million in FY24. It should be noted that a decrease in PILOT payments due to expiration of the agreement will result in a decrease to line 1.060 and an increase to line 1.010 of the forecast due to the way in which the district is required to receipt these revenues.

The district also collects PILOTs from several Enterprise Zone Abatement (EZA) properties for GE Aviation, Republic Wire, Systecon, and John Planes Enterprises. In FY24, we anticipated collections beginning for two new properties, which finished construction in tax year 2023: Kemba Credit Union and Queen City Harley Davidson. The abatement paperwork is still being finalized with the Ohio Department of Taxation and is now anticipated to be received in FY25.

Although the district does not have the ability to create abatements, we appreciate communications we receive in regard to the planning taking place with our townships and county. This allows us to plan accordingly, to reduce the risk of over or understating revenues. The district strives to be a good community partner with our local governments to continue to meet the economic needs of our growing community.

Source	FY24	FY25	FY26	FY27	FY28
Payment In Lieu of Taxes	$17,183,079	$17,230,075	$16,707,731	$16,943,786	$17,179,841
Open Enrollment In	0	0	0	0	0
Interest	5,165,281	4,083,132	3,696,793	3,038,991	2,947,608
Tuition from State	1,854,914	1,873,463	1,892,198	1,911,120	1,930,231
Local Tuition	140,000	193,200	197,064	201,005	205,025
Rentals	304,882	317,077	329,760	342,950	356,668
Indirect Cost	1,160,000	910,000	910,000	910,000	910,000
Medicaid Reimbursement	980,991	800,611	816,623	832,955	849,614
Miscellaneous	461,829	466,447	471,111	475,822	480,580
Total Other Local Revenues Line # 1.060	$27,250,976	$25,874,005	$25,021,280	$24,656,629	$24,859,567

All Other Financial Sources – Line #2.010 through Line #2.060 & Line #14.010

There is no short-term borrowing projected in this forecast at this time. Other financing sources consist of advances that the school district anticipates during the forecasted period. Transfers into the general fund had increased in recent years due to the Board's approval of Budget Stabilization Policy 6217 on June 10, 2019; however, these transfers will not continue in years where deficit spending is projected. Advances are approved from the general fund to other funds, primarily to cover grant monies that are not received as of fiscal year end. At the end of FY23, the district made an advance to the Healthcare Fund to meet actuary reserve obligations. This is reflected as the advance return in FY24. The district is not anticipating future advances to this fund. However, it should be noted that the performance of the insurance fund could result in future advances.

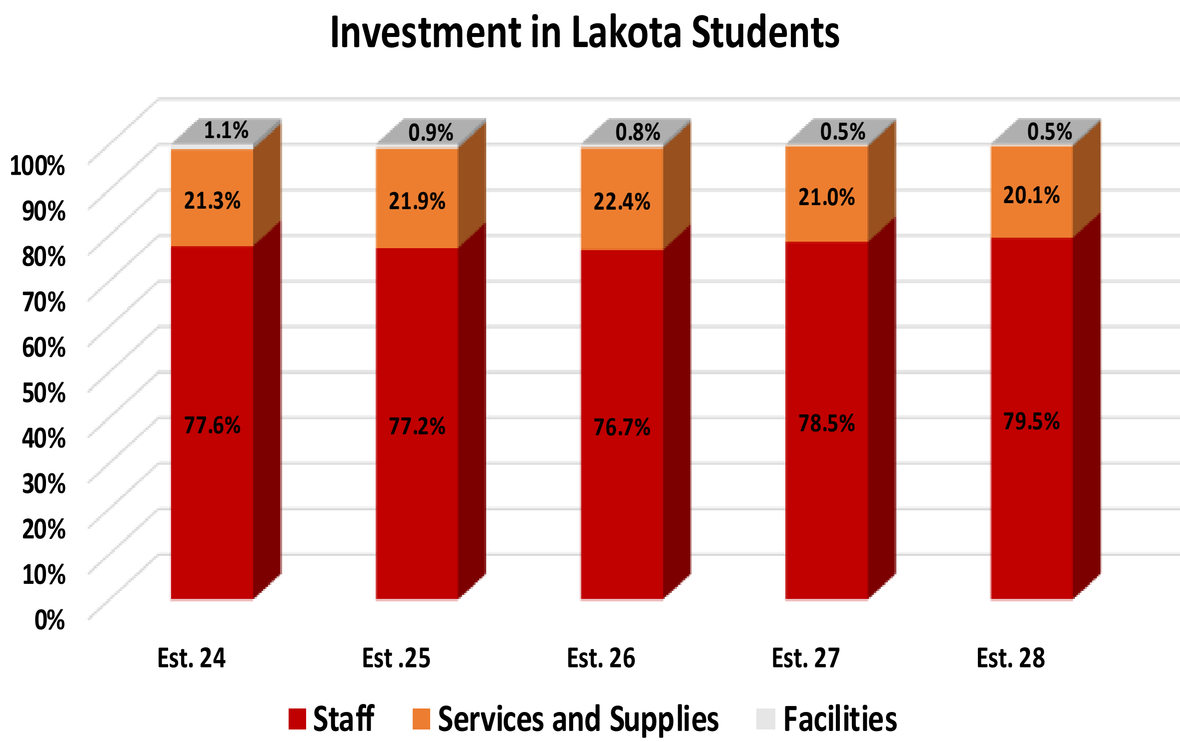
Sale of Personal Property and Refund of Prior Year Expenditures are calculated on a rolling three-year average for the forecasted period. Should the district move forward with the Master Facilities Project, Sale of Personal Property could see an increase as decommissioned furniture, equipment, or other assets could be sold as a result of this future project.

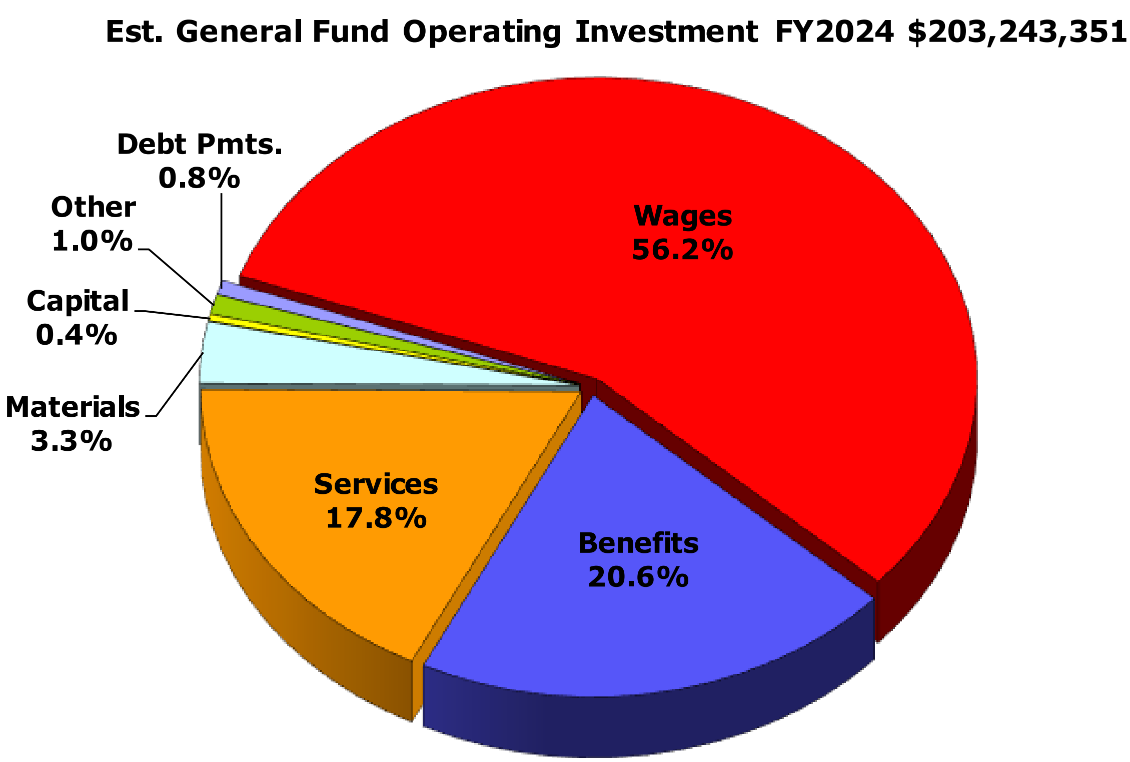
Source	FY24	FY25	FY26	FY27	FY28
Transfers In Line # 2.040	$69,656	$0	$0	$0	$0
Advance Returns # 2.050	178,925	1,405,097	1,058,000	816,000	574,000
Total Transfers and Advances In	$248,581	$1,405,097	$1,058,000	$816,000	$574,000

Source	FY24	FY25	FY26	FY27	FY28
Sale of Personal Property	$11,710	$5,970	$5,970	$7,883	$6,608
Refund of prior years expense	62,689	145,632	122,972	122,972	113,566
Total Other Financing Sources Line # 2.060	$74,399	$151,602	$128,942	$130,855	$120,174

Expenditure Assumptions

The district's leadership team is always looking at ways to improve the education of our students, whether it be with changes in staffing, curriculum, or new technology. In this section, the reader will gain a better understanding of the way the district invests its resources to meet the current and future needs of the students. As the administration of the district reviews the distribution of resources, the education of the students is always the main focus.





Wages – Line #3.010

The expenditures in this category represent salaries and wages for services rendered for all collective bargaining units and non-collective bargaining unit employees. The current agreement with the Lakota Education Association (LEA) provides for a 1.97% cost of living adjustment (COLA) for FY22-24 as well as a 2% increase on the base. The current agreement with the Lakota School Support Association (LSSA) provides for a 1% COLA and a 2.5% increase on the base for FY22-24. Negotiations for new contracts are currently ongoing; however, the collective bargaining units may extend the current contracts by one year and begin negotiations in the spring of 2025. Administrative and non-represented salary increases have been estimated to be comparable to the base increases received by the collective bargaining employees, these increases are reviewed on an annual basis. Stipend, supplemental, severance, and substitute costs for classified positions are included in this line item also. For planning purposes only at this time, a 3% base increase is projected for FY25 and a 2.5% increase in FY26-28.

Severance payments have historically been paid from this line on the forecast. In an effort to stabilize the districts' budgets against cyclical changes in revenues and expenditures, the district will establish a fund for processing employee severance payments beginning in FY24. This will shift FY24 severance expenses from this line into another fund (Fund 035). The severance fund will be supported by a payroll deduction, which will begin in fiscal year 2025 and will accrue at a rate of 0.75% of wages paid by all district employees.

Staffing and Enrollment

The district continues to analyze and audit classroom sizes and support staff ratios. We plan to continue this practice and align classroom teachers to enrollment. The district also considers the demographic study completed in February 2019 when predicting enrollment and the staff needed. Our enrollment exceeded the predicted demographic study by more than 300 students for the 2022-2023 school year. A recurring conversation centers on elementary student-to-teacher ratios. Additionally, the temporary influx of federal aid had allowed the district to increase staffing for the identified priorities. The district plans to further analyze its staffing needs for the forecasted period.

ESSER funds were used for reading and English language learner support teachers, nurses, Multi-Tiered Systems of Support (MTSS) staff, and a Director for Digital Learning in FY23. The total wages returning to the general fund in FY24 are $2.6 million. We have exhausted the ESSER funding that was allocated to the district; we do not anticipate receiving additional ESSER funds.

The district saw 32 LEA members retire under an early retirement provision in the LEA negotiated agreement in FY23. Due to this, the severance payments have increased above normal trends in FY24. The positions were replaced with staff averaging Column A and Step 6 on the FY24 certified salary schedule. Based on past trends, FY24-28 assumes a yearly retirement and replacement of 24 certified staff per year at this time. This forecast reflects an adjustment to the base wage from the prior year severance liability. The district will continue to monitor staffing levels and position classifications to maximize our general operating fund.

In order to better support the needs of our students, the district added an Assistant Superintendent this school year and in January 2024 hired two qualified Teachers of English to Speakers of Other Languages (TESOL), two special education teachers, and three instructional aides. The district also replaced the Director of Student Services with an Interim Executive Director of Student Services. Fiscal year 2024 will see a reduction for a Dean of Students and a Director of K-6 Curriculum. The district will no longer be contracting videographer services; one was hired in-house to provide top-quality productions, which will showcase the achievements of our students and staff. A subsequent reduction of purchased services will be seen below in Line 3.03. Athletic staff, including the athletic directors, athletic operations managers, athletic maintenance staff, and athletic managers, have been moved to the athletic fund in order to represent the true cost of the program. The general fund continues to subsidize the athletic program through a transfer, which is represented in the Operating Transfers Out (Line 5.01) section below.

In FY25, the district anticipates the following staffing changes:

Employee Classification	Additional Staff	Staff Reductions
Certified	3.5 FTE – High School Electives 8 FTE – Special Education Teachers 6 FTE – Junior High General Education Teachers 5 FTE – Gifted Teachers 3 FTE – Teacher Leaders 3 FTE – Physical Education Teachers	2 FTE - Psychologists
Administrators	1 FTE – Guidance Counselor Director 1 FTE – Director of K-6 Curriculum 1 FTE – Assistant Director of Special Services 1 FTE – Benefits Manager 1 FTE – Assistant Director of Community Relations	1 FTE – Executive Director of Special Services 1 FTE – Gifted Director (moving to a purchased service) 1 FTE – Director of Positive School Climate (will be paid from IDEA grant funding) 0.5 FTE – Director of Special Services Grades 7-8 (will be paid from IDEA grant funding)
Classified and Non-Represented	8 FTE – Instruction Aides 1 FTE – Administrative Assistant to Curriculum	6 FTE – Systems Support Technicians 1 FTE – Benefits Manager 1 FTE – Community Relations Manager

The district analyzed class sizes to determine the ratios that best meet the needs of our students. We worked with our buildings and curriculum team to adjust classes to remain within these class sizes.

Grade	Ratio
Kindergarten	22:1 to 25:1
1st Grade to 2nd Grade	23:1 to 26:1
3rd Grade to 4th Grade	24:1 to 27:1
5th Grade to 6th Grade	25:1 to 28:1
7th Grade to 12th Grade	Varies according to contractual language for core subject areas, foreign languages, performing arts, etc.
ESL/Reading Specialists and Title I Teachers	40:1
Special Education Kindergarten to 8th Grade	16:1
Special Education 9th Grade to 12th Grade	24:1
Social Communications Classrooms	6:1
Multiple Disability Classrooms	8:1
Emotional Disturbance Classrooms	12:1

Source	FY24	FY25	FY26	FY27	FY28
Base Wages	$107,007,619	$112,136,232	$117,108,448	$120,836,519	$124,348,715
Base Increases	2,514,679	3,364,087	2,927,711	3,020,913	3,108,718
Cost of Living Adjustment & Education Advancements	1,262,690	1,390,489	1,405,301	1,353,369	1,380,271
Staff Retire Replacement	(2,305,760)	(1,187,709)	(1,208,372)	(1,237,006)	(1,265,640)
Staff Decrease, Increase or Reclass	1,017,024	1,405,349	603,431	374,920	388,042
ESSER Return	2,639,981	0	0	0	0
Certified Stipends	607,306	573,379	579,113	584,904	590,753
Classified OT and Extra Duty	294,484	294,484	294,484	294,484	294,484
Curricular Supplemental	564,475	564,475	564,475	564,475	564,475
Certified Extended Days	203,251	203,251	203,251	203,251	203,251
Longevity & Vacation Buyback	89,000	90,780	92,596	94,448	96,337
Classified Subs	250,476	255,486	260,596	265,808	271,124
Severance Payments	0	893,353	921,408	947,846	975,030
Board of Education	23,425	23,425	23,425	23,425	23,425
Student Worker	65,202	65,202	65,202	65,202	65,202
Total Wages Line #3.010	$114,233,851	$120,072,283	$123,841,069	$127,392,558	$131,044,187

Fringe Benefits - Line #3.020

This area of the forecast captures all costs associated with benefits and retirement costs. With the exception of medical and dental insurance, all costs are directly related to the wages paid.

Retirement Contributions

The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law. The district is required to pay SERS Surcharge, which is an additional employer charge based on the salaries of lower-paid members.

Insurance

In January 2019, the district moved from Anthem to Medical Mutual of Ohio (MMO) for health care coverage of its employees. This move facilitated a 1% decrease in premiums, which remained constant for two (2) additional years through December 31, 2021. The district moved to a self-insured plan for health care coverage with Anthem January 1, 2022. For the 2023 plan year, the district initially was anticipating a 17.1% increase in healthcare premiums. The insurance committee elected to increase deductibles, provider co-pays, and institute a new pharmaceutical administration plan. This, along with changing stop loss providers from Anthem to Voya, resulted in an estimated savings of 8.3%, or $1.2 million, of which the actual increase of 8.8% spanned FY23 and FY24, due to being enrolled on a calendar year basis. The increase that will be spread over FY24-25 for medical premiums is 25% due to an unusually high volume of claims. Moving forward, and based on national trends, we are assuming a 7% premium increase for the remainder of this forecast. The district also provides life insurance to its employees which is estimated at $160,000 annually. The district works hard to control these costs and will monitor them closely as we continue to establish a self-insured trend.

The Further Consolidated Appropriations Act of 2020 included a full repeal of three taxes originally imposed by the Affordable Care Act (ACA): the 40% Excise Tax on employer-sponsored coverage (a.k.a. Cadillac Tax), the Health Insurance Industry Fee (a.k.a. the Health Insurer Tax), and the Medical Device Tax. These added costs are no longer an uncertainty factor for our healthcare costs in the forecast.

Workers’ Compensation & Unemployment Compensation

Lakota is one of a handful of districts in the state that has taken advantage of self-insuring their Workers’ Compensation. We have historically funded this at 0.25% of wages. This move to self-insurance has saved the district and its residents millions of dollars over the past decade. After meeting with our workers’ compensation consultant, Hunter Consultants, and analyzing our cash reserve and maximum exposure, we are setting a reserve target of $300,000. To meet this reserve target, we have been taking advantage of a premium vacation, which ended in 2022. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

Medicare

Medicare will continue to increase at the rate of increases in wages and as new employees are hired. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

Summary of Fringe Benefits – Line #3.020

Source	FY24	FY25	FY26	FY27	FY28
STRS/SERS	$17,845,880	$19,188,475	$19,847,316	$20,449,432	$21,061,957
Insurances	22,103,717	25,753,565	27,563,900	29,493,373	31,557,909
Workers Comp/Unemployment	298,831	301,160	310,455	319,215	328,222
Medicare	1,591,183	1,660,027	1,712,116	1,761,200	1,811,670
Contracted Expenditure	11,200	11,200	11,200	11,200	11,200
Total Fringe Benefits Line # 3.020	$41,850,811	$46,914,427	$49,444,987	$52,034,420	$54,770,958

Purchased Services – Line #3.030

HB.110, the previous state budget, impacted Purchased Services beginning in FY22 as the Ohio Department of Education and Workforce will directly pay these costs to the education districts for open enrollment, community, and STEM schools and for scholarships granted to students to be educated elsewhere, as opposed to deducting these amounts from our state foundation funding and shown below as expenses. College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district in this area and has been adjusted based on historical trends.

Purchased Services (Line 3.03) also includes contracted services, utilities, legal services, data processing, tuition and professional meetings expenses. An increase will be seen in FY25 for Orton-Gillingham training in the amount of $400 thousand. The Orton-Gillingham approach is a structured, multisensory teaching method that empowers educators to develop individualized plans for teaching reading and vocabulary skills, particularly for students with dyslexia. Further professional development is projected at $60 thousand for Dynamic Indicators of Basic Early Literacy Skills (DIBELS) training for K-6 staff in FY24-25. The DIBELS training and methodology empowers instructional staff through training on proper assessment administration, accurate data collection, guidance on interpretation of the results, and guidance on using the data for instructional decisions.

Fiscal year 2024 and beyond will see a decrease for videographer services, which was hired internally, as noted above in the section labeled Wages (Line 3.01). Beginning in FY25, the district will begin using a new human resources database and a new district notification system, which will cost an estimated $100 thousand each. The district will also migrate away from the current online benefit platform, which will save $105 thousand annually beginning in August 2024. The teacher substitute contract expense is projected to increase in FY25 stemming from an increase in the daily rate for substitutes (currently $125/day and moving to $150/day).

In FY21, the district returned to busing its freshmen students, which resulted in an increase to the Transportation line. The contract with our transportation provider, Petermann, was renegotiated at the end of FY23 for FY24. Due to a shortage of bus drivers, the district realized a decrease to this contract in FY23 from FY22 based on unfilled routes and a service reduction to schools deemed outside of 30 minutes or unaffordable due to low attendance. At this time the district is forecasting a 4% increase to this contract in FY24, and 3% increases each year FY25-28. This will be monitored closely in future forecasts. Fiscal year 2024 will be deflated due to the need to cancel eight routes due to under-staffing and our contract was credited five days of the contract due to the strike that occurred in September 2023. The contract will also have a reduction for FY25 of roughly $500 thousand due to a reduction of six routes due to consolidating freshman campus student pickup locations.

Rentals and Lease Payments will increase $50 thousand in FY25. This is due to a combination of two factors. The first factor is an anticipated $150 thousand expense related to a dispute with Spectrum regarding fiber lines on district property. The second factor offsets this expense by saving the district $100 thousand by purchasing new copiers rather than continuing to lease.

Source	FY24	FY25	FY26	FY27	FY28
Phone, Postage & Advertising	$348,683	$359,143	$369,917	$381,015	$392,445
Transportation	18,776,861	19,775,651	20,368,921	20,979,989	21,609,389
CS/OE/CCP/Scholarships/Tuition	921,765	967,853	1,016,246	1,067,058	1,120,411
Local Tuition	1,924,355	2,138,329	2,282,927	2,446,813	2,634,811
Professional Services	3,058,001	3,187,971	2,768,891	2,810,424	2,852,580
SRO Contract	1,302,071	1,328,112	1,354,674	1,381,767	1,409,402
Preschool Contract	1,939,577	2,071,105	2,102,172	2,133,704	2,165,710
Substitute Teachers	1,763,681	1,860,683	1,888,594	1,916,923	1,945,676
Management Services	213,951	216,091	218,252	220,435	222,639
Software Service	318,741	348,928	306,462	309,527	312,622
Instructional Services	241,262	244,881	248,554	252,282	256,066
Legal Expense	220,446	208,753	211,884	215,062	218,288
Repairs & Maintenance	540,373	548,479	556,706	565,057	573,533
Rental & Lease Payments	1,115,773	1,182,510	1,100,248	1,116,752	1,133,503
Utilities	2,796,559	2,880,456	2,966,870	3,055,876	3,147,552
Travel & Meeting Exp.	374,036	392,738	412,375	432,994	454,644
Property Insurance	228,921	240,367	252,385	265,005	278,255
Total Purchased Services Line # 3.030	$36,085,056	$37,952,051	$38,426,078	$39,550,682	$40,727,526

Supplies and Materials – Line #3.040

Textbooks, copy paper, maintenance supplies and materials, etc. characterize this category of expenses. The cost for diesel fuel spiked during the pandemic but started to return to normal levels in FY23. In FY24-25, the annual cost of fuel is projected to be less than FY23 due to the reduction of routes. The cost of fuel is estimated to increase 1.5% each year in FY26-28. We will continue to monitor this closely for future implications on this section of the forecast.

The district has established a new rotation for textbook adoptions to meet the needs of our students' educational goals. Due to this, over the forecasted period, we have shown a substantial increase in the resources that have been allocated to this section of the forecast. The nature of these investments in our students' education is identified in the table below.

Course	FY24	FY25	FY26	FY27	FY28
Map Testing	$ 694,198				
K-12 ESL National Geographic	$ 696,589				
Apex Learning Courses (3 yr.)		$ 99,927	$ 99,927	$ 99,927	$ 105,923
ELA K-6 Heggerty*		$ 889,649			

Course	FY24	FY25	FY26	FY27	FY28
K-6 ELA/Math Education Imagine Learning*		$ 1,810,291	$ 368,279	$ 333,279	$ 298,279
7-12 ELA My Perspectives		$ 524,101	$ 349,401		
7-12 Math Amplify Desmos		$ 979,333			
7-12 Pre-Calc McGraw Hill		$ 85,540			
7-12 Math AP Stats BFW		$ 23,905			
7-8 Health Good Heart Wilcox		$ 126,250			
K-6 SEL			$ 50,000		
K-12 Science			$ 6,000,000		
K-12 Music			$ 200,000		
K-6 Steam/Wonderlab			$ 50,000		
K-12 Art				$ 200,000	
K-6 Health				$ 100,000	
9-12 AI/Data Science				$ 50,000	
K-12 Social Studies				$ 2,000,000	
9-12 World Languages				$ 500,000	
K-12 PE					$ 200,000
7-12 Computer Science					$ 100,000
7-12 Business					$ 50,000
7-12 Cyber Security					$ 50,000

*ODEW subsidy per provisions in HB.33 received in FY24 (Restricted State Revenue – Line 1.04).

Summary of Supplies and Materials – Line #3.04

Source	FY24	FY25	FY26	FY27	FY28
General Supplies	$410,000	$301,150	$305,667	$310,252	$314,906
Instructional Supplies and Textbooks	1,008,154	268,526	272,554	276,642	280,792
Curriculum Rotation	1,390,787	4,538,996	7,117,607	3,283,206	804,202
Health Supplies	28,664	29,094	29,530	29,973	30,423
Electronic Books	1,106,922	1,123,526	1,140,379	1,157,484	1,174,847
Building Maintenance Supplies	921,266	935,085	949,111	963,348	977,798
Fuel for vehicles	1,225,000	1,211,357	1,229,527	1,247,970	1,266,690
Software & Computer Supplies	573,907	582,516	591,254	600,123	609,124
Total Supplies and Materials Line # 3.040	$6,664,700	$8,990,249	$11,635,628	$7,868,998	$5,458,781

Equipment – Line #3.050

The capital outlay category consists of any item with a life expectancy of five years or more, such as land, buildings, ground improvements, computers/technology, buses, vehicles, furnishings, and equipment. With the passage of the permanent improvement (PI) 2 mill levy in 2013, we have been able to move most of the expenditures for the upkeep and maintenance of the districts' 25 facilities. The PI funds are not maintained in the general fund and are not reflected in the five-year forecast, but the funds could have a negative impact on the general fund should the needs outpace the PI revenue.

The district will see an increase in technology equipment for FY24 as we invest $680 thousand for additional Chromebooks for students in the second grade. Half of this expense was captured in the PI Fund in FY24.

Source	FY24	FY25	FY26	FY27	FY28
Equipment	$359,342	$354,582	$359,901	$365,300	$370,780
Technology Equipment	381,573	42,404	43,252	44,117	44,999
Total Capital Outlay Line # 3.050	$740,915	$396,986	$403,153	$409,417	$415,779

Debt Service – Line #4.020; 4.050; 4.060

Debt committing general fund sources to its repayment must be included in the forecast. Repayment on debt began in FY08 for a $10 million bond issue, which provided funding for the new Union Elementary School. Additionally, the district issued debt in 2009 and 2010 for energy conversation projects at both high schools and the central office. The final issuance required to be included in the forecast, is debt associated with the artificial turf at both high school stadiums. Payments for the aforementioned debt are reflected in the forecast but paid from the debt service fund per applicable Ohio law. Sequestration has increased our interest payments for our energy conservation projects from its original debt issuance. Our guaranteed federal subsidies have reduced indefinitely by 5.7%. This is an average of an additional $17,000 each year in interest expense to the district.

Source	FY24	FY25	FY26	FY27	FY28
Total Principal Payments Line # 4.010	$570,000	$600,000	$620,000	$640,000	$670,000

Source	FY24	FY25	FY26	FY27	FY28
HB 264 Principal 3 Issues Line # 4.050	$865,000	$870,000	$670,000	$0	$0

Source	FY24	FY25	FY26	FY27	FY28
Int on Bonds & HB 264 Total Line # 4.060	$120,720	$86,500	$58,100	$32,900	$10,050

Other Expenses – Line #4.300

The category of Other Expenses consists primarily of the county educational service center deductions for specialized services provided to the district and auditor and treasurer fees. Auditor and treasurer fees will increase when a new operating levy is collected, during a sexennial reappraisal or triennial update, or during a year when the Board has elections for the voters to select its members. The district had previously received refunds from the county auditor's office for over-collection of auditor fees during real estate settlement distribution to local governments and school districts in FY20-21, but we did not receive the refund in FY22-23. In FY24, we began receiving the refund again and anticipate continuing to receive it for the remainder of the forecasted period.

Source	FY24	FY25	FY26	FY27	FY28
County Auditor & Treasurer Fees	$1,821,516	$1,801,516	$1,871,516	$1,841,516	$1,811,516
Real Estate Fee Return	(530,909)	(699,738)	(699,738)	(699,738)	(699,738)
Butler County ESC	110,253	111,907	113,586	115,290	117,019
Liability Insurance	301,017	316,068	331,871	348,465	365,888
Dues & Fees	229,969	233,419	236,920	240,474	244,081
Audit Fees	63,952	74,911	76,035	77,176	78,334
Staff Recognition	40,000	40,000	40,000	40,000	40,000
Banking Fees	70,000	70,000	71,050	72,116	73,198
Other expenses	6,500	6,598	6,697	6,797	6,899
Total Other Expenses Line #4.300	$2,112,298	$1,954,681	$2,047,937	$2,042,096	$2,037,197

Transfers, Advances and All Other Financing Uses – Line #5.010; 5.020; 5.030

This category includes operating transfers-out, advances-out and refunds of prior year receipts. Operating transfers are funds transferred to the 300 fund to pay for extra-curricular supplemental contracts, administration, and supplies. In FY24, the district will also begin transferring funds to build capital reserves for the rotational replacement of turf, uniforms, and marching band instruments. The district recognized marching band as an extra-curricular beginning in 2014. Since it was approved, the district transferred an equal amount per pupil to the band fund as it contributes to athletics. Beginning in FY25, the band will be operated in line with the accounting model set by athletics of a per participant budget. While this will shift the accounting procedures for marching band funds, it will not change the overall program structure for participants.

Transfers-out increase or decrease in line with the levy promise to reduce fees and implement a family cap. At the time, the Board of Education reduced extracurricular student fees by 50% as well as provided a fee waiver for our economically disadvantaged families, which historically increased this line by an additional $300 thousand. Due to record inflation and a flat participation fee over the last twelve years, the district has identified that the support the district must provide to our extracurricular programs will need to increase. The district will increase the total transfer to the athletic program to $2.97 million in FY24, which includes planning aimed at additional budgets for extra-curricular programming and creating a separate fund to plan for uniform replacements that aligns with normal replacement cycles. The transfer for extra-curricular will also include an annual capital outlay transfer to begin building a reserve for replacement cycles of the turf fields and marching band instruments. The marching band instruments have not been on a replacement cycle since Lakota went to the two High School model; therefore, the district will advance $300 thousand to the capital outlay fund to supplement the replacement cycle, which will be repaid by the fund over a six-year cycle beginning in FY25.

In an effort to stabilize the districts' budgets against cyclical changes in revenues and expenditures, the district will establish a fund for processing employee severance payments beginning in FY24. The severance fund will be supported by a payroll deduction, which will begin in fiscal year 2025 and will accrue at a rate of 0.75% of wages paid. The district will transfer $1.46 million to establish the fund and advance $300 thousand to cover one year of estimated severance in FY24. The advance is expected to increase to $800 thousand in FY25 before stepping down annually as the fund balance grows and is able to sustain itself.

In collaboration with the Finance Committee, the district approved policy 6217 "Budget Stabilization Policy" on June 10, 2019. Policy 6217 states that the district may approve a transfer for 50% of the district general operating fund (001) unencumbered balance over the prior fiscal year-end closing unencumbered balance may be set-aside in the budget stabilization reserve. This annual set-aside may not exceed 5% of the revenue credited to the general operating fund the prior fiscal year. The cumulative balance of the Budget Stabilization Fund shall not exceed 15% of total district general operating fund expenditures for the past three years, as reported in the five-year forecast submitted to the State of Ohio in May of the same fiscal year. Expenditure of these monies will require a separate resolution approved by the Board.

Advances include loans to another fund to cover a temporary end of year deficit balance. These funds are returned to the general fund in the subsequent fiscal year. Refunds of prior year receipts are payments received in one fiscal year and returned to the original payer in another fiscal year.

With the expiration of ESSER funds, the district will return to a student fee collection for school fees in accordance with Board Policy - 6152 in FY25. Using these funds to provide relief to the families of students has been well received over the last four years. Should the district receive additional grant revenues in the future, this will be a high priority consideration.

Source	FY24	FY25	FY26	FY27	FY28
Extra Curricular	$2,967,019	$2,769,048	$2,824,429	$2,880,918	$2,938,536
Capital	849,975	849,975	866,975	884,315	902,001
Severance	1,466,766	0	0	0	0
Curricular Supplies	130,596	565,378	587,993	611,513	635,974
Club Card	123,525	83,525	83,525	83,525	83,525
Budget Stabilization Fund Transfer	69,656	0	0	0	0
Operating Transfers Out Line # 5.010	$5,607,537	$4,267,926	$4,362,922	$4,460,271	$4,560,036
Advances Out Line # 5.020	$1,405,097	$1,058,000	$816,000	$574,000	$332,000
Total Transfers and Advances	$7,012,634	$5,325,926	$5,178,922	$5,034,271	$4,892,036

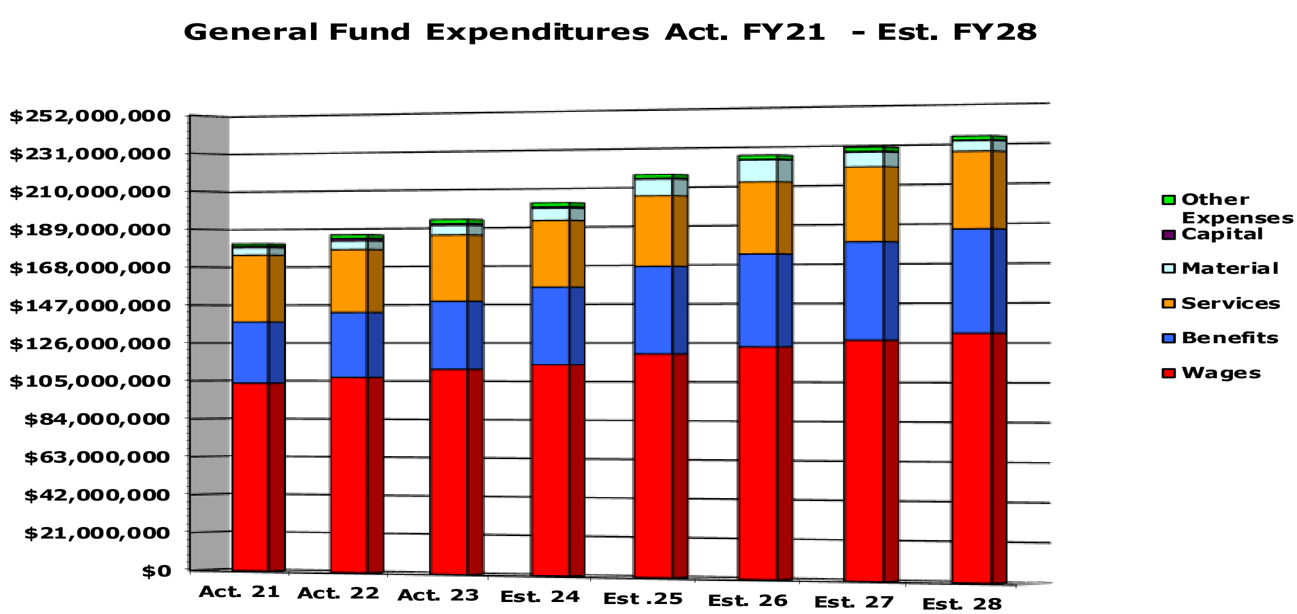
Encumbrances – Line #8.010

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments, which have been performed, are awaiting invoicing and payment. Encumbrances, on a budget basis of accounting, are treated as the equivalent of expenditure at the time authorization is made to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance.

Source	FY24	FY25	FY26	FY27	FY28
Estimated Encumbrances Line # 8.010	$500,000	$500,000	$500,000	$500,000	$500,000

Operating Expenditures Actual FY21 through FY23 and Estimated FY24-FY28

As the following graph indicates, we have diligently contained costs due to lower and flat state revenues. We control our expenses while balancing students' academic needs to enable them to excel and perform well on state performance standards.



Reservations of Fund Balance – Line #9.080

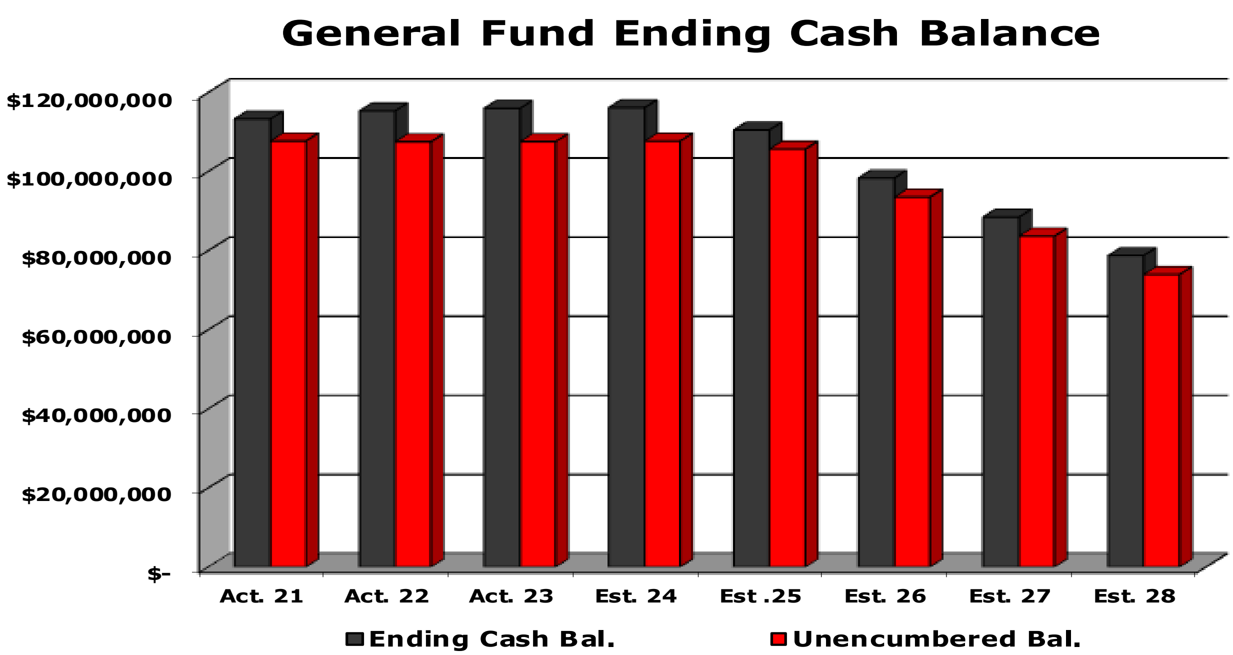
On June 10, 2019 the Board approved policy 6217 "Budget Stabilization" to transfer a portion of the prior year general fund unencumbered carry-over balance to a reserve fund. The district made the first transfer to this newly established fund in July 2019. Policy 6217 states that the district may approve a transfer for 50% of the district general operating fund (001) unencumbered balance over the prior fiscal year-end closing unencumbered balance may be set-aside in the budget stabilization reserve. This annual set-aside may not exceed 5% of the revenue credited to the general operating fund the prior fiscal year. The cumulative balance of the Budget Stabilization Fund shall not exceed 15% of total district general operating fund expenditures for the past three years, as reported in the five-year forecast submitted to the State of Ohio in May of the same fiscal year. Expenditure of these monies will require a separate resolution approved by the Board. On April 3, 2024, the Board of Education approved expenditures of $3.65 million for one-time facility expenses.

Source	FY24	FY25	FY26	FY27	FY28
Fiscal Stabilization Line # 9.045	$7,982,786	$4,330,919	$4,330,919	$4,330,919	$4,330,919

Ending Unreserved Cash Balance "The Bottom-line" – Line #12.010

This amount must not go below $-0- or the district general fund will violate all Ohio Budgetary Laws. Any multi-year contract, which is knowingly signed, and which results in a negative unencumbered cash balance, is a violation of O.R.C. §5705.412, which is punishable by personal liability of $10,000; unless an alternative 412 certificate, as permitted by HB.153, effective September 30, 2011, is issued. It is recommended by the Government Finance Officers Association (GFOA) and other authoritative sources that a district maintains a minimum of sixty (60) day cash balance, which is approximately $33.4 million for our district. Although this is a recommended benchmark, Board Policy 6218 states that upon reaching ninety (90) days cash balance, or $50.1 million in FY24, the Superintendent and Treasurer/CFO will prepare and propose options that the Board may consider to forestall such an eventuality. Further, the Board believes the financial goals of the district should be in alignment with the district's strategic plan and instructional goals. When a General Operating Fund cash balance exceeds 150 days, the Superintendent may prepare a plan for the expenditure of the excess General Operating cash balance on one or more of the deliverables of the strategic plan. This plan must be approved by the Board of Education and cannot result in the General Operating Fund cash balance falling below ninety (90) days in any year of the rolling five-year forecast.

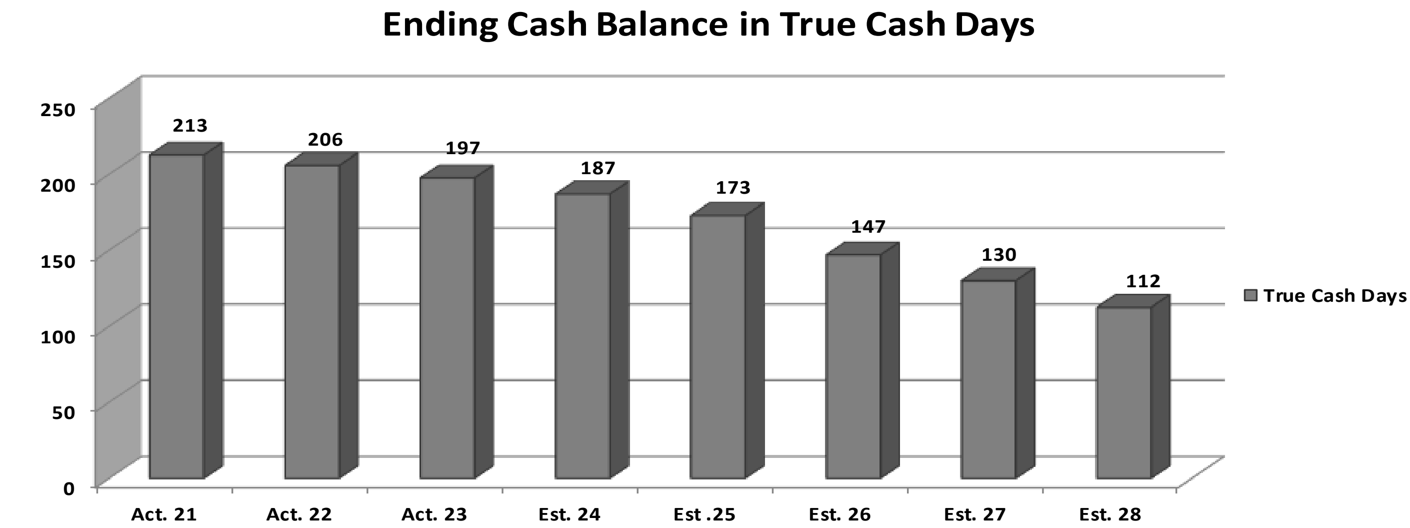
Source	FY24	FY25	FY26	FY27	FY28
Ending Unreserved Cash Balance	$107,691,369	$105,668,119	$93,506,743	$83,660,675	$73,928,466

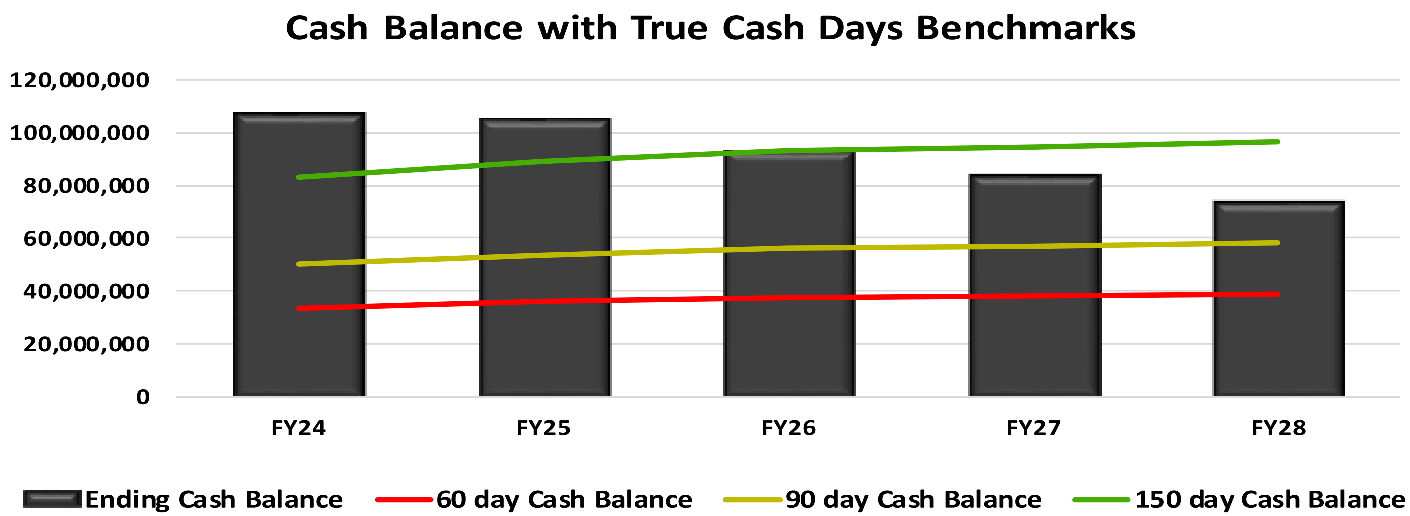


True Cash Days Ending Balance

Another way to look at ending cash is to state it in 'True Cash Days". In other words, how many days could the district operate at year-end if no additional revenues were received? This represents the number of days the district could operate without additional resources or a severe resource interruption. It is calculated by dividing the Current Year's Ending Cash Balance by the average daily expenditures over 365 days. The Government Finance Officers Association (GFOA) recommends that no fewer than two (2) months or sixty (60) days of cash is on hand at year-end. Still, it could be more dependent on each district's complexity and risk factors for revenue collection.

This calculation includes the transfer line because this is a predictable funding source for other funds such as capital, athletics, and severance reserves.





Additional Financial Resources

- Treasurer's Office Webpage
- Financial Prospectus
- Comprehensive Annual Financial Report
- Budget and Appropriations
- Monthly Board Reports
- Public Records
- Strategic Plan
- Master Facilities Plan
- 2013 Levy Facts
- District Report Cards
- Financial Audit
- Quality Profile
- School Finances 101
- School Finances: Valuation Explained
- School Funding: Millage Explained
- OEPI HB.920 Explanation by Dr. Howard Fleeter
- House Bill 920
- House Bill 33

Financial Policies

- 6144 - INVESTMENTS
- 6144.01 - INVESTMENTS
- 6152 - STUDENT FEES, FINES, AND CHARGES
- 6210 - FISCAL PLANNING
- 6217 - BUDGET STABILIZATION POLICY
- 6218 - CASH BALANCE RESERVE POLICY
- 6219 - SCHOOL DISTRICT FINANCIAL POLICY DOCUMENT STRUCTURALLY BALANCED BUDGET
- 6220 - BUDGET PREPARATION
- 6231 - APPROPRIATIONS AND SPENDING PLAN
- 6232 - APPROPRIATIONS IMPLEMENTATION
- 6320 - PURCHASING AND BIDDING