



# FIVE YEAR FORECAST

Ross Local Schools

May 16, 2024

Steve Castator, Treasurer/CFO





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**Provides 3 years of history (2021-2023)  
& 5 years of projections (2024-2028)**

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**Long-Range Planning & Management  
Tool**

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**Snapshot Financial Report**

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**Legal Requirement: Board must submit  
approved five-year forecast in  
November and May of each fiscal year**

# May 2024 Forecast

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# NOTABLE REVENUE ASSUMPTIONS

- Reappraisal Update for 2023  
39.36% Increase in Class I Valuation
- Rockies Pipeline PUPP Settlement
- State Funding for FY25 - State Funding will Decrease by approximately \$470,000 annually due to increase in Valuation & AGI.
- Athletics Pay to Participate Reduction Remains Flat at \$300.
- Reduced growth of Earned Income Tax FY23 - FY24 vs. FY22 - FY23.



## **FUTURE REVENUE ASSUMPTIONS WHAT TO WATCH FOR IN FY26-FY28**

- **Joint Property Tax Reform Committee**
  - ◆ Will the Legislature Address the 20 mill Floor
  - ◆ Additional Exemptions & Credits
- **Full Real Estate Reappraisal in CY26**
- **State Funding for FY26-FY28 - Will the Fair School Funding Formula continue to be phased in? Funding is projected flat from FY25 decrease.**
- **Income Tax - Will Growth Continue to Slow or Become Flat? Some Districts are seeing a decrease.**



# NOTABLE EXPENSE ASSUMPTIONS

- Restoration of Selected Positions that were eliminated over the last few years:
  - ◆ HS Counselor, HS Math, Intervention Specialist & 4th Grade Teacher.
  
- Health Insurance Savings
  - ◆ 2% Increase for CY24 & 0% for CY25 and CY26 (27.5% Increase the Previous 3 Years)
  
- Base Salary Increases of 4% FY24, 3% FY25 & 2.5% estimate for FY26-FY28
  
- Steps - 2.1% Annually



## **FUTURE EXPENSE ASSUMPTIONS WHAT TO WATCH FOR IN FY26-FY28**

- **Staffing Levels - Restoration of Positions in FY25 & FY26**
  - ◆ District enrollment remains flat to a slight decrease according to trends.
  
- **Health Insurance**
  - ◆ New Market Bid in FY27 - 9% increase assumed for FY27 & FY28 after 3 year contract with Medical Mutual of Ohio.
  
- **Salary Schedule Reform - MGMT & Association Committee beginning August, 2024**
  
- **Staff Recruitment & Retention in an Increasingly Shallow Talent Pool**
  
- **Continue Business Operations & Educational Programming Expense Analysis**

## Revenue vs. Expenditures

	Act 21	Act 22	Act 23	Est 24	Est 25	Est 26	Est 27	Est 28
Revenue	\$ 27,394,394	\$ 29,429,823	\$ 29,034,177	\$ 30,794,829	\$ 32,304,786	\$ 32,475,602	\$ 32,652,808	\$ 32,836,001
Expenditures	\$ 28,555,878	\$ 27,993,627	\$ 29,028,560	\$ 29,556,907	\$ 30,939,220	\$ 32,252,873	\$ 33,861,799	\$ 35,516,387
Ending Cash Bal.	\$ 3,419,829	\$ 4,856,025	\$ 4,861,642	\$ 6,049,564	\$ 7,365,131	\$ 7,537,859	\$ 6,278,868	\$ 3,548,482
True Days Cash	44	63	61	75	87	85	68	36

**A Minimum of 60 True Days Cash Is the State Recommendation**





# May 2024 Forecast Summary

- Increased Revenue from 2023 TY Valuation Increase of 39.36% provides additional property tax dollars to the District.
- Valuation & AGI Increase causes a loss of \$470,000 annually in state funding based on the fair school funding formula.
- Year 5 of this Forecast is 2 Additional State Budget Cycles From FY24 (Current Year)
- District Continuing to Review Cost Savings Measures
- Staffing Levels Will Continue to be the Driver of Costs - 81.5% of Total Expenditures

