YELLOW SPRINGS EXEMPTED VILLAGE SCHOOL DISTRICT-GREENECOUNTY

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

Forecast Provided By
Yellow Springs Exempted Village School District
Treasurer's Office
Jacob McGrath, Treasurer/CFO
May 22, 2024

Yellow Springs Exempted Village

Greene County

Schedule of Revenues, 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 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)	$4,618,444	$4,782,966	$4,976,752	3.8%	$5,157,636	$5,465,988	$4,560,730	$3,895,407	$3,979,038
1.020	Public Utility Personal Property Tax	$135,204	$432,935	$193,762	82.5%	$144,641	$206,281	$199,060	$191,037	$198,807
1.030	Income Tax	$1,554,907	$1,701,942	$1,928,584	11.4%	$1,895,097	$2,970,599	$3,545,666	$3,616,579	$3,688,911
1.035	Unrestricted State Grants-in-Aid	$1,374,622	$2,177,724	$2,475,744	36.1%	$2,659,071	$2,493,428	$2,494,054	$2,494,689	$2,495,333
1.040	Restricted State Grants-in-Aid	$27,530	$46,804	$227,713	228.3%	$241,084	$221,789	$221,789	$221,789	$221,789
1.045	Restricted Federal Grants In Aid	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
1.050	Property Tax Allocation	$629,769	$649,356	$630,481	0.1%	$664,702	$736,927	$626,300	$524,527	$537,272
1.060	All Other Revenues	$1,476,228	$873,122	$409,249	-47.0%	$2,035,053	$473,490	$471,360	$469,290	$467,280
1.070	*Total Revenues*	$9,816,704	$10,664,849	$10,842,286	5.2%	$12,797,283	$12,568,503	$12,118,958	$11,413,318	$11,588,431
	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	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
2.050	Advances-In	$51,700	$129,560	$174,442	92.6%	$432,000	$100,000	$100,000	$100,000	$100,000
2.060	All Other Financing Sources	$149,437	$66,353	($34,565)	-103.8%	$25,000	$25,000	$25,000	$25,000	$25,000
2.070	*Total Other Financing Sources*	$201,137	$195,913	$139,877	-15.6%	$457,000	$125,000	$125,000	$125,000	$125,000
2.080	*Total Revenues and Other Financing Sources*	$10,017,841	$10,860,762	$10,982,163	4.8%	$13,254,283	$12,693,503	$12,243,958	$11,538,318	$11,713,431
	Expenditures									
3.010	Personnel Services	$5,575,775	$5,534,609	$6,196,873	5.6%	$6,396,491	$6,677,709	$6,930,155	$7,183,351	$7,446,103
3.020	Employees' Retirement/Insurance Benefits	$2,150,126	$2,309,656	$2,094,044	-1.0%	$2,480,232	$2,653,860	$2,812,024	$2,975,797	$3,150,033
3.030	Purchased Services	$1,405,820	$1,291,555	$1,458,051	2.4%	$1,526,373	$1,519,428	$1,480,205	$1,539,413	$1,600,990
3.040	Supplies and Materials	$230,163	$191,514	$276,188	13.7%	$335,214	$325,270	$335,028	$345,079	$355,432
3.050	Capital Outlay	$99,447	$89,923	$96,300	-1.2%	$90,000	$100,000	$100,000	$100,000	$100,000
3.060	Intergovernmental	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	$75,900	$0	$0	0.0%	$0	$0	$0	$0	$0
4.020	Principal-Notes	$0	$0	$0	0.0%	$0	$1,775,000	$945,000	$445,000	$465,000
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	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.055	Principal-Other	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.060	Interest and Fiscal Charges	$284	$0	$0	0.0%	$293,283	$1,422,038	$1,354,038	$1,319,288	$1,296,538
4.300	Other Objects	$148,191	$150,834	$125,227	-7.6%	$174,209	$196,345	$201,123	$206,022	$211,046
4.500	*Total Expenditures*	$9,685,706	$9,568,091	$10,246,683	2.9%	$11,295,802	$14,669,650	$14,157,572	$14,113,950	$14,625,140
	Other Financing Uses									
5.010	Operating Transfers-Out	$383	$0	$0	0.0%	$10,000	$10,000	$10,000	$10,000	$10,000
5.020	Advances-Out	$129,560	$174,442	$432,000	91.1%	$150,000	$150,000	$150,000	$150,000	$150,000
5.030	All Other Financing Uses	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
5.040	*Total Other Financing Uses*	$129,943	$174,442	$432,000	90.9%	$160,000	$160,000	$160,000	$160,000	$160,000
5.050	*Total Expenditures and Other Financing Uses*	$9,815,649	$9,742,533	$10,678,683	4.4%	$11,455,802	$14,829,650	$14,317,572	$14,273,950	$14,785,140
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	$202,192	$1,118,229	$303,479	190.1%	$1,798,482	($2,136,146)	($2,073,614)	($2,735,633)	($3,071,710)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	$5,017,297	$5,219,489	$6,337,718	12.7%	$6,641,197	$8,439,679	$6,303,533	$4,229,918	$1,494,286
7.020	*Cash Balance June 30*	$5,219,489	$6,337,718	$6,641,197	13.1%	$8,439,679	$6,303,533	$4,229,918	$1,494,286	($1,577,424)
8.010	*Estimated Encumbrances June 30*	$59,714	$0	$0	0.0%	$120,000	$120,000	$120,000	$120,000	$120,000
`	**Reservation of Fund Balance**									
9.010	Textbooks and Instructional Materials	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.020	Capital Improvements	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.030	Budget Reserve	$0	$0	$0	0.0%	$354,081	$354,081	$354,081	$354,081	$354,081
9.040	DPIA	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.045	Fiscal Stabilization	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.050	Debt Service	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.060	Property Tax Advances	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.070	Bus Purchases	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.080	*Subtotal*	$0	$0	$0	0.0%	$354,081	$354,081	$354,081	$354,081	$354,081
10.010	*Fund Balance June 30 for Certification of Appropriations*	$5,159,775	$6,337,718	$6,641,197	13.8%	$7,965,598	$5,829,452	$3,755,837	$1,020,205	($2,051,505)

Yellow Springs Exempted Village

Greene County

Schedule of Revenues, 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 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
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
11.020	Property Tax - Renewal or Replacement	$0	$0	$0	0.0%	$0	$0	$1,040,484	$1,935,500	$1,935,500
11.300	Cumulative Balance of Replacement/Renewal Levies	$0			0.0%	$0	$0	$1,040,484	$2,975,984	$4,911,484
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	$5,159,775	$6,337,718	$6,641,197	13.8%	$7,965,598	$5,829,452	$4,796,322	$3,996,189	$2,859,980
	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*	$5,159,775	$6,337,718	$6,641,197	13.8%	$7,965,598	$5,829,452	$4,796,322	$3,996,189	$2,859,980
	ADM Forecasts									
20.010	Kindergarten -ADM count	42	41	32	-12.2%	36	50	32	33	38
20.015	Grades -ADM count	628	649	621	-0.5%	611	589	587	570	568

Yellow Springs Exempted Village School District – Greene County
Notes to the Five Year Forecast
General Fund Only
May 22, 2024

Introduction to the Five-Year Forecast

A forecast is like a future painting based on a snapshot of today. That snapshot, however, will be adjusted because the further into the future the forecast extends, the more likely it is that the projections will deviate from experience. Various events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal/replacement), salary increases, or businesses moving in or out of the district. The five-year forecast is a crucial management tool and must be updated periodically. The five-year forecast enables district management teams to examine future years' projections and identify when challenges will arise. This then helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with ODE when events significantly change their forecast or, at a minimum, when required under the statute.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

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 Fiscal 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"
(3) To provide a method for the Department of Education 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 $12.78 million or 13.94% greater than the November forecasted amount of $11.23 million. This indicates that the November forecast was 86.10% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our largest source of revenues at 41.43% and are estimated to be $5.30

million, which is $37 thousand higher for FY24 than the original November estimate of $5.26 million. Our estimates are 99.28% accurate for FY24 and should mean future projections are also on target.

Line 1.03 - The district's collection of School District Income Tax (SDIT) was originally projected to be higher in the November forecast. Collections for FY24 are under our original estimate by $45 thousand.

Line 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 $2.90 million, which is $33 thousand lower than the original estimate for FY24. We are pleased that we were able to be 98.87% accurate for FY24. We are currently on the formula and are expected to remain as a formula district for FY25 through FY28.

Line 1.06 - Other revenues are up $1.63 million over original estimates, primarily due the COPS note proceeds of $1.57 million.

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 $11.30 million for FY24, which is $849 thousand higher than the original estimate of $10.47 million in the November forecast, which is roughly 91.87% on target with initial estimates. The expenditure lines most significantly over projection are Benefits (line 3.020) and Purchased Services (line 3.030).

Unreserved Ending Cash Balance

With revenues and expenditures increasing from estimates, our ending unreserved cash balance June 30, 2024, is anticipated to be roughly $7.97 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 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 affect that may occur in the forecast in the long term:

1) 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 pandemic ends and the economy continues its recovery as anticipated. Total local revenues, which are predominately local taxes, equate to 41.43% of the district's resources. We believe there is a low risk that local collections will fall below projections throughout the forecast.

2) Being in two different counties can pose many challenges in determining the increases or decreases in values, especially in that the reappraisals are not in the same year. The Greene County reappraisal was in 2023 tax year collected in 2024 and Clark County experienced a reappraisal for the 2022 tax year collected in 2023.

3) The 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 on the 20 mill floor for Class I and not for Class II values. We are watching the Joint Committee carefully and will adjust the forecast pending their outcome.

4) Income tax collections are dependent upon the economy. As unemployment decreases the amount of funding increases for the district. We have seen an increase in the payments as employment has recovered from the decrease that was experienced with the pandemic. There is a risk that we could see decreases in the future but at this time, we are not anticipating any for future years of the forecast.

5) The state budget represents 27.86% 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 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 HB33 (the Fair School Funding Plan). This forecast reflects state revenue to align with the FY25 funding levels 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.

6) HB33, 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 (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.

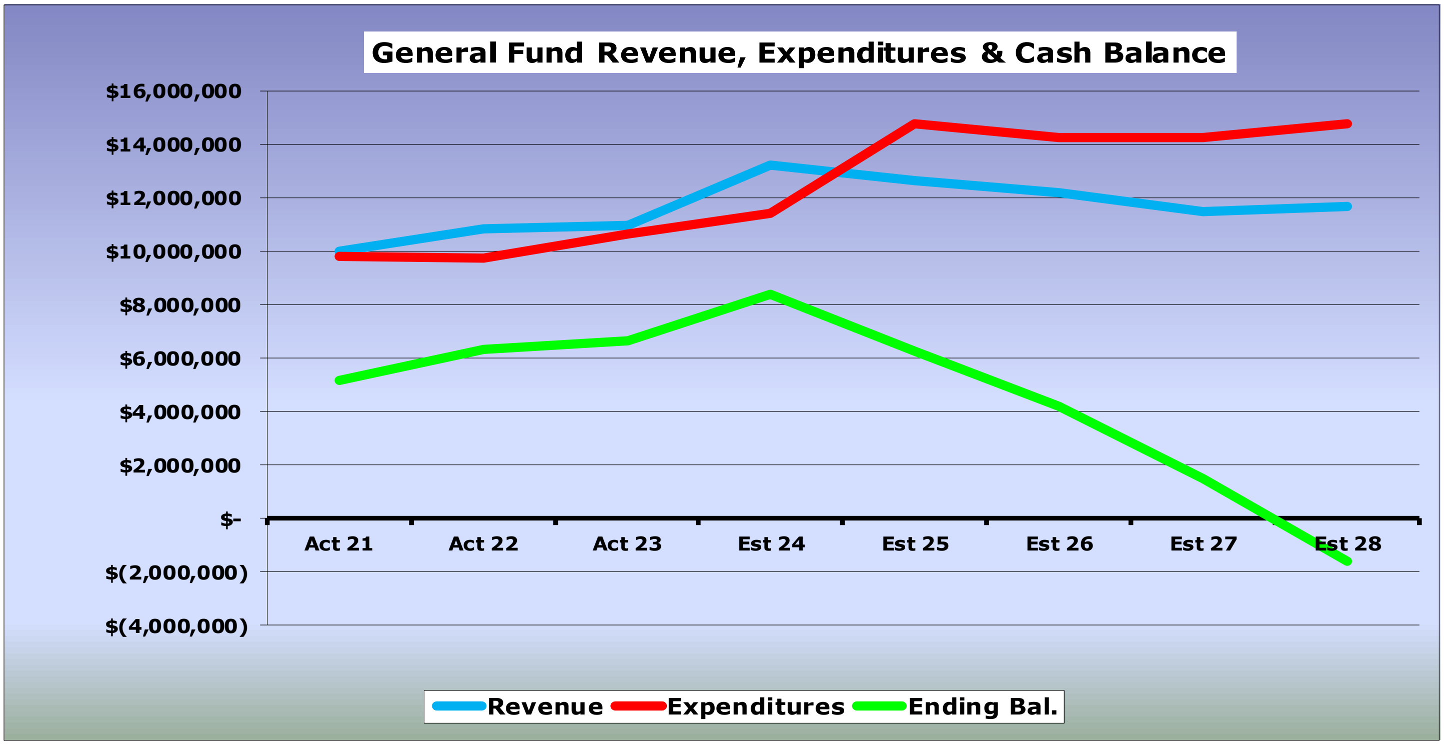
7) HB33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus continue to be removed from state aid, 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.

8) Labor relations in the district have been amicable with all parties working for the best interest of students and realizing the resource challenges the district faces. We believe as the district moves forward a good working relationship will continue.

9) Aging Facilities will also impact the predictability of the forecast until they can be replaced.

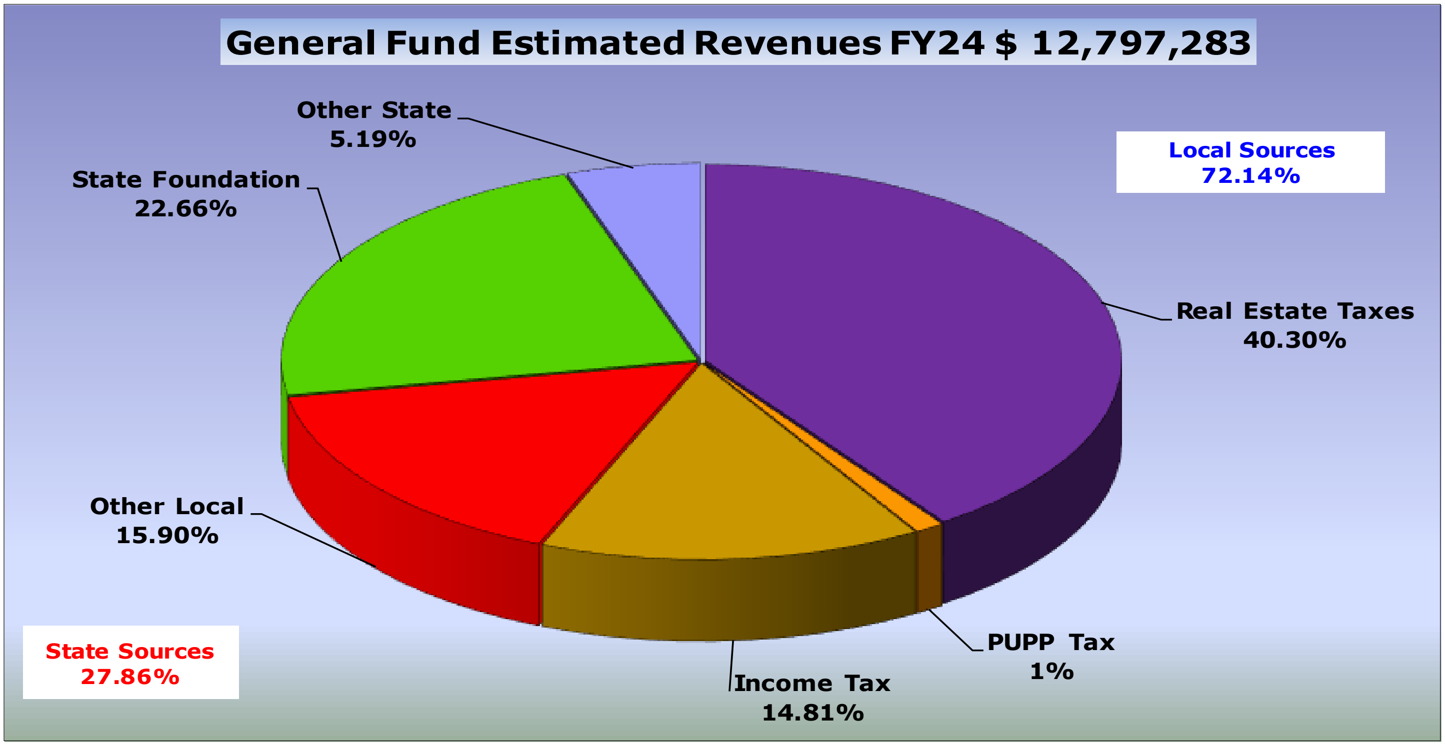
The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Jacob McGrath, Treasurer/CFO.

General Fund Revenue, Expenditure and Ending Cash Balance Actual FY21-23 and Estimated FY24-28
The graph below captures in one snapshot the operating scenario facing the district over the next few years.



Revenue Assumptions

All Revenue Sources General Fund FY24



Real Estate Value Assumptions – Line # 1.010

Property Values are established each year by the Greene and Clark County Auditors based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Our district resides within 2 counties, each county reappraisal cycle is in different years and each county three-year cycle can be either a sexennial reappraisal or the triennial update. Greene County is our main county which had the sexennial reappraisal in 2023 for collection in 2024 with a 26.32% or $40.30 million increase for Residential/Agriculture (Class I) values and an increase of 8.50% or $1.61 million for Commercial/Industrial (Class II). Clark County sexennial reappraisal cycle is the year before Greene County with the update in 2022 for collection in 2023 with an increase in Class I values of 0.38% and Class II decrease of 0.05%.

A triennial update will occur in 2025 for collection in FY26 for Clark County, for which we are estimating a 0.50% increase in residential and a 0.03% increase for commercial/industrial property. The Greene County triennial update will occur in 2026 for collection in 2027, for which we are estimating a 4.00% increase in residential and a 2.00% increase for commercial/industrial property.

Public Utility Personal Property (PUPP) values change annually as the values are not included in the reappraisal or update years, which make them very difficult to forecast. The values for PUPP are noted in the table above, which was $218.50 million in assessed values in 2023 and is collected at the district's total voted millage rate. PUPP values increased by $295,770 in Tax Year 2023. We expect our values to continue to grow by $150,000 each year of the forecast.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

Classification	Actual TAX YEAR2023 COLLECT 2024	Estimated TAX YEAR2024 COLLECT 2025	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027	Estimated TAX YEAR 2027 COLLECT 2028
Res./Ag.	194,284,230	195,209,230	197,165,276	206,006,887	206,961,887
Comm./Ind.	20,907,310	21,152,310	21,460,767	22,134,982	22,379,982
Public Utility (PUPP)	3,312,980	3,462,980	3,612,980	3,762,980	3,912,980
Total Assessed Value	218,504,520	219,824,520	222,239,023	231,904,849	233,254,849

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 51.8 mills while the Class I effective millage rate is 20.000016 mills, and the Class II effective millage rate is 20.334037 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills (excluding emergency and substitute emergency levies), which includes both the voted and the non-voted millage rates; this is called the "20-Mill Floor". Currently, our district is on the floor Class I only. Any emergency or substitute emergency levy that is voted on is not included in the 20-mill floor; the district has two emergency levies for 9.05mills that was voted on for an annual amount of $1,975,000 of taxes.

ESTIMATED REAL ESTATE TAX - Line #1.010

Property tax levies are estimated to be collected at 95% of the annual amount. Technically 100% of taxes will be settled on property due to Ohio's property tax laws but due to delinquencies we are calculating the taxes at a lower collection rate. In general, 53.76% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the February tax settlement and 46.24% collected in the August tax settlement.

ESTIMATED REAL ESTATE TAX - Line #1.010

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Est. Property Taxes Line #1.010	$5,157,636	$5,465,988	$4,560,730	$3,895,407	$3,979,038

Estimated Tangible Personal Tax & PUPP Taxes – Line#1.020

The amounts below are public utility personal property (PUPP) tax payments from public utilities. Collections are typically 50% in March and 50% in August, along with the real estate settlements from the county auditor. The taxes received in the February settlement is less than 50% of the collection, due to late payments from a utility company, these taxes should be received in future tax settlements.

ESTIMATED PUBLIC UTILITY PERSONAL TAX – Line 1.020

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Public Utility Personal Property Taxes	$144,641	$206,281	$199,060	$191,037	$198,807

Renewal and Replacement Levies – Line #11.020

The district will need to renew both emergency levies by December 31, 2025, during FY26. A district cannot include tax amounts for levies if they have not been voted upon for approval. Therefore, we are showing the two emergency levies on Line #11.020 until they are renewed by the voters.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Renew Emergency Levy $1,060,000	$0	$0	$558,437	$1,038,800	$1,038,800
Renew Emergency Levy $915,000	$0	$0	$482,047	$896,700	$896,700
Total Line # 11.020	$0	$0	$1,040,484	$1,935,500	$1,935,500

School District Income Tax – Line #1.03

The district passed an income tax (SDIT) of 1.0% effective in 1991. The changes in tax amounts are leveling off from the pandemic. The Department of Taxation fiscal year to date income tax collection statewide decreased by 0.43%. The income tax in FY24 for the district decreased by 1.74% from FY23, which were mainly from refunds and other assessments in the first three quarters. We will assume an annual growth rate of 2% for FY25-FY28 as the concerns over inflation may slow growth in this area. The passage of the additional 1% continuing income tax in November 2023 is being included in this line, the levy will take about 18 months to be fully collected for the first year of taxes. Based on the April collections, the new levy is not collecting at the levels that we expected for the first payment, we will adjust and review with each payment.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
SDIT Collection	$1,928,584	$1,895,097	$2,970,599	$3,545,666	$3,616,579
Adjustments	-$33,487	$1,075,502	$575,067	$70,913	$72,332
Total to Line #1.030	$1,895,097	$2,970,599	$3,545,666	$3,616,579	$3,688,911

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045
Current State Funding Model per HB33 through June 30, 2025

Unrestricted State Foundation Revenue – Line #1.035

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25. We have projected the funding in FY24 based on the April 2024 foundation settlement and funding factors for FY25 from the simulations provided by the Department of Education and Workforce.

Our district is currently a formula district in FY24 and is expected to continue on the formula in FY25-FY28 on the new Fair School Funding Plan (FSFP). 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 HB110, as amended by HB583 for FY22 and FY23, with continuation of this formula in HB33 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 different 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
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) calculation. The state share percentage, in concept, will be higher for districts with less capacity (lower local wealth) and be a lower state share percentage for districts with more capacity (higher local wealth). The higher the district's ability to raise taxes based on local wealth, the lower the state share percentage. HB33 increased the minimum state share from 5% in FY23 to 10% for FY24 and FY25. The state share percentage 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.
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 beginning 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 using 60% weighted on property value and 40% on income. Uses current year enrolled average daily membership (ADM). 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, including preschool students and those living within 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 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 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 HB110, which was amended by HB583 in June 2022 and has now extended the plan in HB33 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.

Future State Budgets Projections beyond FY25

Our funding status for FY26-28 will depend on unknown (2) new state budgets. There is no guarantee that the current Fair School Funding Plan in HB33 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 work with. For this reason, funding is held constant in the forecast for FY26 through FY28.

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 will be distributed to school districts on the 31st of January and August each year, beginning for the first time on January 31, 2013.

The casino revenue has recovered from the pandemic from closing the casinos in 2020. 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.

Unrestricted State Foundation Revenue – Line #1.035

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Basic Aid-Unrestricted	$2,591,442	$2,422,740	$2,422,740	$2,422,740	$2,422,740
Additional Aid Items	$26,535	$28,980	$28,980	$28,980	$28,980
Basic Aid-Unrestricted Subtotal	$2,617,977	$2,451,720	$2,451,720	$2,451,720	$2,451,720
Ohio Casino Commission ODT	$41,094	$41,709	$42,334	$42,969	$43,614
Total Unrestricted State Aid Line #1.035	$2,659,071	$2,493,428	$2,494,054	$2,494,689	$2,495,333

Restricted State Revenues – Line #1.040

HB33 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 Learners (ESL), and Student Wellness. We have estimated revenues for these new restricted funding lines using current April funding factors and using 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 flat-lined funding at FY25 levels for FY26-FY28 due to uncertainty on continued funding of the current funding formula.

HB33 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 $10,285 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	FY 24	FY 25	FY 26	FY 27	FY 28
DPIA	$30,773	$33,833	$33,833	$33,833	$33,833
Career Tech - Restricted	$13,952	$9,301	$9,301	$9,301	$9,301
Gifted	$43,559	$36,586	$36,586	$36,586	$36,586
ESL	$1,270	$818	$818	$818	$818
Student Wellness	$141,245	$141,251	$141,251	$141,251	$141,251
Other Restricted	$10,285	$0	$0	$0	$0
Total Restricted State Revenues Line #1.040	$241,084	$221,789	$221,789	$221,789	$221,789

Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

Summary of State Foundation Revenues

SUMMARY	FY 24	FY 25	FY 26	FY 27	FY 28
Unrestricted Line # 1.035	$2,659,071	$2,493,428	$2,494,054	$2,494,689	$2,495,333
Restricted Line # 1.040	$241,084	$221,789	$221,789	$221,789	$221,789
Restricted Fed. Grants - Line #1.045	$0	$0	$0	$0	$0
Total State Foundation Revenue	$2,900,155	$2,715,217	$2,715,842	$2,716,477	$2,717,122

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. HB59 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, HB119 expanded the Homestead Exemption for all seniors 65 years or older or disabled, regardless of income. Effective September 29, 2013, HB59 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.

Summary of State Share of Local Property Tax Reimbursement – Line #1.050

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Rollback and Homestead Line #1.05	$664,702	$736,927	$626,300	$524,527	$537,272

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.

HB110, 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.

Interest income is based on the district cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. Once the economy stabilizes, there will be pressure on the Federal Reserve to lower interest rates, which we believe will begin sometime in 2024, decreasing the opportunity for more significant interest income for the district. Since the Federal Reserve has not lowered interest rates in 2024 at this time, we have increased the amount of interest income for the May forecast by $50,394 in FY24. We will continue to monitor the investments for the district.
The district received $1,574,963 from the proceed of the sale of the COPS note in FY24 as a onetime payment.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Tuition	$274,984	$274,984	$274,984	$274,984	$274,984
Open Enrollment	$0	$0	$0	$0	$0
Interest	$140,000	$137,200	$134,456	$131,767	$129,132
Other Miscellaneous Receipts	$1,620,069	$61,306	$61,919	$62,538	$63,164
Total Line #1.06	$2,035,053	$473,490	$471,360	$469,290	$467,280

Short-Term Borrowing – Lines #2.010 & Line #2.020
There is no short-term borrowing projected in this forecast.

Transfers In / Return of Advances – Line #2.040 & Line #2.050

These are non-operating revenues which are the repayment of short term loans (advances) to other funds over the previous fiscal year and reimbursements for expenses received for a previous fiscal year in the current fiscal year. The district does anticipate annual advance repayments of $432,000 from FY23, then $100,000 for each year of the forecast.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Transfers In - Line 2.040	$0	$0	$0	$0	$0
Advance Returns - Line 2.050	$432,000	$100,000	$100,000	$100,000	$100,000
Total Transfer & Advances In	$432,000	$100,000	$100,000	$100,000	$100,000

All Other Financial Sources – Line #2.060

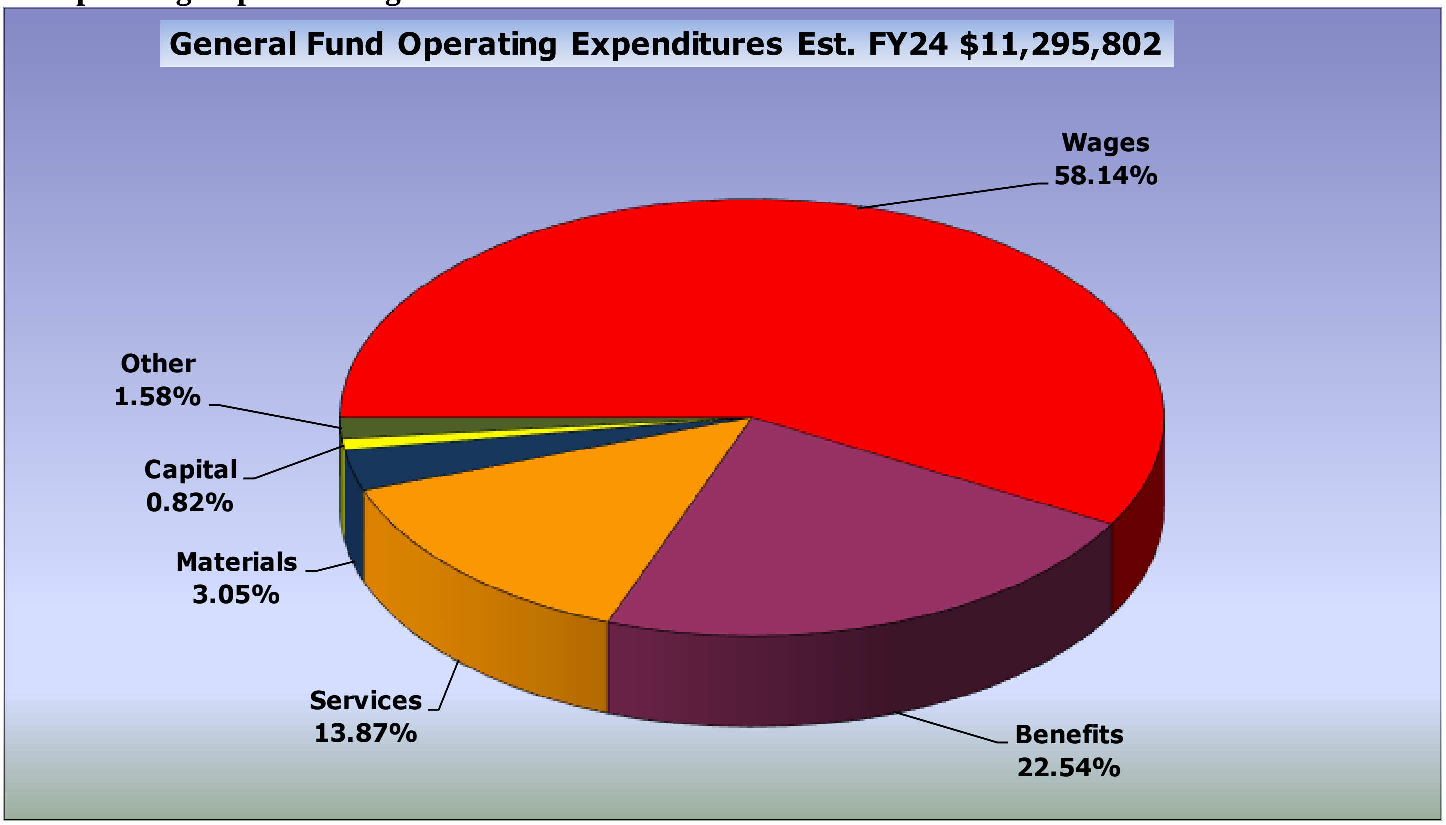
This funding source is typically a refund of prior year expenditures and one-time payments that are very unpredictable. These revenues are inconsistent year to year, and we are projecting the amount based on historical refunds of prior year expenditures.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
All Other Sources	$25,000	$25,000	$25,000	$25,000	$25,000

Expenditures Assumptions

The district's leadership team is always looking at ways to improve the education of the students whether with changes in curriculum or new technology needs. As the administration of the district constantly reviews expenditures, the education of our students is at the forefront of decision making.

All Operating Expense Categories - General Fund FY24



Wages – Line #3.010

The district negotiated salary increases for FY23 is 7% and then 1.5% in FY24 and FY25. For planning purposes a 2% base increase is being used in FY26 through FY28. Steps and training are projected at 1.6% each year based on historical trend. ESSER funding of $38,000 has been used for part of a counselor's salary and summer school salaries with returning those costs to the forecast in FY25 in addition to adding an operations manager position.

The district is expecting changes in staffing for FY25 of the addition of the Operations Manager, the return of two positions from grants, reduction of the Psychologist to the ESC and one resignation that will be replaced.

Summary of Personnel Services – Line #3.010

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Base Wages	$5,834,321	$6,017,519	$6,302,719	$6,540,888	$6,778,976
Base Rate Increases	$87,515	$90,263	$126,054	$130,818	$135,580
Steps & Training	$95,683	$98,687	$103,365	$107,271	$111,175
Staff Growth & Replacements	$0	$186,667	$24,333	$0	$0
Staff Reductions (Retire/Resignation)	$0	-$90,417	-$15,583	$0	$0
Substitutes	$122,506	$132,307	$142,230	$152,897	$164,364
Supplemental	$214,467	$217,684	$222,037	$226,478	$231,008
Severance	$42,000	$25,000	$25,000	$25,000	$25,000
Other	$0	$0	$0	$0	$0
Total Wages Line #3.010	$6,396,491	$6,677,709	$6,930,155	$7,183,351	$7,446,103

Fringe Benefits Estimates – Line #3.020

A) STRS/SERS will increase as Wages Increase

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. It is exclusively used to fund health care.

B) Insurance

Insurance Trend is adjusted upward by a composite rate for all coverage's and to allow for potential added costs of the Affordable Care Act of 6% in FY24, 8% in FY25 and 7.5%in FY26 through FY28.

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 health care costs in the forecast.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is based on the district's rate of .24% of the total salaries paid for each year of the forecast. The district for the past two years has had nominal claims for Unemployment, therefore, is not forecasting any expenditure during the forecast since we are a direct reimbursement employer. By being a direct reimbursement, employer unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

D) 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.

E) Tuition and Other Benefits

The district reimburses staff for tuition in order to renew their licenses per the negotiated agreement.

Summary of Fringe Benefits – Line #3.020

Source	FY 24	FY 25	FY 26	FY 27	FY 28
STRS/SERS	$1,000,481	$1,045,712	$1,086,473	$1,126,446	$1,167,755
Insurance's	$1,357,002	$1,480,662	$1,593,812	$1,713,348	$1,841,849
Workers Comp/Unemployment	$15,000	$15,659	$16,251	$16,845	$17,461
Medicare	$92,749	$96,827	$100,487	$104,159	$107,968
Tuition and Other Benefits	$15,000	$15,000	$15,000	$15,000	$15,000
Total Fringe Benefits Line #3.020	$2,480,232	$2,653,860	$2,812,024	$2,975,797	$3,150,033

Purchased Services – Line #3.030

HB110, the previous state budget, will impact Purchased Services as the Ohio Department of Education will directly pay these costs to the educating districts for open enrollment, community and STEM schools as opposed to deducting these amounts from our state foundation funding and shown below as expenses. We have continued to show these amounts below as zeros to help reflect the difference between projected FY24-FY28 Line 3.03 costs and historical FY21 through FY23 costs on the five-year forecast. College Credit Pus, excess costs and other tuition costs will continue to draw funds away from the district, which will continue in this area and have been adjusted based on historical trend.

All lines will see a 4% increase in each year of the forecast. Additionally, the district is reducing the ESC costs by $290,000 in FY24 from previous years.

The district used $32,000 of the ESSER funding to offset some of the costs for professional services in FY23 and FY24 and will return those expenditures to the forecast in FY25. The district has experienced additional cost for HVAC repairs and removal of bats for $300,000 with those cost being reduced in FY25 by $25,000 and are expecting less repairs in FY26 of $100,000 when the new buildings are opened.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Professional & Technical Services, ESC	$320,147	$364,953	$379,551	$394,733	$410,523
Maintenance, Insurance & Garbage Removal	$516,091	$436,735	$354,204	$368,372	$383,107
Professional Development	$40,454	$42,072	$43,755	$45,505	$47,325
Communications, Postage, & Telephone	$48,497	$50,437	$52,455	$54,553	$56,735
Utilities	$172,676	$179,583	$186,767	$194,237	$202,007
Tuition, & Excess Costs	$379,461	$394,639	$410,425	$426,842	$443,915
Open Enrollment & Community School Costs	$0	$0	$0	$0	$0
College Credit Plus	$22,966	$23,885	$24,840	$25,834	$26,867
Other Adjustments SWSF, CARES, Etc.	$0	$0	$0	$0	$0
Miscellaneous Purchased Services	$26,080	$27,123	$28,208	$29,337	$30,510
Total Purchased Services Line #3.030	$1,526,373	$1,519,428	$1,480,205	$1,539,413	$1,600,990

Supplies and Materials – Line #3.040

On average an inflation rate of 4% is being estimated for this category of expenses which are characterized by classroom supplies, textbooks, copy paper, maintenance supplies, and materials each year of the forecast. The district is increasing the transportation fuel and supplies by 5% in FY24 and then lowering it to 3% in FY25 through FY28. The district expects to purchase math textbooks in FY24 for an additional $50,000 in that year only. ESSER funding of $30,000 has been used to offset costs in the forecast, with these costs being returned in FY25 for instructional supplies.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
General & Instructional Supplies	$146,538	$180,934	$186,362	$191,953	$197,711
Textbooks, Library & Periodicals	$90,370	$43,081	$44,373	$45,704	$47,075
Facility Supplies & Materials	$56,196	$57,882	$59,618	$61,407	$63,249
Transportation Fuel & Supplies	$38,843	$40,009	$41,209	$42,445	$43,718
Other & adjustments SWSF, CARES, Etc.	$3,268	$3,366	$3,467	$3,571	$3,678
Total Supplies Line #3.040	$335,214	$325,270	$335,028	$345,079	$355,432

Equipment – Line # 3.050

The district uses the Permanent Improvement for many of the equipment needs of the district. The amounts included are for facility upkeep and miscellaneous equipment needed throughout the district.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Capital Outlay	$90,000	$100,000	$100,000	$100,000	$100,000
Technology	$0	$0	$0	$0	$0
Facility Upkeep	$0	$0	$0	$0	$0
Replacement Bus Purchases	$0	$0	$0	$0	$0
Total Equipment Line #3.050	$90,000	$100,000	$100,000	$100,000	$100,000

Principal and Interest Payment – Lines #4.020 through #4.060

We are including the actual payment schedule for each year from the sale of the COPS for the building construction.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Principal COPS Line 4.020	$0	$1,775,000	$945,000	$445,000	$465,000
Interest Total Line 4.060	$293,283	$1,422,038	$1,354,038	$1,319,288	$1,296,538

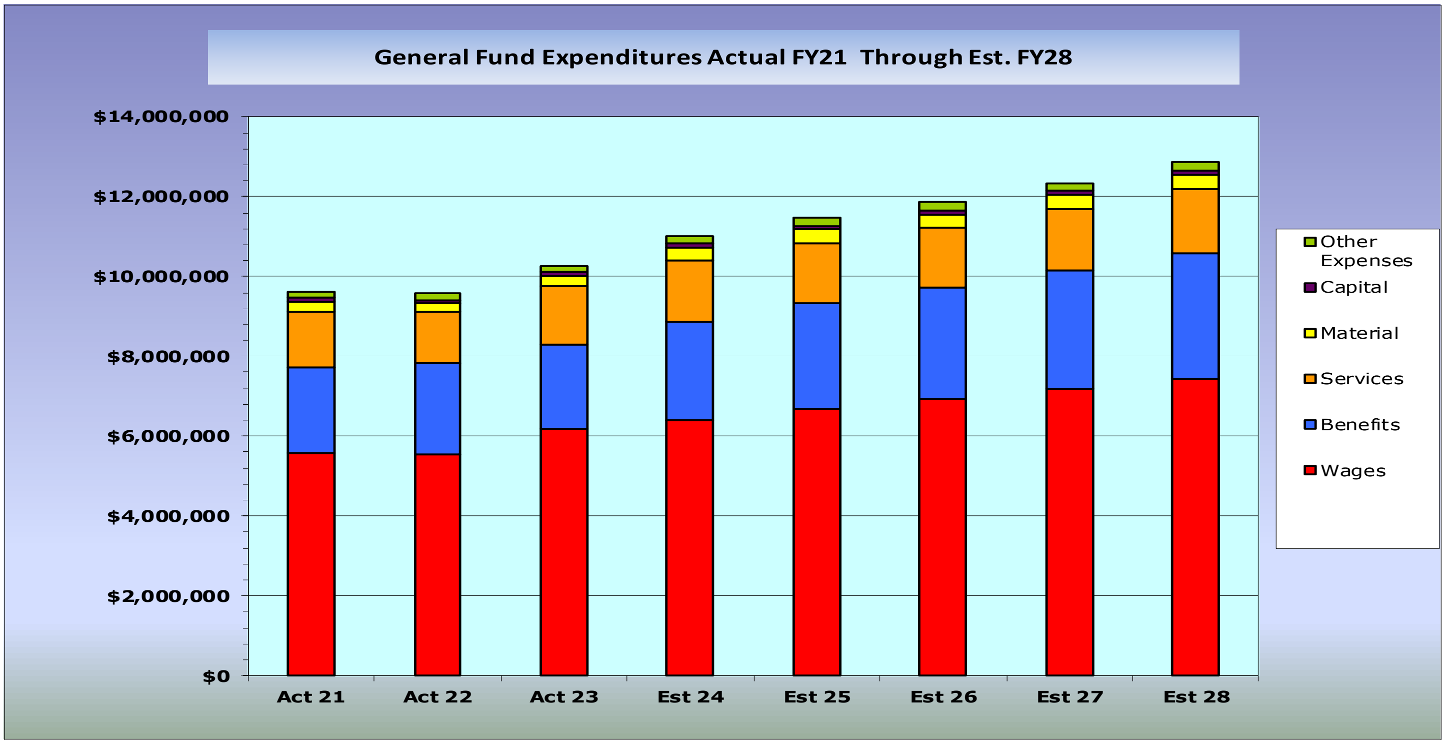
Other Expenses – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees, SDIT collection fees and our annual audit and other miscellaneous expenses. The district uses an average increase of 2.5% for the annual increase for this area. The district had additional costs in FY24 for A&T fees of $16,000, increase of single audit fee of $20,000 and increases in the ESC cost of $10,000 which we are continuing for the remainder of the forecast. The district will also have additional SDIT Fees beginning in FY25 that we are estimating will be $18,000.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Auditor & Treasurer Fees & SDIT Fees	$65,168	$85,123	$87,677	$90,307	$93,016
ESC	$19,963	$20,363	$20,770	$21,185	$21,609
Other expenses	$89,077	$90,859	$92,676	$94,530	$96,420
Total Other Expenses Line #4.300	$174,209	$196,345	$201,123	$206,022	$211,046

Operating Expenditures Actual FY21 through FY23 and Estimated FY24 through FY28

The graph below shows a quick overview of actual and estimated expenses by proportion to total in the General Fund.



Transfers Out/Advances Out – Line #5.010

This account group covers fund to fund transfer and end of year short term loans (advances) from the General Fund to other funds until they have received reimbursements and can repay the General Fund. The district transfers funds to the cafeteria fund each year of the forecast. The advances are to cover the federal funds that have not been received at the end of the fiscal year which will be repaid in the following fiscal year.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Operating Transfers Out Line #5.010	$10,000	$10,000	$10,000	$10,000	$10,000
Advances Out Line #5.020	$150,000	$150,000	$150,000	$150,000	$150,000
Total Transfer & Advances Out	$160,000	$160,000	$160,000	$160,000	$160,000

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	FY 24	FY 25	FY 26	FY 27	FY 28
Estimated Encumbrances	$120,000	$120,000	$120,000	$120,000	$120,000

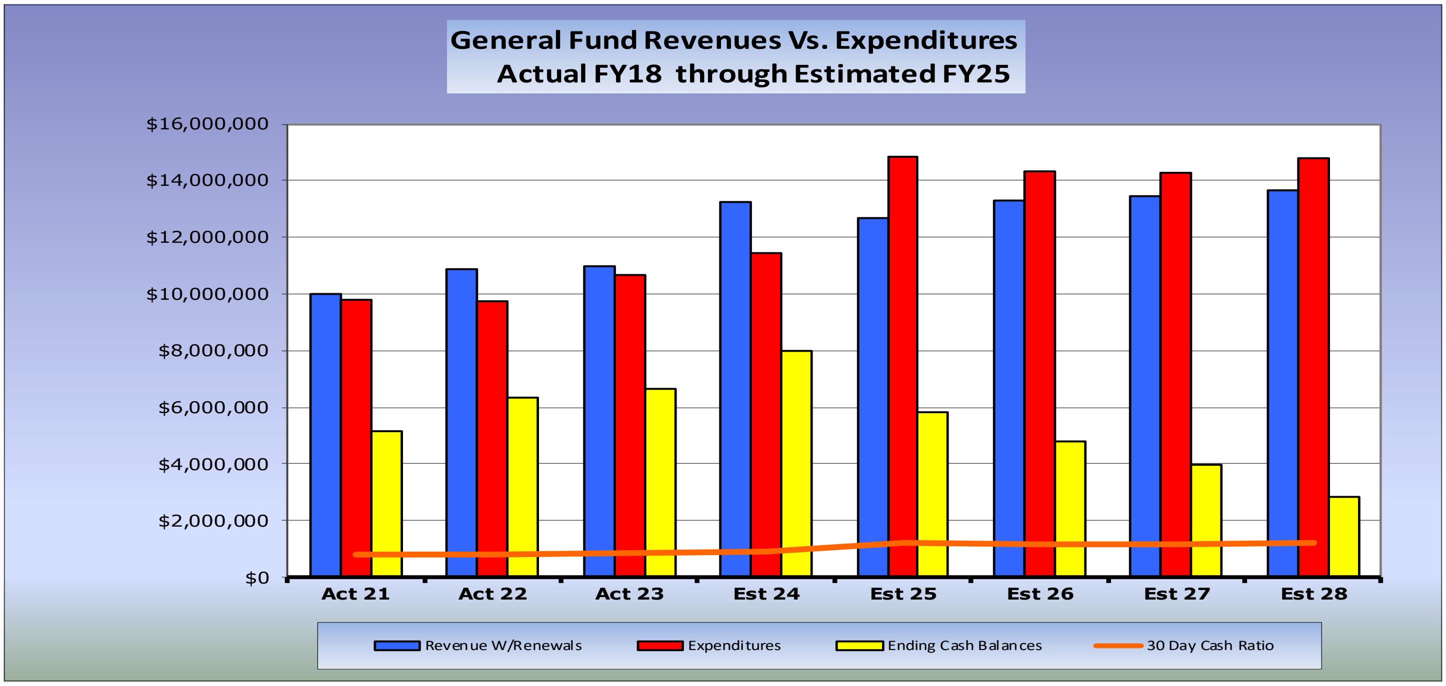
Reservations of Fund Balance – Line #9.080

The district has established a budget reserve for each year of the forecast that can only be used by board approval.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Budget Reserve - Line 9.030	354,081	354,081	354,081	354,081	354,081
Total Reservations of Balance- Line #9.080	354,081	354,081	354,081	354,081	354,081

Revenue vs Expenditures with Deficit Spending

The graph below includes the renewal of the two emergency levies which does not show that the district is deficit spending, but without those levies the district actually does deficit spend beginning in FY26. By deficit spending the district is decreasing the ending cash balance and is still able to maintain 30 days of cash each year of the forecast.



The chart below explains Line 6.010 Excess of Revenues and Other Financing sources that are over/ (under) expenditures and the equivalent millage that it would take to reduce the deficit to zero, which does not include the renewal of the emergency levies. The millage equivalent is based on the excess of revenues over/under expenditures and the property valuation in that tax year.

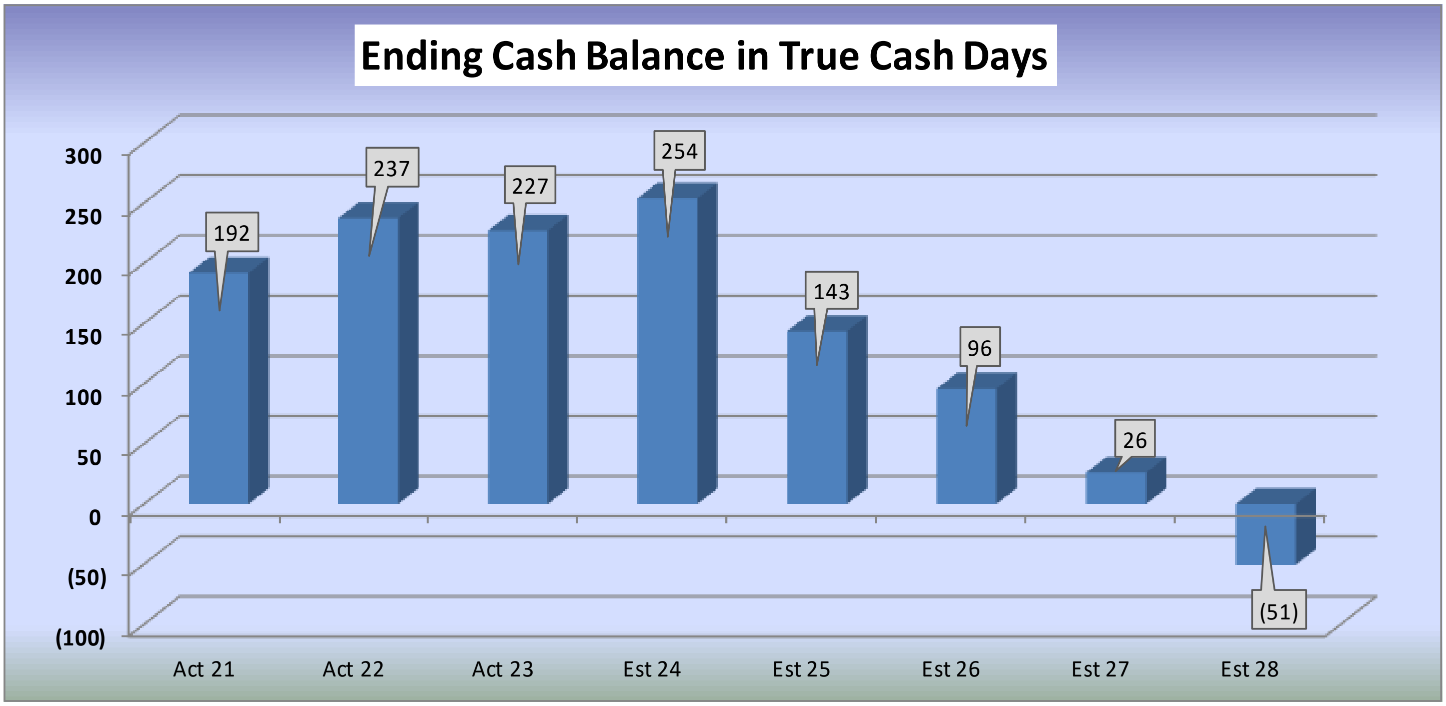
	FY 24	FY 25	FY 26	FY 27	FY 28
Excess Revenues over/(under) Expenditures	$1,798,482	($2,136,146)	($2,073,614)	($2,735,633)	($3,071,710)
Millage equivalent for deficit spending	0.00	9.72	9.33	11.80	13.17

Ending Unreserved Cash Balance – Line#15.010

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 HB153, effective September 30, 2011, could be issued.

Source	FY 24	FY 25	FY 26	FY 27	FY 28
Ending Cash Balance	$7,965,598	$5,829,452	$4,796,322	$3,996,189	$2,859,980

True Cash Days
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 is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = the number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association (GFOA) recommends that no fewer than two (2) months or 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 is calculated, including transfers, as this is a predictable funding source for other funds such as capital, athletics, and severance reserves.



CONCLUSION

The district is very appreciative for the support of the community and for passing the income tax levy. Thank-you for your support of the district and for your support of our students.

Yellow Springs Exempted Village Schools receives 27.86% of its funding for the district from state dollars which is very beneficial to the overall operations for the education of our students.

The district administration is grateful for the changes in the current state budget HB33 as it has reduced the amount that was deducted for programs that were not within the district's control. However, future state budgets funding will need to be watched since the full amount of the Fair School Funding Plan was not totally implemented with this budget and there is no guarantee for future increases in state budgets for FY26-FY28.

As the administration plans for the future, they will need to make sure that the district is able to obtain a positive cash balance throughout the forecast. They will need to review the expenditures based on the current revenues in order to obtain this.

As you read through the notes and review the forecast, remember that the forecast is based on the best information that is available to us at the time the forecast is prepared.