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BEDFORD CITY SCHOOL DISTRICT

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Five Year Forecast Financial Report

May 21, 2024

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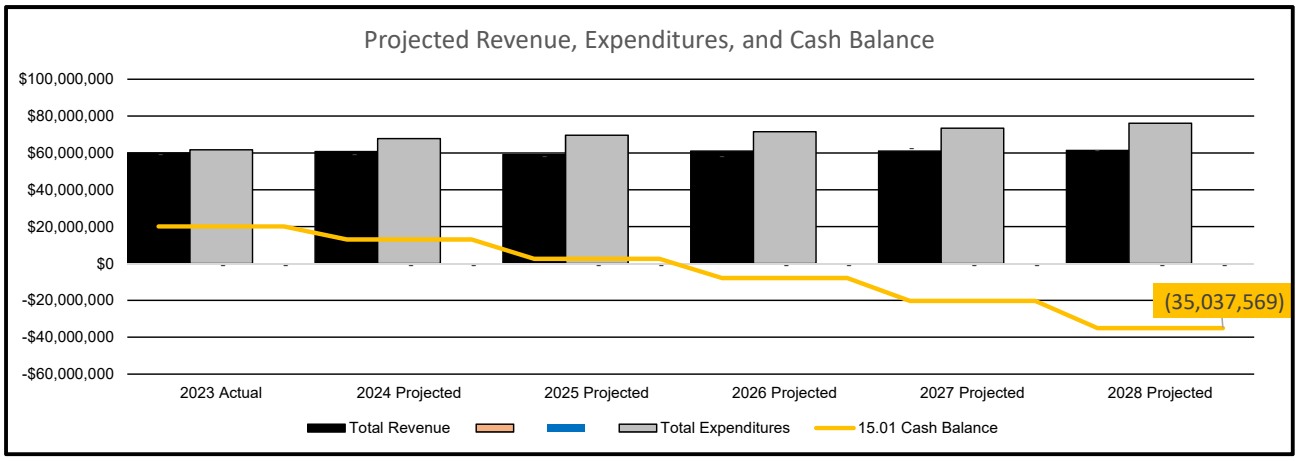
Forecast Purpose/Objectives

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

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

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

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

Financial Forecast	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	20,132,249	13,098,463	2,609,252	(7,866,449)	(20,265,870)
+ Revenue	60,771,948	59,129,955	61,056,026	61,026,057	61,385,502
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(67,805,734)	(69,619,166)	(71,531,727)	(73,425,477)	(76,157,201)
= Revenue Surplus or Deficit	(7,033,786)	(10,489,211)	(10,475,702)	(12,399,420)	(14,771,699)
Line 7.020 Ending Balance with renewal/new levies	13,098,463	2,609,252	(7,866,449)	(20,265,870)	(35,037,569)

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	(7,033,786)	(10,489,211)	(10,475,702)	(12,399,420)	(14,771,699)
Ending Balance w/o Levies	13,098,463	2,609,252	(7,866,449)	(20,265,870)	(35,037,569)

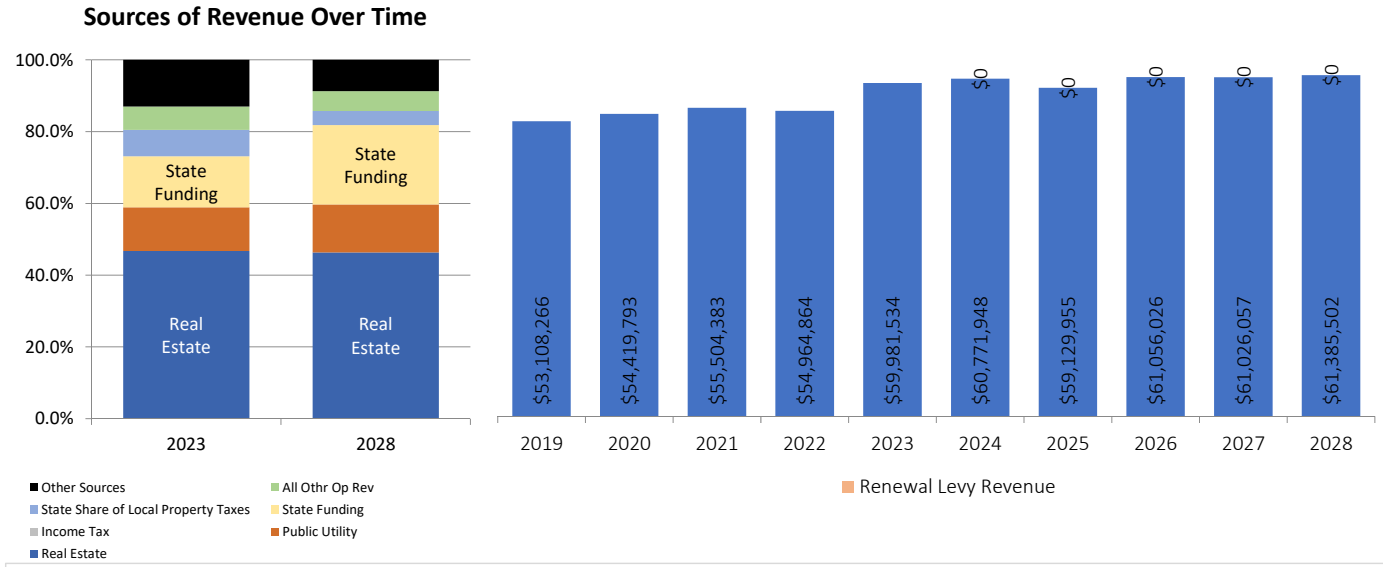
In FY 2024 a revenue shortfall is expected. This means that expenditures are expected to be greater than revenue by $7,033,786 in FY 2024. By the last year of the forecast, FY 2028, the district is expected to have a revenue shortfall where expenditures are projected to be greater than revenue by $14,771,699 The district would need to cut its FY 2028 projected expenses by 19.40% in order to balance its budget without additional revenue.

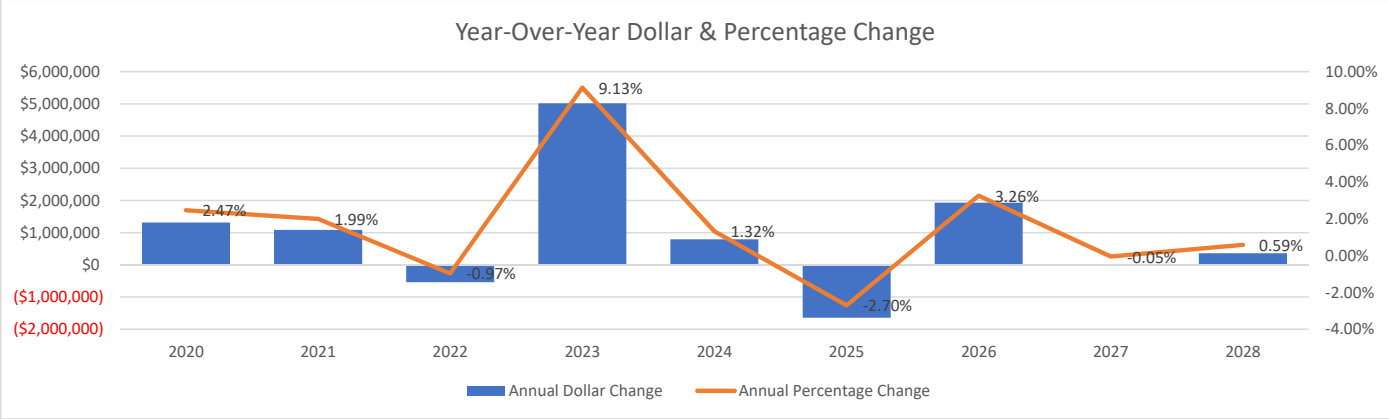
The district's cash balance is positive at year-end in FY 2024 and is projected to worsen by FY 2028. A worsening cash balance can erode the district's financial stability over time.

Ohio adopted the Fair School Funding Plan (FSFP) in FY 2022. The plan was continued with increasing phase-in of the formula results. In FY 2024 the per pupil base cost caclulations were updated from FY 2018 cost data to FY 2022. For Bedford City School District the calculated Base Cost total is $21,693,736 in FY 2024. The state's share of the calculated Base Cost total is $8,253,306 or $3,033 per pupil.

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Revenue Sources and Forecast Year-Over-Year Projected Overview





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

	Historical Average Annual $$ Change	**Projected** Average Annual $$ Change	Projected Compared to Historical Variance
Real Estate	300,099	83,094	($217,005)
Public Utility	$342,175	$180,358	($161,817)
Income Tax	$0	$0	$0
State Funding	($223,304)	1,010,989	$1,234,293
Prop Tax Alloc	($456,663)	($403,229)	$53,434
All Othr Op Rev	$225,398	($103,777)	($329,176)
Other Sources	$1,530,612	($486,641)	($2,017,253)
Total Average Annual Change	1,718,317	280,794	($1,437,524)
	3.15%	0.48%	-2.67%

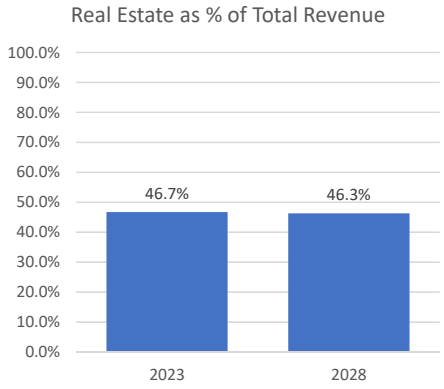
Total revenue increased 3.15% or $1,718,317 annually during the past 4-Year period and is projected to increase 0.48% or $280,794 annually through FY2028. Other Sources has the most projected average annual variance compared to the historical average at -$2,017,253

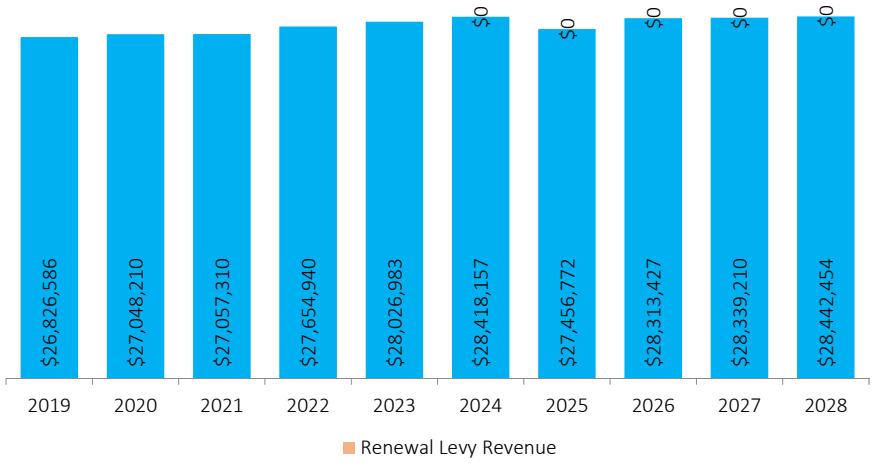
Note: Expenditure average annual change is projected to be > $2,890,571 On an annual average basis, expenditures are projected to grow faster than revenue.

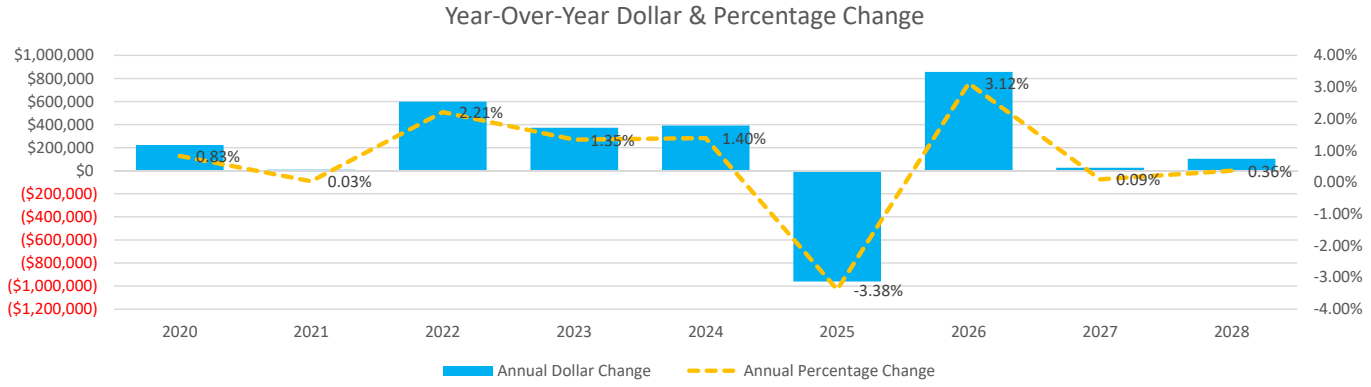
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1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).







Values, Tax Rates and Gross Collections							Gross Collection Rate
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	Including Delinquencies
2022	746,200,790	(16,654,390)	36.14	-	47.15	-	101.0%
2023	753,064,500	6,863,710	36.20	0.05	46.99	(0.15)	97.7%
2024	908,764,500	155,700,000	29.47	(6.73)	42.69	(4.30)	97.7%
2025	909,464,500	700,000	29.47	(0.00)	42.69	(0.00)	97.7%
2026	910,164,500	700,000	29.47	(0.00)	42.69	(0.00)	97.7%
2027	950,364,500	40,200,000	28.22	(1.26)	41.62	(1.07)	97.7%

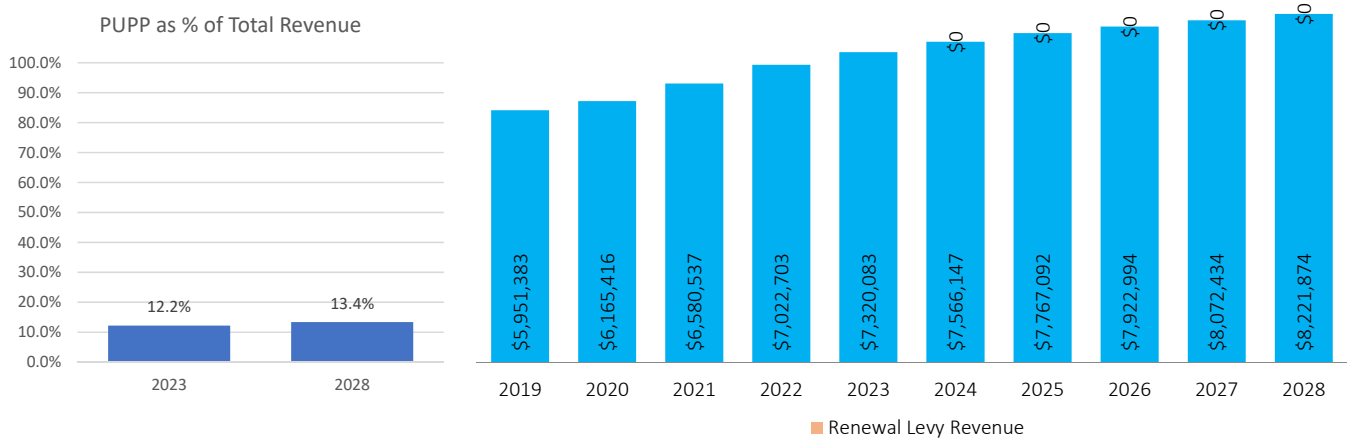
Real estate property tax revenue accounts for 46.73% of total revenue. Class I or residential/agricultural taxes make up approximately 48.76% of the real estate property tax revenue. The Class I tax rate is 36.2 mills in tax year 2023. The projections reflect an average gross collection rate of 97.7% annually through tax year 2027. The revenue changed at an average annual historical rate of 1.10% and is projected to change at an average annual rate of 0.32% through FY 2028.

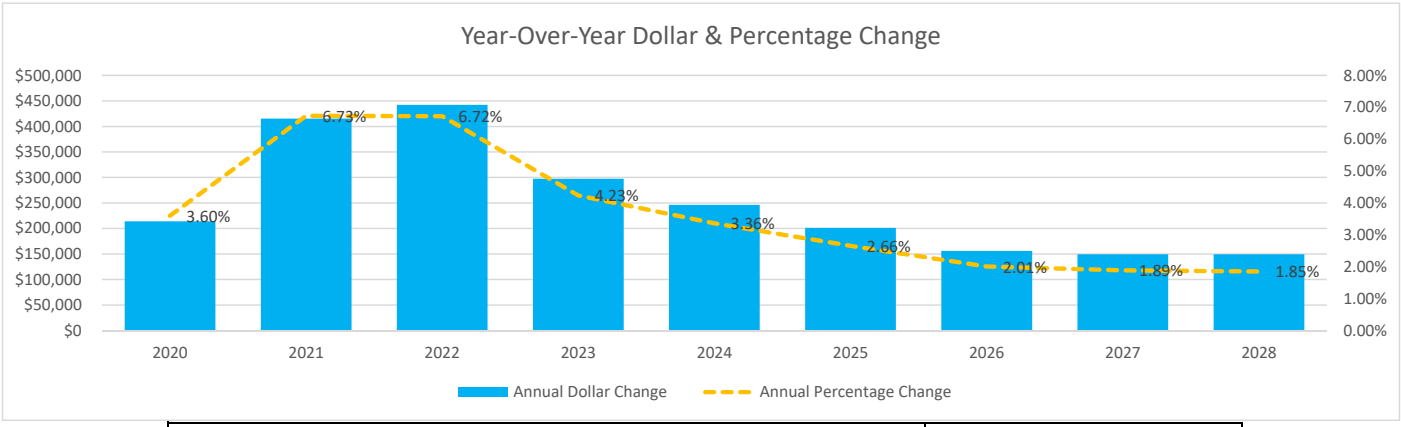
**Projected % trends include renewal levies*

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1.020 - Public Utility Personal Property

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





Values and Tax Rates					Gross Collection Rate
Tax Year	Valuation	Value Change	Full Voted Rate	Change	Including Delinquencies
2022	99,190,250	3,106,680	74.72	-	100.0%
2023	102,992,670	3,802,420	74.72	(0.00)	100.0%
2024	104,992,670	2,000,000	74.72	-	100.0%
2025	106,992,670	2,000,000	74.72	-	100.0%
2026	108,992,670	2,000,000	74.72	-	100.0%
2027	110,992,670	2,000,000	74.72	-	100.0%

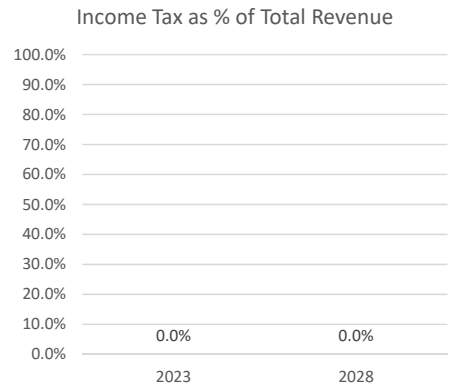
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. This category currently makes up 12.20% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2023 is 74.72 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of $342,175 and is projected to change at an average annual dollar amount of $180,358 through FY 2028.

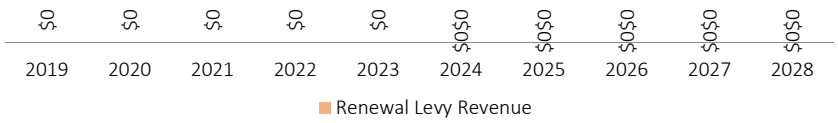
**Projected % trends include renewal levies*

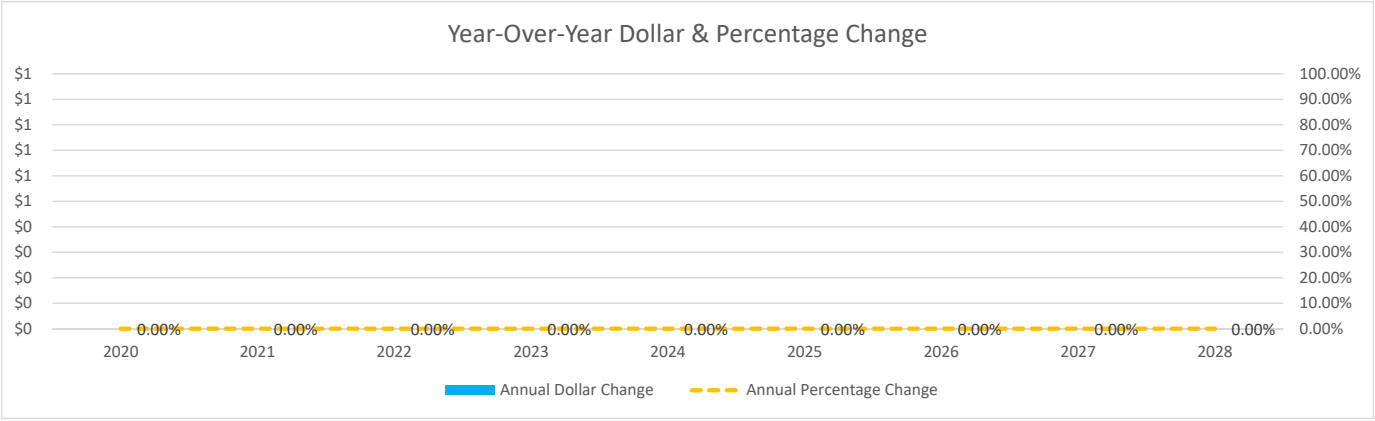
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1.030 - No Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.







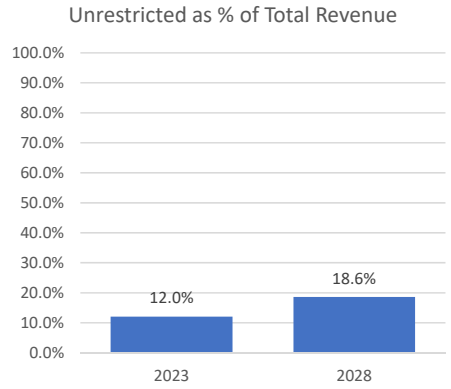
The district does not have an income tax levy.

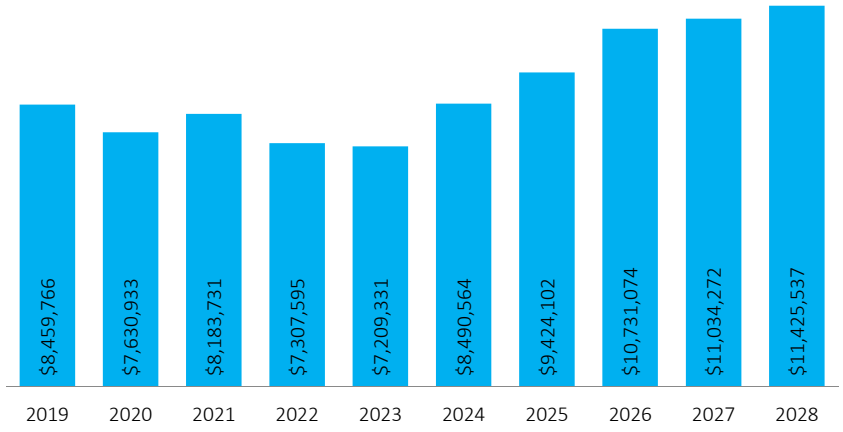
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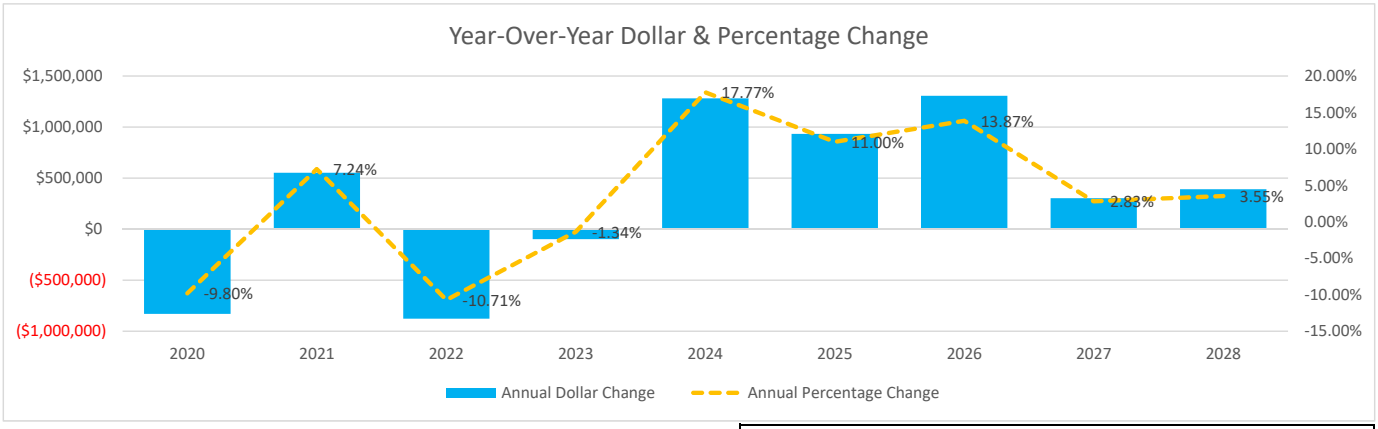
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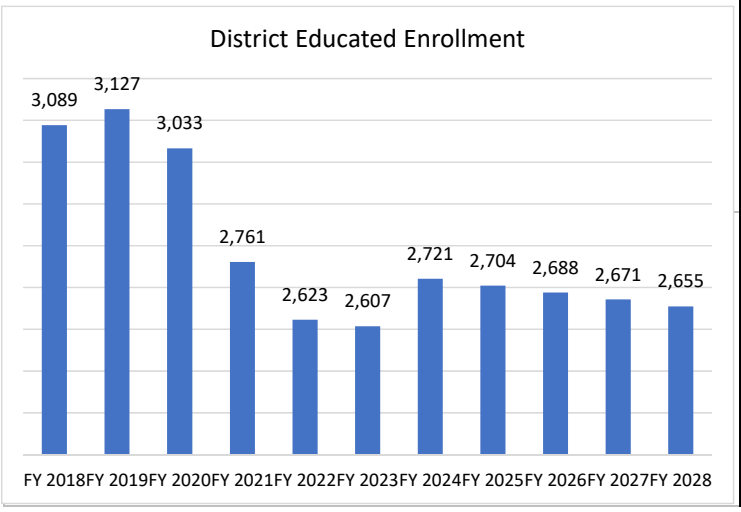
1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.









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

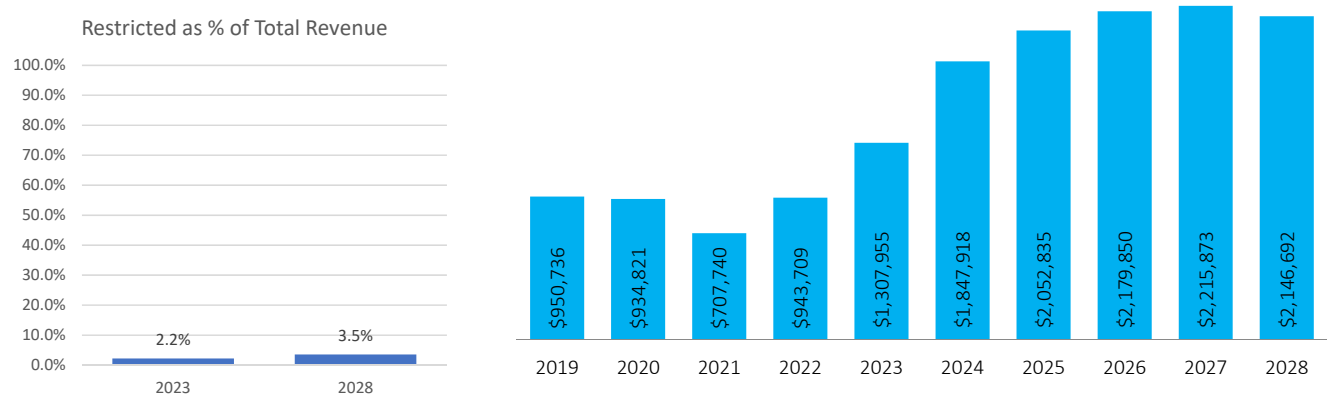
For Bedford City School District the calculated Base Cost total is $21,693,736 in FY 2024.
The state's share of the calculated Base Cost total is $8,253,306 or $3,033 per pupil.

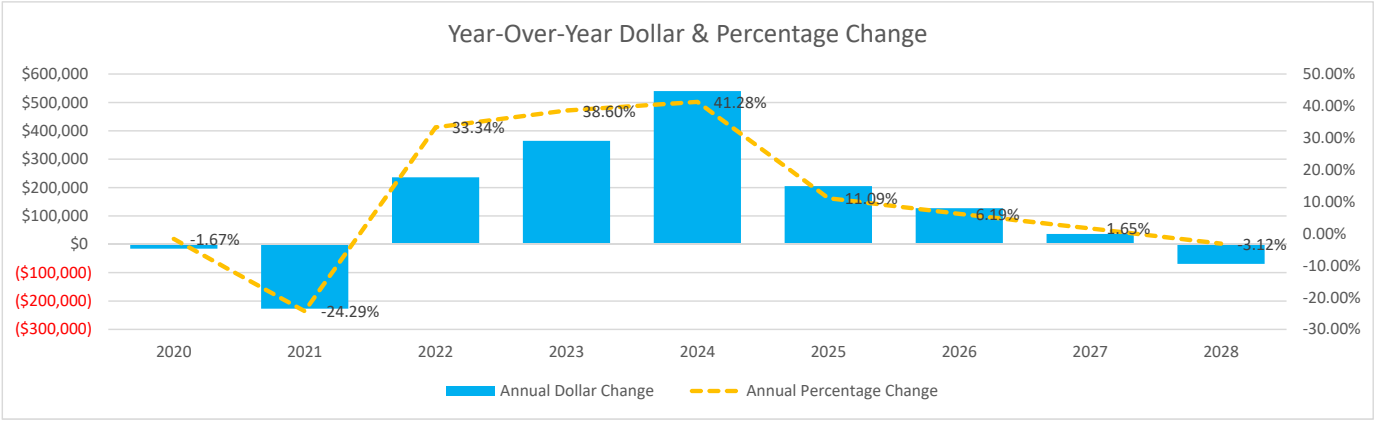
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts.

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1.040 & 1.045 - Restricted Grants-in-Aid

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



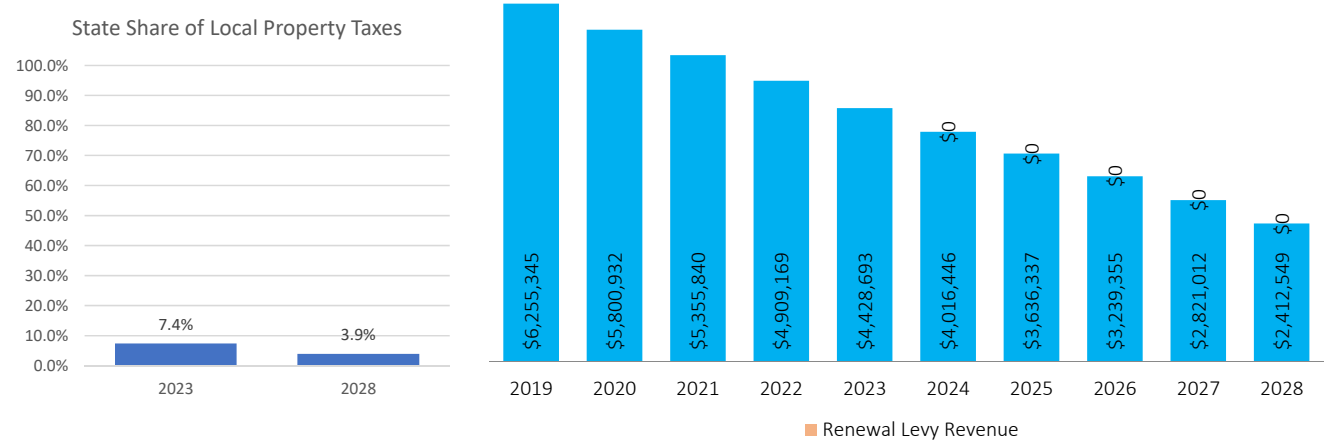


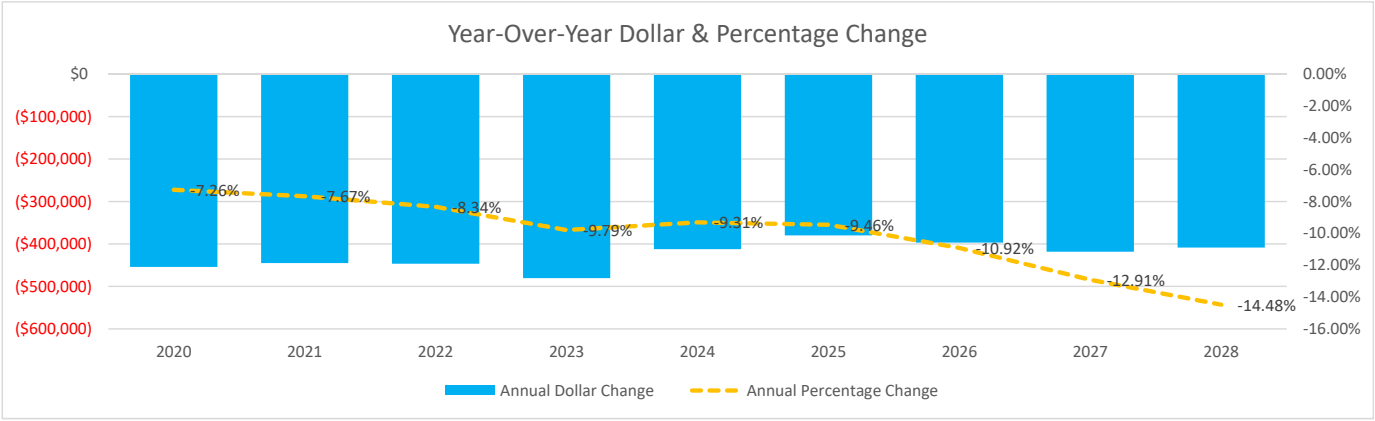
Restricted aid is the portion of state per pupil funding that must be classifed as restricted use. Historically the district's restricted state aid changed annually on average by $124,378 and is projected to change annually on average by $167,747. Restricted funds represent 2.18% of total revenue. Starting in FY 2022 the district's Success & Wellness funding is considered restricted, the state's share of this funding is recorded as restricted is $268,615. This funding has implications on general fund expenditures in that certain spending now occuring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

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1.050 - State Share of Local Property Taxes

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





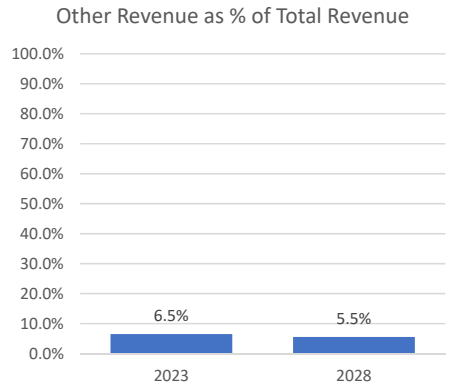
State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2024, approximately 10.6% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 3.7% will be reimbursed in the form of qualifying homestead exemption credits.

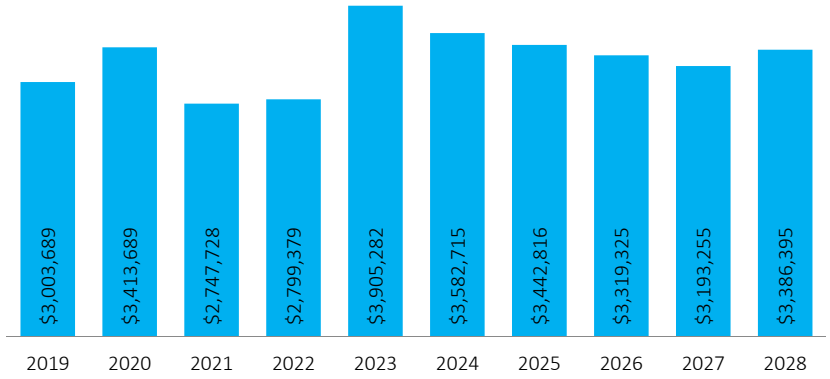
**Projected % trends include renewal levies*

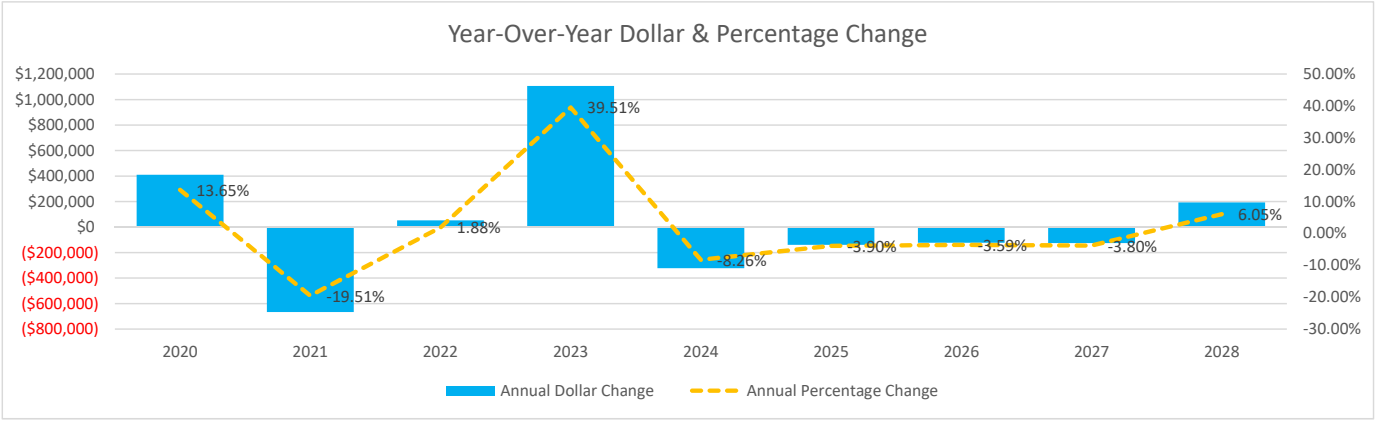
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1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.





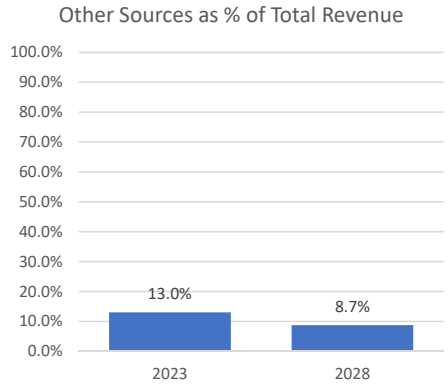


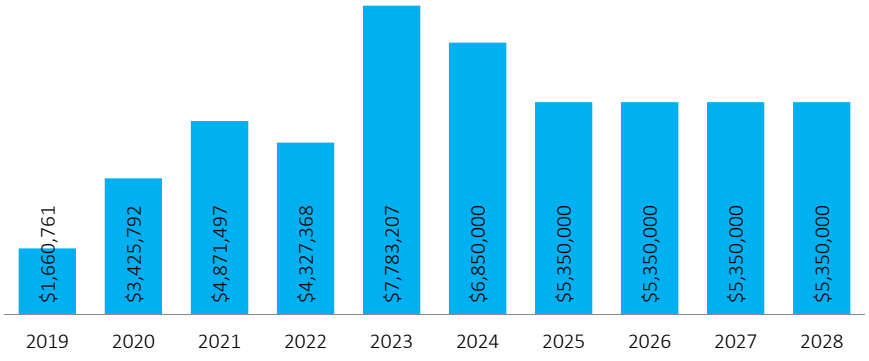
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was $225,398. The projected average annual change is -$103,777 through FY 2028.

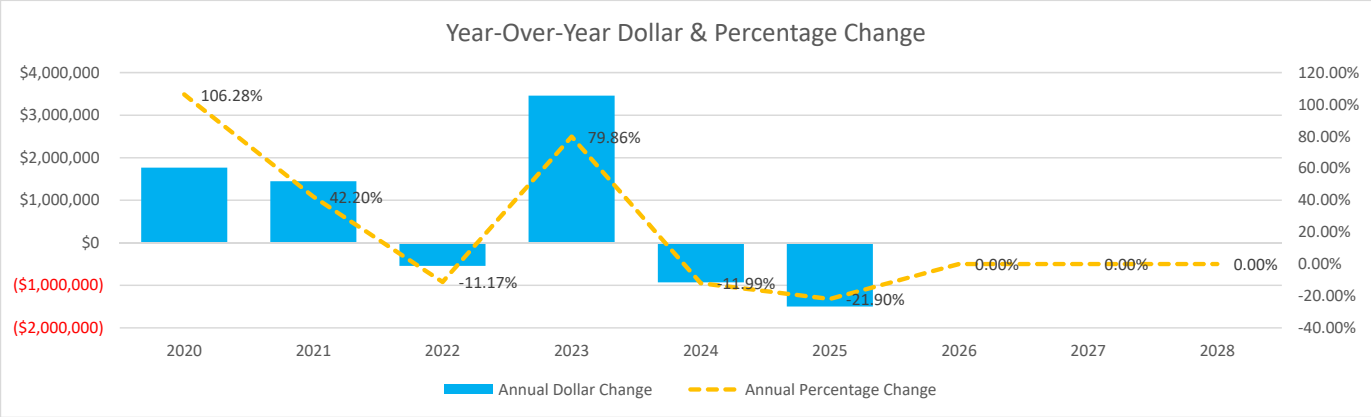
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2.070 - Total Other Financing Sources

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





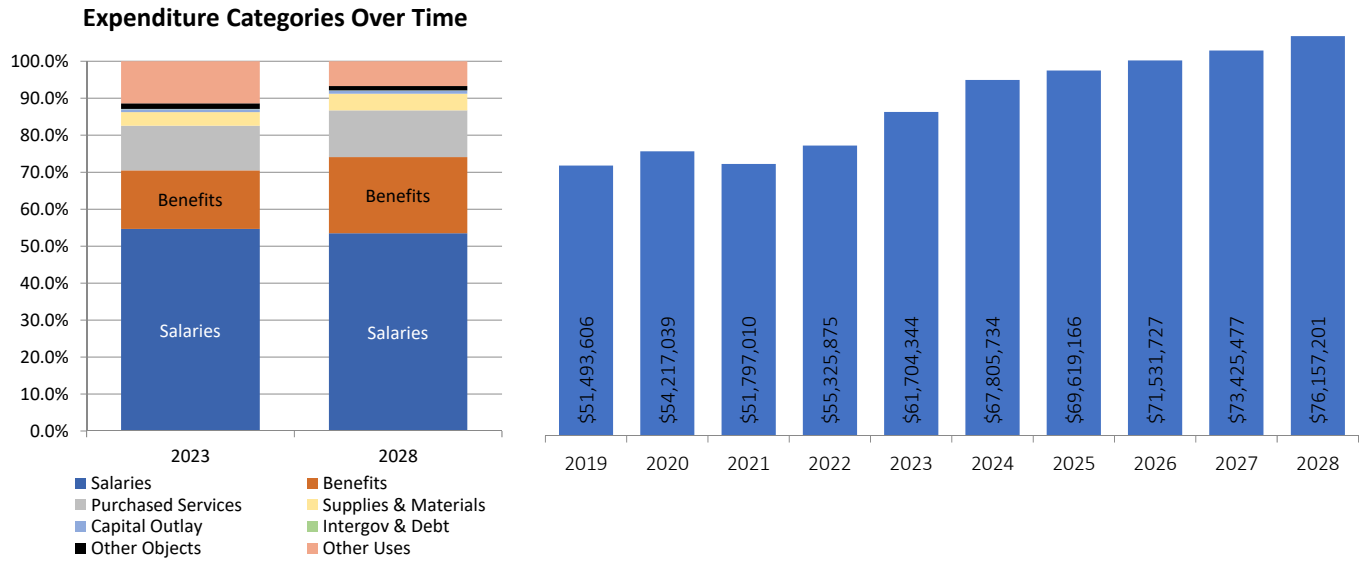


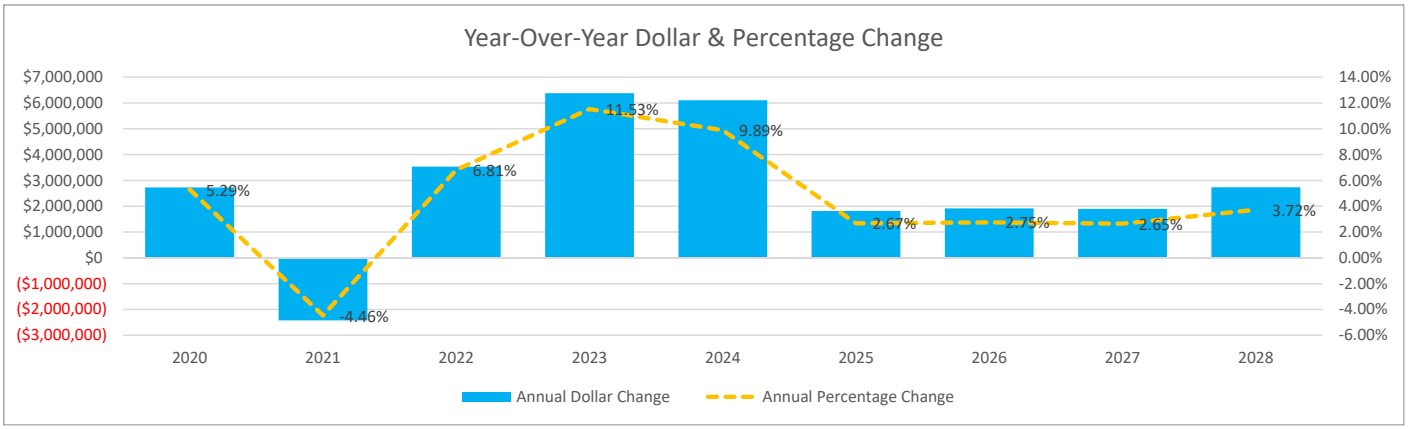
		FORECASTED				
	2023	2024	2025	2026	2027	2028
Transfers In	-	0	0	0	0	0
Advances In	7,294,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
All Other Financing Sources	489,207	1,750,000	250,000	250,000	250,000	250,000

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2023 the district receipted $7,294,000 as advances-in and is projecting advances of $5,100,000 in FY 2024. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be $1,750,000 in FY 2024 and average $250,000 annually through FY 2028.

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Expenditure Categories and Forecast Year-Over-Year Projected Overview





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

	Historical Average Annual $$ Change	**Projected** Average Annual $$ Change	Projected Compared to Historical Variance
Salaries	1,664,528	1,401,040	($263,488)
Benefits	($163,876)	$1,187,608	$1,351,485
Purchased Services	($247,988)	$434,859	$682,846
Supplies & Materials	$184,096	$228,700	$44,604
Capital Outlay	($81,396)	$32,456	$113,852
Intergov & Debt	($65,507)	($998)	$64,508
Other Objects	$61,766	($12,313)	($74,079)
Other Uses	$1,201,062	($380,781)	($1,581,843)
Total Average Annual Change	$2,552,684	$2,890,571	$337,887
	4.79%	4.68%	-0.11%

Total expenditures increased 4.79% or $2,552,684 annually during the past 4-Year period and is projected to increase 4.68% or $2,890,571 annually through FY2028. Other Uses has the largest projected average annual variance compared to the historical average at -$1,581,843.

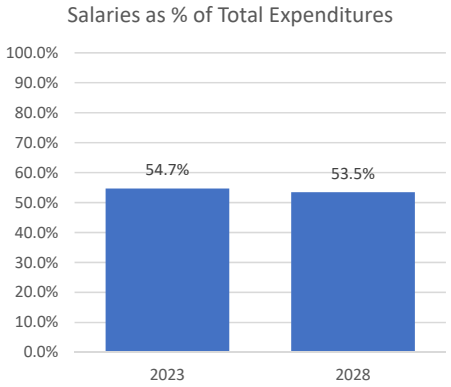
Note: Revenue average annual change is projected to be > $280,794

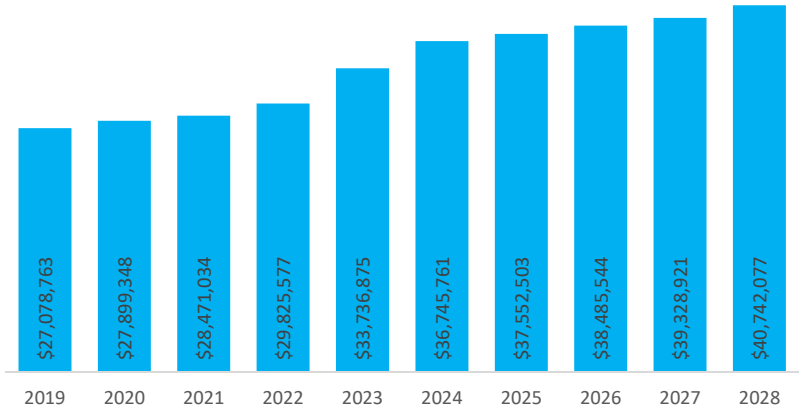
On an annual average basis, revenues are projected to grow slower than expenditures.

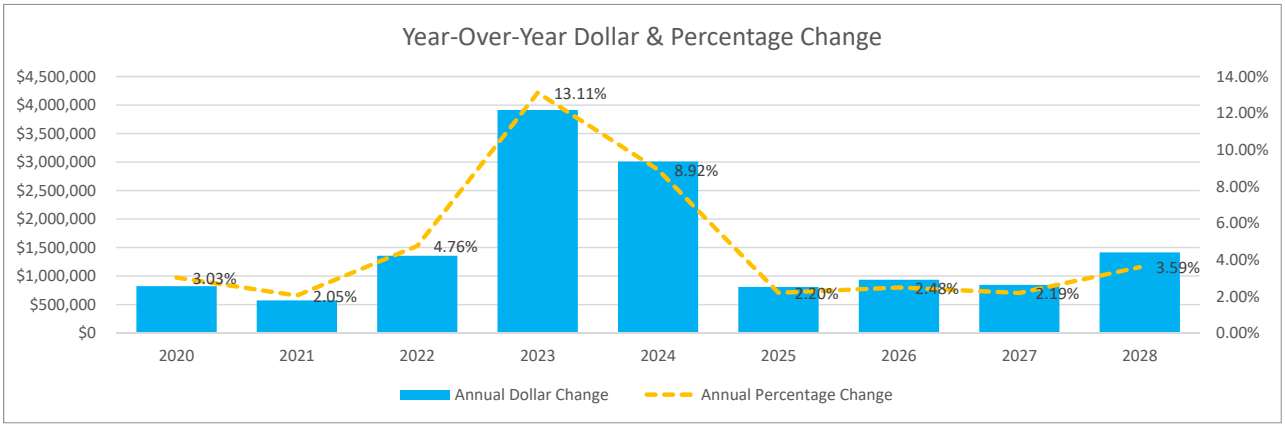
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3.010 - Personnel Services

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





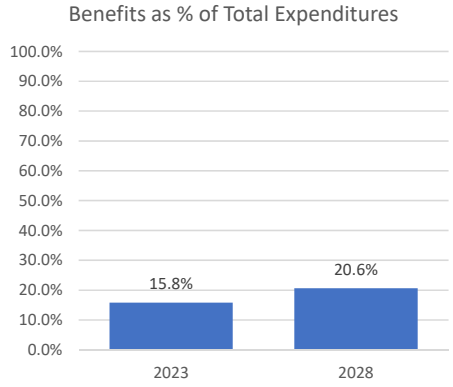


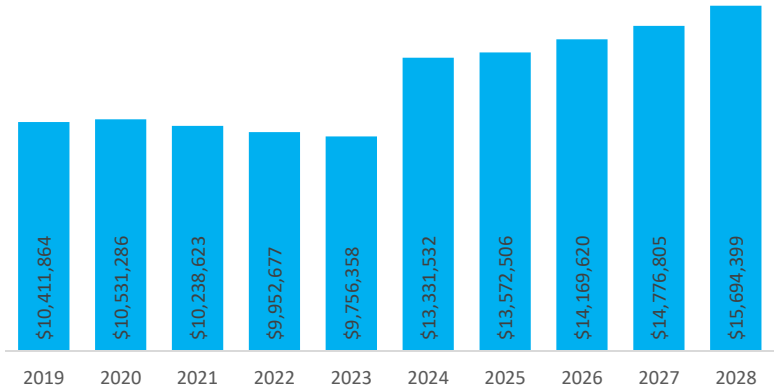
Salaries represent 54.68% of total expenditures and increased at a historical average annual rate of 5.74% or $1,664,528. This category of expenditure is projected to grow at an annual average rate of 3.88% or $1,401,040 through FY 2028. The projected average annual rate of change is -1.86% less than the five year historical annual average.

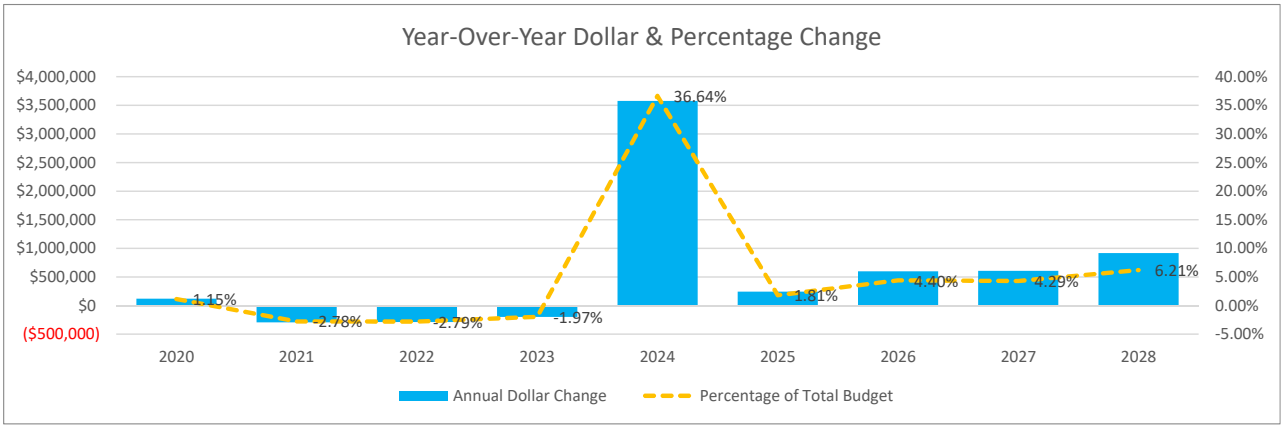
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3.020 - Employees' Benefits

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





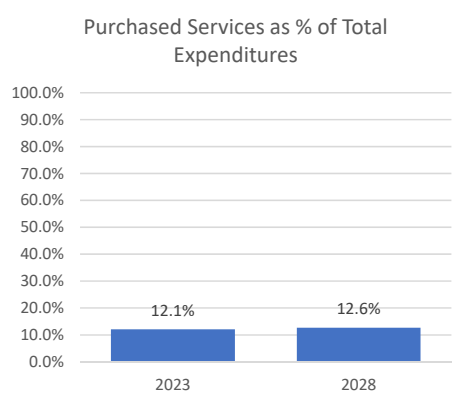


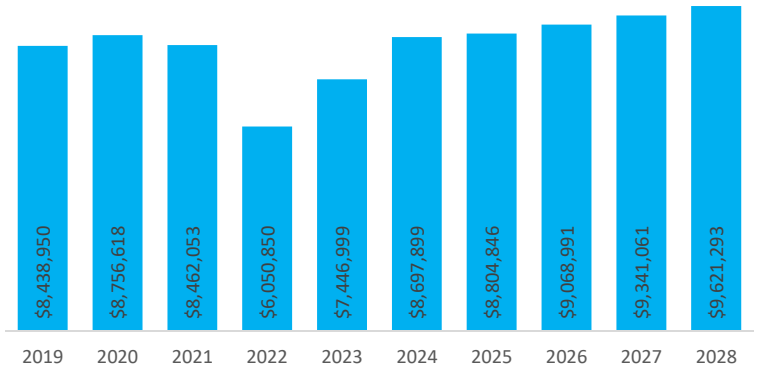
Benefits represent 15.81% of total expenditures and decreased at a historical average annual rate of -1.60% This category of expenditure is projected to grow at an annual average rate of 10.67% through FY 2028. The projected average annual rate of change is 12.27% more than the five year historical annual average.

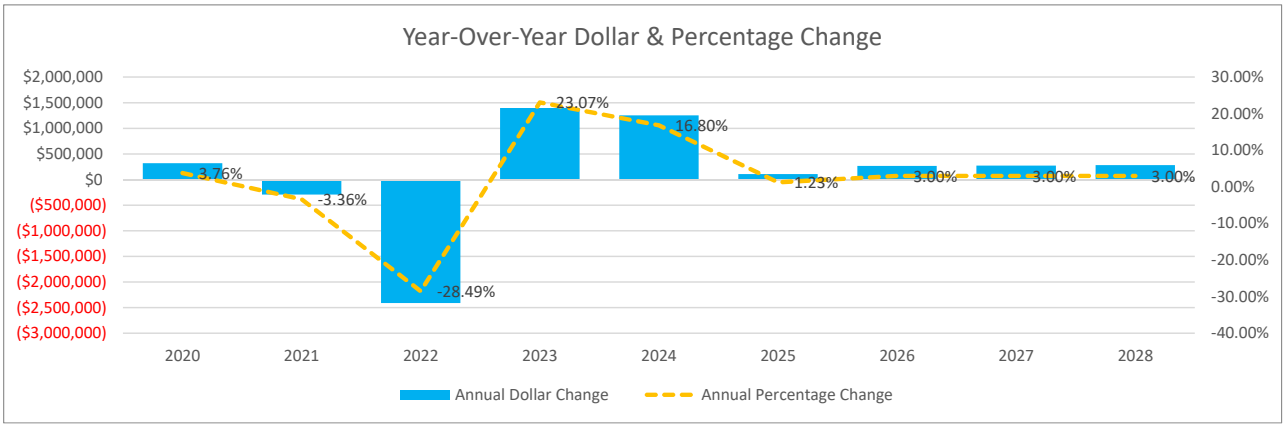
Forecast5 Analytics ReportWriter Software 2019 ©

3.030 - Purchased Services

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





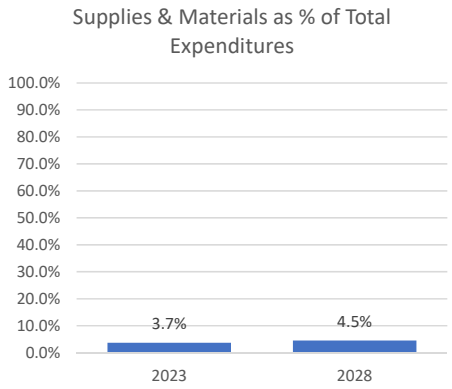


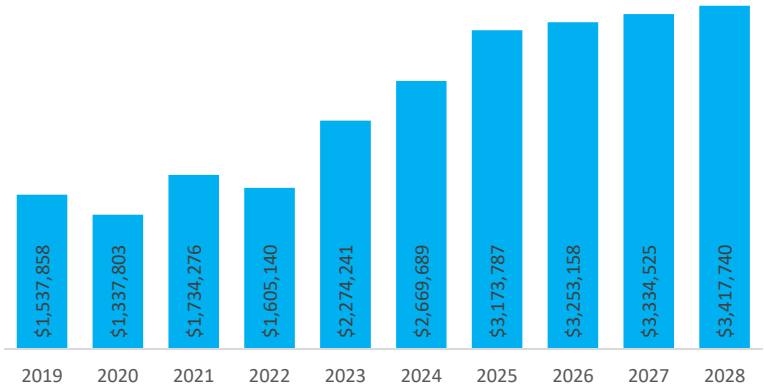
Purchased Services represent 12.07% of total expenditures and decreased at a historical average annual rate of -1.26%. This category of expenditure is projected to grow at an annual average rate of 5.41% through FY 2028 The FSFP funds only district educated enrollment thereby reducing tuition cost for open enrollment out, community schools, STEM, and scholarships starting in FY 2022. This change resulted in lower district cost but also less per pupil state revnue since per pupil funding was paid directly by the state to the attending school.

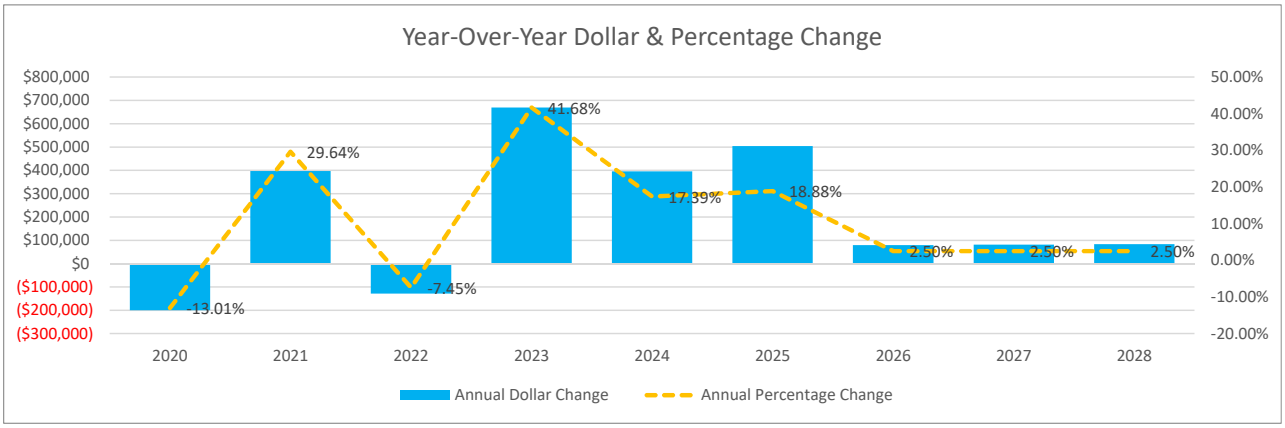
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3.040 - Supplies & Materials

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





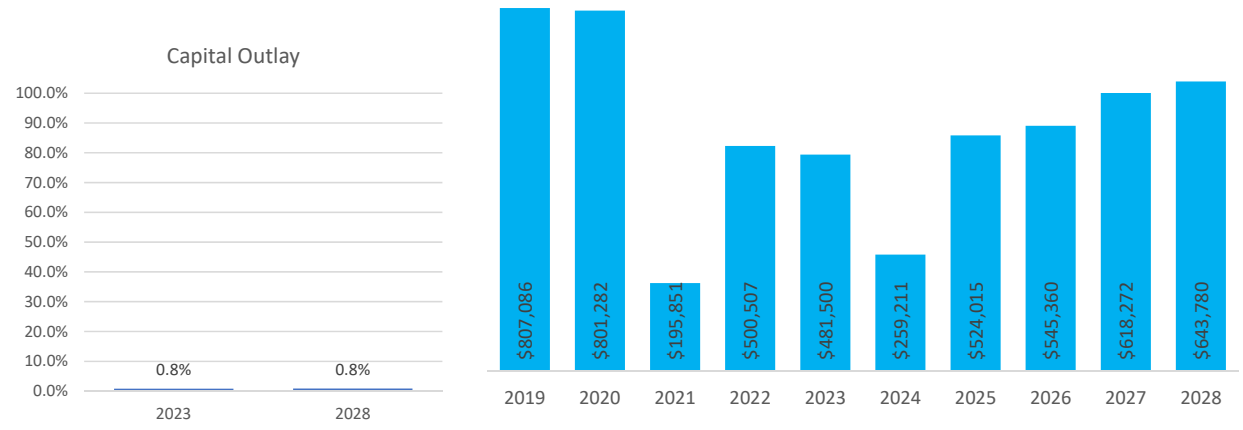


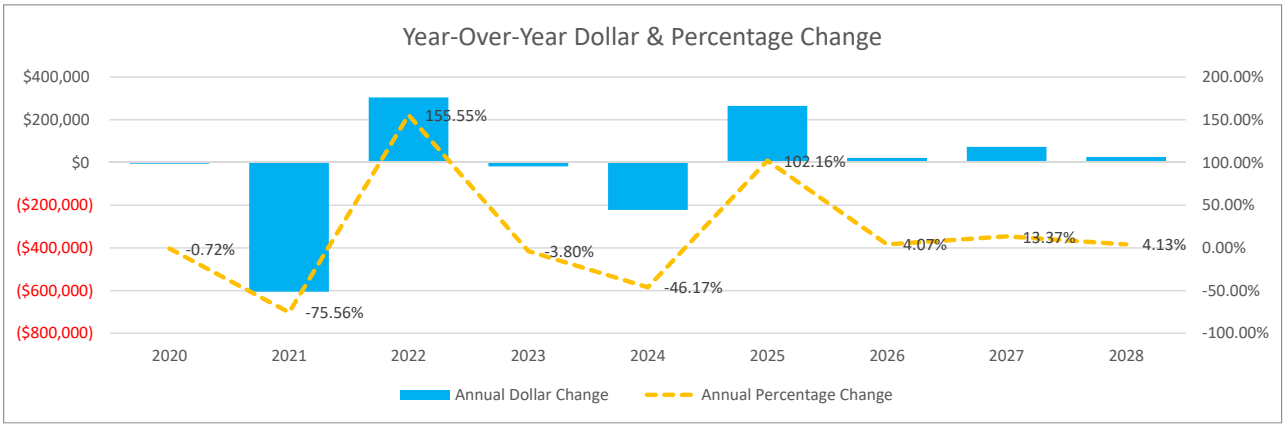
Supplies & Materials represent 3.69% of total expenditures and increased at a historical average annual rate of 12.72%. This category of expenditure is projected to grow at an annual average rate of 8.75% through FY 2028. The projected average annual rate of change is -3.96% less than the five year historical annual average.

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3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



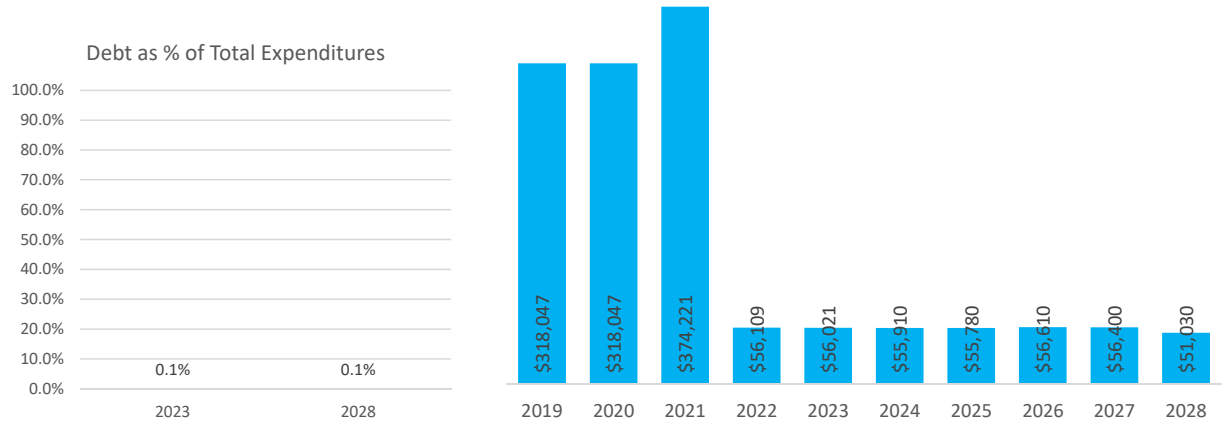


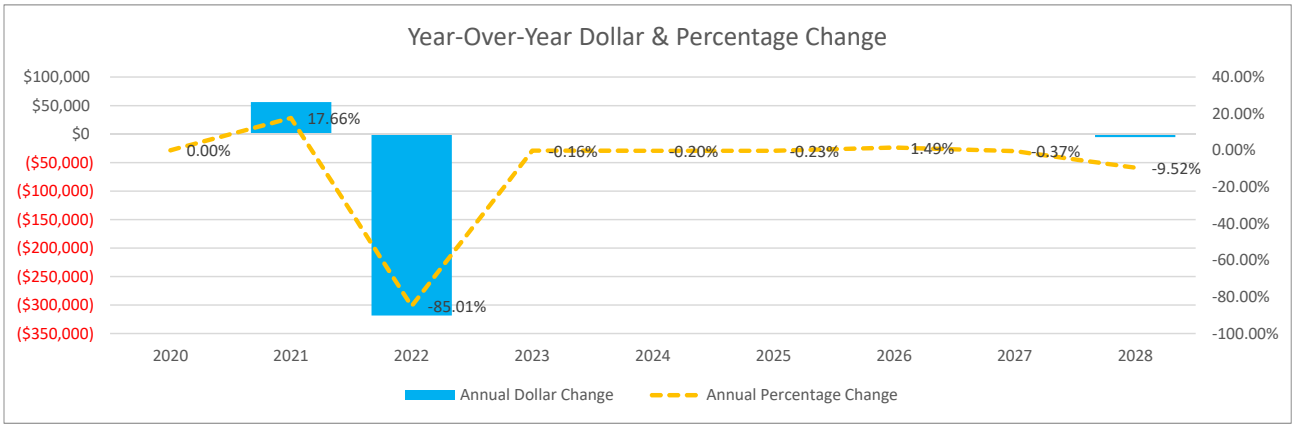
Capital Outlay represent 0.78% of total expenditures and decreased at a historical average annual amount of -$81,396. This category of expenditure is projected to grow at an annual average rate of $32,456 through FY 2028. The projected average annual change is less than the five year historical annual average.

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3.060-4.060 - Intergovernmental & Debt

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



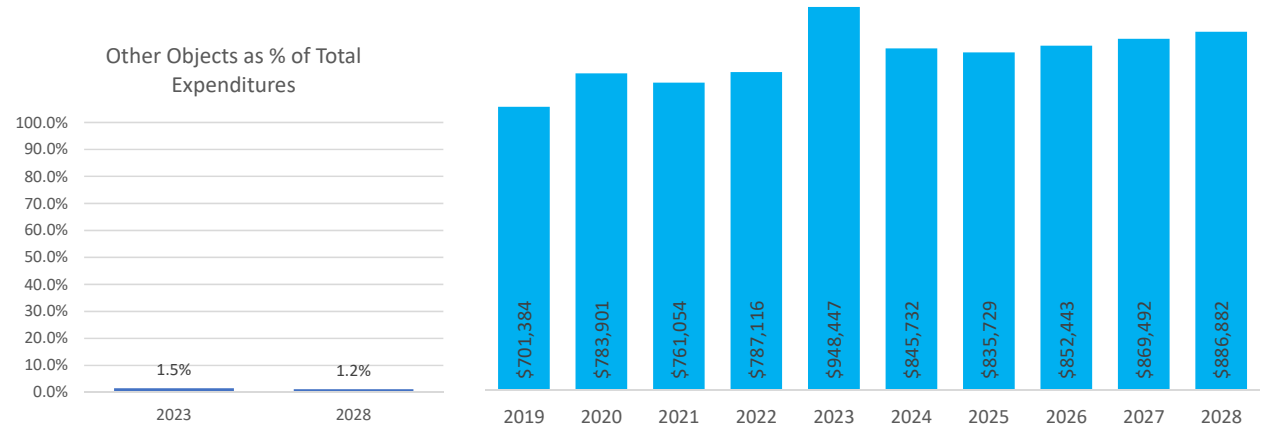


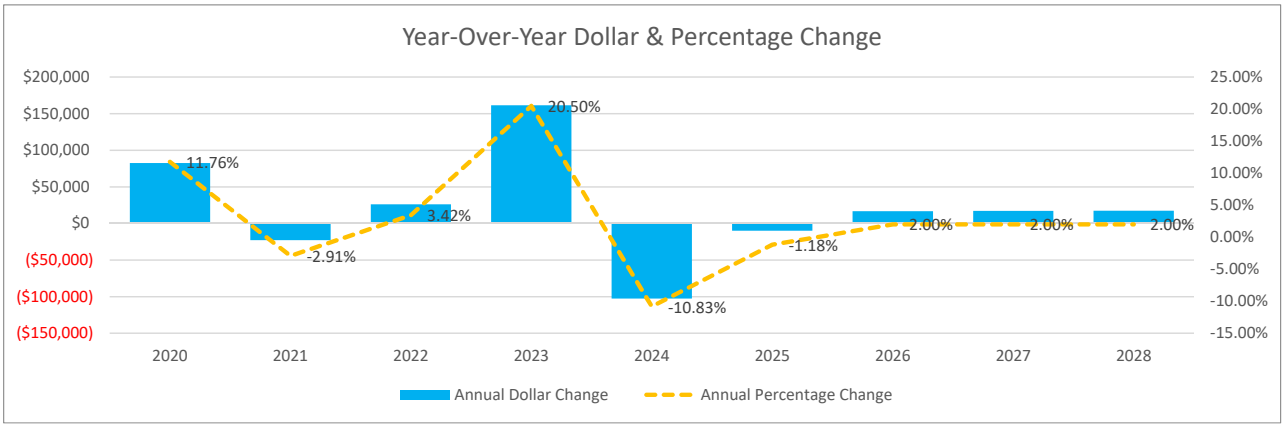
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

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4.300 - Other Objects

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



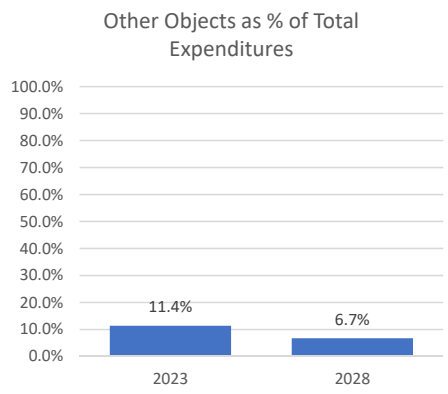


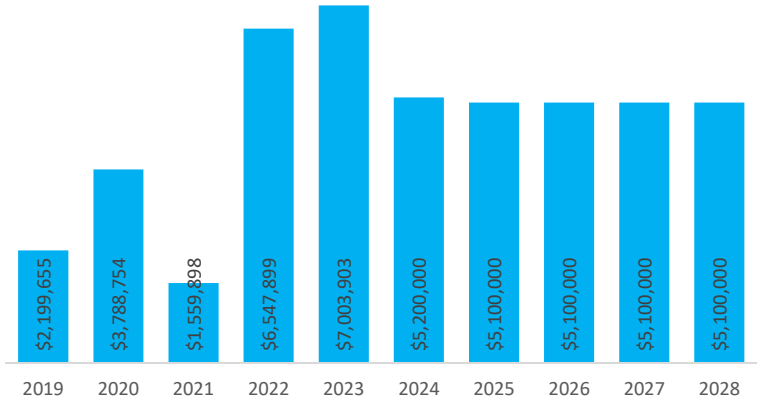
Other Objects represent 1.54% of total expenditures and increased at a historical average annual rate of 8.19%. This category of expenditure is projected to decrease at an annual average rate of -1.20% through FY 2028. The projected average annual rate of change is -9.40% less than the five year historical annual average.

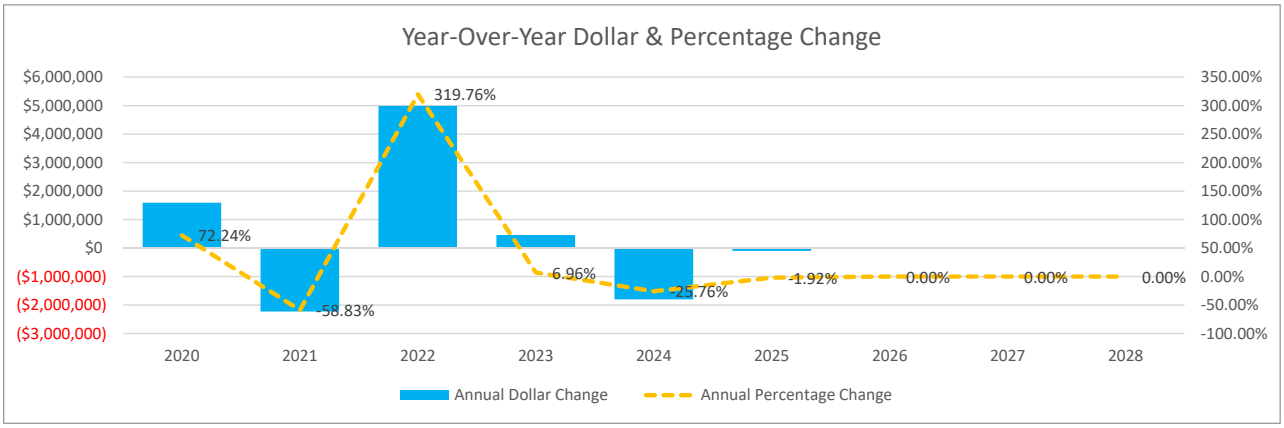
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5.040 - Total Other Financing Uses

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







		FORECASTED				
	2023	2024	2025	2026	2027	2028
Transfers Out	-	100,000	0	0	0	0
Advances Out	7,003,903	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In FY 2023 the district had advances-out and has advances-out forecasted through FY 2028. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2028. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

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Bedford City School District

Five Year Forecast

	Actual	FORECASTED				
Fiscal Year:	2023	2024	2025	2026	2027	2028
Revenue:						
1.010 - General Property Tax (Real Estate)	28,026,983	28,418,157	27,456,772	28,313,427	28,339,210	28,442,454
1.020 - Public Utility Personal Property	7,320,083	7,566,147	7,767,092	7,922,994	8,072,434	8,221,874
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	7,209,331	8,490,564	9,424,102	10,731,074	11,034,272	11,425,537
1.040 - Restricted Grants-in-Aid	1,307,955	1,847,918	2,052,835	2,179,850	2,215,873	2,146,692
1.050 - State Share-Local Property Taxes	4,428,693	4,016,446	3,636,337	3,239,355	2,821,012	2,412,549
1.060 - All Other Operating Revenues	3,905,282	3,582,715	3,442,816	3,319,325	3,193,255	3,386,395
1.070 - Total Revenue	52,198,327	53,921,947	53,779,954	55,706,025	55,676,056	56,035,501
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	0	0	0	0	0
2.050 - Advances-In	7,294,000	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
2.060 - All Other Financing Sources	489,207	1,750,000	250,000	250,000	250,000	250,000
2.070 - Total Other Financing Sources	7,783,207	6,850,000	5,350,000	5,350,000	5,350,000	5,350,000
2.080 - Total Rev & Other Sources	59,981,534	60,771,948	59,129,955	61,056,026	61,026,057	61,385,502
Expenditures:						
3.010 - Personnel Services	33,736,875	36,745,761	37,552,503	38,485,544	39,328,921	40,742,077
3.020 - Employee Benefits	9,756,358	13,331,532	13,572,506	14,169,620	14,776,805	15,694,399
3.030 - Purchased Services	7,446,999	8,697,899	8,804,846	9,068,991	9,341,061	9,621,293
3.040 - Supplies and Materials	2,274,241	2,669,689	3,173,787	3,253,158	3,334,525	3,417,740
3.050 - Capital Outlay	481,500	259,211	524,015	545,360	618,272	643,780
Intergovernmental & Debt Service	56,021	55,910	55,780	56,610	56,400	51,030
4.300 - Other Objects	948,447	845,732	835,729	852,443	869,492	886,882
4.500 - Total Expenditures	54,700,441	62,605,733	64,519,166	66,431,727	68,325,477	71,057,201
Other Financing Uses						
5.010 - Operating Transfers-Out	-	100,000	0	0	0	0
5.020 - Advances-Out	7,003,903	5,100,000	5,100,000	5,100,000	5,100,000	5,100,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	7,003,903	5,200,000	5,100,000	5,100,000	5,100,000	5,100,000
5.050 - Total Exp and Other Financing Uses	61,704,344	67,805,734	69,619,166	71,531,727	73,425,477	76,157,201
6.010 - Excess of Rev Over/(Under) Exp	(1,722,810)	(7,033,786)	(10,489,211)	(10,475,702)	(12,399,420)	(14,771,699)
7.010 - Cash Balance July 1 (No Levies)	21,855,059	20,132,249	13,098,463	2,609,252	(7,866,449)	(20,265,870)
7.020 - Cash Balance June 30 (No Levies)	20,132,249	13,098,463	2,609,252	(7,866,449)	(20,265,870)	(35,037,569)
		Reservations				
8.010 - Estimated Encumbrances June 30	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	20,132,249	11,598,463	1,109,252	(9,366,449)	(21,765,870)	(36,537,569)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies		-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	20,132,249	11,598,463	1,109,252	(9,366,449)	(21,765,870)	(36,537,569)
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	20,132,249	11,598,463	1,109,252	(9,366,449)	(21,765,870)	(36,537,569)

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PRIDE
TRADITION
ACHIEVEMENT

BCSD

BEDFORD CITY SCHOOL DISTRICT

BEDFORD • BEDFORD HTS. • OAKWOOD • WALTON HILLS

Five Year Forecast
General Fund Only
May 21, 2024

Prepared by:
Tabitha Armstrong, CFO/Treasurer

OBJECTIVE OF FIVE YEAR FORECAST

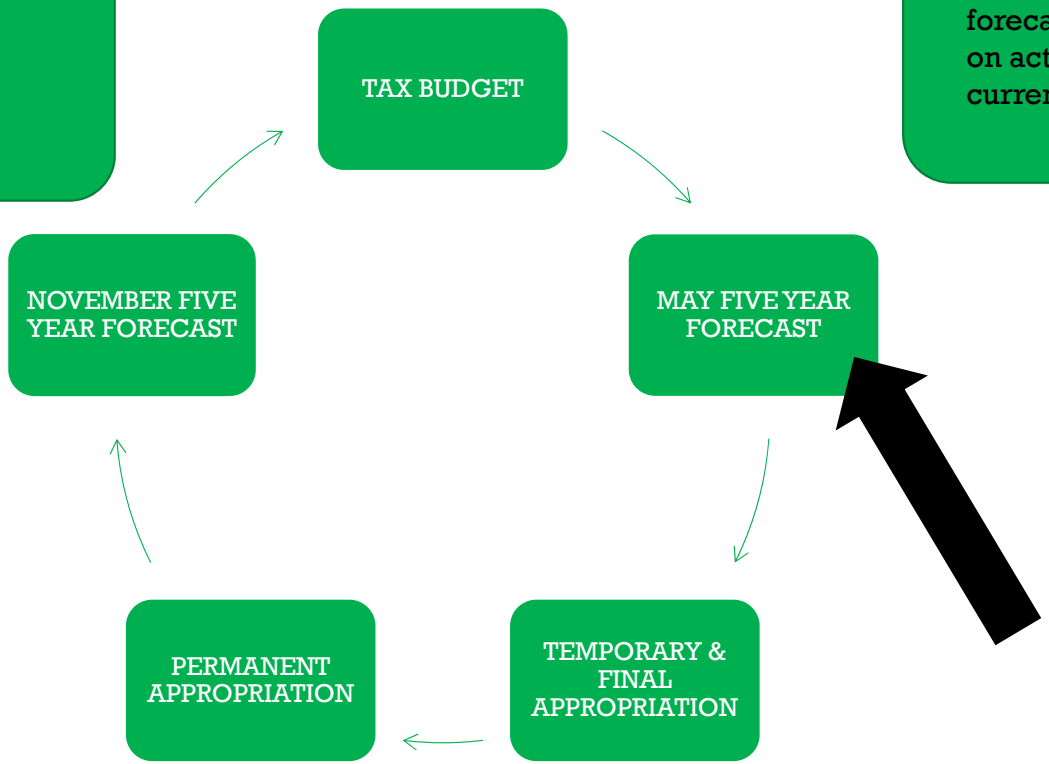
- To engage the local board of education and the community in long range planning and discussions of financial issues facing the school district.

- 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".

- To provide a method for the Department of Education and Workforce and Auditor of State to identify school districts with potential financial problems.

TIMELINE

Board, Superintendent and Executive Leadership Team used the forecast to analyze and make appropriate adjustment

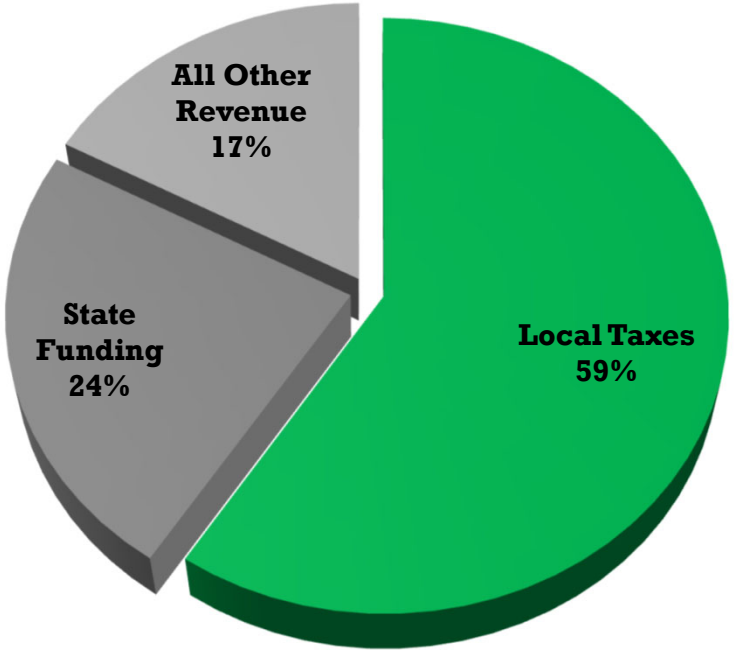


Time to update the forecast/assumptions based on actual numbers from current school year

CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis
Bedford City SD

Projected Revenue Analysis



Projected Local Taxes	**$35,984,304**
Real Estate Property Taxes	$28,418,157
Projected State Funding	**$14,354,928**
Fair School Funding Plan	$8,490,564
Restricted State Funding	$1,847,918
State Share of Local Taxes	$4,016,446
Projected All Other Revenue	**$10,432,716**
Other Operating Revenue	$3,582,715
Other Sources	$6,850,000

$60,771,948

PROPERTY VALUES VS. TAX RATES

HOW DO INCREASING HOME VALUES IMPACT TAX RATES?



As Local Property Valuations increase

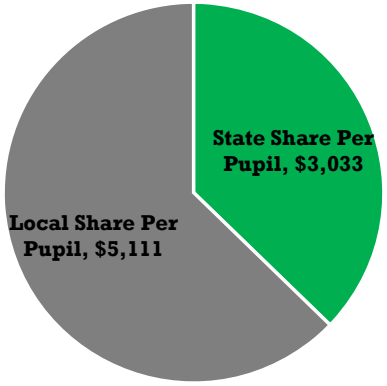
School District Real Estate Property Tax Revenue can remain relatively flat

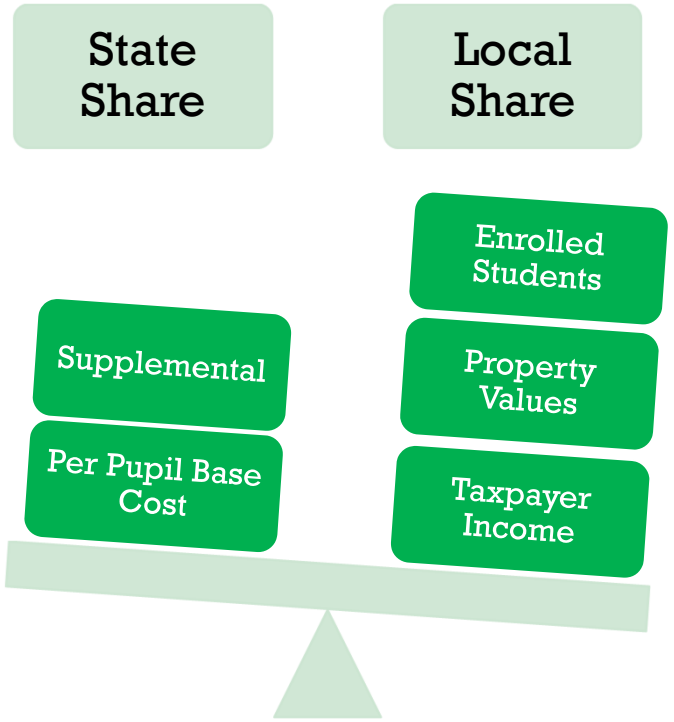
The District only sees Revenue growth on inside millage



STATE FUNDING – FAIR SCHOOL FUNDING PLAN LOCAL SHARE VERSUS STATE SHARE

- Base Cost Per Pupil
- Enrolled Students
- Local Personal Property Wealth
- Taxpayer Income

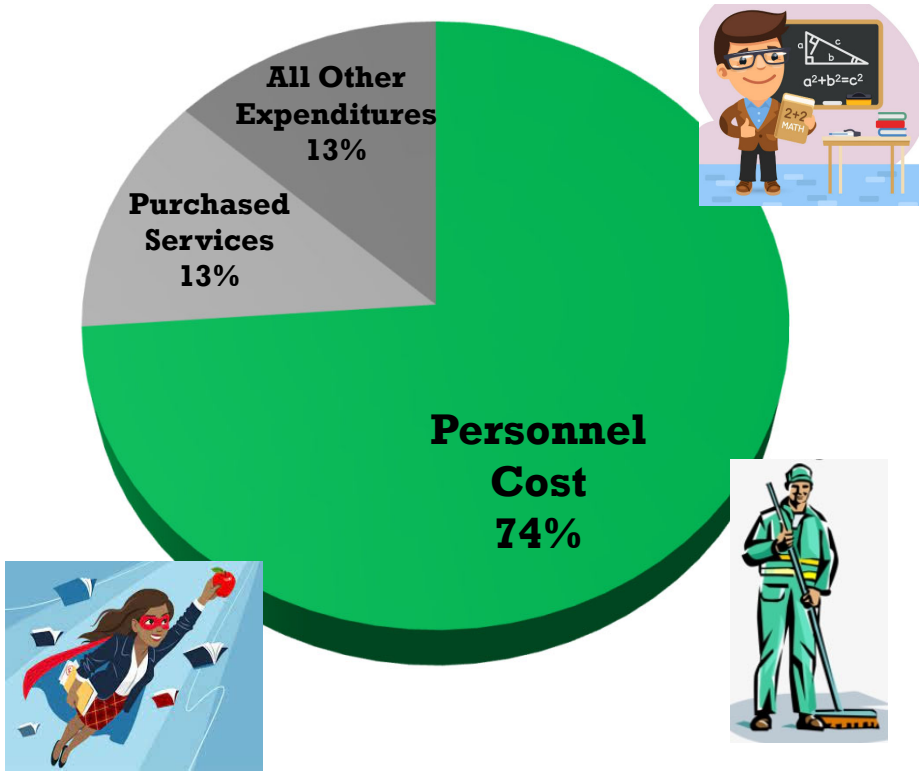




CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis
Bedford City SD

Projected Expenditure Analysis



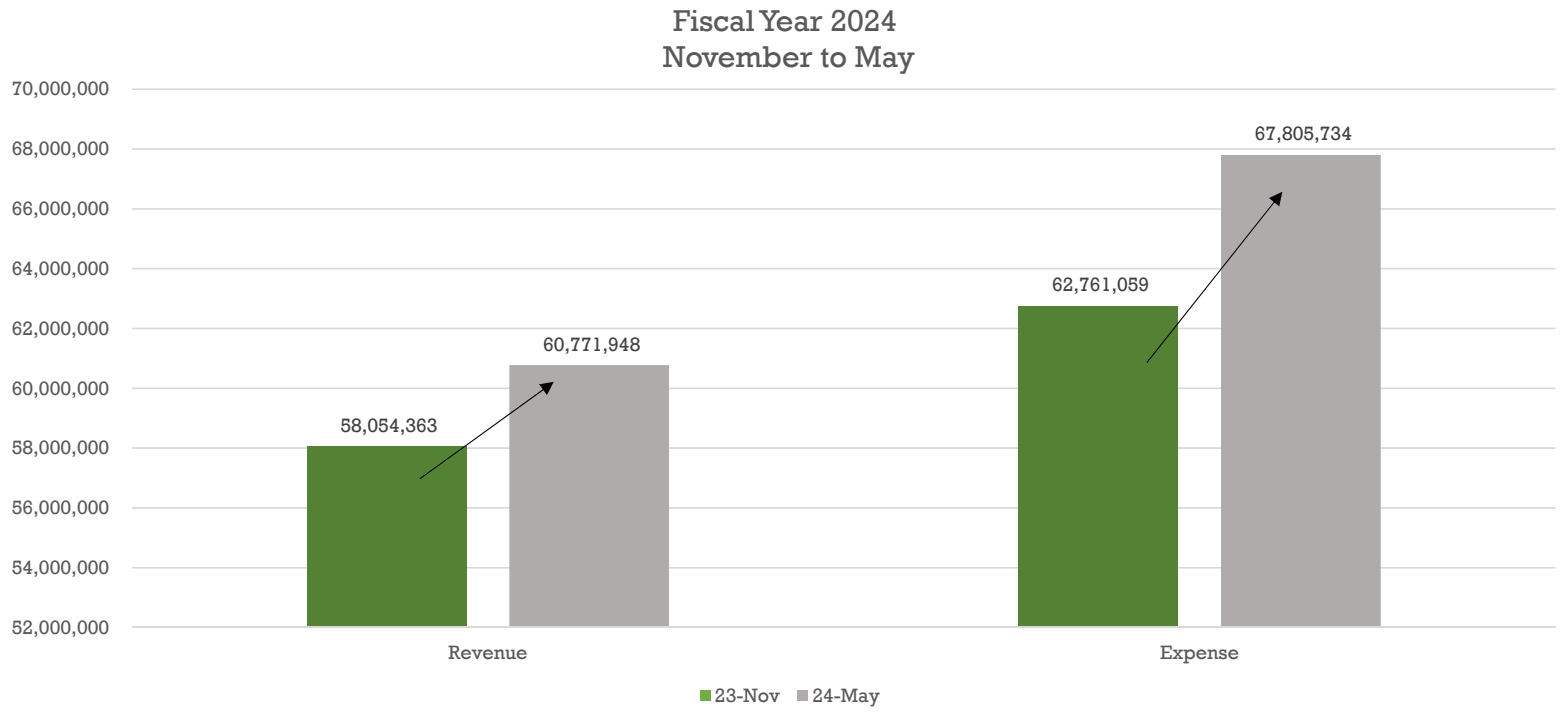
Projected Personnel Costs	**$50,077,293**
Salaries	$36,745,761
Benefits	$13,331,532
Projected Purchased Services	**$8,697,899**
Projected All Other Expenditures	**$9,030,541**
Supplies, Capital, Debt, Other Operating	$3,830,541
Advances, Transfer, Other Uses	$5,200,000

$67,805,734

FIVE YEAR FORECAST

	2024	2025	2026	2027	2028
Beginning Cash Balance	$20,132,249	$13,098,463	$2,609,252	-$7,866,449	-$20,265,869
+ Revenue	$60,771,948	$59,129,955	$61,056,026	$61,026,057	$61,385,502
+ Renewal Levies	$0	$0	$0	$0	$0
+ New Levies	$0	$0	$0	$0	$0
- Expenditures	$67,805,734	$69,619,166	$71,531,727	$73,425,477	$76,157,201
= Revenue Surplus or Deficit	**-$7,033,786**	**-$10,489,211**	**-$10,475,701**	**-$12,399,420**	**-$14,771,699**
Ending Cash Balance with Levies	$13,098,463	$2,609,252	-$7,866,449	-$20,265,869	-$35,037,568
Revenue Surplus or Deficit without Levies	-$7,033,786	-$10,489,211	-$10,475,701	-$12,399,420	-$14,771,699
Ending Cash Balance without Levies	$13,098,463	$2,609,252	-$7,866,449	-$20,265,869	-$35,037,568

NOVEMBER – TO – MAY



FIVE YEAR FORECAST SUMMARY OF ASSUMPTION CHANGES

- Written Plan – Board and ODE Approved 02/28/2024
  - 1.5M Revenue Enhancement (ESSER)
  - Capital Outlay Reductions
  - Attrition –Based Staff Reductions
  - Purchase Services Reductions (Cell Phone Lines)
  - Position Restructuring
- CTE Revenue and Expenditures
- Projection Updates (with data through 03/31/2024)
  - Salary and Benefits – increased by 2.5M
  - Purchased Services – increased by 2M
  - Supplies and Materials – increased by 600K



FIVE YEAR FORECAST ASSUMPTION CHANGES

CASH FLOW VS. FORECAST RECAP

FY24 Cash Flow - Tabby

	Cashflow Projections	Forecast Projections	Variance
Revenue:			
1.010 - General Property Tax (Real Estate)	$27,786,313	$27,786,313	$0
1.020 - Public Utility Personal Property	$7,489,438	$7,489,438	$0
1.030 - Income Tax	$0	$0	$0
1.035 - Unrestricted Grants-in-Aid	$8,532,126	$8,374,284	$157,842
1.040 - Restricted Grants-in-Aid	$1,676,945	$1,620,773	$56,172
1.045 - Restricted Federal Grants-in-Aid - SFSF	$0	$0	$0
1.050 - State Share of Local Property Taxes	$4,005,542	$3,998,839	$6,703
1.060 - All Other Operating Revenue	$3,501,872	$3,582,715	-$80,843
1.070 - Total Revenue	$52,992,237	$52,852,362	$139,875
Other Financing Sources:			
2.010 - Proceeds from Sale of Notes	$0	$0	$0
2.020 - State Emergency Loans & Advancements	$0	$0	$0
2.040 - Operating Transfers - In	$85,456	$100,000	-$14,544
2.050 - Advances - In	$5,100,000	$5,100,000	$0
2.060 - All Other Financing Sources	$158,076	$2,000	$156,076
2.070 - Total Other Financing Sources	$5,343,532	$5,202,000	$141,532
2.080 - Total Revenue & Other Financing Sources	$58,335,769	$58,054,362	$281,407

FIVE YEAR FORECAST ASSUMPTION CHANGES

Expenditures:			
3.010 - Personnel Services	$36,675,955	$35,189,096	$1,486,859
3.020 - Retirement & Insurance Benefits	$13,169,405	$12,127,969	$1,041,436
3.030 - Purchased Services	$8,706,037	$6,745,959	$1,960,078
3.040 - Supplies & Materials	$2,593,917	$1,971,293	$622,624
3.050 - Capital Outlay	$213,102	$625,000	-$411,898
Debt Service:			
4.010 - Principal - All Years	$48,000	$0	$48,000
4.020 - Principal - Notes	$0	$0	$0
4.030 - Principal - State Loans	$0	$0	$0
4.040 - Principal - State Advances	$0	$0	$0
4.050 - Principal - HB264 Loans	$0	$48,000	-$48,000
4.055 - Principal - Other Loans	$0	$0	$0
4.060 - Interest & Fiscal Charges	$5,422	$7,910	-$2,488
4.300 - Other Objects	$568,706	$845,732	-$277,026
4.500 - Total Expenditures	$61,980,544	$57,560,958	$4,419,586
Other Financing Uses:			
5.010 - Operating Transfers - Out	$82,549	$100,000	-$17,451
5.020 - Advances - Out	$4,854,023	$5,100,000	-$245,977
5.030 - All Other Financing Uses	$25	$100	-$75
5.040 - Total Other Financing Uses	$4,936,597	$5,200,100	-$263,503
5.050 - Total Expenditures & Other Financing Uses	$66,917,141	$62,761,058	$4,156,083
6.010 - Excess of Revenues Over/(Under) Expenditures	-$8,581,372	-$4,706,696	-$3,874,676
7.010 - Cash Balance July 1 (No Levies)	$20,132,249	$20,132,249	$0
7.020 - Cash Balance June 30 (No Levies)	$11,550,877	$15,425,553	-$3,874,676

SCHOOL FUNDING PAYMENT REPORT – MAY #2 - CTE

Ohio Department of Education and Workforce
Office of Budget and School Funding
Detailed School Funding Payment Report (SFPR) - Traditional School District
May #2 Payment, Data as of 05/06/2024

Name: Bedford City | County: Cuyahoga | IRN: 043562

Statewide Factors				
s1	Average Base Cost Per-Pupil			$8,241.61
s2	Average Career-Technical Base Cost Per-Pupil			$9,855.62
s3	Economically Disadvantaged Percentage			54.303200%
District Factors				
a	Enrolled ADM			2,722.35
	a1	Grades K-6 FTE	1,391.45	
b	Per-Pupil Amounts and State Share Percentage			
	b1	Local Capacity (see Line C7 on the Local Capacity Report)	$5,110.50	
	b2	Base Cost (see Line G on the Base Cost Report)	$8,145.01	
	b3	State Share of the Base Cost [if (b2-b1)>(b2*0.1) then (b2-b1) else (b2*0.1)]	$3,034.51	
	b4	State Share Percentage [b3/b2]	37.256060%	

SCHOOL FUNDING PAYMENT REPORT – MAY #2 - CTE

Enrolled x Percentage Highlighted Below x Average CT Base Cost Per Pupil x State Share Percentage

G	Career Technical Education [G1+G2+G3+G4+G5+G6]		$139,441.96
G1	Category 1 [g1*0.6230*s2*b4]	$98,350.87	
G2	Category 2 [g2*0.5905*s2*b4]	$31,838.10	
G3	Category 3 [g3*0.2154*s2*b4]	$0.00	
G4	Category 4 [g4*0.1830*s2*b4]	$2,607.62	
G5	Category 5 [g5*0.1570*s2*b4]	$0.00	
G6	Associated Services [g*0.0294*s2*b4]	$6,645.37	

PERKINS GRANT

The purpose of funding under the Strengthening Career and Technical Education for the 21st Century (Perkins V) Act is to greater develop the academic knowledge and employability skills of secondary and postsecondary education students who elect to enroll in career and technical education programs. Perkins funds must be used to support Ohio Department of Education approved career-technical education programs.

FY24 (through the Consortium) - Approximately $ 63,000

CAREER EXPLORATION & AWARENESS FUNDS

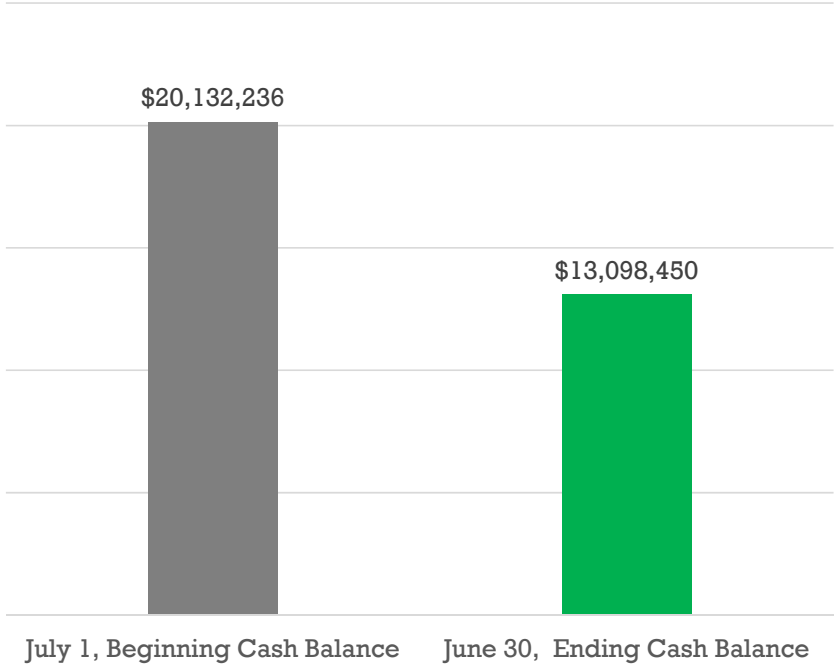
Delivery of career awareness programs to students enrolled in grades kindergarten through 12; provision of a common, consistent curriculum to students throughout their primary and secondary education; assistance to teachers in providing a career development curriculum to students; development of a career development plan for each student that stays with that student for the duration of the student's primary and secondary education; provision of opportunities for students to engage in activities, such as career fairs, hands-on experiences, and job shadowing, across all career pathways at each grade level.

FY24 (through the consortium) – $7.50 per student

CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis
Bedford City SD

Projected Financial Analysis

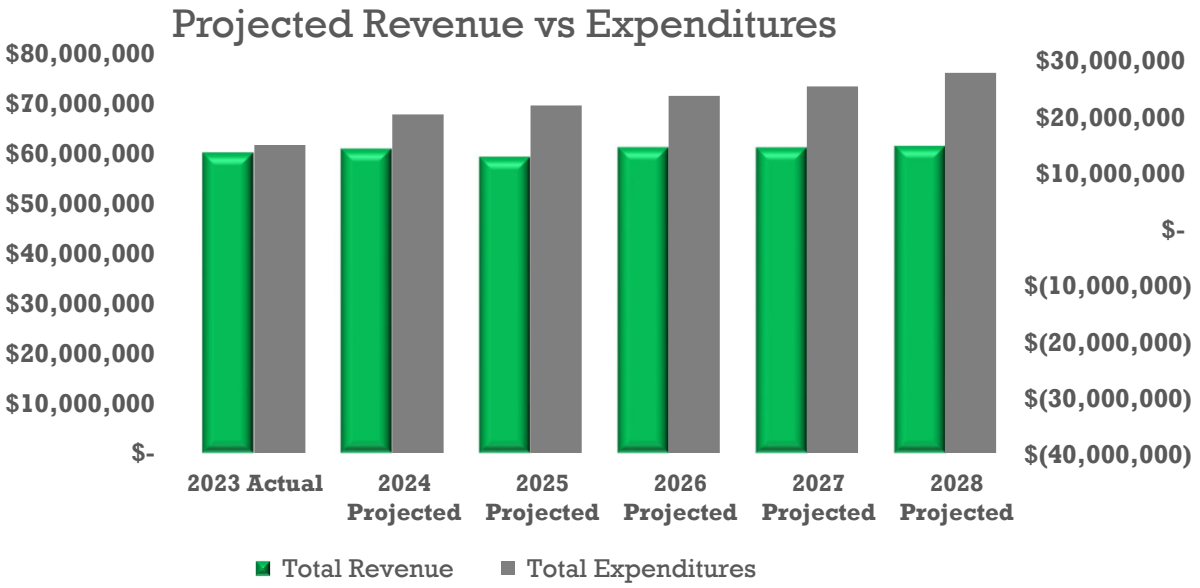


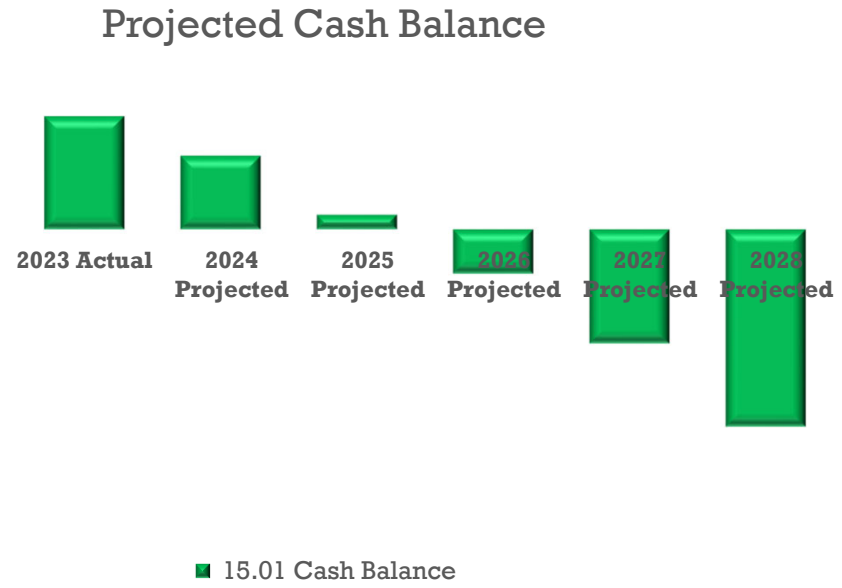
Projected General Fund Revenue	**$60,771,948**
Projected General Fund Expenditures	**$67,805,734**
Projected Loss For The Year Is	**-$7,033,786**

FORECAST

Financial Forecast Key Indicators & Analysis

Bedford City SD





Three Year Financial Outlook:

By FY 2026 the district is expected to trend toward a cash balance of -$7,866,449

Net loss for the year is -$10,475,702

Five Year Financial Outlook:

By FY 2028 the district's cash balance is projected to trend toward -$35,037,569

Projected Net loss for FY 2028 is -$14,771,699

CHALLENGES

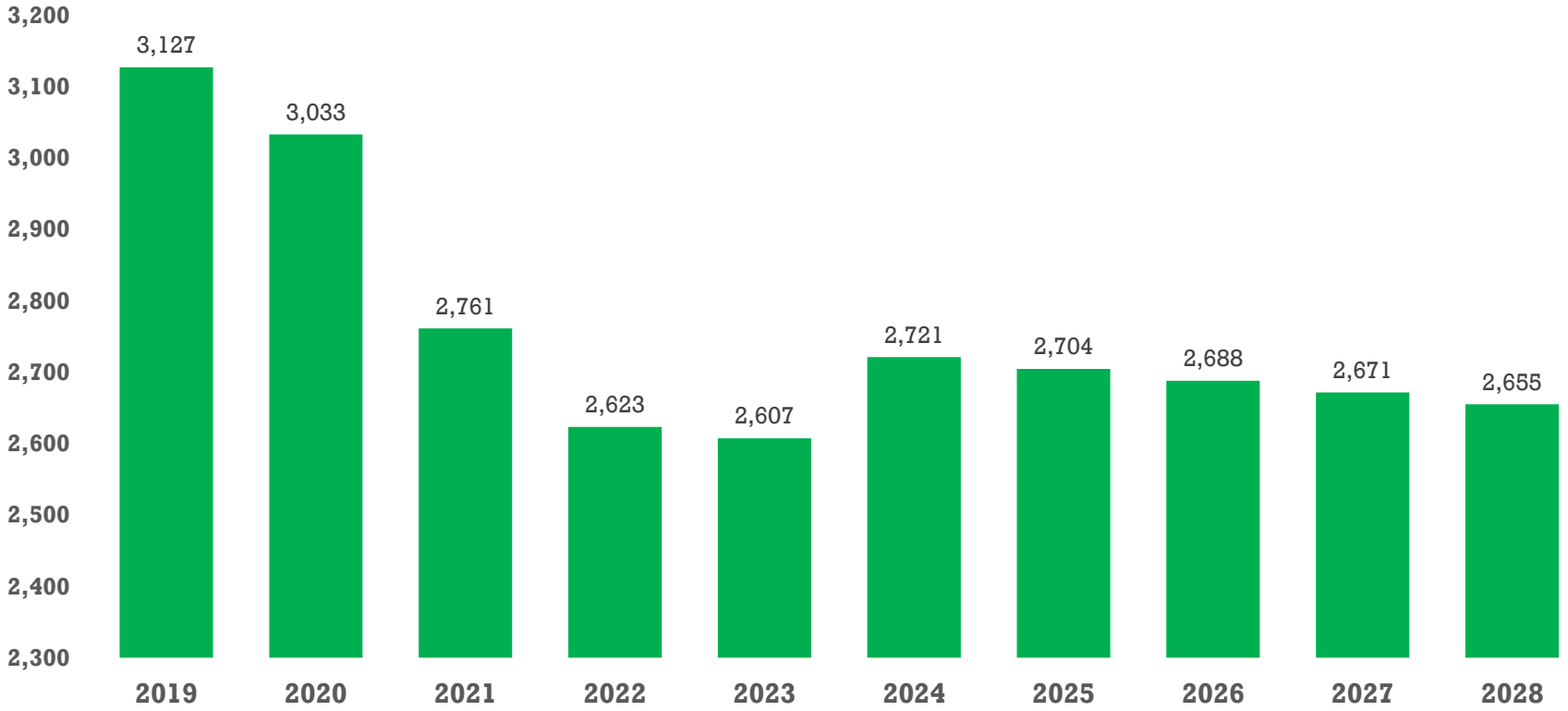
- Our Cost of Service Exceeds Available Revenue
  - Inflation - Supplies
  - Contracted Services
  - Salary and Benefits continue to increase (biggest Expenditure) – Local taxes relatively flat (biggest Revenue)
- Staffing Shortage in Classified Staff
- Cuyahoga County Reappraisals Tax Year 24
  - State Funding based on Personal Property Value
- Declining enrollment
  - State Funding based on Enrollment – Seeing an increase in FY24
- No Operating Levy in 9 years – the Board and Leadership Team are focusing on long-term planning, which will help reduce our expenses over an extended period. New Schools

DEMOGRAPHICS

Financial Forecast Key Indicators & Analysis

Bedford City SD

Enrollment

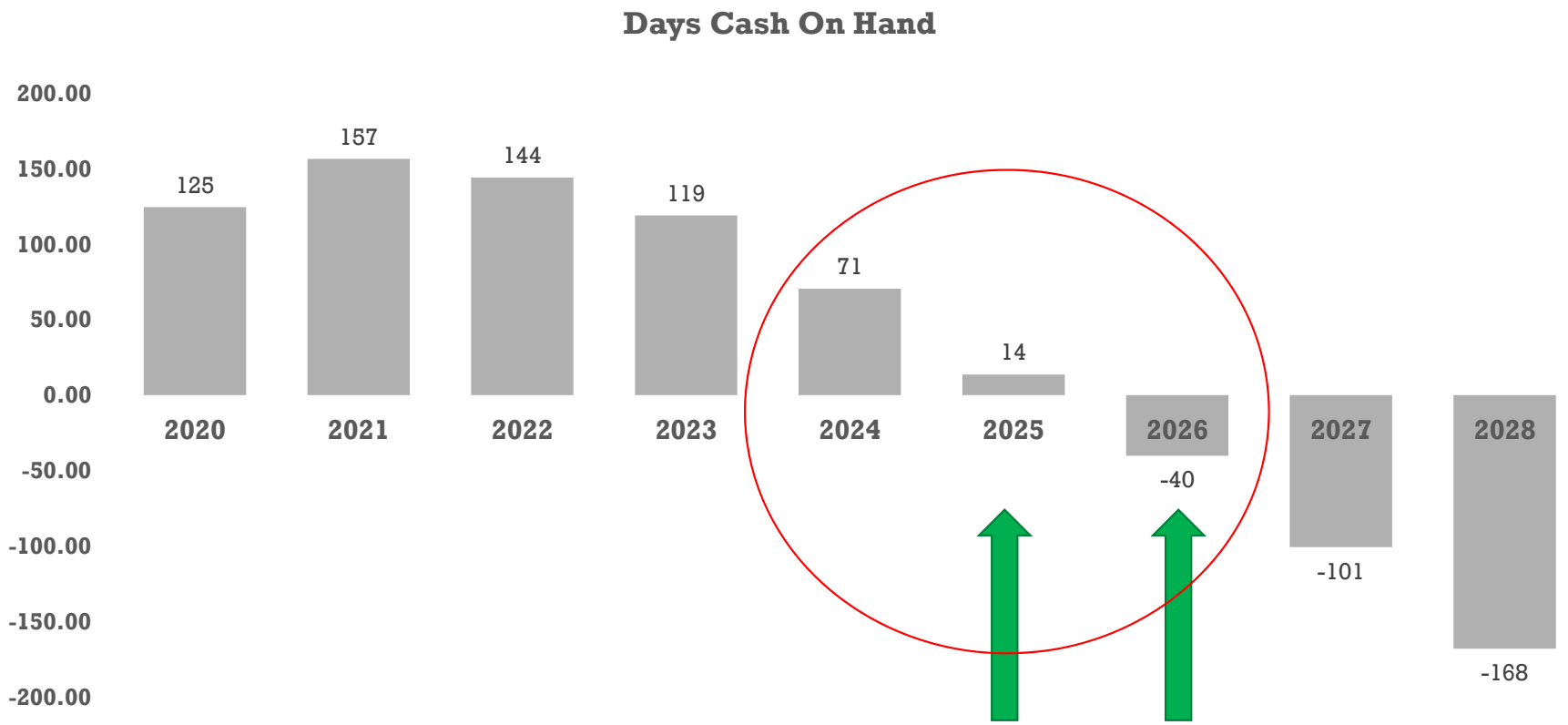


CASH ON HAND

Calendar Days Cash on Hand

Financial Forecast Key Indicators & Analysis

Bedford City SD

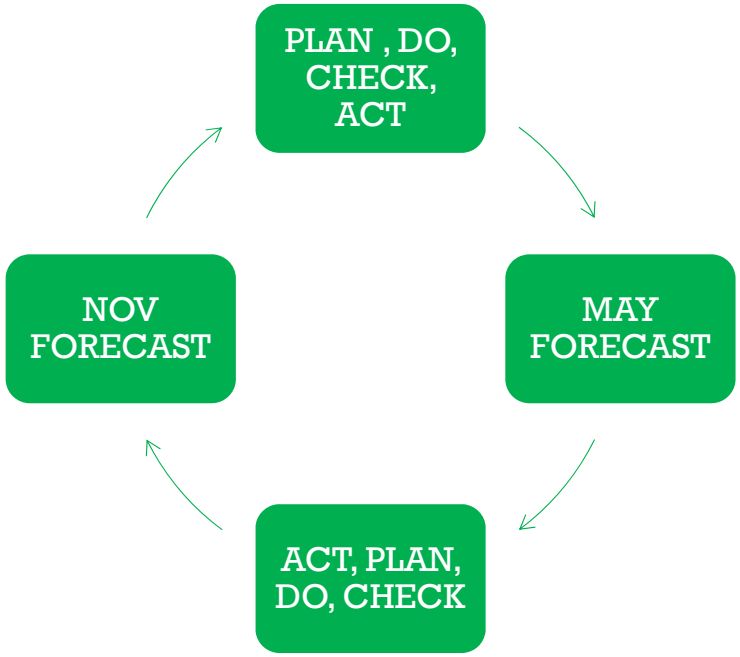


FIVE YEAR FORECAST

	2024	2025	2026	2027	2028
Beginning Cash Balance	$20,132,249	$13,098,463	$2,609,252	-$7,866,449	-$20,265,869
+ Revenue	$60,771,948	$59,129,955	$61,056,026	$61,026,057	$61,385,502
+ Renewal Levies	$0	$0	$0	$0	$0
+ New Levies	$0	$0	$0	$0	$0
- Expenditures	$67,805,734	$69,619,166	$71,531,727	$73,425,477	$76,157,201
= Revenue Surplus or Deficit	**-$7,033,786**	**-$10,489,211**	**-$10,475,701**	**-$12,399,420**	**-$14,771,699**
Ending Cash Balance with Levies	$13,098,463	$2,609,252	-$7,866,449	-$20,265,869	-$35,037,568
Revenue Surplus or Deficit without Levies	-$7,033,786	-$10,489,211	-$10,475,701	-$12,399,420	-$14,771,699
Ending Cash Balance without Levies	$13,098,463	$2,609,252	-$7,866,449	-$20,265,869	-$35,037,568

WHAT'S NEXT?


Plan
Do
Check
Act


PLAN , DO, CHECK, ACT
MAY FORECAST
ACT, PLAN, DO, CHECK
NOV FORECAST

WHAT'S NEXT –
PLAN, DO, CHECK, ACT
MAY FORECAST



- More Budget Cuts are required for FY25 (We have to address the compounding issue and cannot wait until FY26 to make changes). Adopt a District –wide Long-term planning mindset
- Establish a Cash Reserve Policy for at least the minimum suggested amount.
- A Minimum of 4.7M more in cuts are needed for FY25

FISCAL DEFICIT

The Department also uses line **10.010 to identify a deficit in Year 2 (FY26),**. If the district has a renewal and/or new levy on the ballot, the Department recognizes these ballot initiatives as the district's preferred "Plan A" and understands passage of these levies will have a significant, favorable impact on the projected deficit. However, due to the imminent nature of the FY26 deficit and the time it takes to implement expenditure reduction plans, the Department also requires the district to develop a **contingency "Plan B"** which the district commits to implement in the event "Plan A" ballot initiatives fail.

The Department considers a **Year 2 deficit to be the most critical deficit to eliminate and time is of the essence**. To avoid having this deficit become a current-year reality, the district may need to implement the written plan this spring or summer, understanding that any reductions made may be reinstated if final levy attempts succeed. A district that does not proactively prepare an adequate written plan **and commit to examining and actively managing district expenditures to avoid a current-year deficit may be placed into fiscal caution, watch or emergency over the coming months.**

QUESTIONS?

