

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



Forecast Provided By
Greeneview Local School District
Treasurer's Office
Inga Fisher, Treasurer/CFO
May 16, 2024

**Greeneview Local School District
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			Average Change	Forecasted				
	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023		Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Revenues									
1.010 General Property Tax (Real Estate)	\$4,073,896	\$4,296,564	\$4,076,652	0.2%	\$5,027,370	\$5,619,971	\$5,640,777	\$5,814,476	\$5,958,137
1.020 Public Utility Personal Property	\$435,534	\$195,974	\$400,909	24.8%	\$332,757	\$513,518	\$524,618	\$535,718	\$546,818
1.030 Income Tax	\$2,173,541	\$2,504,349	\$2,697,887	11.5%	\$2,644,169	\$2,697,052	\$2,750,993	\$2,806,013	\$2,862,133
1.035 Unrestricted State Grants-in-Aid	\$5,520,168	\$6,337,083	\$6,317,062	7.2%	\$7,227,961	\$7,037,507	\$7,038,995	\$7,040,325	\$7,041,765
1.040 Restricted State Grants-in-Aid	\$41,812	\$308,557	\$314,552	320.0%	\$462,939	\$406,243	\$406,243	\$406,243	\$406,243
1.045 Restricted Fed. SFSF Fd. 532 /Ed Jobs Fd.504	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
1.050 State Share of Local Property Taxes	\$595,035	\$597,257	\$596,801	0.1%	\$687,641	\$780,602	\$783,574	\$805,213	\$828,503
1.060 All Other Revenues	\$1,534,582	\$762,716	\$652,833	-32.4%	\$989,517	\$1,003,654	\$998,163	\$992,842	\$987,689
1.070 <i>Total Revenues</i>	\$14,374,568	\$15,002,500	\$15,056,696	2.4%	\$17,372,354	\$18,058,548	\$18,143,273	\$18,400,830	\$18,631,289
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	\$753	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
2.050 Advances-In	\$198,000	\$606,913	\$2,691,875	275.0%	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
2.060 All Other Financing Sources	\$127,009	\$2,751	\$117,156	2030.4%	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000
2.070 <i>Total Other Financing Sources</i>	\$325,762	\$609,664	\$2,809,031	224.0%	\$2,600,000	\$2,550,000	\$2,550,000	\$2,550,000	\$2,550,000
2.080 <i>Total Revenues and Other Financing Sources</i>	\$14,700,330	\$15,612,164	\$17,865,727	10.3%	\$19,972,354	\$20,608,548	\$20,693,273	\$20,950,830	\$21,181,289
Expenditures									
3.010 Personnel Services	\$7,791,047	\$7,919,370	\$7,916,636	0.8%	\$8,485,414	\$9,290,350	\$9,842,168	\$10,376,987	\$10,944,530
3.020 Employees' Retirement/Insurance Benefits	\$3,435,309	\$3,435,515	\$3,446,506	0.2%	\$3,635,604	\$3,970,839	\$4,265,785	\$4,602,519	\$4,968,920
3.030 Purchased Services	\$2,544,495	\$2,750,785	\$2,584,026	1.0%	\$2,999,624	\$3,104,947	\$3,162,277	\$3,221,175	\$3,281,699
3.040 Supplies and Materials	\$827,944	\$747,458	\$770,877	-3.3%	\$870,994	\$998,598	\$1,029,263	\$1,111,076	\$1,145,087
3.050 Capital Outlay	\$119,493	\$78,493	\$141,097	22.7%	\$550,000	\$150,000	\$480,000	\$150,000	\$150,000
3.060 Intergovernmental	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
Debt Service:				0.0%					
4.010 Principal-All (Historical Only)	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
4.020 Principal-Notes	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
4.030 Principal-State Loans	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
4.040 Principal-State Advancements	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
4.050 Principal-HB 264 Loans	\$37,000	\$37,904	\$30,000	-9.2%	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
4.055 Principal-Other	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
4.060 Interest and Fiscal Charges	\$8,992	\$3,904	\$6,720	7.8%	\$5,760	\$4,800	\$3,840	\$2,880	\$1,920
4.300 Other Objects	\$135,029	\$142,633	\$196,170	21.6%	\$198,131	\$200,113	\$202,114	\$204,135	\$206,176
4.500 <i>Total Expenditures</i>	\$14,899,309	\$15,116,062	\$15,092,032	0.6%	\$16,775,527	\$17,749,647	\$19,015,447	\$19,698,772	\$20,728,332
Other Financing Uses									
5.010 Operating Transfers-Out	\$79,515	\$79,515	\$110,085	19.2%	\$79,515	\$79,515	\$79,515	\$79,515	\$79,515
5.020 Advances-Out	\$115,309	\$652,461	\$2,750,410	393.7%	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
5.030 All Other Financing Uses	\$0	\$0	\$7,928	0.0%	\$0	\$0	\$0	\$0	\$0
5.040 <i>Total Other Financing Uses</i>	\$194,824	\$731,976	\$2,868,423	283.8%	\$2,579,515	\$2,579,515	\$2,579,515	\$2,579,515	\$2,579,515
5.050 <i>Total Expenditures and Other Financing Uses</i>	\$15,094,133	\$15,848,038	\$17,960,455	9.2%	\$19,355,042	\$20,329,162	\$21,594,962	\$22,278,287	\$23,307,847
6.010 <i>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</i>	(\$393,803)	(\$235,874)	(\$94,728)	-50.0%	\$617,312	\$279,385	(\$901,688)	(\$1,327,457)	(\$2,126,558)
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$7,109,790	\$6,715,987	\$6,480,113	-4.5%	\$6,385,385	\$7,002,697	\$7,282,083	\$6,380,394	\$5,052,937
7.020 <i>Cash Balance June 30</i>	\$6,715,987	\$6,480,113	\$6,385,385	-2.5%	\$7,002,697	\$7,282,083	\$6,380,394	\$5,052,937	\$2,926,380
8.010 <i>Estimated Encumbrances June 30</i>	\$815,974	\$785,237	\$969,297	9.8%	\$969,297	\$969,297	\$969,297	\$969,297	\$969,297
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%	\$210,585	\$210,585	\$210,585	\$210,585	\$210,585
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 <i>Subtotal</i>	\$0	\$0	\$0	0.0%	\$210,585	\$210,585	\$210,585	\$210,585	\$210,585
10.010 <i>Fund Balance June 30 for Certification of Appropriations</i>	\$5,900,013	\$5,694,876	\$5,416,088	-4.2%	\$5,822,815	\$6,102,201	\$5,200,512	\$3,873,055	\$1,746,498
Revenue from Replacement/Renewal Levies									

**Greeneview Local School District
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				Average Change	Forecasted				
	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023			Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
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	\$0	\$0	\$0	
11.300 Cumulative Balance of Replacement/Renewal Levies				0.0%	\$0	\$0	\$0	\$0	\$0	
12.010 <i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>	\$5,900,013	\$5,694,876	\$5,416,088	-4.2%	\$5,822,815	\$6,102,201	\$5,200,512	\$3,873,055	\$1,746,498	
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	
14.010 Revenue from Future State Advancements	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
15.010 <i>Unreserved Fund Balance June 30</i>	\$5,900,013	\$5,694,876	\$5,416,088	-4.2%	\$5,822,815	\$6,102,201	\$5,200,512	\$3,873,055	\$1,746,498	

Greeneview Local School District – Greene County
Assumptions to the Five-Year Forecast
General Fund Only
May 16, 2024

Introduction to the Five-Year Forecast

The five-year forecast is viewed as a key management tool and must be updated periodically. In Ohio, most school districts understand how they will manage their finances in the current year. The five-year forecast encourages 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 Ohio Department of Education when events take place that will significantly change their forecast or, at a minimum, when required under 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 to the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are especially important to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Here are at least three 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 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 \$614 thousand or 3.66% higher than the November forecasted amount of \$16.76 million. This indicates that the November forecast was 96.34% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our second most significant source of revenues at 30.85% and are estimated to be \$5.36 million, which is \$136 thousand higher for FY24 than the original November estimate of \$5.22 million. Our estimates are 97.39% 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 greater in the November forecast. Collections for FY24 are 2.47% under our original estimate by \$67 thousand. The SDIT represents 15.22% of the district revenues.

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 \$7.69 million, which is \$67 thousand lower than the original estimate for FY24. We are pleased that we were able to be 97.53% 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 \$224 thousand over original estimates, primarily due to interest received by the district, which are somewhat unpredictable from year to year.

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 \$16.76 million for FY24, which is on target with the original estimate in the November forecast. All other areas of expenses are expected to remain on target with original projections for the year.

Unreserved Ending Cash Balance

With revenues increasing from estimates and expenditures ending primarily on target, our ending unreserved cash balance June 30, 2024, is anticipated to be roughly \$6.03 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:

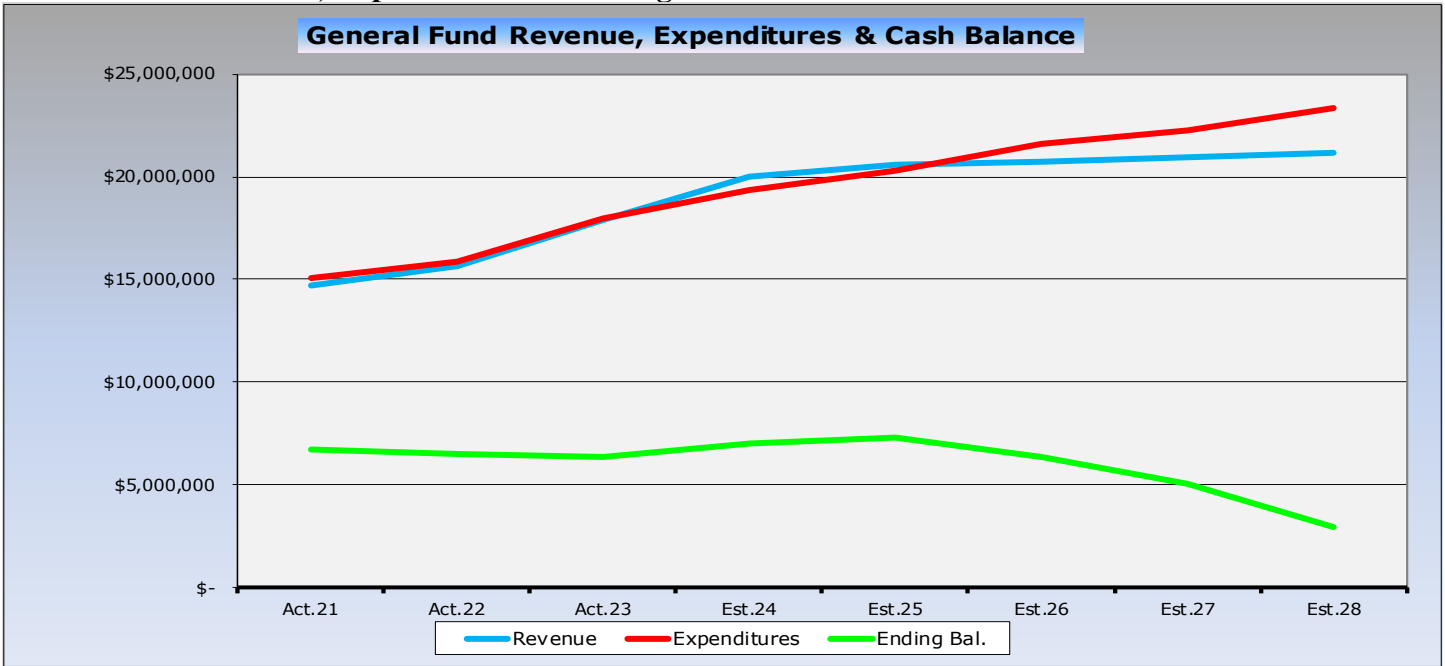
A five-year financial forecast has risks and uncertainty not only due to economic delays noted above but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect 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:

- I. Fayette County experienced a reappraisal update in 2021 for collection in 2022 for an increase in residential/agriculture values of 0.42% with no increase in commercial/industrial values. Greene County experienced a triennial update and Clinton County experienced sexennial reappraisal in 2023 for collection in 2024. Together the reappraisal cycle increased the residential/agriculture values by 41.44% and the commercial/industrial values by 10.11%. There is, however, always a minor risk that the district could sustain a reduction in values in the next appraisal update, but we do not anticipate that at this time.
- II. 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 very close to the 20-mill floor for Class I and Class II values. We are watching the Joint Committee carefully and will adjust the forecast pending their outcome.
- III. Income tax collections are dependent upon the economy. Previous years have seen an increase in income tax, but this year the district experienced a decrease in taxes, which makes forecasting for income tax very difficult to do with the current economy. We will monitor the income tax revenue very closely for any positive or negative changes that may occur.

- IV. The state budget represents 48.23% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to the record 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.
- V. 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 FY24 and FY25.
- VI. 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.
- VII. Labor relations in the district have been very 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 strong working relationship will continue.

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 Mrs. Inga Fisher, Treasurer/CFO of Greeneview Local Schools.

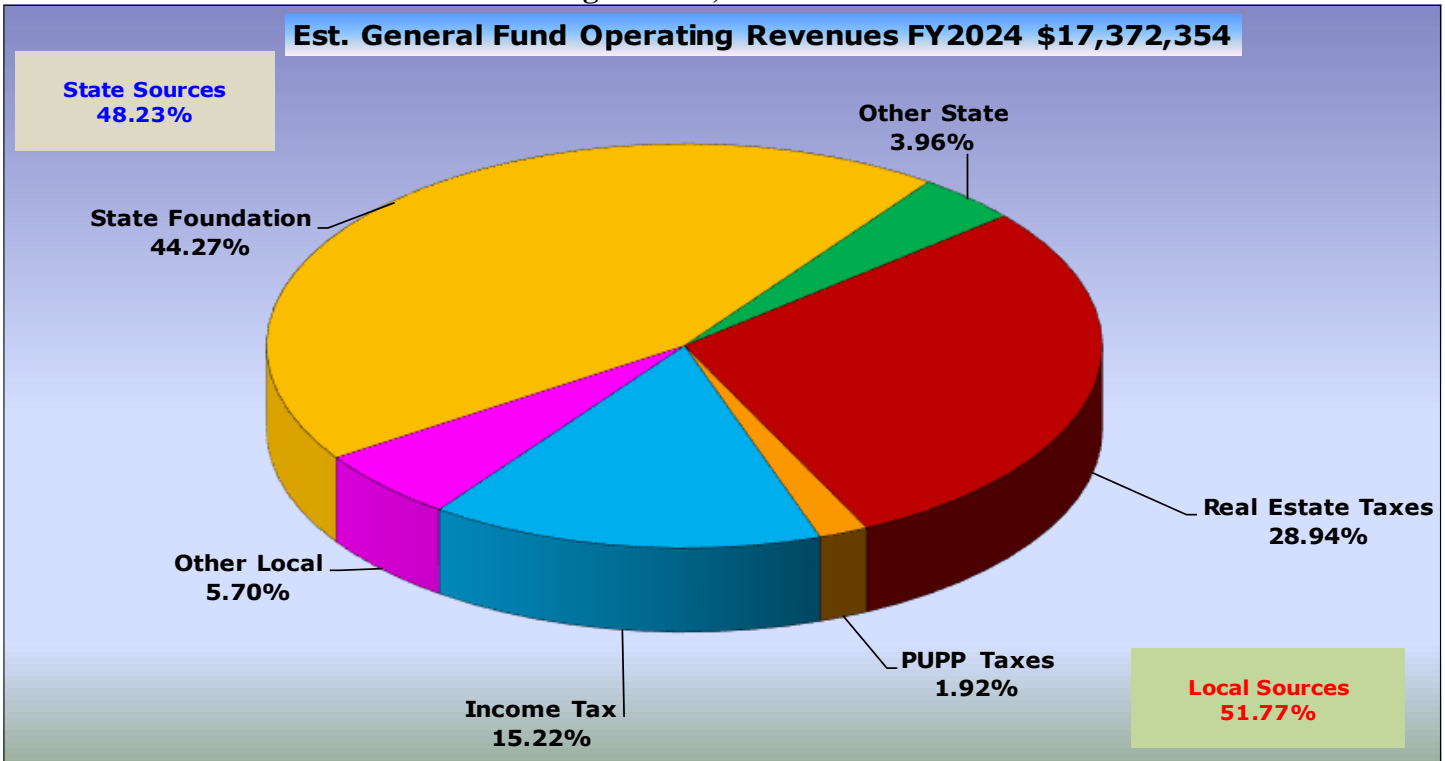
General Fund Revenue, Expenditure and Ending Cash Balance Actual FY21-23 and Estimated FY24-28



The graph above captures the finances in one snapshot of the operating scenario facing Greeneview Local Schools over the next few years.

Revenue Assumptions

Estimated Revenues for Fiscal Year Ending June 30, 2024



Property Valuation Assumptions

Property Values are established annually by the Greene, Clinton and Fayette County Auditors based on the type of property either residential/agriculture or commercial/industrial, which the values are defined even further based on new construction, demolitions, BOR/BTA activity, and complete reappraisal or updated values. Our district resides within 3 counties, each county reappraisal cycle can be in different years and each county three-year cycle can be either a sexennial reappraisal or the triennial update. Fayette County experienced a triennial update for the 2021 tax year to be collected in FY22. Residential/agricultural (Class I) values increased 0.42 % or \$871 thousand and had no change for commercial/industrial (Class II) values. Greene County had a triennial update and Clinton County had a sexennial reappraisal in 2023 for collection in 2024. Class I values increased by 41.44% or \$88.43 million and Class II values increased by 10.11% or \$1.27 million. Overall values increased in 2023 by \$91.81 million or 40.63%, which includes new construction for all classes of property.

A sexennial reappraisal will occur in 2024 for collection in FY25 for Fayette County, for which we are estimating a 0.40% increase in Class I and no change for commercial/industrial property. The next reappraisal cycle for Greene and Clinton will occur in 2026 for collection in FY27, which we are estimating a 5.00% increase in Class I and a 2% increase in Class II values.

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. PUPP values increased by \$1.07 million in Tax Year 2023, which is the largest increase in the past five years. We expect our values to continue to grow by \$400,000 each year of the forecast.

Estimated Assessed Property Valuations by Collection Year

Classification	Actual	Estimated	Estimated	Estimated	Estimated
	TAX YEAR 2023 <u>COLLECT 2024</u>	TAX YEAR 2024 <u>COLLECT 2025</u>	TAX YEAR 2025 <u>COLLECT 2026</u>	TAX YEAR 2026 <u>COLLECT 2027</u>	TAX YEAR 2027 <u>COLLECT 2028</u>
Res./Ag.	\$303,919,150	\$305,449,827	\$306,239,827	\$322,341,818	\$324,421,185
Comm./Ind.	\$13,864,620	\$13,934,620	\$14,004,620	\$14,354,712	\$14,424,712
Public Utility (PUPP)	\$18,293,270	\$18,693,270	\$19,093,270	\$19,493,270	\$19,893,270
Total	<u>\$336,077,040</u>	<u>\$338,077,717</u>	<u>\$339,337,717</u>	<u>\$356,189,800</u>	<u>\$358,739,168</u>

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 levies is 27.75 mills while the Class I effective millage rate is 20.000016 mills, and the Class II effective millage rate is 20.00011 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the “20-Mill Floor”. Currently, our district is very close to the floor for both Class I and Class II.

General Property Tax (Real Estate) – Line #1.010

Property tax levies are estimated to be collected at 97.57% of the annual amount. Technically 100% of taxes will be settled on property due to Ohio’s property tax laws. The district receives tax payments for delinquent taxes at the rate of 0.6% in August and 2.0% in February collections. Property taxes are estimated to be

collected at 57.25% of the Res/Ag and Comm/Ind in the February tax settlements and 42.75% collected in the August tax settlements.

Estimated Real Estate Tax Collections - Line #1.010

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Real Estate Tax Line #1.010	\$5,027,370	\$5,619,971	\$5,640,777	\$5,814,476	\$5,958,137

Estimated Public Utility Personal Tax – Line #1.020

The amounts below are public utility personal property (PUPP) tax payments from public utilities. Collections are typically 52.97% in March and 47.03% in August, along with the real estate settlements from the county auditor.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Public Utility Personal Property Taxes (PUPP)	<u>\$332,757</u>	<u>\$513,518</u>	<u>\$524,618</u>	<u>\$535,718</u>	<u>\$546,818</u>

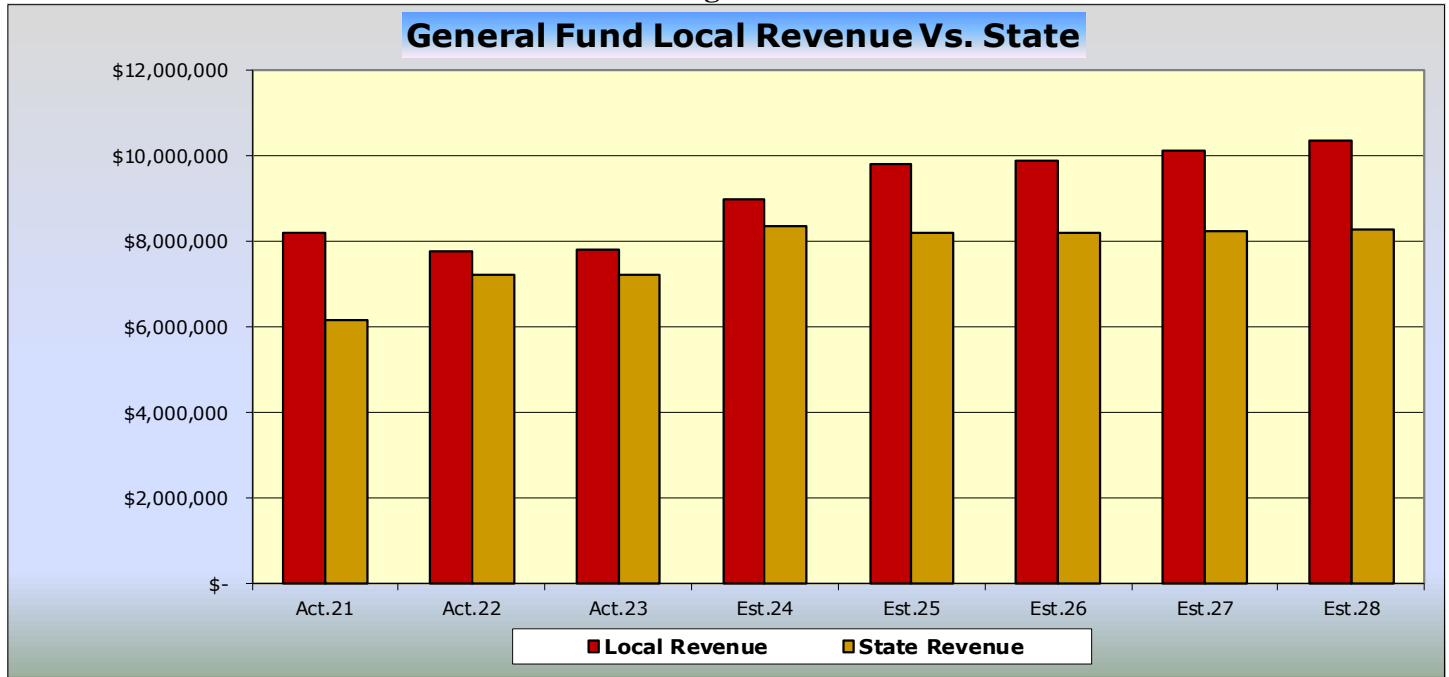
School District Income Tax Collections – Line #1.030

The district has two 0.5% continuous income tax levies that were approved in 1991 and 2021.

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 1.99% from FY23, which were mainly from refunds and other assessments. However, there were some bright signs in the April payment in that the actual withholding amounts are 5.35% greater than the same time last year. We feel that the overall decrease in FY24 is from the changes that were made during the pandemic. Based on the increase in withholding taxes we are projecting a 2% increase for FY25-FY28 as the concerns over inflation may slow growth in this area.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
SDIT Collection	\$2,697,887	\$2,644,169	\$2,697,052	\$2,750,993	\$2,806,013
Adjustments	<u>(\$53,718)</u>	<u>\$52,883</u>	<u>\$53,941</u>	<u>\$55,020</u>	<u>\$56,120</u>
Total Line #1.030	<u>\$2,644,169</u>	<u>\$2,697,052</u>	<u>\$2,750,993</u>	<u>\$2,806,013</u>	<u>\$2,862,133</u>

Revenue Sources for the General Fund FY21 through Estimated FY28



**State Foundation Revenue Estimates – Line #1.035, #1.040, and #1.045
Current State Funding Model per HB110 through June 30, 2023**

A) Unrestricted State Foundation & Casino 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 May 2024 foundation settlement and funding factors for FY25 on 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 most recent 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
- C. Personal Income of District Residents
- D. Historical Funding- CAPS and Guarantees from prior funding formulas

Base Cost Approach- Unrestricted Basic Aid Foundation Funding

The current funding formula uses FY22 statewide average district costs and developed 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 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 most recent three (3) 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 most recent year federal median income of district residents multiplied by number of returns in that year divided by base students enrolled
4. When the weighted values are calculated and Items 1 through 3 above added together, the total is then multiplied by a Local Share Multiplier Index ranging 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 finally multiplied by the local share multiplier index for each district. The result is the local per pupil capacity amount of the base per pupil funding amount. The balance of this amount is the state share to pay.

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). 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 and not a specific amount. An amount of 10% will be reduced from all districts’ calculation to be used toward the state appropriation for Threshold Cost reimbursement.
3. **Transportation Aid** – Funding based on all resident students who ride, including preschool students and those living within one mile of school. Provides supplemental transportation for low density districts. Increases state minimum share to 37.5% in FY24 and 41.67% in FY25.

Restricted Categorical State Aid

1. Disadvantage Pupil Impact Aid (DPIA) - Formerly Economically Disadvantaged Funding, DPIA is based on number and concentration of economically disadvantaged students compared to state average and multiplied by \$422 per pupil. Phase-in increases are limited to 50% for FY24 and 66.67% in FY25.
2. English Learners – Based on funded categories based on time student 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 enrolled in.
5. Student Wellness & Success Funding– moved into DPIA funding, is restricted funding and will be spent on same initiatives and requirements that were previously designated under the stand alone fund.

State Funding Phase-In FY22 and FY23 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 for the opening of four (4) casinos, one each 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% GCR 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 which began 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.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Basic Aid-Unrestricted	\$6,856,062	\$6,668,297	\$6,668,297	\$6,668,297	\$6,668,297
Additional Aid Items	<u>\$279,048</u>	<u>\$274,978</u>	<u>\$274,978</u>	<u>\$274,978</u>	<u>\$274,978</u>
Basic Aid-Unrestricted Subtotal	\$7,135,110	\$6,943,275	\$6,943,275	\$6,943,275	\$6,943,275
Career Tech Credentials/Other Unrestricted	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Ohio Casino Commission ODT	<u>\$91,851</u>	<u>\$93,232</u>	<u>\$94,630</u>	<u>\$96,050</u>	<u>\$97,490</u>
Total Unrestricted State Aid Line #1.035	<u>\$7,227,961</u>	<u>\$7,037,507</u>	<u>\$7,038,905</u>	<u>\$7,040,325</u>	<u>\$7,041,765</u>

B) Restricted State Revenues – Line #1.040

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged Funding) and Career Technical funding. In addition, there have been new restricted funds added as noted above 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 \$65,434 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.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Disadvantage Pupil Impact Aid-(DPIA)	\$77,255	\$85,247	\$85,247	\$85,247	\$85,247
Career Technical	\$41,447	\$47,452	\$47,452	\$47,452	\$47,452
Gifted	\$70,232	\$64,676	\$64,676	\$64,676	\$64,676
English Learner	\$708	\$686	\$686	\$686	\$686
Student Wellness and Success	\$207,863	\$208,182	\$208,182	\$208,182	\$208,182
Other Restricted	<u>\$65,434</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Restricted State Revenues Line #1.040	<u>\$462,939</u>	<u>\$406,243</u>	<u>\$406,243</u>	<u>\$406,243</u>	<u>\$406,243</u>

C) Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

Summary of State Foundation Revenues – Line #1.035; #1.040; and #1.045

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
a) Unrestricted Line #1.035	\$7,227,961	\$7,037,507	\$7,038,905	\$7,040,325	\$7,041,765
b) Restricted Line #1.040	\$462,939	\$406,243	\$406,243	\$406,243	\$406,243
c) Rest. Fed. Grants #1.045	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total State Foundation Revenue	<u>\$7,690,900</u>	<u>\$7,443,750</u>	<u>\$7,445,149</u>	<u>\$7,446,569</u>	<u>\$7,448,009</u>

State Share of Local Property Tax – Line #1.050**Rollback and Homestead Reimbursement**

Rollback funds are reimbursements paid to the district from Ohio for tax credits given to owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013, which is the effective date of HB59. HB66, the FY06-07 budget bill, previously eliminated 10% rollback on Class II (commercial and industrial) property.

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 of age or older or who are disabled regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter 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 going forward 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

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Rollback and Homestead	\$687,641	\$780,602	\$783,574	\$805,213	\$828,503
Total Tax Reimb./Prop. Tax Allocations #1.050	<u>\$687,641</u>	<u>\$780,602</u>	<u>\$783,574</u>	<u>\$805,213</u>	<u>\$828,503</u>

Other Local Revenues – Line #1.060

All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area have been tuition for court placed students, interest, student fees, Medicaid payments 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 they are being educated at and state aid will follow the students. Open enrolled student revenues will be included in Line 1.035 as state basic aid.

The school district receives tuition for special education students from other districts who attend our school district. The district is projecting no increase for tuition payments.

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 be 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 \$134,000 in FY24. We will continue to monitor the investments for the district.

The district received an \$80,000 donation in FY24 only. The district will receive a donation from Jamestown Area Foundation of \$100,000 annually for a librarian/digital media coordinator beginning in FY25.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Open Enrollment Gross	\$0	\$0	\$0	\$0	\$0
Interest	\$384,000	\$376,320	\$368,794	\$361,418	\$354,189
Class/ Student/PTP Fees	\$95,819	\$95,819	\$95,819	\$95,819	\$95,819
Tuition SF-14 & SF-14H/Preschool	\$328,013	\$328,013	\$328,013	\$328,013	\$328,013
Other & Miscellaneous Local Revenue	<u>\$181,685</u>	<u>\$203,502</u>	<u>\$205,537</u>	<u>\$207,592</u>	<u>\$209,668</u>
Total Line #1.060	<u>\$989,517</u>	<u>\$1,003,654</u>	<u>\$998,163</u>	<u>\$992,842</u>	<u>\$987,689</u>

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

The district expects to make advances to other funds each year of the forecast. The advances are returned the following year to the general fund from the fund that they were advanced to, in order to not have negative balances in federal grants the district will advance funds each month for accounting purposes.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Transfers In - Line #2.040	\$0	\$0	\$0	\$0	\$0
Advance Returns - Line #2.050	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>
Total Transfer & Advances In	<u><u>\$2,500,000</u></u>	<u><u>\$2,500,000</u></u>	<u><u>\$2,500,000</u></u>	<u><u>\$2,500,000</u></u>	<u><u>\$2,500,000</u></u>

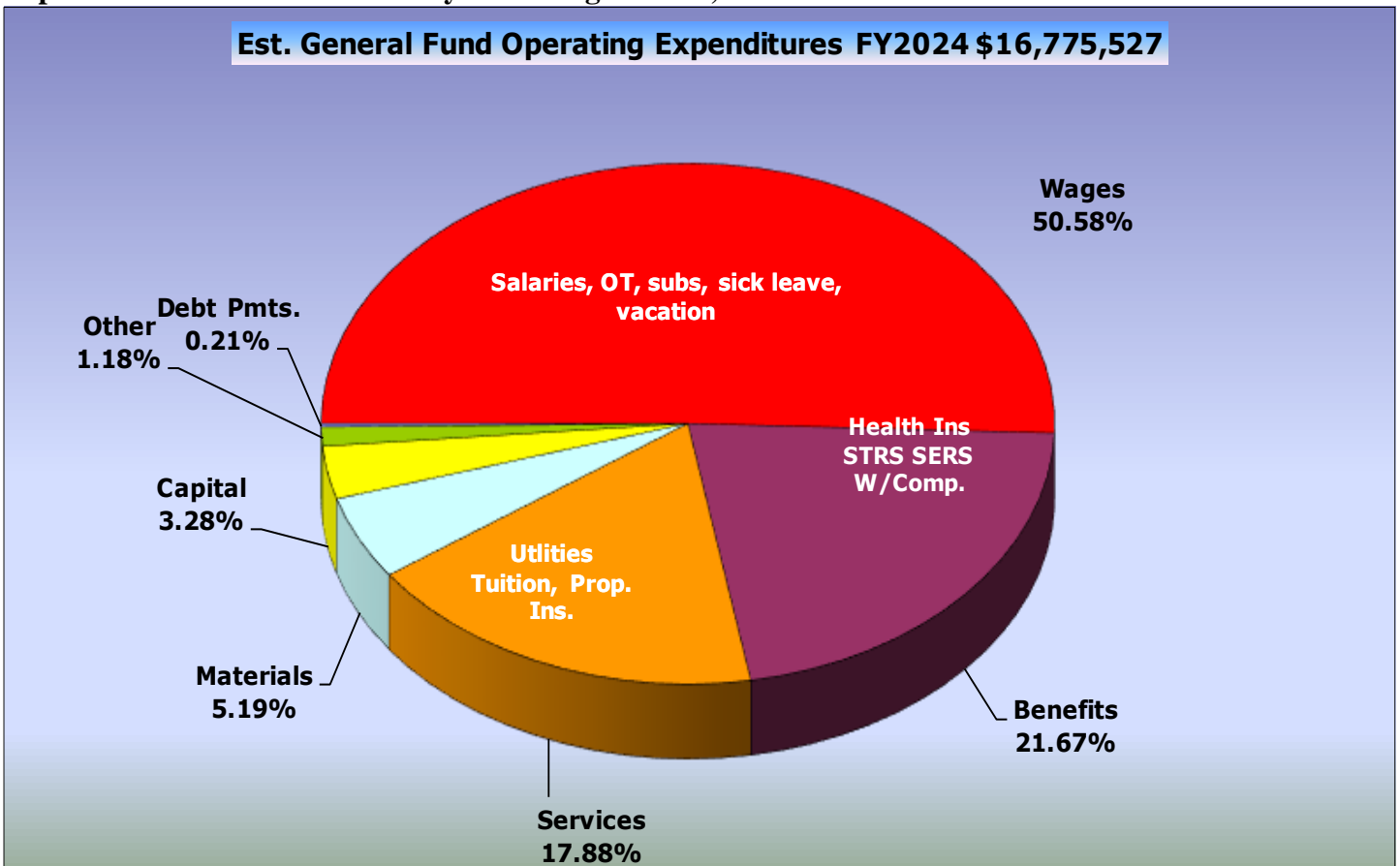
All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable. The district is including the annual average amount that is received for refunds of prior year expenditures in FY23-FY27.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Refund of prior years exp., sale of assets	\$100,000	\$50,000	\$50,000	\$50,000	\$50,000

Expenditures Assumptions

Expenditure Estimates for Fiscal year ending June 30, 2024



Wages – Line #3.010

The district has step increases of 2% each year. The district has completed negotiations that include base wage increases of 2.25% in FY23 and FY24 and 2% in FY25 with a 3% increase in FY26 through FY28 for forecasting purposes only. An additional increase in FY24 and FY25 is included in base wages for the changes that were required to increase the salary schedule due to HB33, the new state budget, for the new state minimum salary schedule. There is a 2% increase for Substitutes and Supplemental contracts in each year of the forecast. The district is forecasting severance costs to be \$15,000 in FY24 through FY28. The districts

attendance bonus is expected to have no increase in the amount in FY24-FY28. The district has retirement/resignations of three teachers and three classified positions which these positions will be replaced in FY24 and will increase the certified staff with a .5 intervention specialist. The district is able to pay for summer school out of a Reaching All Students Grant in FY 24, but in FY 25 and forward, it will have to decide whether it will still be offered at a cost to the General Fund.

The district will have staffing changes in FY25 of the addition of librarian/media coordinator, an additional middle school teacher, the resignation or retirement and the replacement of several staff members.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Base Wages	\$7,408,390	\$7,952,814	\$8,748,209	\$9,290,295	\$9,815,187
Base increase	\$177,801	\$148,168	\$318,113	\$349,928	\$371,612
Steps & Training	\$374,616	\$198,168	\$159,056	\$174,964	\$185,806
Staff Increases	\$244,367	\$485,869	\$64,917	\$0	\$0
Staff Decreases	(\$252,360)	(\$36,810)	\$0	\$0	\$0
Supplemental Contracts	\$246,478	\$251,408	\$256,436	\$261,565	\$266,796
Attendance Incent	\$40,550	\$40,550	\$40,550	\$40,550	\$40,550
Subs/OT/Board	\$230,572	\$235,183	\$239,887	\$244,685	\$249,579
Severance - Retire Incent	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>
Total Wages Line #3.010	<u>\$8,485,414</u>	<u>\$9,290,350</u>	<u>\$9,842,168</u>	<u>\$10,376,987</u>	<u>\$10,944,530</u>

Fringe Benefits Estimates Line #3.02

This area of the forecast captures all costs associated with benefits and retirement costs which are directly related to wages paid with the exception of health, vision, dental and life insurances.

A) STRS/SERS

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

The district employees agreed to move to a High Deductible Plan and the district would contribute to the HSA for each employee. EPC, the insurance consortium, has advised the district that premiums will increase by 7.5% for FY24 and 7% in FY25 and are anticipating increases of 10% each year from FY26 through FY28. The district contributes each year for the employees to HSA accounts, and no increase is expected throughout the remainder of the forecast.

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 expected to remain at about .42% of wages in FY23-FY27. Unemployment compensation has been a negligible cost for the district. The district expects that to be the same throughout the remainder of the forecast.

D) Medicare

Medicare will continue to increase at the rate of increase of wages. 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) Other /Tuition Reimbursement

The district reimburses staff for tuition according to the negotiated agreement in order to maintain their teaching licenses. We do not anticipate any increases during the forecast.

Summary of Fringe Benefits – Line #3.020

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
STRS/SERS	\$1,336,045	\$1,464,197	\$1,553,517	\$1,638,584	\$1,728,538
Insurances	\$2,127,631	\$2,319,663	\$2,514,970	\$2,756,636	\$3,022,469
Workers Comp/Unemployment	\$36,139	\$39,519	\$41,837	\$44,083	\$46,467
Medicare	\$123,039	\$134,710	\$142,711	\$150,466	\$158,696
Other/Tuition Reimb	<u>\$12,750</u>	<u>\$12,750</u>	<u>\$12,750</u>	<u>\$12,750</u>	<u>\$12,750</u>
Total Line #3.020	<u>\$3,635,604</u>	<u>\$3,970,839</u>	<u>\$4,265,785</u>	<u>\$4,602,519</u>	<u>\$4,968,920</u>

Purchased Services – Line #3.030

Expenditures in this line include services received from the ESC, utilities, repairs and maintenance and tuition to other districts.

HB110, the previous state budget, will impact Purchased Services beginning in FY22 as the Ohio Department of Education will directly pay these costs to the educating districts for open enrollment, community, and STEM schools and for scholarships granted to students to be educated elsewhere, as opposed to deducting these amounts from our state foundation funding and shown below as expenses. We have continued to offer 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 Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on historical trends.

Business support is expected to increase by 2% annually in FY24 through FY28. The utilities are experiencing large increases, which we are anticipating being 5% in FY23 through FY27. The property insurance is expected to increase by 10% in FY24 for an additional \$5,400.

The costs of tuition for court placed students attending other districts and our ESC contract are increasing annually with projections of 2.5% each year of the forecast.

Instructional services are increasing in FY24 by \$120,000 for additional services for special education students and services that had been paid through ESSER funds will be returned to the forecast in FY24 for \$240,000. Instructional Services will increase in FY25 for vision impairment services from the ESC for \$50,000.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Instructional Services	\$1,722,520	\$1,789,745	\$1,807,642	\$1,825,718	\$1,843,975
Open Enrollment Deduction	\$0	\$0	\$0	\$0	\$0
Community School Deductions	\$0	\$0	\$0	\$0	\$0
Business Support Services	\$495,431	\$505,340	\$515,447	\$525,756	\$536,271
Utilities/Telephone/Internet	\$345,882	\$363,176	\$381,335	\$400,402	\$420,422
Tuition and ESC Services	<u>\$435,791</u>	<u>\$446,686</u>	<u>\$457,853</u>	<u>\$469,299</u>	<u>\$481,031</u>
Total Line #3.030	<u>\$2,999,624</u>	<u>\$3,104,947</u>	<u>\$3,162,277</u>	<u>\$3,221,175</u>	<u>\$3,281,699</u>

Supplies and Materials – Line #3.040

Supplies are experiencing an overall inflation of 2% in FY24 – FY28. The district utilized the ESSER funds for purchases and is returning those funds in FY24 of \$75,000, another \$100,000 in FY25 and for multiple year software agreement that will be renewed in FY27 for \$50,000.

Due to rising costs for maintenance supplies, bus fuel and supplies we are forecasting a 5% increase for these costs in FY24 through FY28.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Supplies	\$531,531	\$642,162	\$655,005	\$718,105	\$732,467
Maintenance/Transportation	<u>\$339,463</u>	<u>\$356,436</u>	<u>\$374,258</u>	<u>\$392,971</u>	<u>\$412,620</u>
Total Line #3.040	<u>\$870,994</u>	<u>\$998,598</u>	<u>\$1,029,263</u>	<u>\$1,111,076</u>	<u>\$1,145,087</u>

Equipment – Line #3.050

The district will no longer purchase large number of buses at one time but will instead purchase one or two per year so that the cost of purchasing will not be all in one year. The schedule is to purchase two buses in FY23; however, the buses will not arrive until FY24, so we have moved the expense to that year, also we expect to purchase a maintenance truck in FY24 and two buses in FY26. Other equipment is for technology equipment or other expenditures that are needed during the year with no increase throughout the forecast.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Bus /Van Purchases	\$400,000	\$0	\$330,000	\$0	\$0
Other	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$150,000</u>
Total Line #3.050	<u>\$550,000</u>	<u>\$150,000</u>	<u>\$480,000</u>	<u>\$150,000</u>	<u>\$150,000</u>

HB264 Energy Conservation Note – Line #4.050 & #4.060

The district approved an energy conservation project in 2014 to be paid for in full by 2029. The principal and interest are paid from proceeds of the savings of utilities of the project.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
HB 264 Principal Line #4.050	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Interest on HB 264 Total Line #4.060	\$5,760	\$4,800	\$3,840	\$2,880	\$1,920

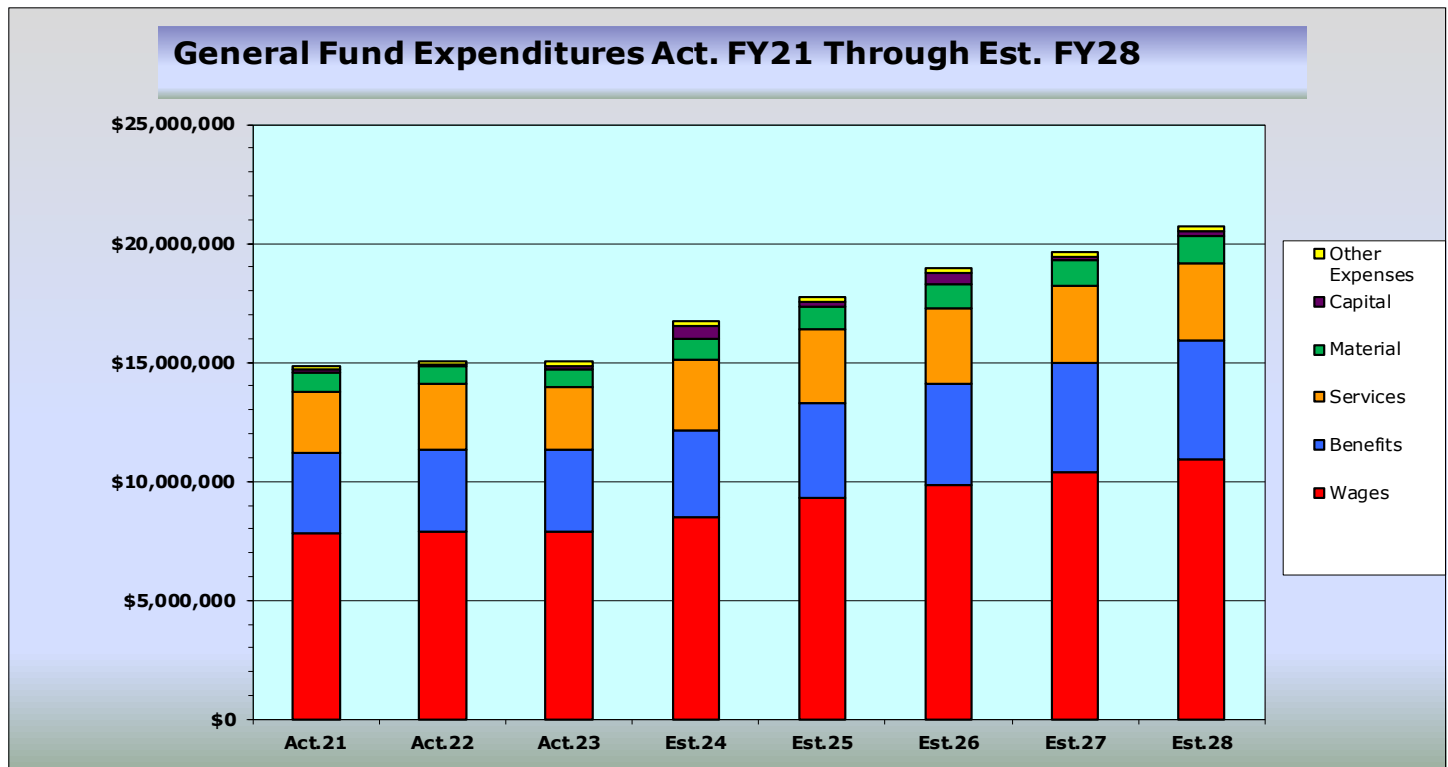
Other Expenses – Line #4.300

The category of Other Expenses consists primarily of bank fees, County Auditor/Treasurer fees and liability insurance. The district expects a 1% increase each year of the forecast.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Co. Auditor & Treasurer /IT collection Fees	\$85,167	\$86,019	\$86,879	\$87,748	\$88,625
County ESC	\$15,077	\$15,228	\$15,380	\$15,534	\$15,689
Audit/bank fees	\$23,960	\$24,200	\$24,442	\$24,686	\$24,933
Memberships, Liability Ins. & Other	\$73,927	\$74,666	\$75,413	\$76,167	\$76,929
Total Line #4.300	<u>\$198,131</u>	<u>\$200,113</u>	<u>\$202,114</u>	<u>\$204,135</u>	<u>\$206,176</u>

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.



Total Other Financing Uses - #5.040

The district transfers each year \$79,515 as required by the Ohio School Facilities Commission to the 034 Fund for OSFC project maintenance. The district anticipates advancing annually for Federal Grants that are waiting on funds at the end of the fiscal year which will be returned in the next fiscal year, the additional amount in FY24 is from month end advances that have been done throughout the year but will not be completed in future years of the forecast.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Operating Transfers Out Line #5.010	\$79,515	\$79,515	\$79,515	\$79,515	\$79,515
Advances Out Line #5.020	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
All Other Financing Uses - Line #5.030	\$0	\$0	\$0	\$0	\$0
Total Line #5.040	<u>\$2,579,515</u>	<u>\$2,579,515</u>	<u>\$2,579,515</u>	<u>\$2,579,515</u>	<u>\$2,579,515</u>

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, invoiced, and are awaiting payment. Encumbrances on a budget basis of accounting are treated as the equivalent of expenditure at the time authorization is made in order 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.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Estimated Encumbrances	<u>\$969,297</u>	<u>\$969,297</u>	<u>\$969,297</u>	<u>\$969,297</u>	<u>\$969,297</u>

Reservations of Fund Balance – Line #9.010 to #9.080

The board has established a Budget Reserve of \$210,585; this amount may be released for operational expenditures with board action only.

Category	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Budget Reserve - Line 9.030	<u>\$210,585</u>	<u>\$210,585</u>	<u>\$210,585</u>	<u>\$210,585</u>	<u>\$210,585</u>

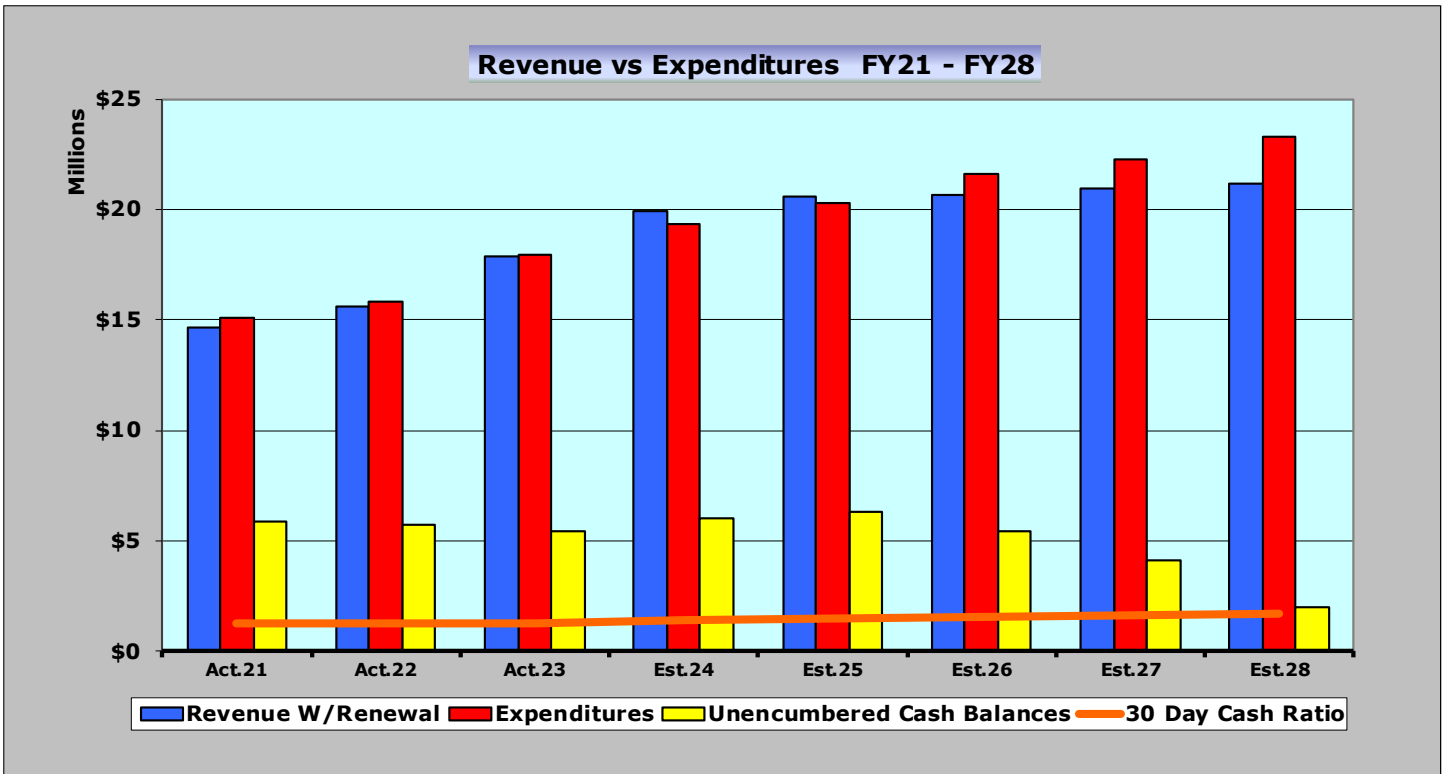
Ending Unreserved Cash Balance “The Bottom Line” – Line#15.010

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 which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of \$10,000; unless an alternative 412 certificate, as permitted by HB153 effective September 30, 2011, could be issued.

	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Ending Unreserved Cash Balance- Line #15.010	<u>\$5,822,815</u>	<u>\$6,102,201</u>	<u>\$5,200,512</u>	<u>\$3,873,055</u>	<u>\$1,746,498</u>

Revenue vs Expenditures with Deficit Spending

The chart below shows that the district is in deficit spending beginning in FY26 for the remainder of the forecast.



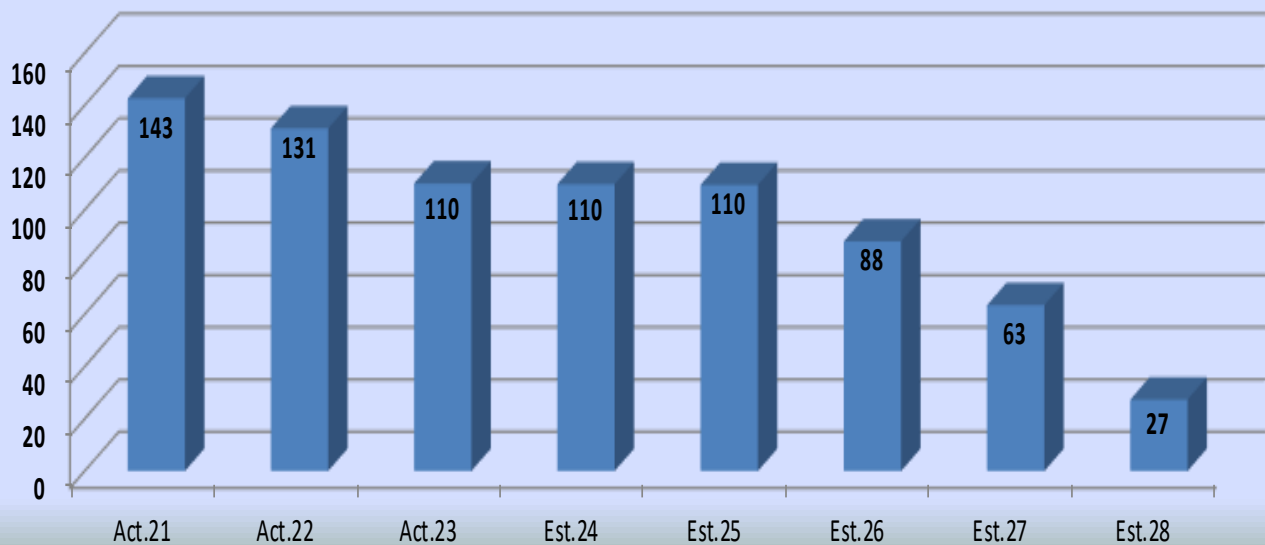
Deficit spending affects the amount of carryover that the district has to plan for the future. When reviewing the needs of the district we review the amount of spending and what would be needed to remove any deficit spending in order to have positive cash balances on the forecast. The chart below shows the amount of deficit spending that is included on Line 6.010 of the forecast and the millage for each year that would be needed in order to erase the deficit spending.

	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
Excess Revenues over/(under) of Expenditures	\$617,312	\$279,385	(\$901,688)	(\$1,327,457)	(\$2,126,558)
Millage equivalent for deficit spending	0.00	0.00	2.66	3.73	5.93

True Cash Days

The Government Financial Officers Association (GFOA) recommends a school district, at a minimum, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months or 60 days of regular general fund operating revenues or regular general fund operating expenditures. The projection for the district shows that there will be approximately 60 days true cash at the end of FY27.

Ending Cash Balance in True Cash Days



Conclusion

Greeneview Local School District receives 48.23% 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.

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

As you read through the notes and review the forecast, remember that the forecast is based on the information that is known at the time that it is prepared.