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

Forecast Provided By

NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT

Treasurer's Office

Rebecca Jenkins, CFO/Treasurer

May 20, 2024

New Albany-Plain Local Schools

Franklin County

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

		Actual				Forecasted				
		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Average Change	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
	Revenues									
1.010	General Property Tax (Real Estate)	$55,629,996	$57,507,236	$59,400,376	3.3%	$60,347,812	$60,149,054	$60,716,826	$61,488,714	$62,328,075
1.020	Public Utility Personal Property Tax	-	-	-	0.0%	$0	$0	$0	$0	$0
1.035	Unrestricted State Grants-in-Aid	$3,822,335	3,139,474	3,244,509	-7.3%	4,978,769	5,720,580	5,728,901	5,737,397	5,746,073
1.040	Restricted State Grants-in-Aid	$185,806	121,900	126,170	-15.4%	448,510	251,966	251,966	251,966	251,966
1.045	Restricted Federal Grants In Aid	-	-	-	0.0%	$0	$0	$0	$0	$0
1.050	State Share of Local Property Taxes	$5,573,607	5,648,457	5,705,086	1.2%	5,757,637	5,994,962	6,014,396	6,047,776	6,091,895
1.060	All Other Revenues	5,673,197	5,829,787	7,030,438	11.7%	7,670,095	6,959,087	6,959,949	6,962,480	6,929,229
1.070	*Total Revenues*	$70,884,940	$72,246,855	$75,506,578	3.2%	$79,202,823	$79,075,649	$79,672,038	$80,488,333	$81,347,238
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	$0	$0	$0	$0	$0
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	$0	$0	$0	$0	$0
2.040	Operating Transfers-In	-	-	-	0.0%	-	-	-	-	-
2.050	Advances-In	-	-	-	0.0%	-	-	-	-	-
2.060	All Other Financing Sources	838,405	327,219	379,811	-22.4%	377,821	377,821	377,821	377,821	377,821
2.070	*Total Other Financing Sources*	838,405	327,219	379,811	-22.4%	377,821	377,821	377,821	377,821	377,821
2.080	*Total Revenues and Other Financing Sources*	$71,723,345	$72,574,074	$75,886,389	2.9%	$79,580,644	$79,453,470	$80,049,859	$80,866,154	$81,725,059
	Expenditures									
3.010	Personal Services	$39,501,169	$41,748,928	$44,103,499	5.7%	$46,215,372	$51,027,274	$54,064,056	$57,462,608	$59,732,212
3.020	Employees' Retirement/Insurance Benefits	12,177,305	12,673,173	13,226,447	4.2%	14,995,337	17,029,381	18,549,823	20,179,674	21,738,498
3.030	Purchased Services	7,013,571	5,972,410	6,496,446	-3.0%	7,046,286	7,196,311	7,351,340	7,511,581	7,677,249
3.040	Supplies and Materials	1,741,461	1,732,528	1,861,553	3.5%	2,080,000	2,121,600	2,714,032	2,218,313	2,262,679
3.050	Capital Outlay	210,611	127,371	193,201	6.1%	198,997	1,134,967	1,141,116	1,147,448	1,153,971
3.060	Intergovernmental	-	-	-	0.0%					
	Debt Service:									
4.010	Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	0.0%	$0	$0	$0	$0	$0
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	-	-	-	0.0%	$0	$0	$0	$0	$0
4.300	Other Objects	1,121,232	1,107,180	1,012,033	-4.9%	1,308,057	1,319,137	1,330,328	1,341,630	1,353,046
4.500	*Total Expenditures*	$61,765,348	$63,361,590	$66,893,180	4.1%	$71,844,049	$79,828,670	$85,150,695	$89,861,254	$93,917,655
	Other Financing Uses									
5.010	Operating Transfers-Out	$4,000,000	$5,200,000	$4,735,000	10.5%	$4,495,000	$6,735,085	$2,735,085	$2,735,085	$2,735,085
5.020	Advances-Out	-	-	-	0.0%	-	-	-	-	-
5.030	All Other Financing Uses	646,545	666,756	690,362	3.3%	$726,000	$775,000	$775,000	$775,000	$775,000
5.040	*Total Other Financing Uses*	4,646,545	5,866,756	5,425,362	9.4%	5,221,000	7,510,085	3,510,085	3,510,085	3,510,085
5.050	*Total Expenditures and Other Financing Uses*	$66,411,893	$69,228,346	$72,318,542	4.4%	$77,065,049	$87,338,755	$88,660,780	$93,371,339	$97,427,740
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	5,311,452	3,345,728	3,567,847	-15.2%	2,515,595	(7,885,285)	(8,610,921)	(12,505,185)	(15,702,681)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	31,872,343	37,183,795	40,529,524	12.8%	44,097,370	46,612,965	38,727,680	30,116,759	17,611,573
7.020	*Cash Balance June 30*	37,183,795	40,529,524	44,097,370	8.9%	46,612,965	38,727,680	30,116,759	17,611,573	1,908,892
8.010	*Estimated Encumbrances June 30*	581,327	696,177	695,164	9.8%	716,019	737,499	759,624	782,413	805,886
10.010	*Fund Balance June 30 for Certification of Appropriations*	$36,602,468	$39,833,347	$43,402,206	8.9%	$45,896,946	$37,990,180	$29,357,134	$16,829,160	$1,103,007
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%					
11.020	Property Tax - Renewal or Replacement				0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies	-	-		0.0%	-	-	-	-	-

New Albany-Plain Local Schools

Franklin County

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For the Fiscal Years Ended June 30, 2021, 2022 and 2023 Actual;
Forecasted Fiscal Years Ending June 30, 2024 Through 2028

		Actual				Forecasted				
		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Average Change	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	$36,602,468	$39,833,347	$43,402,206	8.9%	$45,896,946	$37,990,180	$29,357,134	$16,829,160	$1,103,007
	Revenue from New Levies									
13.010	Income Tax - New	-	-	-	0.0%	-	-	-	-	-
13.020	Property Tax - New	-	-	-	0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-	-	-	0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements	-	-	-	0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	$36,602,468	$39,833,347	$43,402,206	8.9%	$45,896,946	$37,990,180	$29,357,134	$16,829,160	$1,103,007

New Albany-Plain Local School District – Franklin County
Notes to the Five-Year Forecast
General Fund Only

DISTRICT MISSION:
To ensure the development of high-achieving, ethical, self-directed, and intellectually curious citizens of the world.

STATEMENT OF PURPOSE:
To create a culture of accountability that achieves the best academic and developmental outcomes for each student.

2023-2024 CONTINUOUS IMPROVEMENT PLAN

Commitment to Excellence
The New Albany-Plain Local School District is committed to creating a culture of accountability that achieves the best academic and developmental outcomes for each student. The District aspires, by September 2023, to be ranked in the top 10 or higher of all public school districts for student achievement in the State of Ohio as reported by the Ohio Department of Education (ODE) Performance Index Ranking. As our long-term commitment, we aspire to become and remain the best rated school district in the State of Ohio.

Focus
All employees will be accountable for implementing research-based practices including a rigorous and aligned curriculum, common assessments, focused instruction and data-driven decisions to achieve the best academic and developmental outcomes for every student within a fiscally sustainable budget.

<u>Benchmarks and Indicators</u>
Benchmark 1: Increase achievement
● Earn a District Performance Index result of 95% or greater on the Local Report Card.

Benchmark 2: Facilitate a year or more of growth for every year of instruction
● Earn a Progress Component Rating of Four Stars or greater on the Local Report Card. 1

Benchmark 3: Meet or exceed State's achievement gap closing standards for identified subgroups
● Earn a Gap Closing Component Rating of Four Stars or greater on the Local Report Card.

Benchmark 4: Graduate students who are college and career ready
● Earn a Graduation Component Rating of Four Stars or greater on the Local Report Card.
● Students in the Class of 2023 taking the SAT will earn a mean score that is at least 20% higher than the state average as reported by the SAT Cohort Annual Report.
● Administer the PSAT to all eighth graders and the SAT to all juniors during the 2022-23 school year.

Benchmark 5: Enhance school culture and social-emotional well-being
● Administer age-appropriate student and staff surveys to measure the effectiveness of school climate factors (i.e. feel safe and supported at school, trusted adults for students, educational quality, communications, student services, curricula, well-being programming, fiscal management, etc.) impacting daily school culture.
● Implement strategies to increase engagement of parents with children enrolled in our school district (i.e. "Coffee & Conversations" with Board of Education Members, Citizen Advisory for Student Belonging, etc.) based upon parent survey results.

Benchmark 6: Demonstrate sustainable fiscal management
● Reduce FY24 Five Year Forecast Line Item 4.500 (Total Expenditures) by at least $727,520 resulting in a 1% or greater reduction in total expenditures, to positively increase the District's Five Year Forecast.

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

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

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

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

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

May 2024 Updates:

<u>Revenues FY24</u>
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 $79.2 million or 3.2% higher than the November forecasted amount of $76.7 million. This indicates that the November forecast was 96.8% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our most significant source of revenues at 76% and are estimated to be $60.3 million, which is $1.7 million higher for FY24 than the original November estimate of $58.6 million. Our estimates are 97.1% accurate for FY24 and should mean future projections are also on target.

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 $5.4 million, which is $221 thousand higher than the original estimate for FY24 due to the State adding a one-time payment of $215,000 for High Quality Instructional Materials for the newly required Science of Reading curriculum. We are pleased that we were able to be 95.8% accurate for FY24. We are currently on the formula and are expected to remain as a formula district for FY25 through FY28.

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 $71.8 million for FY24, which is $2.3 million lower than the original estimate of 74.1 million in the November forecast, which is roughly 96.9% on target with initial estimates. The expenditure line most significantly over/under projection is Personnel Services and Benefits due to unfilled positions and attrition savings.

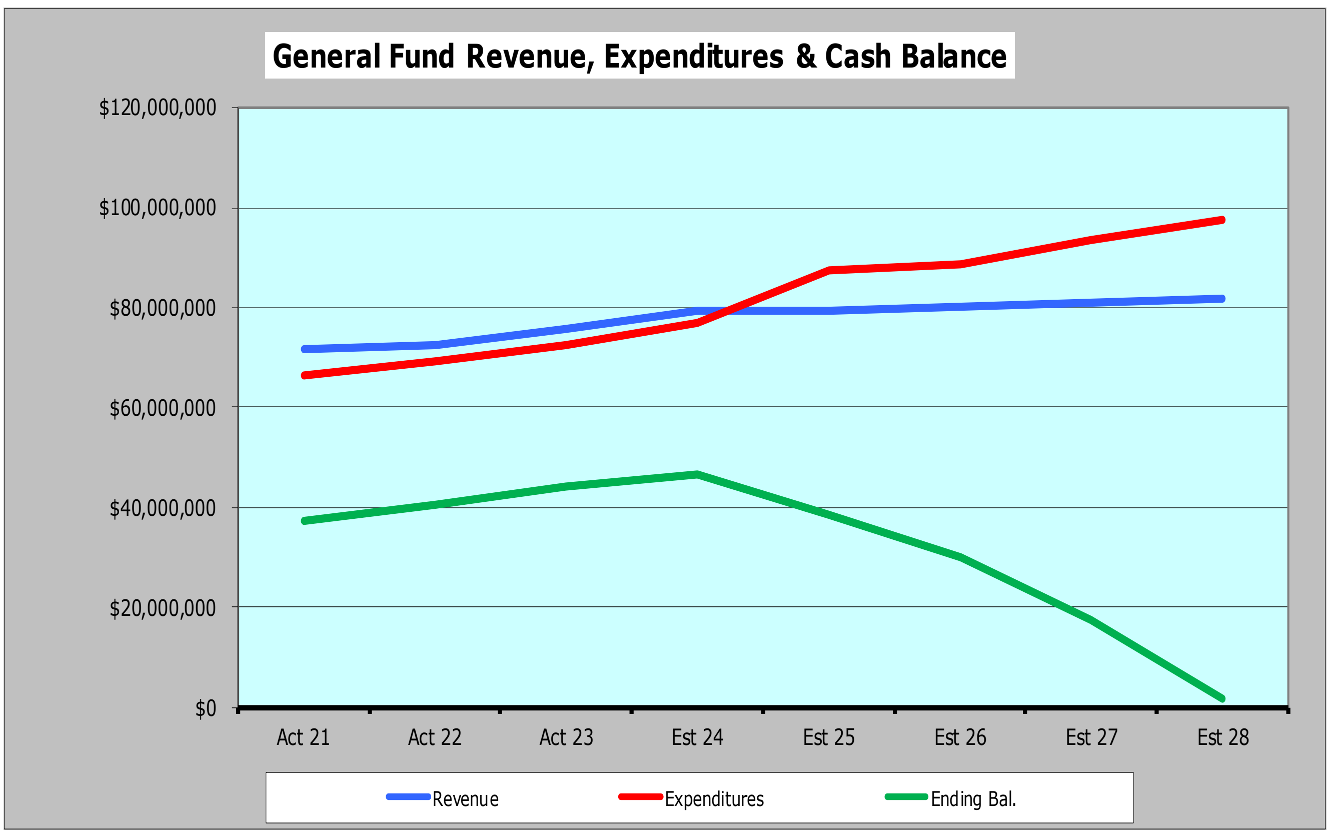
Capital Outlay is also lower than the original estimate as these costs were paid for from the Permanent Improvement Fund. The unspent funds from Capital Outlay will be transferred to the Permanent Improvement Fund.

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

Unreserved Ending Cash Balance

With revenues increasing from estimates and expenditures decreasing, our ending unreserved cash balance June 30, 2024, is anticipated to be roughly $45.8 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.

General Fund Revenue, Expenditure and Ending Cash Balance:



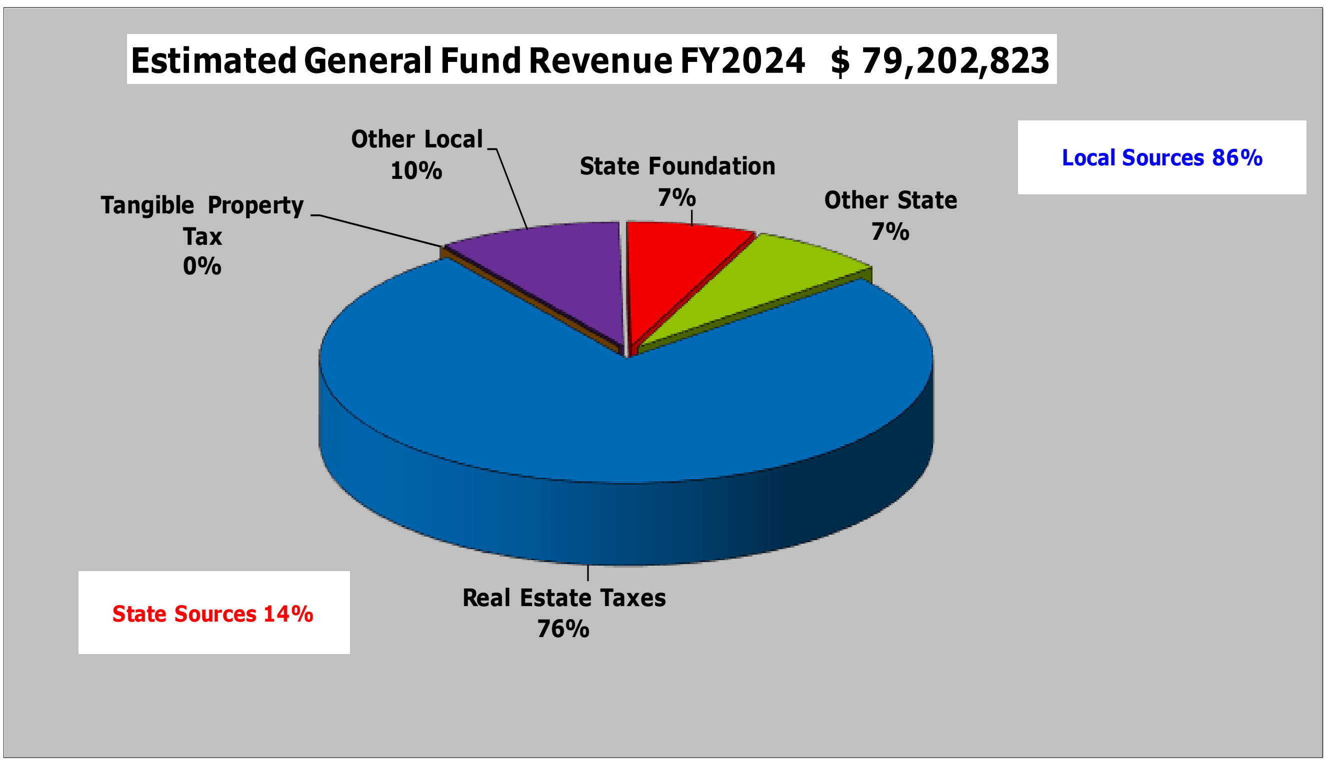
Enrollment Growth

Enrollment growth is a key driver of District expenditures. Below is a snapshot of both actual historical and future projected growth. The 2021 Future Think enrollment projection report is the source of the actual and projected numbers below. The District began using the "Moderate" projection due to the lower to flat enrollment recently experienced. We will monitor this growth and revise accordingly as we learn more about any future developments.

Grade	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Pre-K-K	294	268	307	253	433	432	497	428	484	459	529	541	503	524	529
1-3	1,134	1,122	1,087	1,073	1,051	1,088	1,196	1,128	1,092	1,264	1,122	1,161	1,204	1,186	1,181
4-6	1,166	1,206	1,208	1,178	1,115	1,105	1,103	1,083	1,117	1,185	1,152	1,129	1,123	1,160	1,199
7-8	801	817	768	790	724	769	758	791	760	757	756	757	813	791	779
9-12	1,337	1,410	1,484	1,553	1,536	1,543	1,622	1,592	1,592	1,539	1,574	1,635	1,561	1,598	1,613
Total	4,732	4,823	4,854	4,847	4,959	4,937	5,076	5,022	5,110	5,204	5,133	5,223	5,204	5,259	5,301

Revenue Assumptions

Estimated General Fund Revenue for FY24



Real Estate Value Assumptions – Line # 1.010

Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. A full reappraisal occurred in 2023 for collection in 2024 which produced a 37.71% increase in residential and a 15.96% increase for commercial/industrial property. Residential/agricultural and commercial/industrial values to increase $374 million or 34.8%, overall.

New construction growth is projected at 1% of total tax values as a base amount then known material new construction is added to the base amount in all future years. This forecast also includes the abated real estate values rolling onto the tax duplicate as the associated abatements expire. As explained in the "All Other Financial Sources" section below there is an offsetting reduction in the associated income tax sharing agreements which was included in those agreements and expected by the District. In most instances the real estate tax gain is greater than the reduction in income tax sharing. An additional increase in new construction is added to the projection in the years when the abatement expires. Outside of the impact of a new levy, tax collections are anticipated to grow at a rate consistent with new construction and any other value adjustments considered new construction made by the Franklin County Auditor.

It is important to note that Real Estate Collections have been at 100% collection for several years. This is due to the increased collection of delinquent taxes. This will be monitored to determine whether to extend the increased delinquent tax rate into future years.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

	Estimated	Estimated	Estimated	Estimated	Estimated
	TAX YEAR2023	TAX YEAR2024	TAX YEAR2025	TAX YEAR2026	TAX YEAR2027
Classification	COLLECT 2024	COLLECT 2025	COLLECT 2026	COLLECT 2027	COLLECT 2028
Res./Ag.	$1,253,720,560	$1,256,870,560	$1,260,020,560	$1,313,571,382	$1,322,721,382
Comm./Ind.	$267,481,970	$273,981,970	$280,481,970	$292,591,609	$299,091,609
Public Utility (PUPP)	$77,251,190	$75,244,470	$75,994,470	$76,744,470	$77,494,470
Total Assessed Valuation	$1,598,453,720	$1,606,097,000	$1,616,497,000	$1,682,907,461	$1,699,307,461

Tax Rates

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 58.84 mills while the Class I effective millage rate is 26.42 mills and the Class II effective millage rate is 35.36 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the “20-Mill Floor”. Currently, our district is not on the floor for either Class I or Class 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 as they could impact future reappraisals and possibly the impact of the 20-mill floor currently in law. Our district is currently not on the 20-mill floor for Class I and Class II values.

ESTIMATED REAL ESTATE TAX (Line #1.010)

Source	FY24	FY25	FY26	FY27	FY28
Est. Prop. Taxes Including PUPP	$60,347,812	$60,149,054	$60,716,826	$61,488,714	$62,328,075

In general, 53.5% of the new Res/Ag and Comm/Ind. is expected to be collected annually in February tax settlements and 46.5% is collected in August tax settlements. Public Utility tax settlements (PUPP taxes) are estimated to receive 50% in February and 50% in August settlement from the Franklin County Auditor.

State Foundation Revenue Estimates

Unrestricted State Foundation Revenue– Line #1.035

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25. We have projected FY24 funding based on the May 2024 foundation settlement and funding factors.

Our district is currently a formula district in FY24 and is expected to continue to be 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 new funding formula uses FY18 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 that includes base 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 from 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 Catastrophic Cost reimbursement.
3. Transportation Aid – Funding based on all resident students who ride, including preschool students and those living within 1 mile of school. Provides supplemental transportation for low density districts. Increases state minimum share to 29.17% in FY22 and 33.33% in FY23.

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 0% for FY22 and 33.34% in FY23. No legislation indicates the percentage increase for FY24 and beyond for DPIA.
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 students enrolled in.
5. Student Wellness & Success Funding – These funds are based on initiatives similar to those for DPIA. They are restricted funds for school climate, attendance, discipline, and academic achievement programs.

State Funding Phase-In FY24 and FY25 and Guarantees

While the FSFP was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB110, which was amended by HB583 in June 2022 and has now extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it will consist of a general phase-in percentage for most components of 50% in FY24 and 66.67% in FY25.

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

Future State Budgets Projections Beyond FY23

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.

A) Unrestricted State Foundation Revenue – Line #1.035

Source	FY24	FY25	FY26	FY27	FY28
Basic Aid-Unrestricted	$4,222,359	$4,922,396	$4,922,396	$4,922,396	$4,922,396
Additional Aid Items	$434,854	$468,479	$468,479	$468,479	$468,479
Basic Aid-Unrestricted Subtotal	$4,657,213	$5,390,875	$5,390,875	$5,390,875	$5,390,875
Ohio Casino Commission ODT	$321,556	$329,705	$338,026	$346,522	$355,198
Total Unrestricted State Aid Line # 1.035	$4,978,769	$5,720,580	$5,728,901	$5,737,397	$5,746,073

B) Restricted State Revenues – Line # 1.040

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding) and Career Technical funding. In addition, new restricted funds have been added under "Restricted Categorical Aid" for Gifted, English Learners (ESL), and Student Wellness. 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 (HQIM) 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 $215,506 from this one-time subsidy in FY24 and is required to maintain documentation as to how the funds were leveraged along with expenses incurred beyond the subsidy.

Source	FY24	FY25	FY26	FY27	FY28
Economically Disadvantage Aid	$11,657	$15,334	$15,334	$15,334	$15,334
Career Tech - Restricted	$0	$0	$0	$0	$0
Gifted	$82,463	$96,200	$96,200	$96,200	$96,200
ESL	$21,147	$22,754	$22,754	$22,754	$22,754
Other Restricted State Funding	$215,506	$0	$0	$0	$0
Student Wellness	$117,737	$117,678	$117,678	$117,678	$117,678
Total Restricted State Revenues Line #1.040	$448,510	$251,966	$251,966	$251,966	$251,966

C) Restricted Federal Grants in Aid – line #1.045

There are no restricted federal funds projected for the forecast period.

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

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given to owner occupied residences 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 also credits paid to the district from the state of Ohio for qualified elderly and disabled taxpayers. 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 currently have 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 Tax Reimbursement – Line #1.050

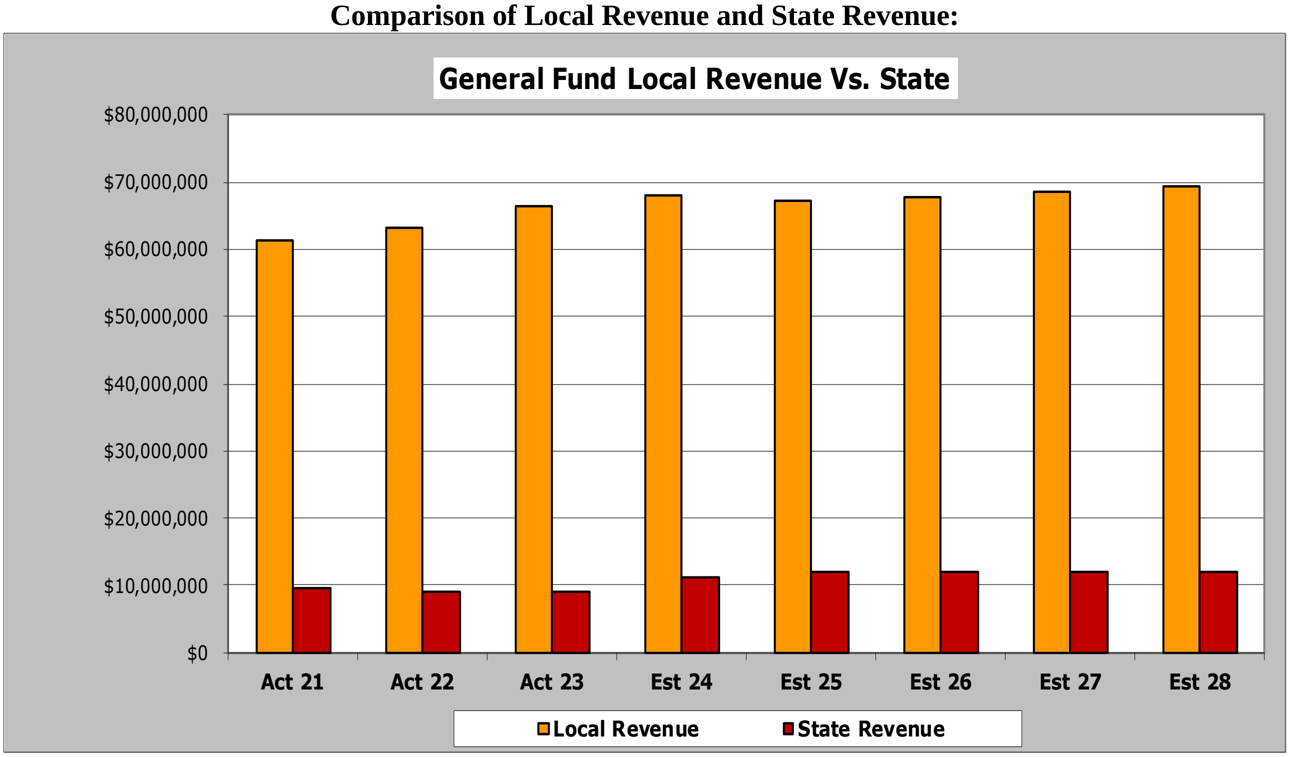
Source	FY24	FY25	FY26	FY27	FY28
Rollback and Homestead	$5,757,637	$5,994,962	$6,014,396	$6,047,776	$6,091,895

Other Local Revenues – Line #1.060

Revenues from all other sources are based on historical growth patterns. This revenue largely consists of income tax sharing revenue and pay-to- participate fees as well as some rental income, tuition payments, and investment income. The income tax sharing portion is projected to decrease based on conversations with the City of New Albany. As abatements begin to expire real estate tax collections will increase as explained in the "Real Estate Value Assumption" section above. This also causes income tax sharing to decrease in accordance with the abatement agreements in place. The district has also expanded its All-Day Kindergarten program which is a tuition-based program.

Source	FY24	FY25	FY26	FY27	FY28
Tuition (All Day K; JV Adjsutments)	$1,052,099	$1,073,141	$1,094,604	$1,116,496	$1,138,826
Interest	$2,700,000	$1,950,000	$1,911,000	$1,872,780	$1,797,869
Income Tax Sharing	$3,200,000	$3,200,000	$3,200,000	$3,200,000	$3,200,000
Other Income and rentals	$717,996	$735,946	$754,345	$773,204	$792,534
Total Line # 1.060	$7,670,095	$6,959,087	$6,959,949	$6,962,480	$6,929,229

Comparison of Local Revenue and State Revenue:



Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short-term borrowing planned in this forecast at this time from any sources.

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

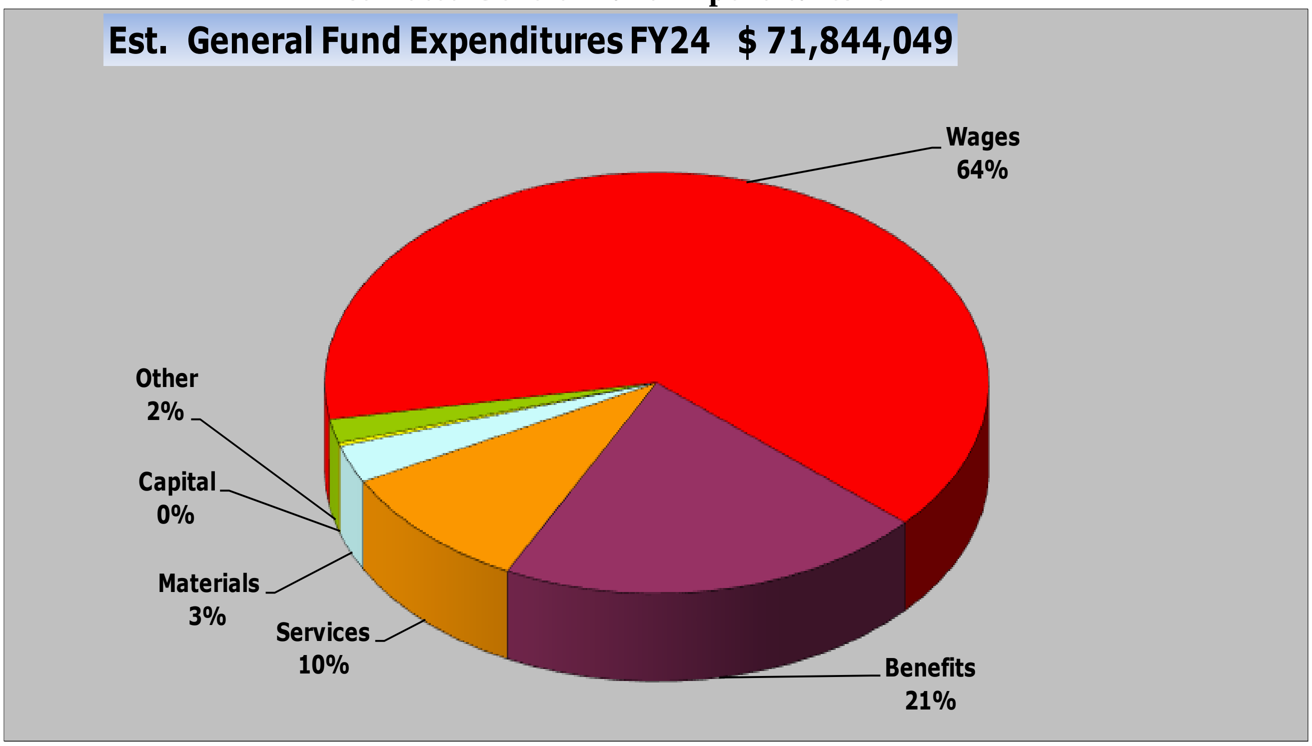
Returns of advances to other funds from the previous year comprise most of the historical revenue in this category.

All Other Financial Sources – Line #2.060
This funding source is typically a refund of prior year expenditures that is very unpredictable. We received several Bureau of Workers Compensation refunds over the past two years and do not expect to receive a refund in future years. These revenues are inconsistent year to year, and we will not project that occurring in the remainder of the forecast.

Expenditures Assumptions

The district's leadership team is always looking at ways to improve the education of the students, whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

Estimated General Fund Expenditures for FY24



Wages – Line #3.010
The District negotiated new collective bargaining unit agreements with the teachers' and non-teachers' labor unions effective July 1, 2024 through June 30, 2027. The agreements include market adjustments to remain competitive with other Central Ohio School Districts and to aid in the attraction and retention of highly qualified employees since current salaries and hourly rates fell below average of other school districts. Based upon deliberate cost savings measures, the District's five-year forecast still demonstrates a positive ending cash balance through FY28 with the implementation of the contractual terms and conditions of employment without any new additional operating revenue since 2012.

The Board of Education also implemented a financial goal of reducing current year (FY24) expenditures (Line 4.50) by $727,520. This was accomplished in reduced spending in several lines of the forecast with the major reductions taking place in Personnel Services and Fringe Benefits. Wages are running under projections and have been adjusted accordingly.

Source	FY24	FY25	FY26	FY27	FY28
Base Wages	$40,628,947	$42,725,582	$47,479,689	$50,742,231	$54,072,483
Increases	$406,289	$1,421,000	$1,580,000	$1,695,000	$540,725
Steps	$993,253	$2,028,000	$984,500	$1,025,340	$1,064,320
Performance Compensation/One-Time Payments	$1,043,000	$1,043,000	$758,000	$765,580	$773,236
Supplemental	$1,321,479	$1,354,516	$1,388,379	$1,423,088	$1,437,319
Temporary/Extended Days/Student/Extra	$990,311	$1,015,069	$1,040,446	$1,066,457	$1,093,118
New Hires/Adjustments	$697,093	$1,305,107	$698,042	$609,912	$616,011
Severance	$0	$0	$0	$0	$0
Professional Development	$135,000	$135,000	$135,000	$135,000	$135,000
Personnel Reductions/Turnover Reductions	$0	$0	$0	$0	$0
Total Wages Line #3.010	$46,215,372	$51,027,274	$54,064,056	$57,462,608	$59,732,212

Fringe Benefits Estimates Line 3.02

This area of the forecast captures all costs associated with benefits and retirement costs, which all except medical insurance being directly related to the wages paid. The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System (STRS) or the School Employees Retirement System (SERS) as required by Ohio law.

A) STRS/SERS

As required by law the BOE pays 14% of all employee wages to STRS or SERS.

B) Insurance

Due to another high claim year the District's health insurance premium increase is 18% for calendar year 2024. Because insurance premiums are on a calendar year basis the rate is blended to convert to a fiscal year rate of 15.3% in FY24 and 14% in FY25. FY26-28 include a 10% premium increase for planning purposes.

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.

C) Workers Compensation & Unemployment Compensation

Workers' Compensation is expected to be about .04% of wages FY24– FY28. Unemployment is expected to remain at a very low level FY24-FY28. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

D) Medicare

Medicare will continue to increase at the rate of increases in 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

The district reimburses employees for the tuition to further their education to maintain licensure for teaching. The district does not anticipate any increase during the forecast.

Summary of Fringe Benefits – Line #3.020

Source	FY24	FY25	FY26	FY27	FY28
STRS/SERS	$7,079,586	$7,784,702	$8,281,163	$8,805,899	$9,173,599
Health Insurances	$7,025,763	$8,270,391	$9,237,038	$10,282,724	$11,434,198
Workers Compensation and Unemployment Comp	$149,117	$163,644	$172,812	$183,072	$189,924
Medicare	$654,999	$724,772	$772,938	$822,107	$854,905
Other	$85,872	$85,872	$85,872	$85,872	$85,872
Total Fringe Benefits Line #3.020	$14,995,337	$17,029,381	$18,549,823	$20,179,674	$21,738,498

Purchased Services – Line #3.030

HB110, the previous state budget, impacted Purchased Services beginning in FY22 as the Ohio Department of Education direct pays these costs to the educating districts for open enrollment, community and STEM schools, and for scholarships granted 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 show these amounts below as zeros and reduced amounts to help reflect the difference between projected FY24-FY28 Line 3.03 costs and historical FY21 through FY23 costs on the five-year forecast. College Credit Pus, excess costs and other tuition costs will continue to draw funds away from the district, which will continue in this area and have been adjusted based on historical trend. The district added $150,000 for an additional SRO beginning in FY23.

Source	FY24	FY25	FY26	FY27	FY28
Base Services	$1,431,115	$1,474,048	$1,518,269	$1,563,817	$1,610,732
ESCCO, Spec Ed, Legal, ITC-Data Processing	$3,856,085	$3,894,646	$3,933,592	$3,972,928	$4,012,657
Community School Deductions	$0	$0	$0	$0	$0
Other Tuition, Autism Schol, Excess Costs, CCP	$158,686	$163,447	$168,350	$173,401	$178,603
Utilities	$1,275,400	$1,339,170	$1,406,129	$1,476,435	$1,550,257
Innovation and Professional Development	$325,000	$325,000	$325,000	$325,000	$325,000
Budget Modifications	$0	$0	$0	$0	$0
Total Line 3.030	$7,046,286	$7,196,311	$7,351,340	$7,511,581	$7,677,249

Supplies and Materials – Line #3.040

An overall increase of 2% is being estimated for this category of expenses which include all consumable supplies that are purchased to operate the school district, such as textbooks, paper, cleaning supplies, tires and bus fuel. FY24 is based on submitted budgets.

Source	FY24	FY25	FY26	FY27	FY28
Supplies	$2,080,000	$2,121,600	$2,714,032	$2,218,313	$2,262,679
Budget Modifications	$0	$0	$0	$0	$0
Total Supplies Line #3.040	$2,080,000	$2,121,600	$2,714,032	$2,218,313	$2,262,679

Equipment – Line #3.050

Capital outlay is estimated based on historical trends. The district passed a replacement 1.75 mill five (5) year permanent improvement levy in FY22 to collect in CY23 which collects approximately $2.0 million each year. The Board of Education committed to continuing to spend the $500,000 it was spending prior to the levy so the levy ask could be as low as possible. This levy will expire in December 2027. The District prepared a long-range capital improvement plan which identifies $2.5 million in capital maintenance/repairs each year. Focused capital expenses are included in this forecast. These funds are only spent when necessary.

Source	FY24	FY25	FY26	FY27	FY28
Capital Outlay	$198,997	$204,967	$211,116	$217,448	$223,971
Bus Purchases/ Capital Repairs	$0	$180,000	$180,000	$180,000	$180,000
Capital Improvements and Technology	$0	$750,000	$750,000	$750,000	$750,000
Total Equipment Line #3.050	$198,997	$1,134,967	$1,141,116	$1,147,448	$1,153,971

HB264 Note Repayment/Interest and Fiscal Charges – Lines 4.050 and 4.060

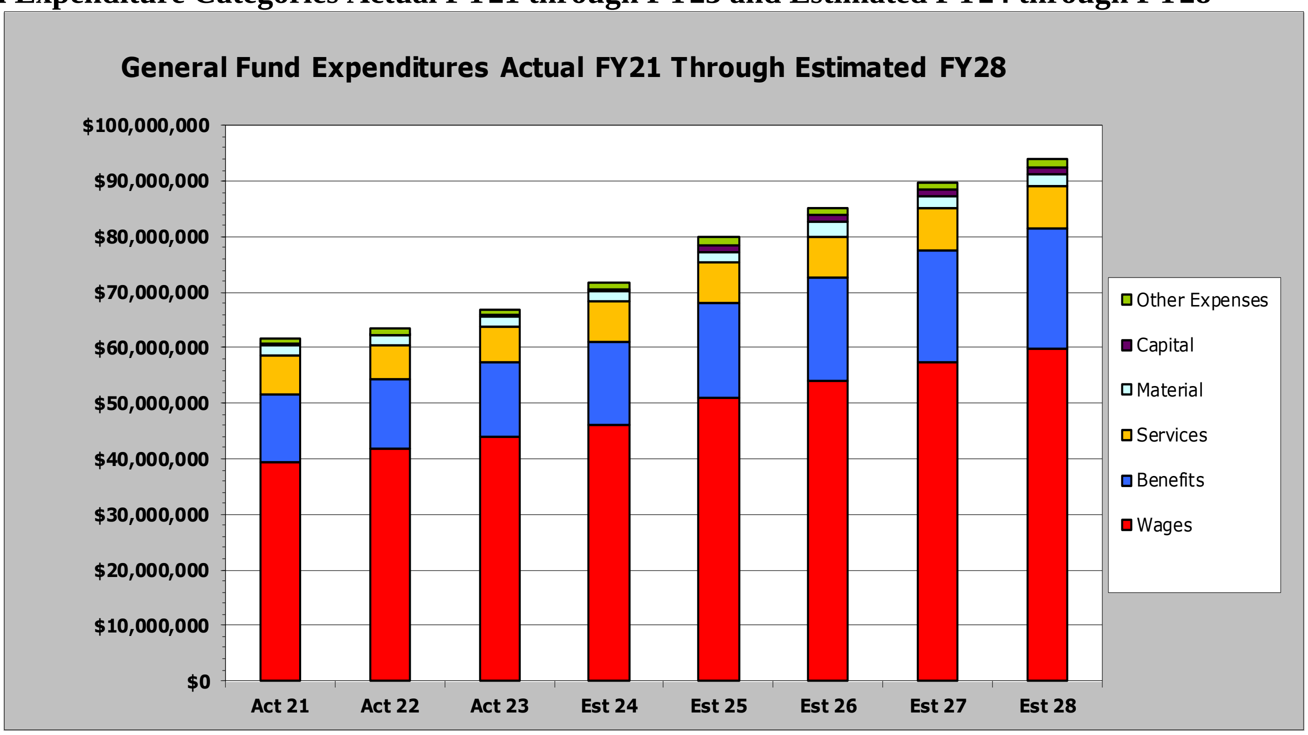
The District completed an energy conservation project in 2005 under HB264 legislation. HB264 allows districts to use the energy savings from replacing inefficient HVAC and mechanical systems with energy efficient systems to repay un-voted debt needed to finance the replacements. The District financed these improvements over a 15-year period and will make its final HB264 debt payment in FY20. The final payment was made in FY21.

Other Expenses – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees. Auditor and Treasurer Fees will increase anytime a new operating levy is collected. All other expenditures in this line assume a 3% inflation rate.

Source	FY24	FY25	FY26	FY27	FY28
County Tax Fees & Election Costs	$831,435	$839,749	$848,146	$856,627	$865,193
County Board of Education	$32,885	$33,214	$33,546	$33,881	$34,220
Liability Ins & Other Misc.Costs	$243,737	$246,174	$248,636	$251,122	$253,633
Contingency	$200,000	$200,000	$200,000	$200,000	$200,000
Total Other Expenses Line #4.300	$1,308,057	$1,319,137	$1,330,328	$1,341,630	$1,353,046

Total Expenditure Categories Actual FY21 through FY23 and Estimated FY24 through FY28



Transfers Out/Advances Out – Line #5.010

This account group covers fund to fund transfers and end of year short term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. Advances are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund. Transfers are not repaid to the general fund. Transfers to the Permanent Improvement Fund and Termination Benefits are projected in this line as well as transfers to fund the McCoy Performing Arts Center operating costs and Win-Win payments.

Source	FY24	FY25	FY26	FY27	FY28
Transfer Line 5.010	$4,495,000	$6,735,085	$2,735,085	$2,735,085	$2,735,085
Advances Line 5.020	$0	$0	$0	$0	$0
Total Transfers & Advances	$4,495,000	$6,735,085	$2,735,085	$2,735,085	$2,735,085
Source	**FY24**	**FY25**	**FY26**	**FY27**	**FY28**
All Other Financing Uses (Win Win)- Line 5.030	$726,000	$775,000	$775,000	$775,000	$775,000

Encumbrances –Line#8.010

These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered. Estimates are based on historic trends.

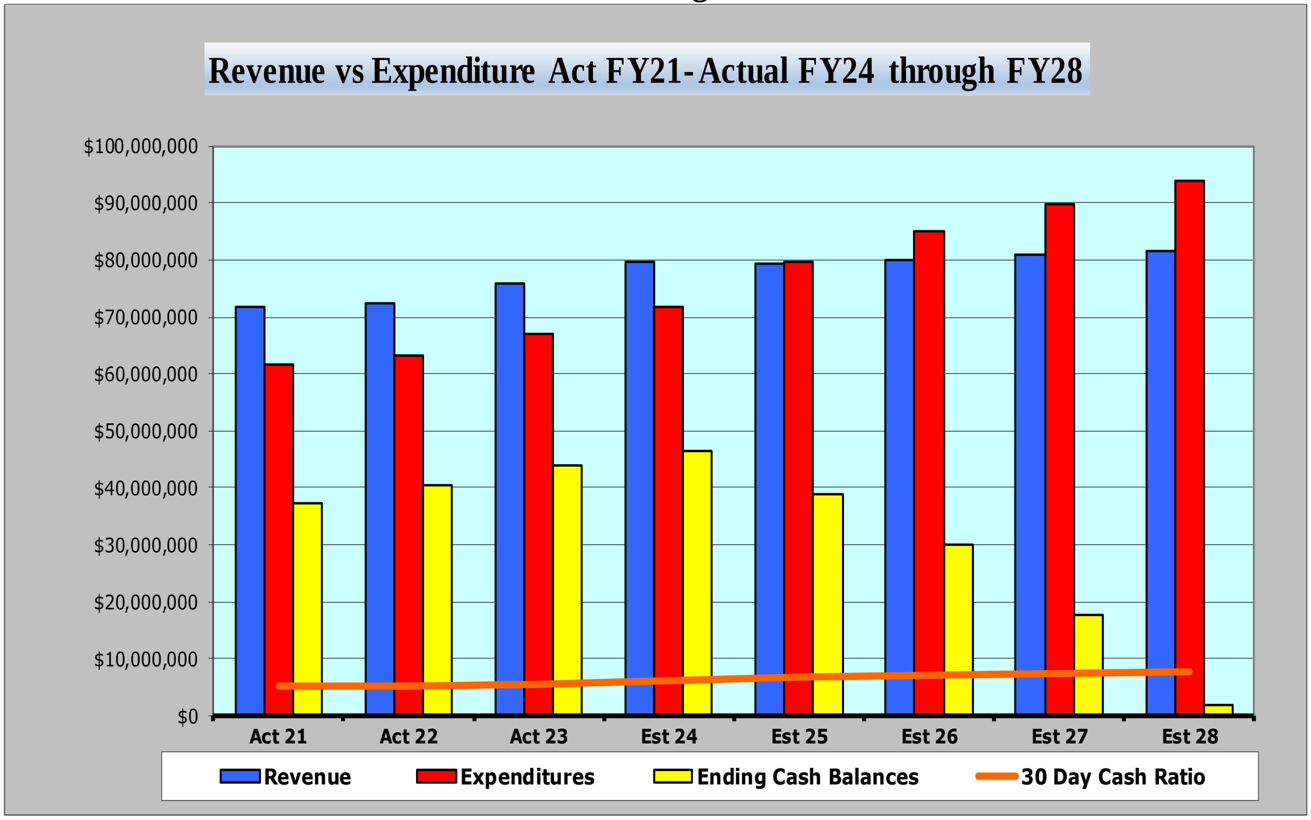
	FY24	FY25	FY26	FY27	FY28
Estimated Encumbrances	$716,019	$737,499	$759,624	$782,413	$805,886

Ending Unencumbered 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 negotiated contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of ORC5705.412, punishable by personal liability of $10,000, unless an alternative “412” certificate can be issued pursuant to HB153 effective September 30, 2011. The district does not drop below a 30-day ending cash balance during this forecast period.

	FY24	FY25	FY26	FY27	FY28
Ending Cash Balance	$45,896,946	$37,990,180	$29,357,134	$16,829,160	$1,103,007

General Fund Ending Cash Balance



RISK ASSESSMENT

- Tax revenue does not grow with inflation due to HB920. This means current programming may not be sustainable without new revenue. Revenue is largely voter approved in an 86% locally funded school district such as New Albany.

- Due to the high reliance on local property tax revenue, property valuations continue to be a major area of risk given the current economic climate. Franklin County went through a reappraisal in calendar year 2023 and collected in calendar year 2024. The district realized a 37.71% increase in residential and a 15.96% increase in commercial property values. The next update will occur in calendar year 2026 to collect in 2027.

- 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 as they could impact future reappraisals and possibly the impact of the 20-mill floor currently in law. Our district is currently not on the 20-mill floor for Class I and Class II values.

- Utility costs are also a risk factor depending on weather conditions and cost increases from year to year. The district anticipates a large increase in electric costs beginning in FY24.

- HB33 direct pays costs associated with open enrollment, community and STEM schools, and for all scholarships including EdChoice Scholarships. These costs will no longer be deducted from our state aid. However, there are still education option programs such as College Credit Plus which continue to be deducted from state aid which will increase costs to the district. Expansion or creation of programs that are not directly paid for by the state of

Ohio can exposes the district to new expenditures that are not currently in the forecast. We are monitoring closely any new threats to our state aid and increased costs as any new proposed laws are introduced in the legislature.

- 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 in 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. The District realized a significant increase in State funding beginning in FY24.

- Revenue from the income tax sharing agreement with the City of New Albany is also a potential major risk. The district continues a regular dialogue with the City of New Albany leadership for guidance on projecting this revenue source. This revenue source is expected to be approximately $3.4 million to New Albany-Plain Local Schools in FY24. This revenue will decrease as abatements expire as planned and with any economic fluctuation. The unabated property value will then transition into real estate values and the related tax collections will be added to the real estate revenue line. The abatement expiration schedule as reported to the district by the City of New Albany has been included in the real estate and other income lines.

- Enrollment growth is a risk to the five-year forecast. As noted on page six (6) of these assumptions, we expect to gain an additional 168 students from FY24 to FY28. The district used the “Low” enrollment growth estimate from the Future Think enrollment projection report due to current enrollment trends for planning purposes. When more is know regarding the construction of Intel, these enrollment numbers will be updated.

- The District engaged a third-party firm to complete an enrollment and facility usage study including the impact of Intel coming to the area. While Intel is NOT in the New Albany-Plain LSD boundaries and, therefore, will not realize any additional revenue from it, we do expect to have a larger increase in student enrollment than originally predicted. The study revealed we should expect up to an additional 1,400 students within the next 10 years. Because our current building capacity is 5,500 district-wide the District will likely seek voter approval for a bond issue to construct a new building and add onto/renovate current facilities to accommodate this growth. As always, we will continue to work with our City and Community partners to understand what new housing developments are expected.

- Negotiated agreements expire June 30, 2027.