



# RIVER VALLEY FIVE-YEAR FORECAST

November 2024

# PURPOSE OF FIVE-YEAR FORECAST

- ODE's purposes and objectives for the five-year forecast are:
  - To engage the local board of education and the community
  - Determine the District's ability to sign 412 certificate
  - To assist in identifying school districts with potential financial problems

# FORECAST METHODOLOGY

- Required by the State to be adopted by the Board twice per year; November and May
- Levies that are not already passed by the voters cannot be included in the adopted forecast
- Based on historical trends, current factors and the understanding that variables can change multiple times throughout a fiscal year
- Intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

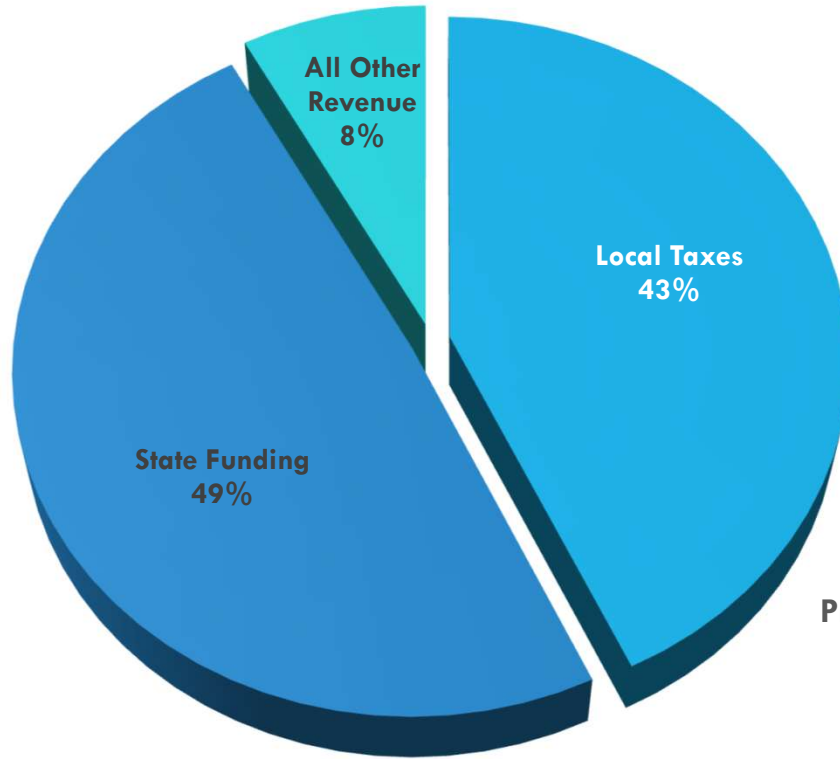
# FISCAL YEAR 2024 REVIEW

- Cash balance increased from fiscal year 2023
- Emergency levy was not renewed and ceased collections
- Newly approved PI levy and renewed income tax levy

# FISCAL YEAR 2025 AT A GLANCE

- Second year of the State Biennium Budget
- Continued phase-in of the Fair School Funding Plan
- Emergency Levy ceased collections in fiscal year 2024, so there is a reduction in general fund property tax revenues in fiscal year 2025 compared to last year
- Significant increase in restricted state funding, specifically in DPIA, due to operating under CEP

# STATE VS. LOCAL VS. OTHER OPERATING REVENUE

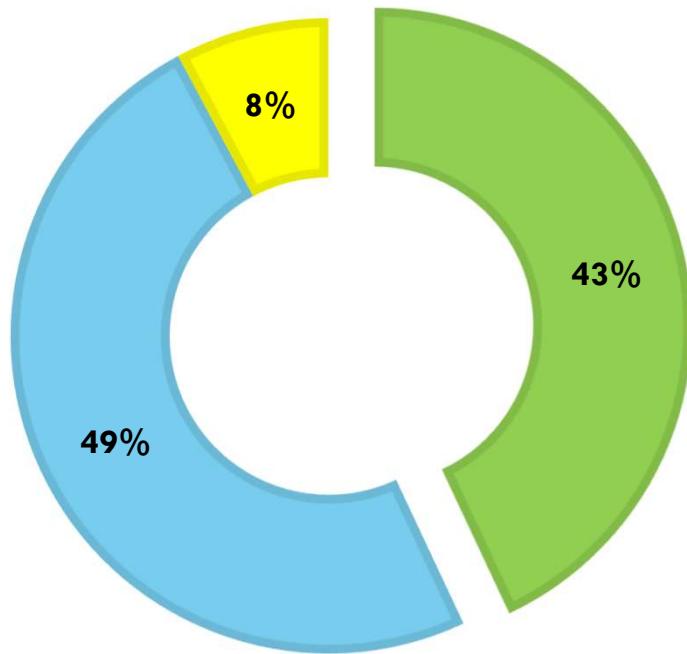


<b>Projected Local Taxes</b>	<b>\$10,592,242</b>
Real Estate Property Taxes	\$6,902,305
Public Utility Property Taxes	\$690,454
Income Taxes	\$2,999,483

<b>Projected State Funding</b>	<b>\$12,096,107</b>
Fair School Funding Plan	\$9,361,064
Restricted State Funding	\$1,894,832
State Share of Local Taxes	\$840,211

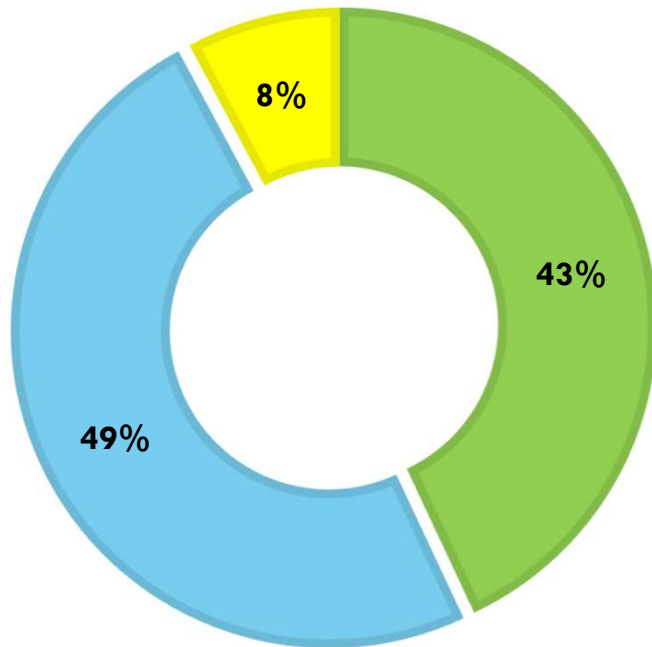
<b>Projected All Other Revenue</b>	<b>\$1,929,006</b>
Other Operating Revenue	\$1,909,724
Other Sources	\$19,282

# LOCAL TAXES



- Real Estate Tax 28%
- Use historical settlements and current trend data
- Public Utility Tax 3%
- Income Tax 12%

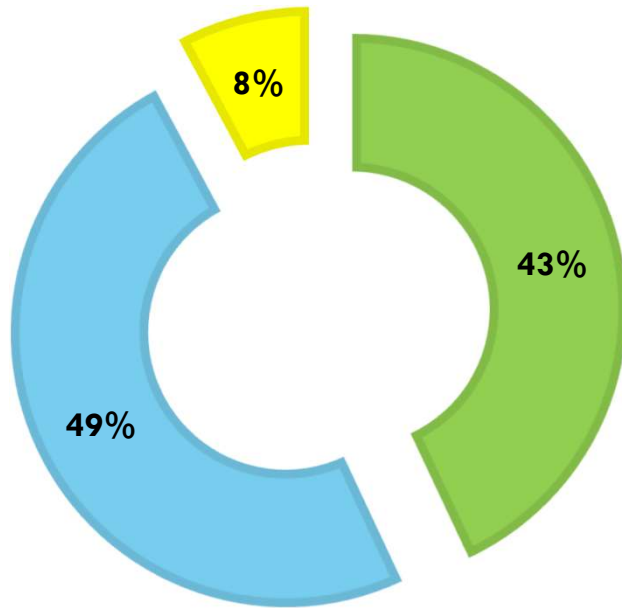
# STATE SOURCES



- State Funding 38%
- Funding driven by a base cost methodology
- Projecting a gradual decrease in the state's share
- Restricted Aid 8%
- State Share of Local Taxes 3%

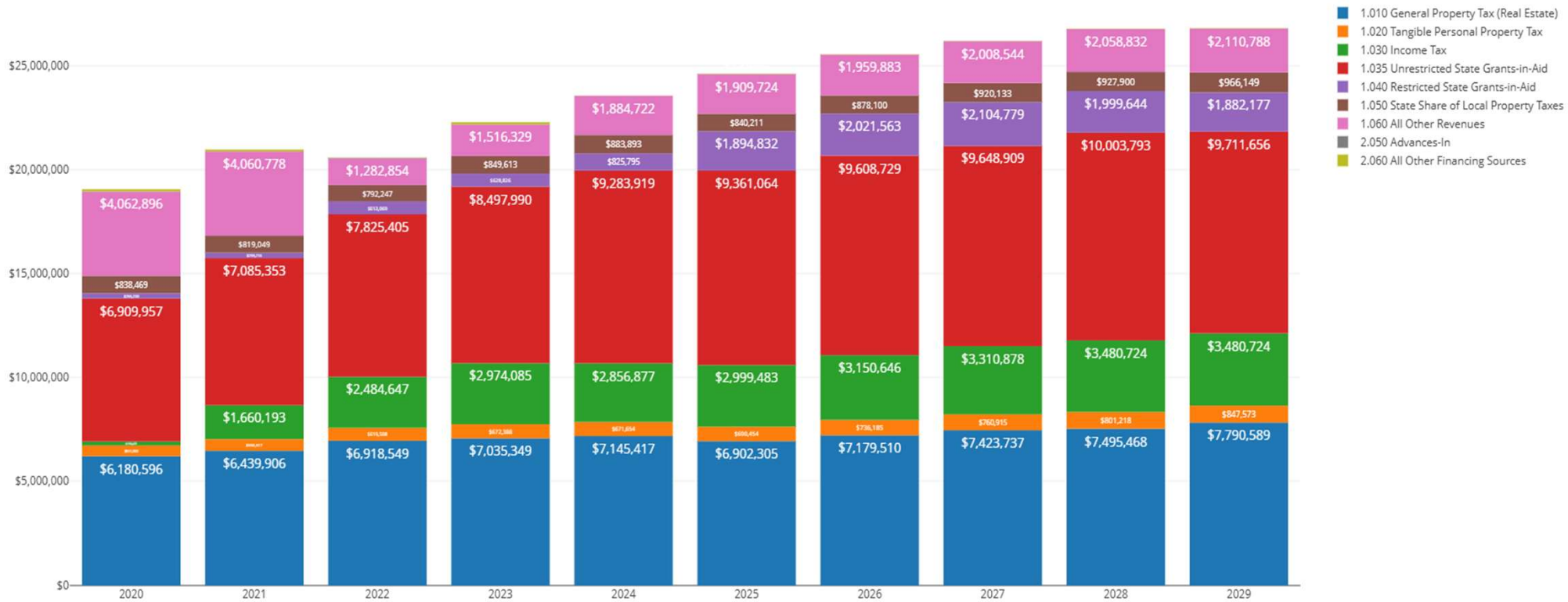


# ALL OTHER REVENUE

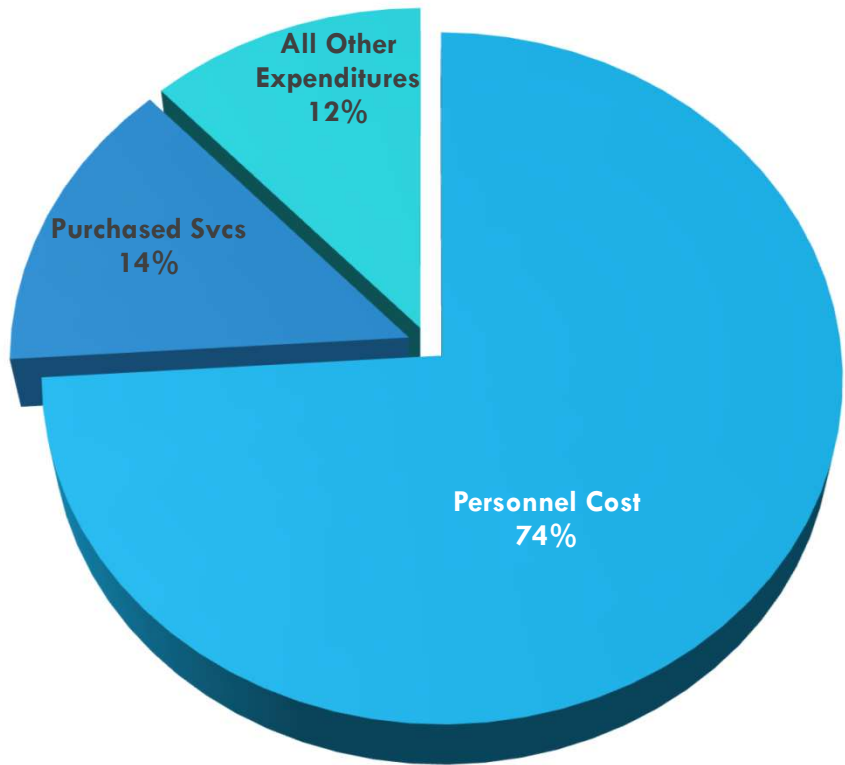


- Other Revenue 7%
- Other Sources 1%

# YEAR OVER YEAR REVENUE COMPARISON



# PROJECTED EXPENDITURE ANALYSIS

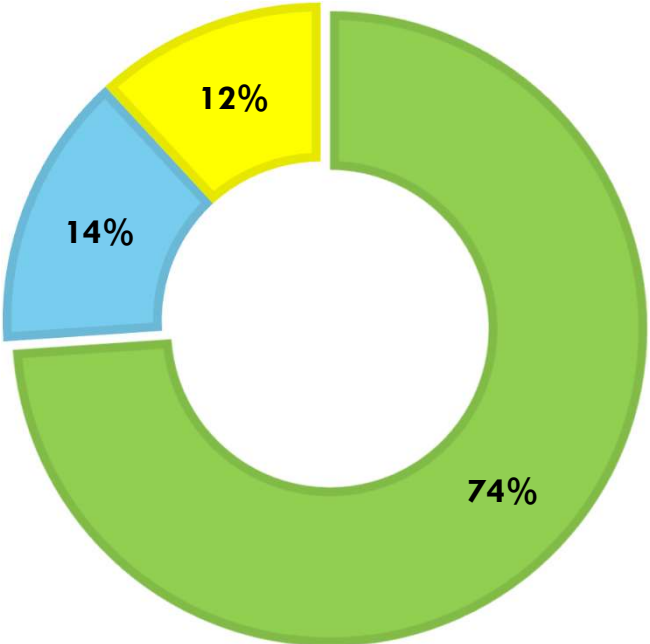


**Projected Personnel Costs** **\$17,089,461**  
Salaries \$11,695,469  
Benefits \$5,393,992

**Projected Purchased Services** **\$3,290,881**

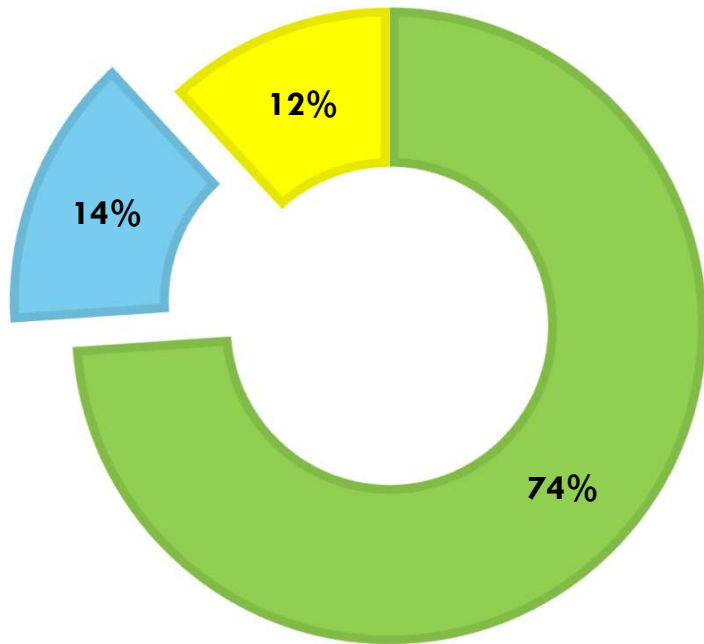
**Projected All Other Expenditures** **\$2,738,168**  
Supplies, Capital, Debt, Other Operating \$2,571,626  
Advances, Transfer, Other Uses \$166,543

# PERSONNEL COSTS



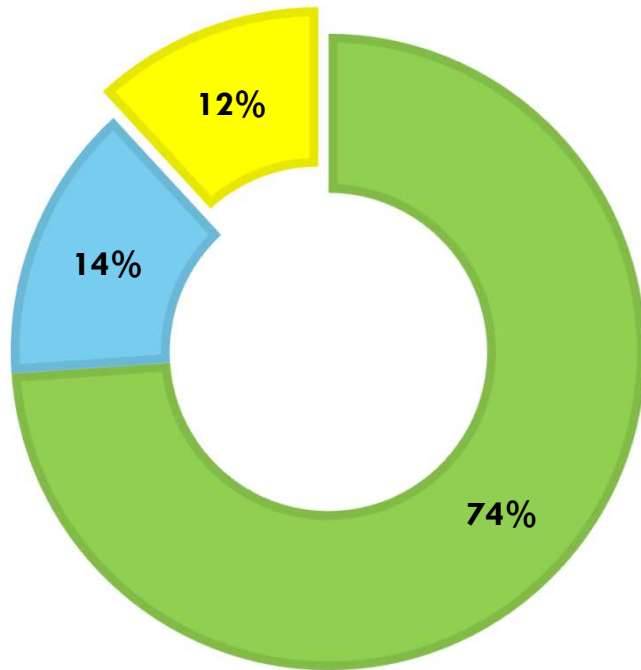
- Salaries 51%
  - Largest district expenditure
- Benefits 23%
  - Second largest district expenditure

# PURCHASED SERVICES



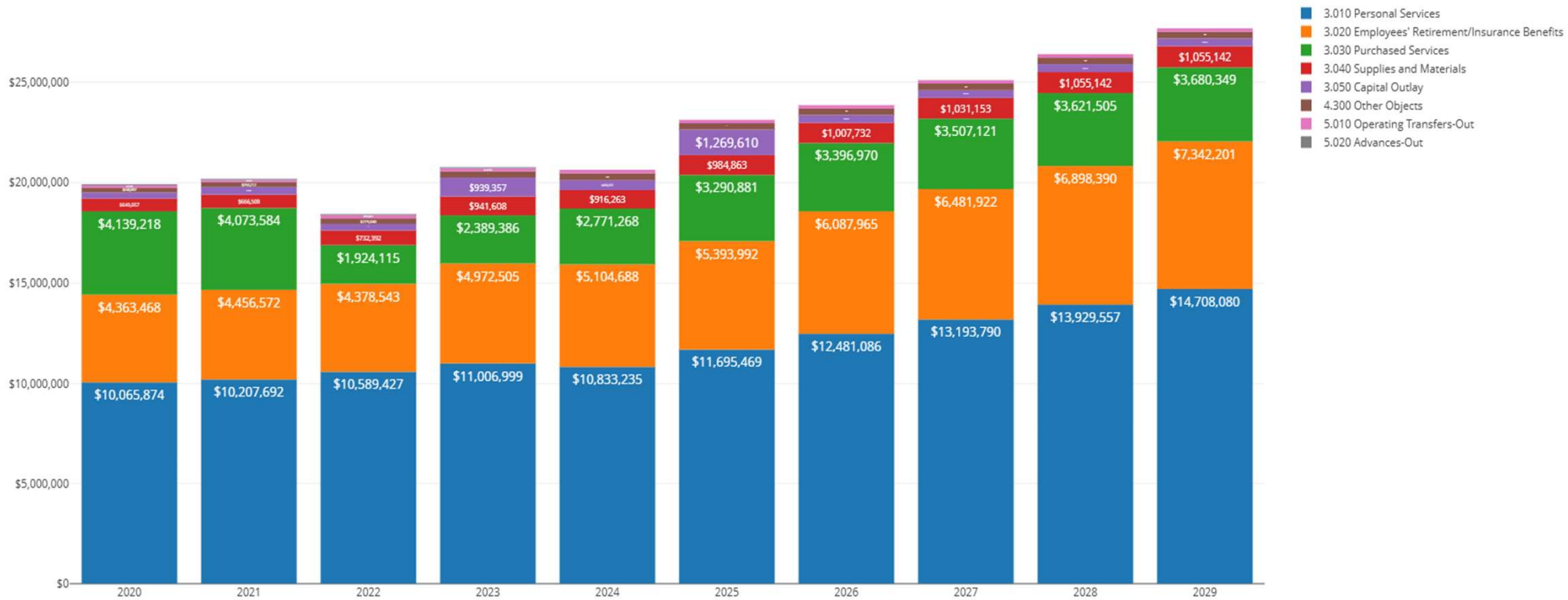
- Purchased services is the third largest expenditure
- 14% of district expenses

# ALL OTHER EXPENDITURES

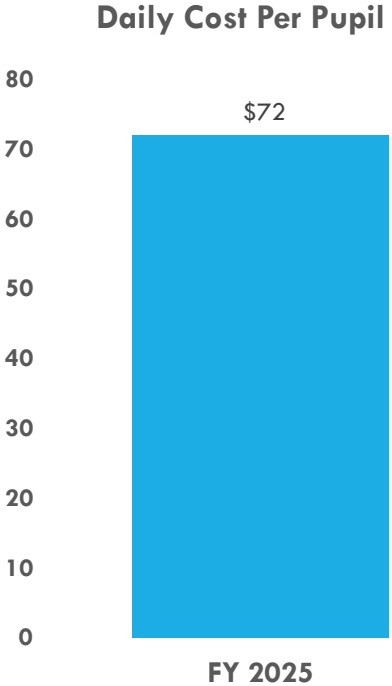


- Supplies, capital outlay, debt, other objects 11%
- Increased this year due to additional RTUs at each of the elementaries
- Other Uses 1%

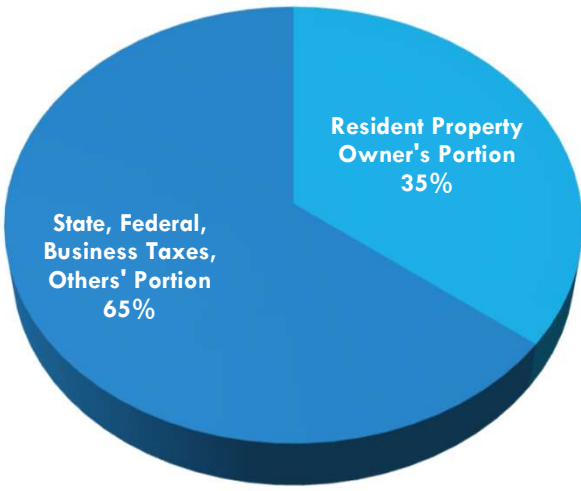
# YEAR OVER YEAR EXPENSE COMPARISON



# Daily Cost to Educate a Student and Resident Share



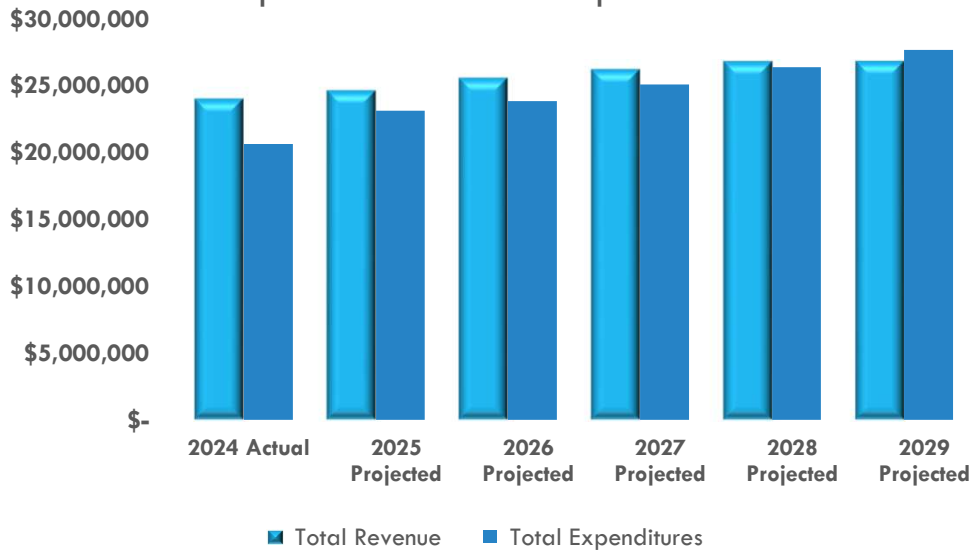
### FY 2025 Per Pupil Expenditure Support



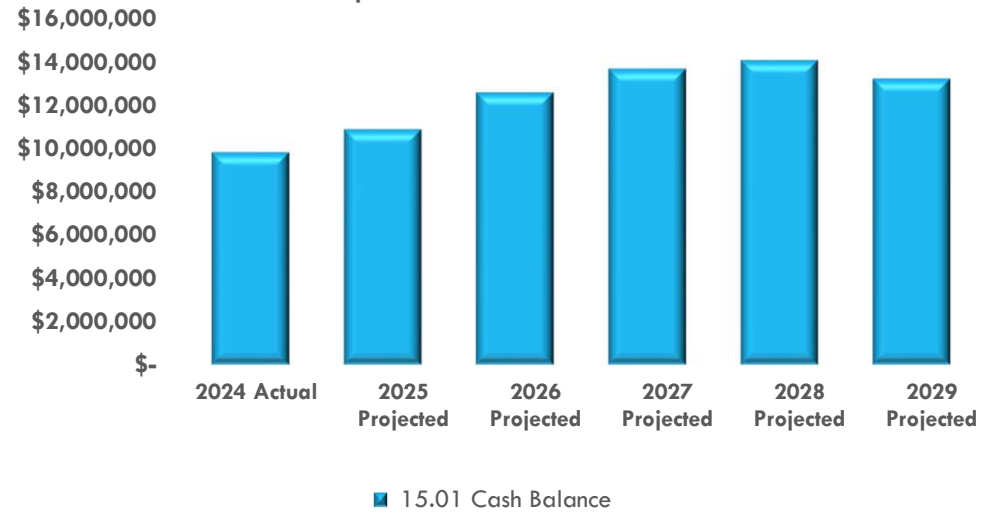
Note: Local share is calculated using a ratio of Class I property value, effective tax rate relative to total calculated property tax revenue. It also includes income tax levies if applicable.



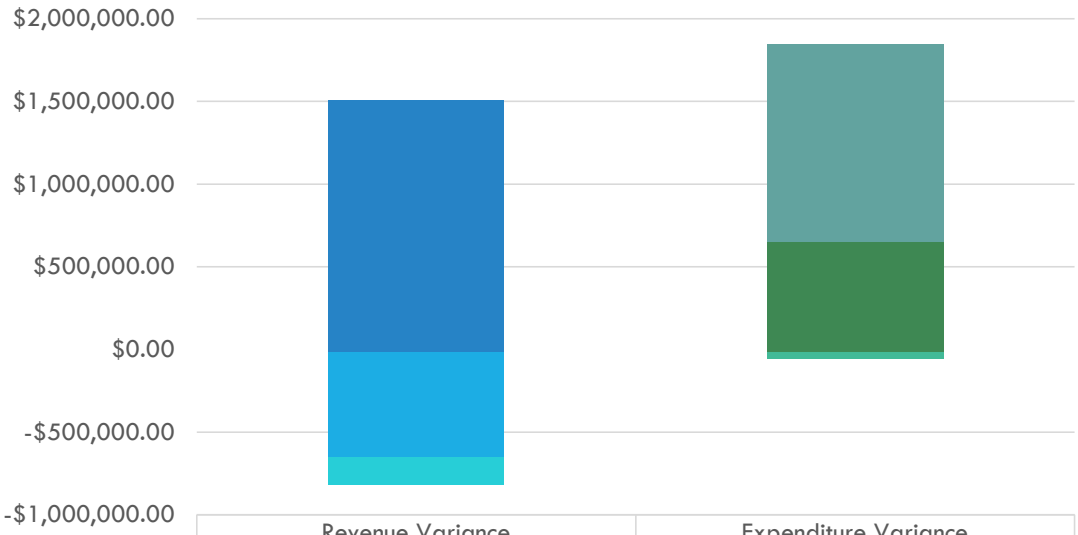
### Projected Revenue vs Expenditures



### Projected Cash Balance



### Current Forecast Variance Over/(Under) Prior Forecast



Current total revenue is over prior by \$690,947, or 2.8%. Current expenditures are over prior by \$1,787,080, or 7.7%.

	Revenue Variance	Expenditure Variance
■ Rev Other	\$(180,608)	\$-
■ Rev State	\$1,505,117	\$-
■ Rev Taxes	\$(633,562)	\$-
■ Exp Other	\$-	\$1,188,294
■ Exp Purchased Serv.	\$-	\$656,302
■ Exp Salary/Benefits	\$-	\$(57,516)

# CONSIDERATIONS AND ANALYSIS

- In FY2025 a revenue surplus is expected
- The District must continue to follow its capital improvement plan and utilize permanent improvement funds to take some burden from the general fund
- Current revenue streams continue to be vital to the district's financial well-being
  - Three levy silos:
    - Operating levies, income tax levy, state funding: day-to-day operating expenses
    - Permanent improvement levy: ongoing capital improvement, equipment, and facility needs
    - Bond levy: large, immediate need capital improvement projects (all underway or completed)
- Forecast, notes, and a copy of this presentation will be uploaded to the District website following board approval