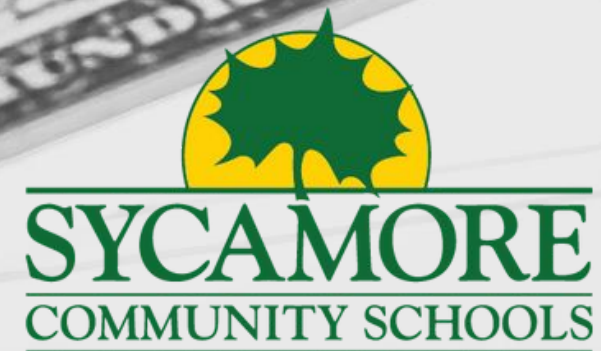


# Five Year Forecast

November 20, 2024



# Purpose & Objectives



## The 5 Year Forecast:

- Includes only the General Fund and any general fund debt
- Provides 3 years of history (FY22-24) & 5 years of projections (FY25-29)
- Is a long-range planning and management tool
- Is a snap shot financial report
- Is legally required twice a year (November & May)



# Work Session Goals

- Review Five Year Forecast Based on Notable Assumptions
- Review Modeling/Scenarios
- Discuss Next Steps



# Notable Revenue Assumptions – Real Estate Taxes

Recap of 2023 Revaluation (2024 Collection)

- 25% increase in Residential Values
- 22% increase in All Values (Residential, Business, PUPP)

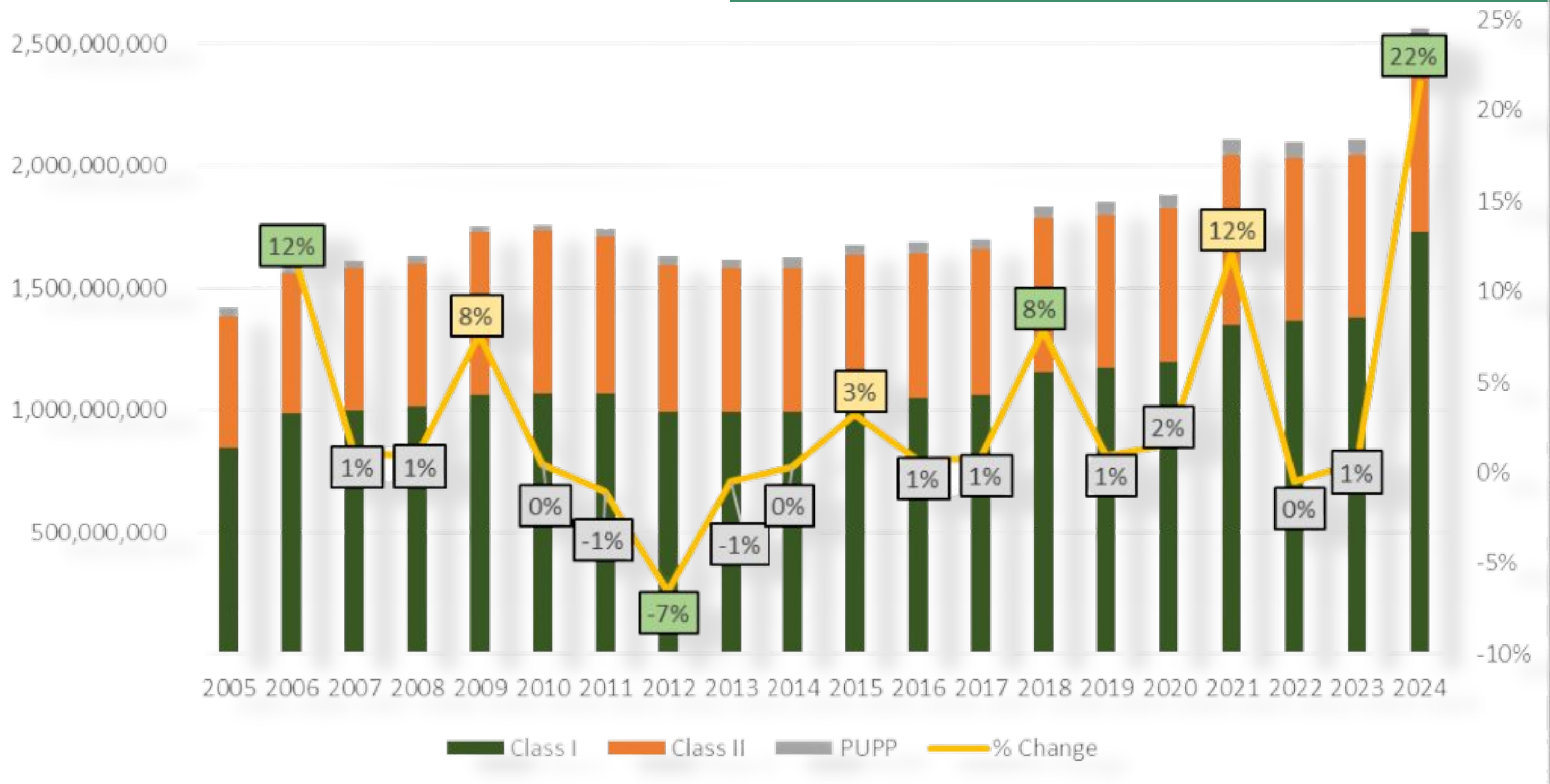
Next Update – 2026 (2027 Collection)

Next Total Revaluation – 2029 (2030 Collection)

**Assumption for 2026 Update – 11% increase**

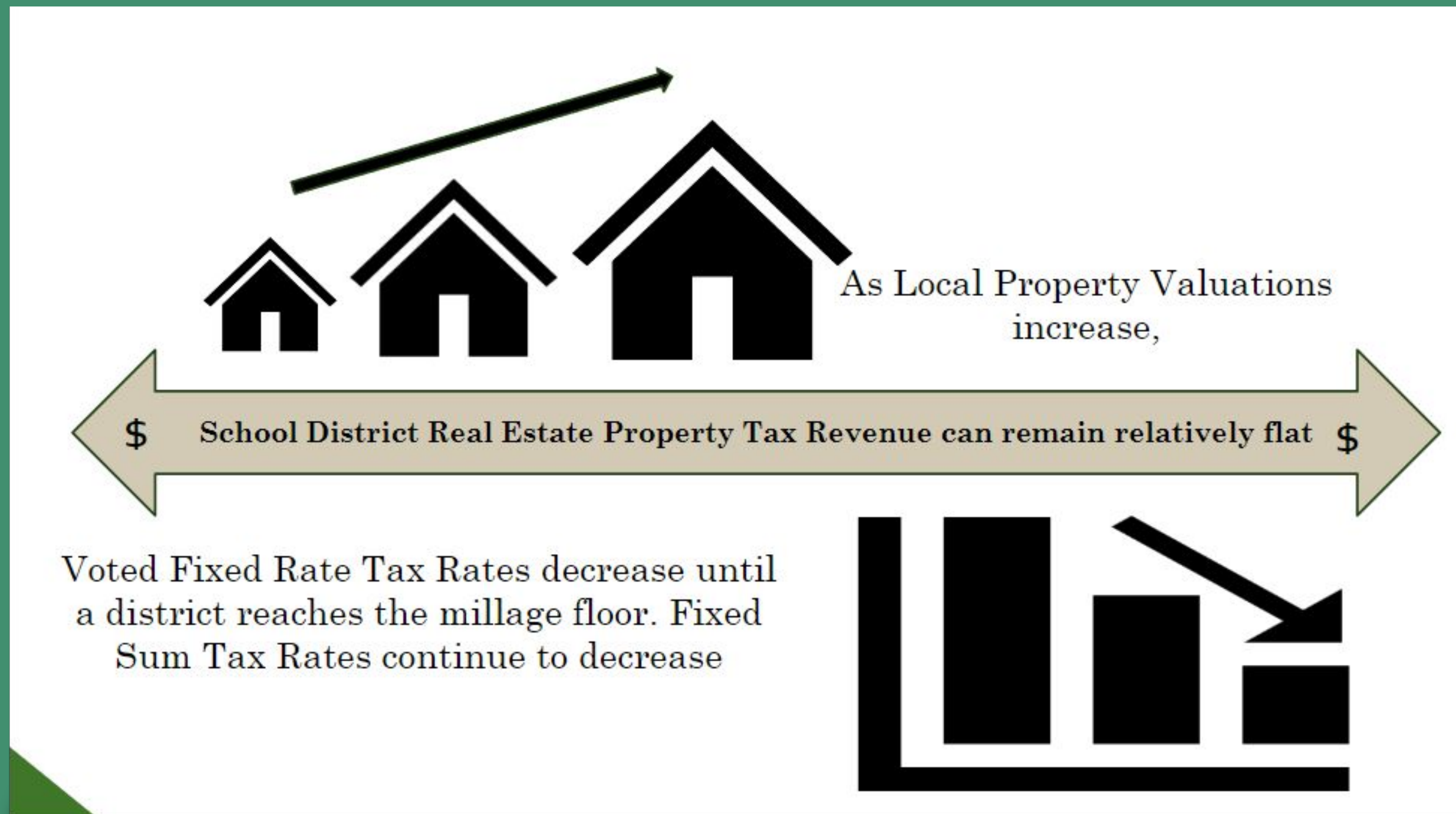
- **50% of 2023 Revaluation Increase**

# Valuation 20 Year History



# Property Values vs Tax Rates

How do increasing home values impact tax rates?



# Tax Rate Change

## Current Tax Bills



	Full Rate	Effective Rate - 2023	Effective Rate - 2024	Millage Change	% Change
<b>Inside Mills</b>	<b>4.63</b>	<b>4.63</b>	<b>4.63</b>	0.00	0%
1976 Current Expense	28.12	5.94	4.77	-1.17	-20%
1980 Current Expense	6.90	2.00	1.60	-0.39	-20%
1985 Current Expense	6.40	2.39	1.92	-0.47	-20%
1992 Current Expense	7.40	3.68	2.95	-0.72	-20%
1998 Current Expense	5.00	2.83	2.27	-0.56	-20%
2004 Current Expense	5.50	3.89	3.13	-0.77	-20%
2016 Current Expense	6.50	5.41	4.34	-1.06	-20%
<b>Total General Operating Mills</b>	<b>70.45</b>	<b>30.76</b>	<b>25.62</b>	<b>-5.14</b>	<b>-17%</b>
<b>Bond Levies:</b>					
1998 Bond (\$45MM)		0.37	0.00	-0.37	-100%
2010 Bond (\$17.5MM)		0.58	0.45	-0.13	-22%
2019 Bond (\$127.5MM)		2.80	2.70	-0.10	-4%
<b>Total Bond Mills</b>		<b>3.75</b>	<b>3.15</b>	<b>-0.60</b>	<b>-16%</b>
<b>Total Collected Mills</b>		<b>34.51</b>	<b>28.77</b>	<b>-5.74</b>	<b>-0.33</b>



# State Funding

Contribution to Total Revenue: 9%

- Amount: \$9 Million

## State Funding Structure

- Funding Mechanism: FSFP
- 6-Year Phase-In Initiated in FY2022
- Funding Model: Inputs-Based
- Local share based on property and income wealth

## Sycamore Funding Levels

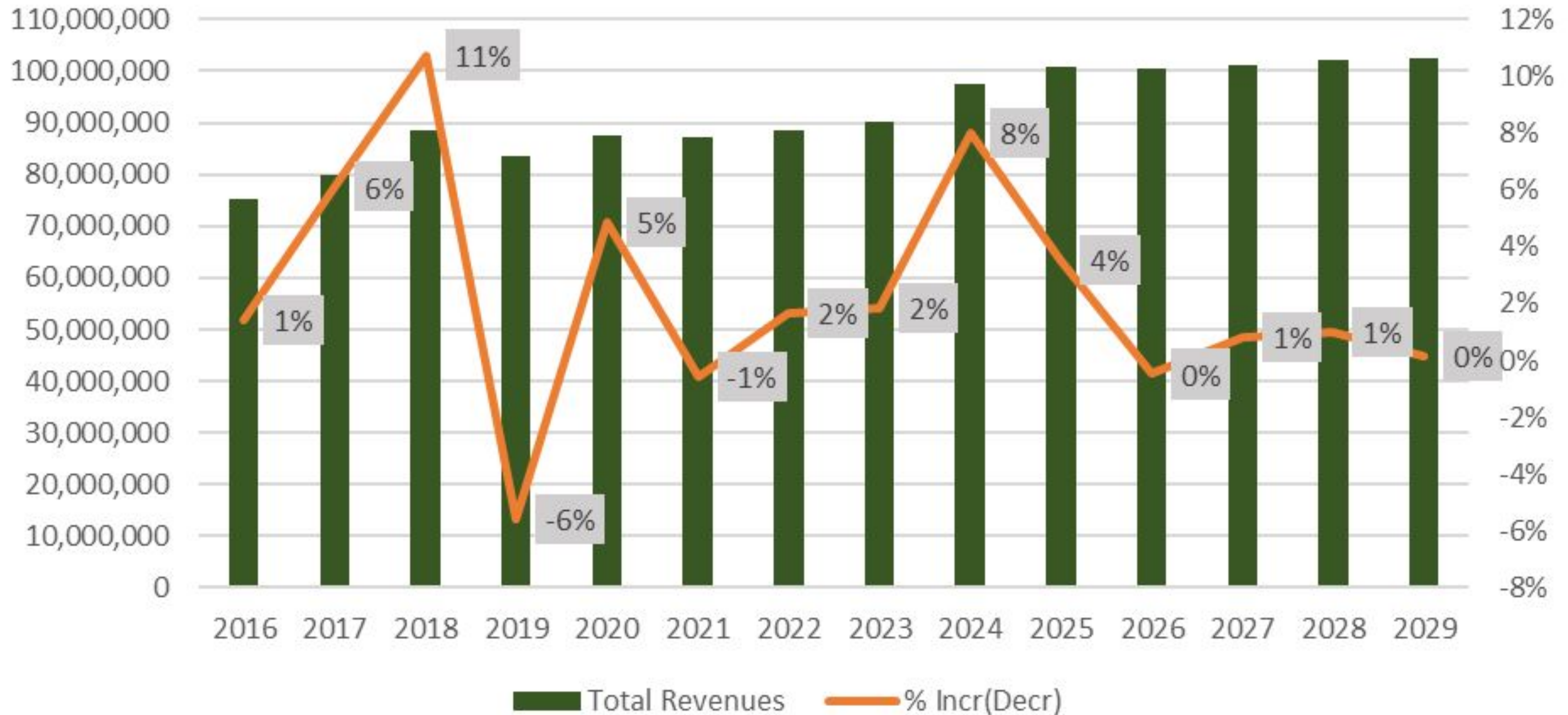
- Current Funding: Minimum Level (10%)
- Previous to FY2024: Minimum Level Funding at 5%
- \$4.5 Million more annually than in FY2021

Assumption: Current Law - Phase-in will remain at 67% and 10% minimum

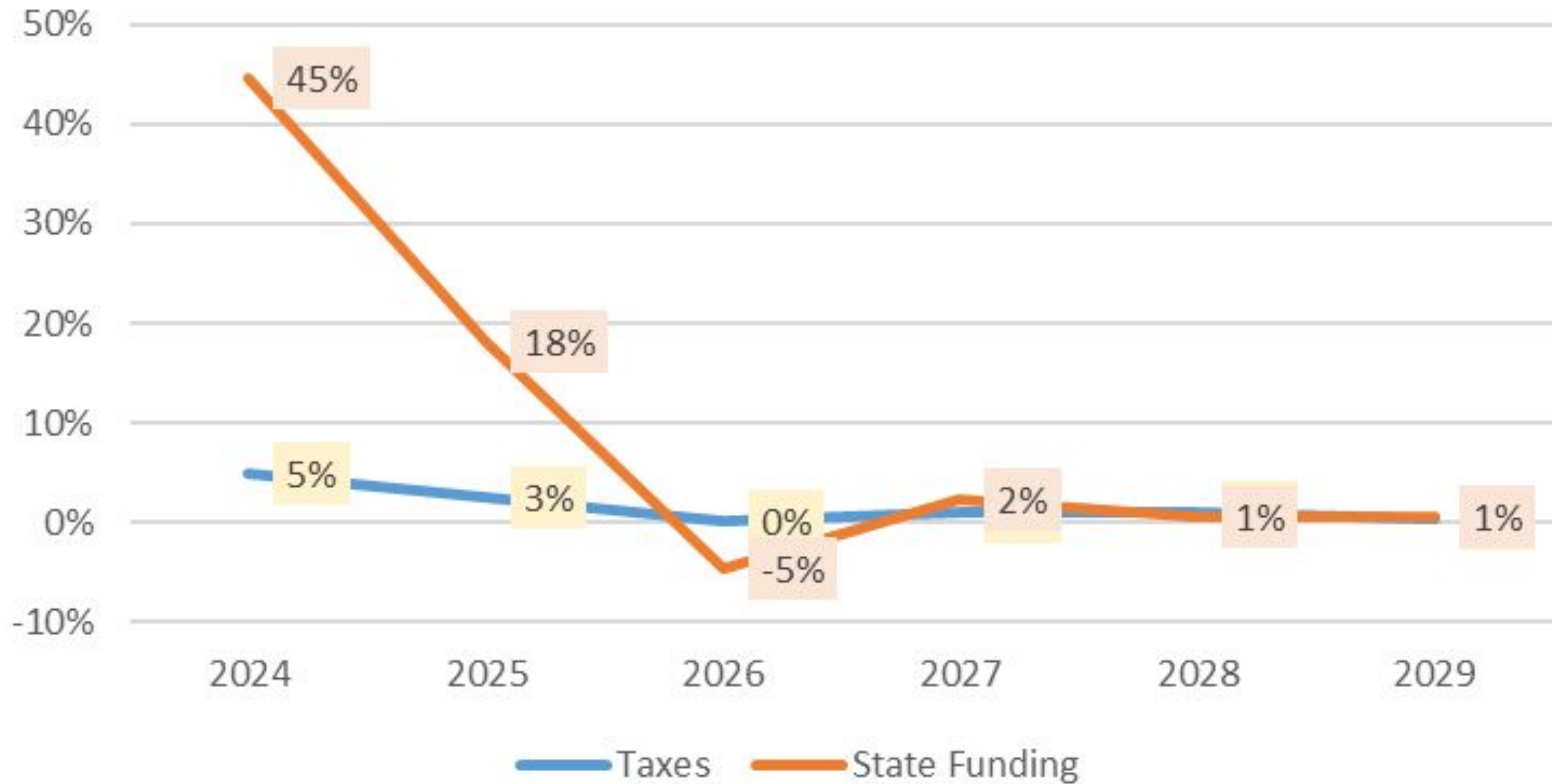
Fiscal Year	2022	2023	2024	2025	2026	2027
Phase-In Schedule	16.67%	33.33%	50.00%	66.67%	83.33%	100.00%



# Revenue History & Projections (Operating Revenues)

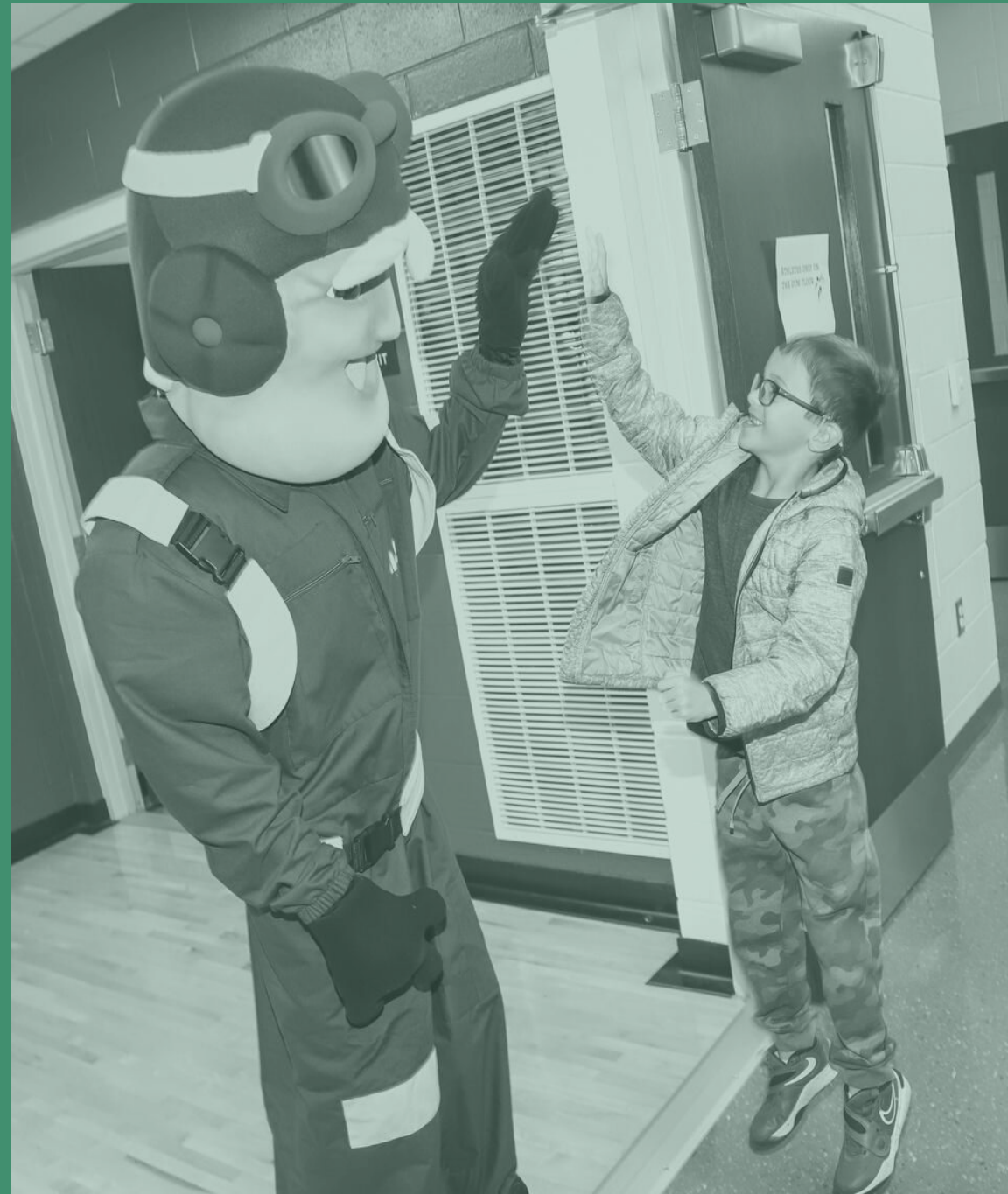


## Predicted Tax & State Funding % Changes



# Notable Expenditures

## Wages & Benefits:



OAPSE contract expires June 30, 2026

- \$.60/hr base wage increase = 2.5% average
- .6% step increase

SEA contract expires July 31, 2027

- FY25 - 3.5%, FY26 - 3%, FY27 - 3.75%
- 2% step increase

**Assuming 3% increases beyond contract expiration (Planning Purposes Only)**

**Assuming No Increase in Total Staff FTE**

Health care rates increase 1/1/25

- 8.9% True Cost, 11.9% PPO & HDHP
- Assuming 10% increase remainder of forecast

# Notable Expenditures (cont'd)



## Purchased Services:

- Assuming Instructional Coaches/Partners Remain Thru FY26

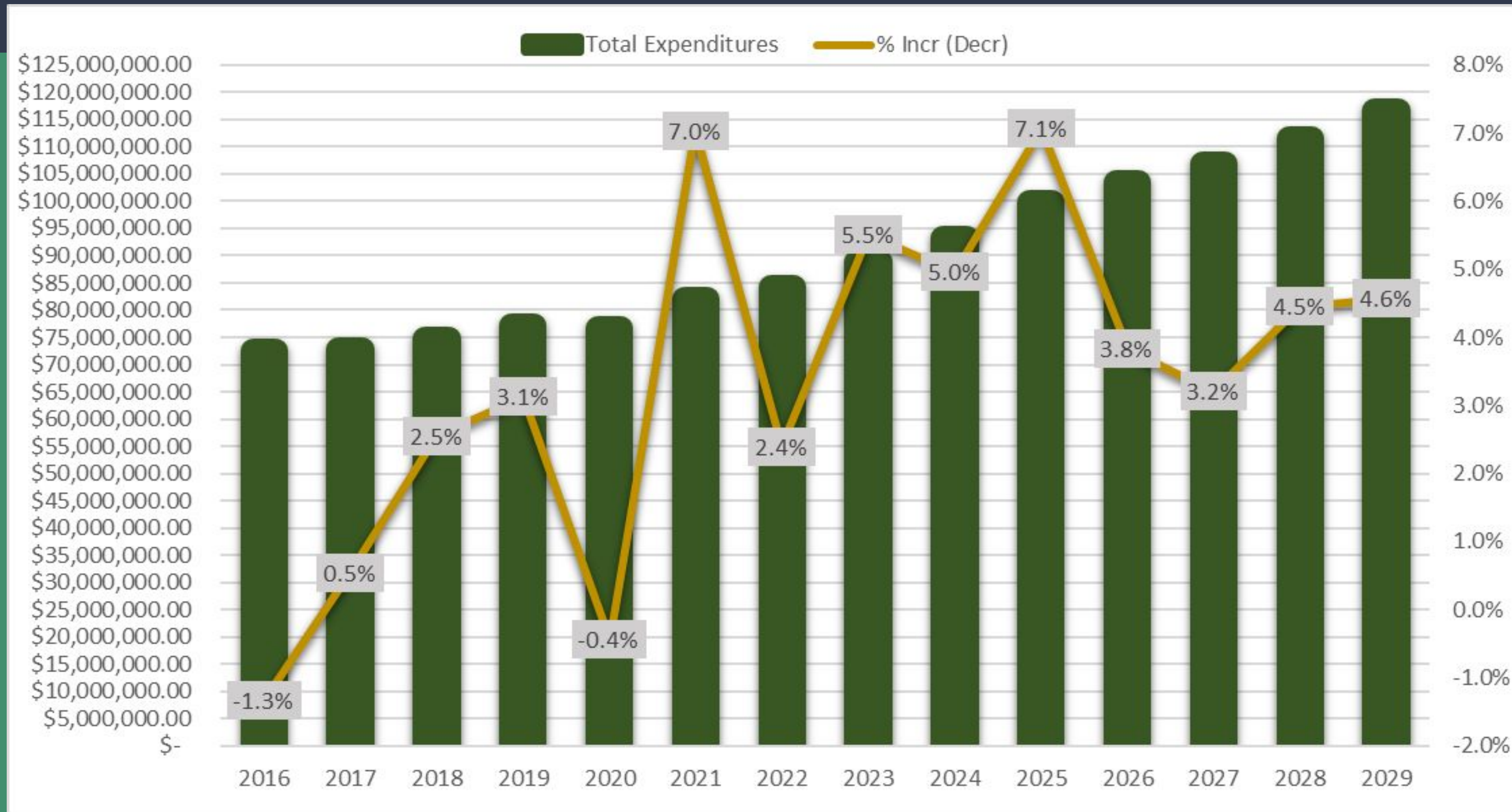
## Supplies & Materials:

- Two New Curriculum Cost Incurred in FY25
- 3.5% Increase Predicted Moving Forward

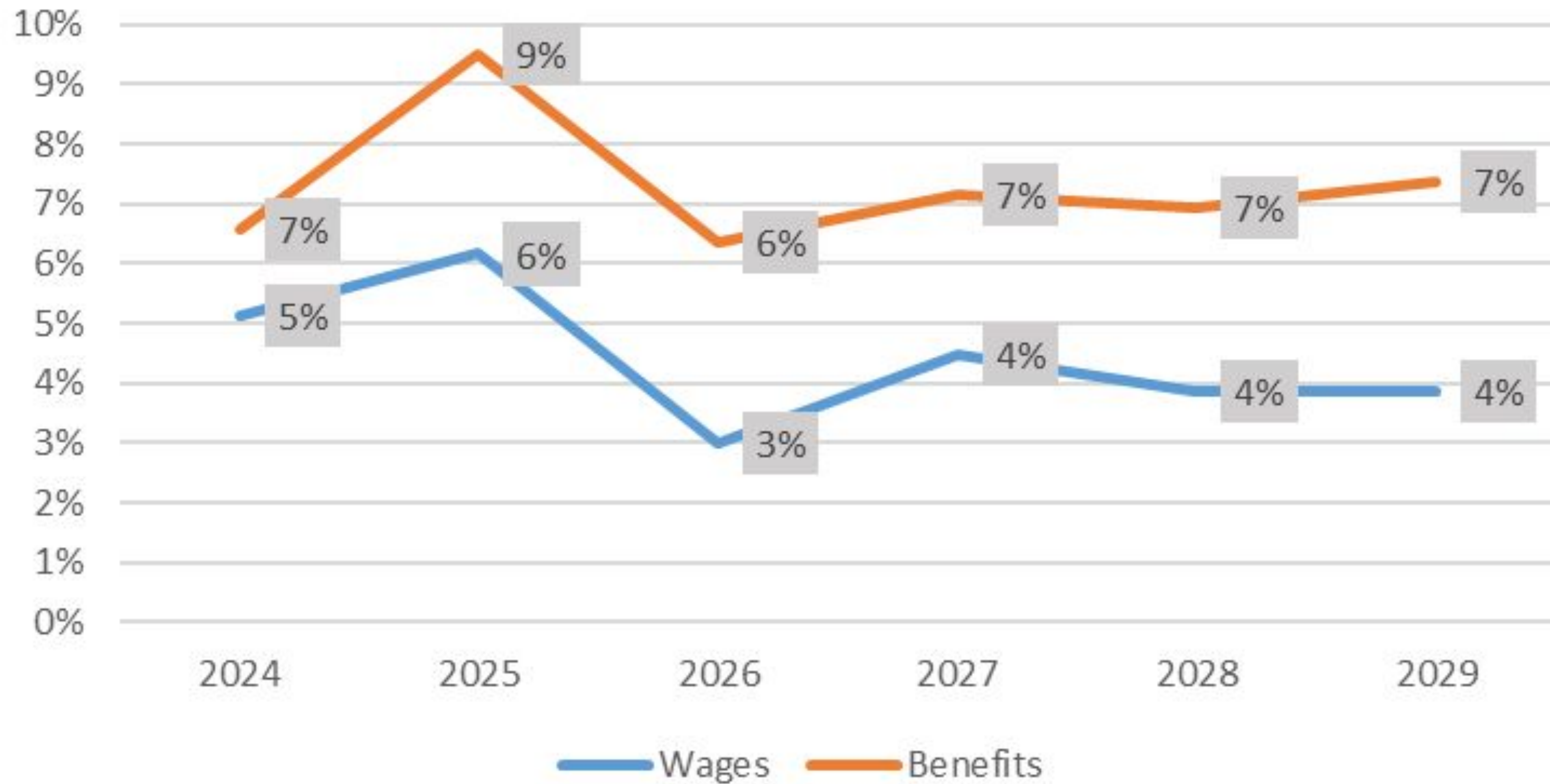
## Operating Transfers Out

- \$4.1 million to PI Fund, \$135,000 to Athletic Funds

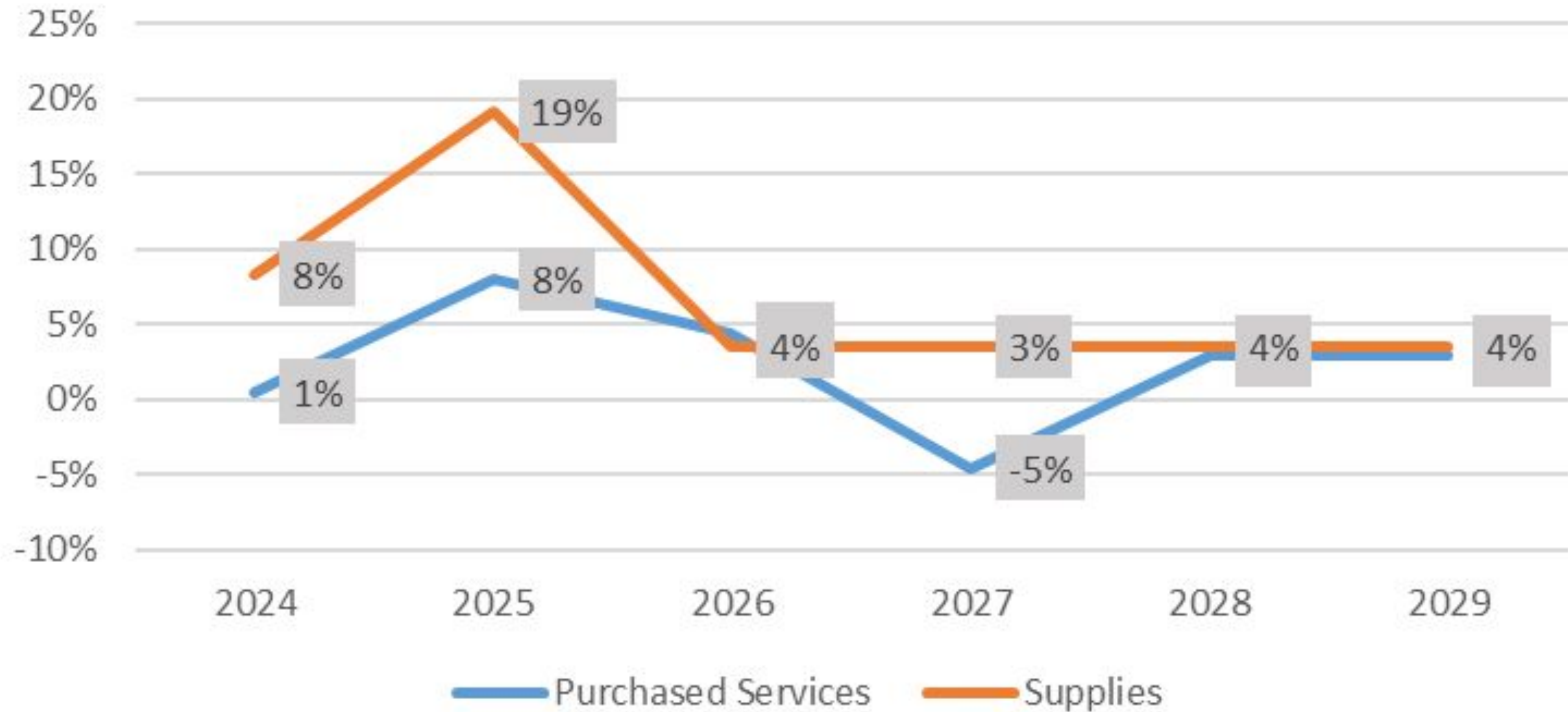
# Expenditure History & Projections (Operating Expenditures)

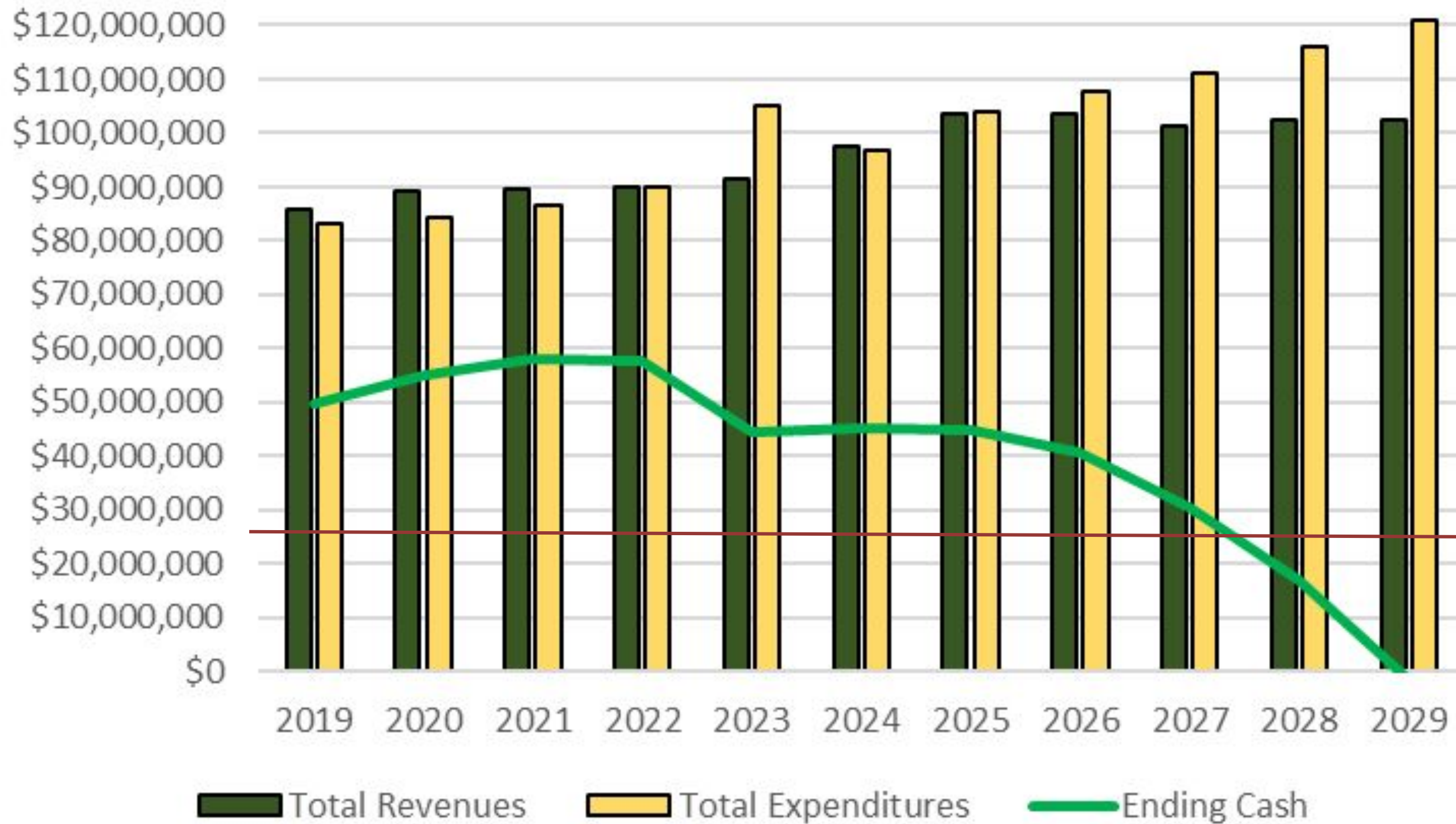


## Forecasted Wage & Benefit % Increases



## Forecasted Purchased Srvs & Supplies/Materials % Change





Board Policy DA – General Fund cash balance goal not less than 25% of operating expenditures  
 Approximately \$25 Million





# Summary

- Celebrate Financial Successes & Student Benefits (ROI)
- Analyze Options to Mitigate Financial Challenges in Year 4 & 5

# What's Next?

## Review Scenarios/Options

- Assume Full Phase-In of FSFP
- New Revenue in Calendar Year 2026
- Slowing the Growth of Expenditures
- Combination of New Revenue & Slowing the Growth of Expenditures

# Forecast Summary – November, 2024

## Sycamore Community City

Hamilton County

Schedule of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Years Ended June 30, 2022, 2023, 2024 Actual;  
 Forecasted Fiscal Year Ending June 30, 2025 through 2029

		Forecasted				
		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
2.080	Total Revenues	\$ 103,761,783	\$ 103,557,727	\$ 101,275,401	\$ 102,272,507	\$ 102,441,940
5.050	Total Expenditures	\$ 104,003,225	\$ 107,821,552	\$ 111,145,838	\$ 115,906,965	\$ 121,009,616
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (241,442)	\$ (4,263,825)	\$ (9,870,437)	\$ (13,633,458)	\$ (18,567,676)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$ 45,063,935	\$ 44,822,493	\$ 40,558,668	\$ 30,688,231	\$ 17,054,773
7.020	Cash Balance June 30	\$ 44,822,493	\$ 40,558,668	\$ 30,688,231	\$ 17,054,773	\$ (1,512,903)
	Cash Balance Goal	\$ 24,942,056	\$ 25,896,638	\$ 26,727,710	\$ 27,917,741	\$ 29,193,654
	Days of Cash	157	137	101	54	(5)

# Scenario: FSFP Fully Phased-In & 6.5 Mill Levy (Assumes 4.5 Operating & 2 PI)

FSFP Full Phase-In, 6.5 Mill Levy CY2026

		Forecasted				
		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
2.080	Total Revenues	\$ 103,761,783	\$ 104,668,495	\$ 110,187,576	\$ 117,403,314	\$ 117,572,747
5.050	Total Expenditures	\$ 104,003,225	\$ 107,821,552	\$ 108,269,192	\$ 111,806,965	\$ 116,909,616
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(\$241,442)	(\$3,153,057)	\$1,918,384	\$5,597,349	\$663,131
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$ 45,063,935	\$ 44,822,493	\$ 41,669,436	\$ 43,587,820	\$ 49,185,168
7.020	Cash Balance June 30	\$ 44,822,493	\$ 41,669,436	\$ 43,587,820	\$ 49,185,168	\$ 49,848,299
	Cash Balance Goal	\$ 24,942,056	\$ 25,896,638	\$ 26,727,710	\$ 27,917,741	\$ 29,193,654
	Days of Cash	157	141	147	161	156

# Scenario: FSFP Fully Phased-In

		FSFP Full Phase-In				
		Forecasted				
		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
2.080	Total Revenues	\$ 103,761,783	\$ 104,668,495	\$ 103,715,122	\$ 104,712,228	\$ 104,881,661
5.050	Total Expenditures	\$ 104,003,225	\$ 107,821,552	\$ 111,145,838	\$ 115,906,965	\$ 121,009,616
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(\$241,442)	(\$3,153,057)	(\$7,430,716)	(\$11,193,737)	(\$16,127,955)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$ 45,063,935	\$ 44,822,493	\$ 41,669,436	\$ 34,238,720	\$ 23,044,983
7.020	Cash Balance June 30	\$ 44,822,493	\$ 41,669,436	\$ 34,238,720	\$ 23,044,983	\$ 6,917,028
	Cash Balance Goal	\$ 24,942,056	\$ 25,896,638	\$ 26,727,710	\$ 27,917,741	\$ 29,193,654
	Days of Cash	157	141	112	73	21

# Scenario: FSFP Fully Phased-In & 1.6% Expenditure Growth Cap

FSFP Full Phase-In, 1.6% Expenditure Growth Cap

		Forecasted				
		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
2.080	Total Revenues	\$ 103,761,783	\$ 104,668,495	\$ 103,715,122	\$ 104,712,228	\$ 104,881,661
5.050	Total Expenditures	\$ 104,003,225	\$ 105,667,277	\$ 107,357,953	\$ 109,075,680	\$ 110,820,891
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(\$241,442)	(\$998,781.60)	(\$3,642,831.03)	(\$4,363,452.27)	(\$5,939,230.16)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$ 45,063,935	\$ 44,822,493	\$ 43,823,711	\$ 40,180,880	\$ 35,817,428
7.020	Cash Balance June 30	\$ 44,822,493	\$ 43,823,711	\$ 40,180,880	\$ 35,817,428	\$ 29,878,198
	Cash Balance Goal	\$ 24,942,056	\$ 25,896,638	\$ 26,727,710	\$ 27,917,741	\$ 29,193,654
	Days of Cash	157	151	137	120	98

\$23 Million Less in Forecasted Expenditures (FY26-FY29): Avg \$5.74 Million Annually

# Scenario: FSFP Fully Phased-In, 6.5 Mill Levy in CY26 & Expenditure Growth Cap 2.25%

FSFP Full Phase-In, 6.5 Mill Levy CY2026, 2.25% Expenditure Growth Cap

		Forecasted				
		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
2.080	Total Revenues	\$ 103,761,783	\$ 104,668,495	\$ 110,187,576	\$ 117,403,314	\$ 117,572,747
5.050	Total Expenditures	\$ 104,003,225	\$ 106,343,298	\$ 108,736,022	\$ 111,182,582	\$ 113,684,190
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(\$241,442)	(\$1,674,802.56)	\$1,451,553.91	\$6,220,731.38	\$3,888,556.28
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$ 45,063,935	\$ 44,822,493	\$ 43,147,690	\$ 44,599,244	\$ 50,819,976
7.020	Cash Balance June 30	\$ 44,822,493	\$ 43,147,690	\$ 44,599,244	\$ 50,819,976	\$ 54,708,532
	Cash Balance Goal	\$ 24,942,056	\$ 25,896,638	\$ 26,727,710	\$ 27,917,741	\$ 29,193,654
	Days of Cash	157	148	150	167	176

\$16 Million Less in Forecasted Expenditures (FY26-FY29): Avg \$4 Million Annually

# Assumed Timing – Calendar Year 2026

## May 7, 2026 Election

- 100 Day Deadline: (January 25, 2026)
  - Resolution of Necessity Approved & Filed with County Auditor
- 90 Day Deadline: (February 6, 2026)
  - Resolution of Necessity, County Auditor's Certificate and Resolution to Proceed Must be Filed with County Board of Elections

## November 5, 2026 Election

- 100 Day Deadline: (July 26, 2026)
  - Resolution of Necessity Approved & Filed with County Auditor
- 90 Day Deadline: (August 7, 2026)
  - Resolution of Necessity, County Auditor's Certificate and Resolution to Proceed Must be Filed with County Board of Elections



# How Collection of New Revenue Works

## 6.5 Mill Levy Modeling:

- 4.5 Mill Operating Generates Approximately \$12.7 Million Annually
- 2 Mill Permanent Improvement Generates Approximately \$5.6 Million Annually

## If Approved in May or November of 2026:

- February, 2027 Tax Settlement would Generate Approximately 1/2 of Annual Revenue
  - \$6.35 Million Operating
  - \$2.8 Million PI
- Fiscal Year Ends June 30, 2027
  - Received 50% of New Revenue in 1st Fiscal Year following Approval
- July 1, 2027 – June 30, 2028
  - District Receives Full Year Collections

# Next Steps

- Advocacy
- Review Financial Parameters/Expenditure Growth Cap Options with Board Representatives
  - Prepare Recommendations for February/March Financial Retreat
- Continue to Monitor Finance
- Continue to Engage with Community