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BELIEVE

EMPOWER

ACHIEVE

General Fund
Five Year Forecast
July 1, 2024 Through June 30, 2029

Mark Donnelly, Treasurer/CFO

October 28, 2024



O.R.C. and O.A.C. Requirements

- O.R.C. 5705.391 and O.A.C. 3301-92-04
 - Require a Board of Education to submit a five-year projection of operational revenues and expenditures along with assumptions to the Ohio Department of Education prior to November 30th and an update by May 31st of each fiscal year
- Required funds to be included in the five-year forecast are:
 - General Funds (001)
 - Any special cost center associated with general fund money
 - Emergency levy funds (016)
 - Any debt service (002) activity that would otherwise have gone to the General Fund



FIVE-YEAR FORECAST PRESENTATION

- **Noteworthy Financial Impacts**
- **Revenue and Expenditure changes from FY24 to FY25**
- **Challenges for FY25 and beyond**
- **Revenues – the past 10 years and the next 5 years**
- **Expenditures - the past 10 years and the next 5 years**
- **Summary**
- **Q & A**

NOTEWORTHY FINANCIAL IMPACTS

- **ESSER funds have been completely exhausted as of September 1, 2024. Since June 2021, the Federal Government has provided \$2.2 million to Buckeye Local Schools to address a wide variety of Covid related issues. All expenses formally covered with these funds will now fall on the General Fund.**
- **Over the past 3 years, we have received \$376,665.00 in Safety Grant dollars to upgrade cameras, swipe badges, doors, I-Pads, radios, communications, and a School Bus GPS system. These improvements have been very helpful. Any additional improvements may impact the PI funds or possibly the General Fund.**



NOTEWORTHY FINANCIAL IMPACTS *(con't)*

- **On November 5, 2024, the Buckeye Schools have a \$59 million Bond issue on the ballot. In the event that Issue 15 is approved by the voters, the Master Facility Plan has called for a C.O.P.'s loan and a contribution of School District cash reserves to help fund the construction project. The reduction of cash reserves will eventually reduce our investment revenue. Additionally, the C.O.P.'s loan will require an estimated \$750,000 per year from our general fund revenue to service this debt. These impacts are NOT included in the forecast being presented tonight.**
- **Our Emergency levy will expire on 12/31/27. If this levy is not renewed, it will negatively impact our annual General Fund revenue by \$3,201,000.**



REVENUE AND EXPENDITURE CHANGES FROM FY24

- **Most of our revenue sources will remain fairly flat for FY25 with only modest growth. The one exception will be the interest on our investments will increase from \$530,000 in FY24 to an estimated \$1,400,000 in FY25. This is due to a new cash management decision to move funds from our operating account into the Star Ohio account, to provide some additional revenue.**
- **The negotiated agreement with Buckeye Local Education Association (BLEA) in the spring of 2023 (BLEA) resulted in annual raises of 3% in each year of the three-year agreement. The negotiations with OPASE in the spring of 2024 resulted in annual raises of 4%, 3%, and 3% over the term of the 3-year agreement. With salaries and benefits being 80% of our expenditures, these contracts are an important part of the forecast.**

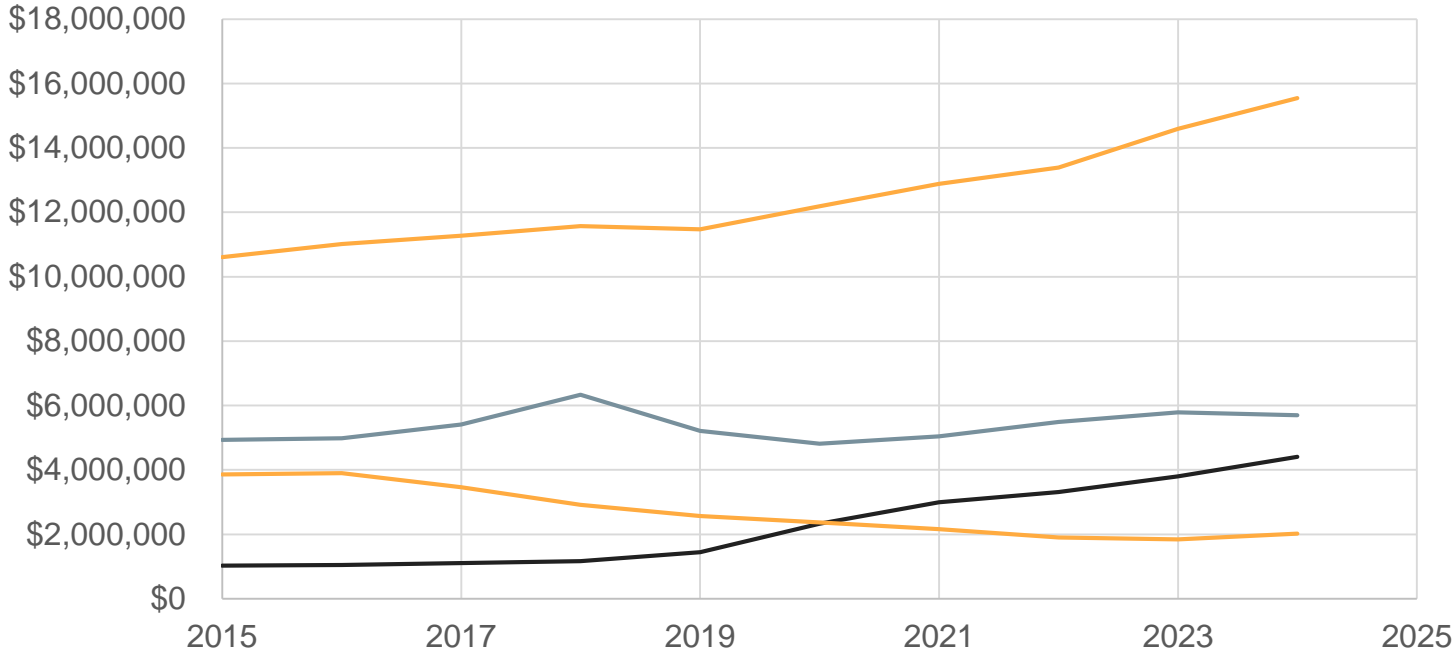


GENERAL FUND CHALLENGES FOR FY25 AND BEYOND

- **The Buckeye Local Schools are in a very solid financial situation. However, the challenge we face is finding that very delicate balance between addressing facility and staffing needs with our available resources in a financially responsible and sustainable manner.**
- **With the potential passage of the \$59 million bond issue on November 5th and the subsequent construction project(s), we will need to be very mindful of all other facilities that have not been included in the construction plans to ensure we are taking the necessary steps to ensure all students and staff are warm, safe, and dry throughout the school day.**



Revenue History - 2015 to 2024



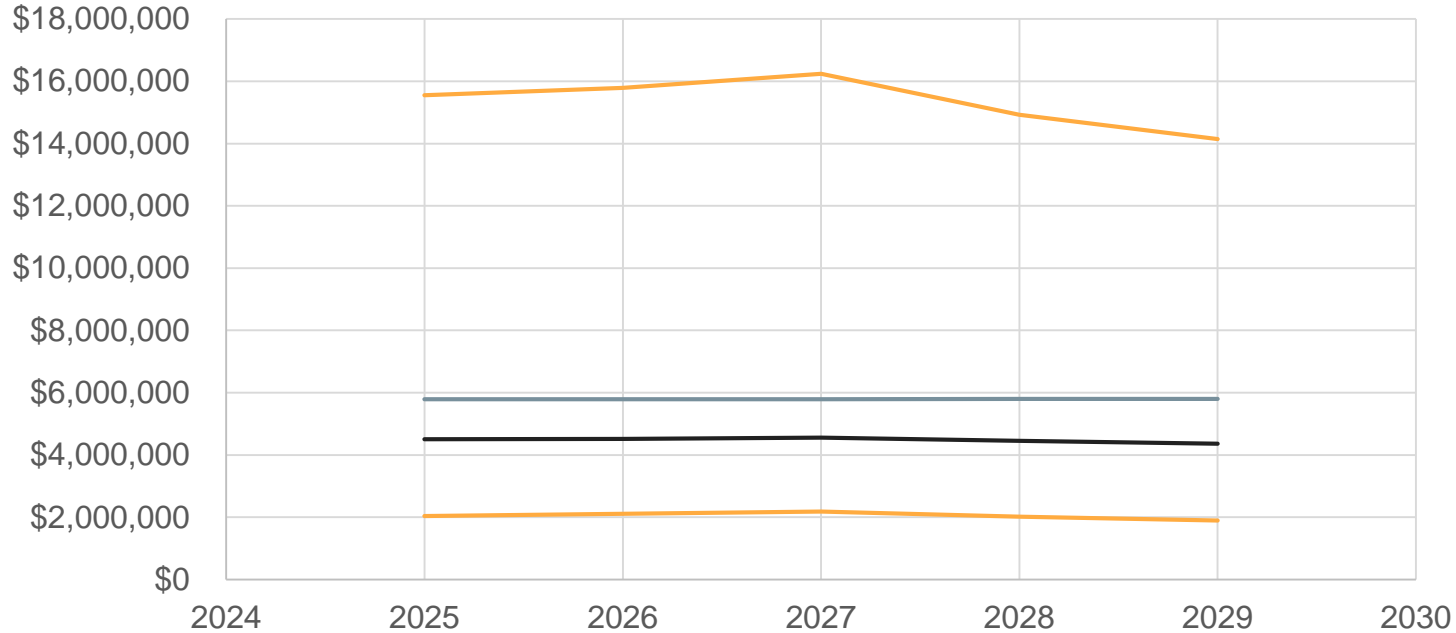
- General Property Tax
- Unrestricted Grants - State Aide
- Public Utility Personal Property Tax
- State Share of Local Property Taxes



Revenue Forecast Overview

- Only includes the General and Emergency Levy funds.
- General Property Tax, Personal Property Tax and the State Share of Property Tax are basically local revenue sources accounting for roughly 2/3 of our revenue stream (Over \$22 million). There may be a bump in 2026 due to Buckeye Schools being at the 20-mill floor for Res/Ag. once the reappraisal is completed in 2025.
- However, the emergency levy must be renewed before the end of CY2027 to avoid a loss of \$3.2 million per year. The first time this issue can be placed before the voters is in May 2026.
- State Aid is projected to remain relatively flat for the next few years.
- As mentioned earlier, the investment revenue will increase this year. However, the Federal Reserve will adjust rates which makes this revenue source unreliable on a long-term basis.

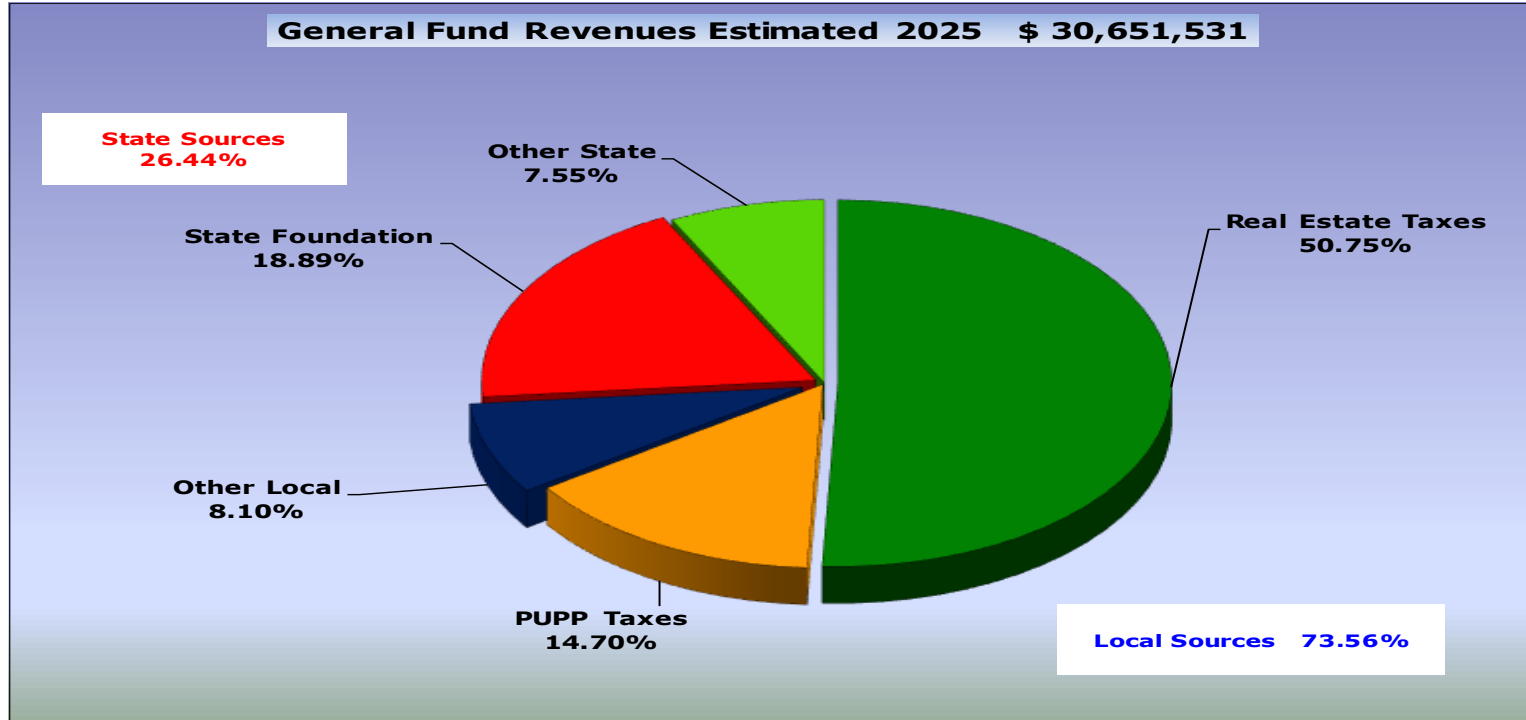
Forecasted Revenues - 2025 to 2029



— General Property Tax
— Public Utility Personal Property Tax
— Unrestricted Grants - State Aid



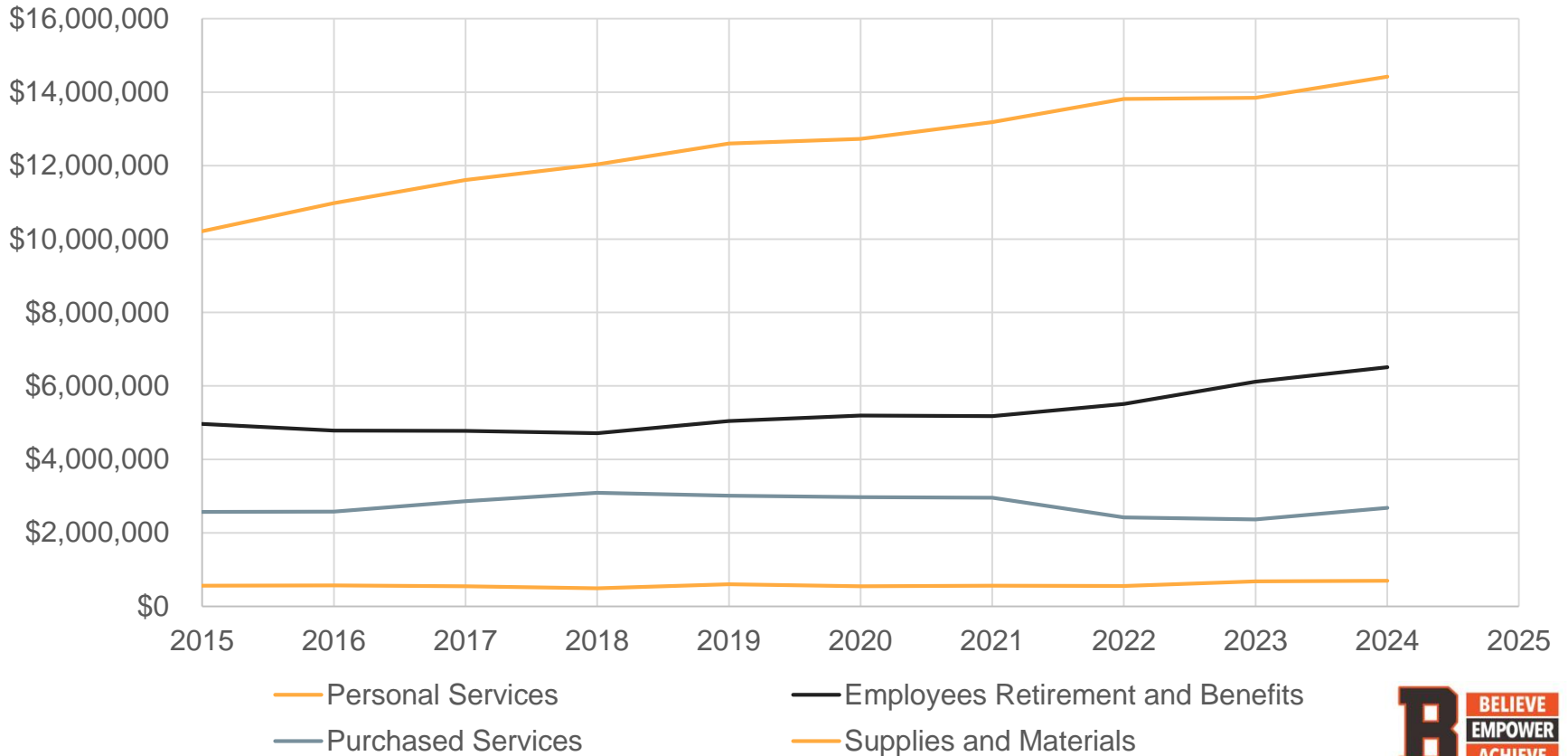
Est. General Fund Revenue Sources FY25



- State of Ohio share is a significant source of funding
- Open Enrollment attending students are included in basic state aid

		Actual				Forecasted				
		Fiscal Year	Fiscal Year	Fiscal Year	Average	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
		2022	2023	2024	Change	2025	2026	2027	2028	2029
	Revenues									
1.010	General Property Tax (Real Estate)	\$13,393,204	\$14,588,627	\$15,548,538	7.8%	\$15,556,306	\$15,784,240	\$16,237,774	\$14,929,229	\$14,145,542
1.020	Public Utility Personal Property Tax	\$3,311,501	\$3,801,725	\$4,407,781	15.4%	\$4,506,283	\$4,521,326	\$4,557,754	\$4,458,986	\$4,362,334
1.030	Income Tax	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
1.035	Unrestricted State Grants-in-Aid	\$5,485,871	\$5,791,256	\$5,698,423	2.0%	\$5,789,506	\$5,791,513	\$5,793,549	\$5,795,615	\$5,797,713
1.040	Restricted State Grants-in-Aid	\$336,838	\$277,065	\$301,984	-4.4%	\$275,687	\$218,687	\$218,687	\$218,687	\$218,687
1.045	Restricted Federal Grants In Aid	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
1.050	State Share of Local Property Taxes	\$1,905,155	\$1,841,628	\$2,017,995	3.1%	\$2,039,878	\$2,108,475	\$2,185,484	\$2,024,140	\$1,900,181
1.060	All Other Revenues	\$860,896	\$1,230,293	\$1,587,223	36.0%	\$2,483,871	\$2,462,803	\$2,400,634	\$2,342,018	\$2,286,781
1.070	<i>Total Revenues</i>	\$25,293,465	\$27,530,594	\$29,561,944	8.1%	\$30,651,531	\$30,887,044	\$31,393,883	\$29,768,674	\$28,711,237
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
2.020	State Loans and Advancements (Approved)	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
2.040	Operating Transfers-In	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
2.050	Advances-In	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
2.060	All Other Financing Sources	\$585,686	\$577,665	\$532,293	-4.6%	\$548,262	\$564,710	\$581,651	\$599,100	\$617,073
2.070	<i>Total Other Financing Sources</i>	\$585,686	\$577,665	\$532,293	-4.6%	\$548,262	\$564,710	\$581,651	\$599,100	\$617,073
2.080	<i>Total Revenues and Other Financing Sources</i>	\$25,879,151	\$28,108,259	\$30,094,237	7.8%	\$31,199,793	\$31,451,754	\$31,975,533	\$30,367,775	\$29,328,310

Expense History - 2015 to 2024

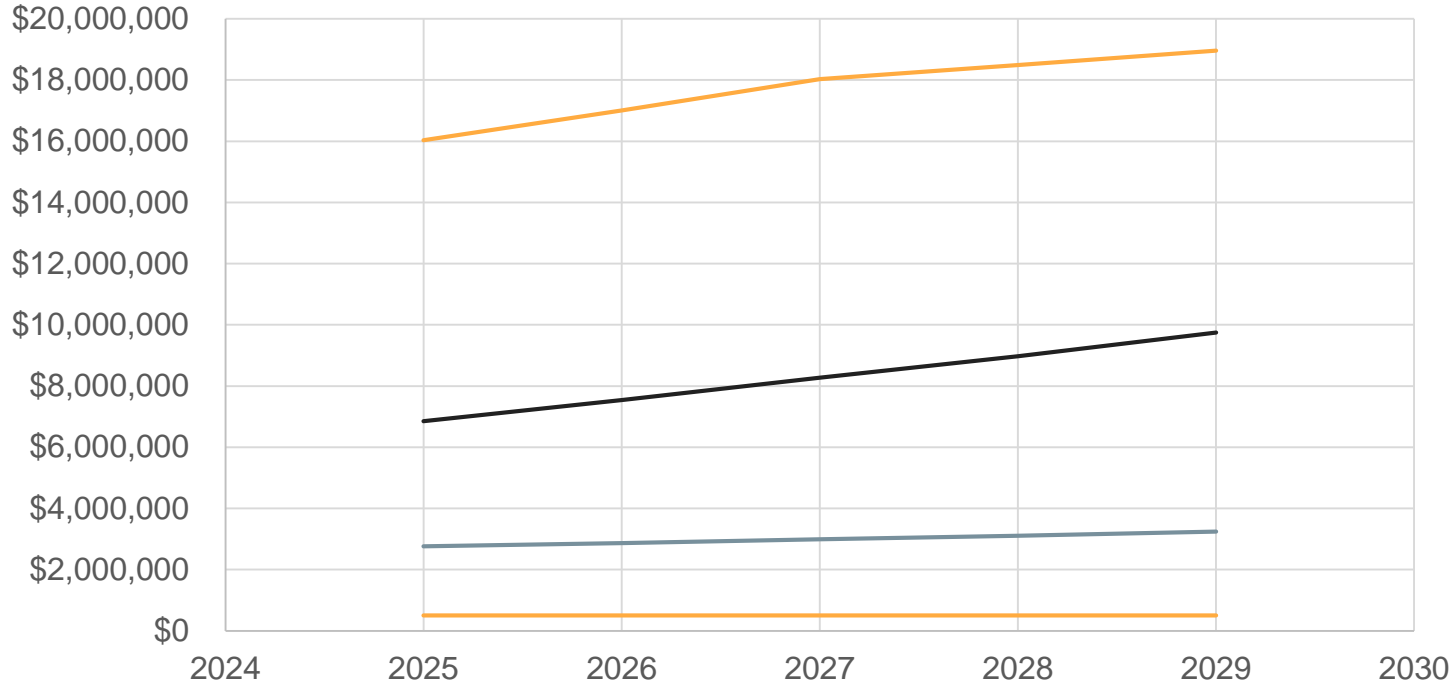


Expense Forecast Overview

- Payroll expenses jumped significantly this year due to ESSER Funds are no longer available to cover payroll expenses. There were also a few additional staff members brought in the year (Asst. Principal, School Psych, a few bus drivers)
- Employee retirement and insurance costs increased to stay in line with payroll increases and due to market conditions for the insurance market.
- Purchased Services is budgeted to increase as legal, utility, special education services, ESC costs, and substitute costs have all risen over the past couple of years. Participation in CCP has increased which also adds to our cost.
- Supplies and materials will increase this year as custodial, maintenance, and transportation needs increase due to increased costs.
- Capital outlay has budgeted funds to address facility needs that may be undetermined right now, however we will be able to react quickly if needed.

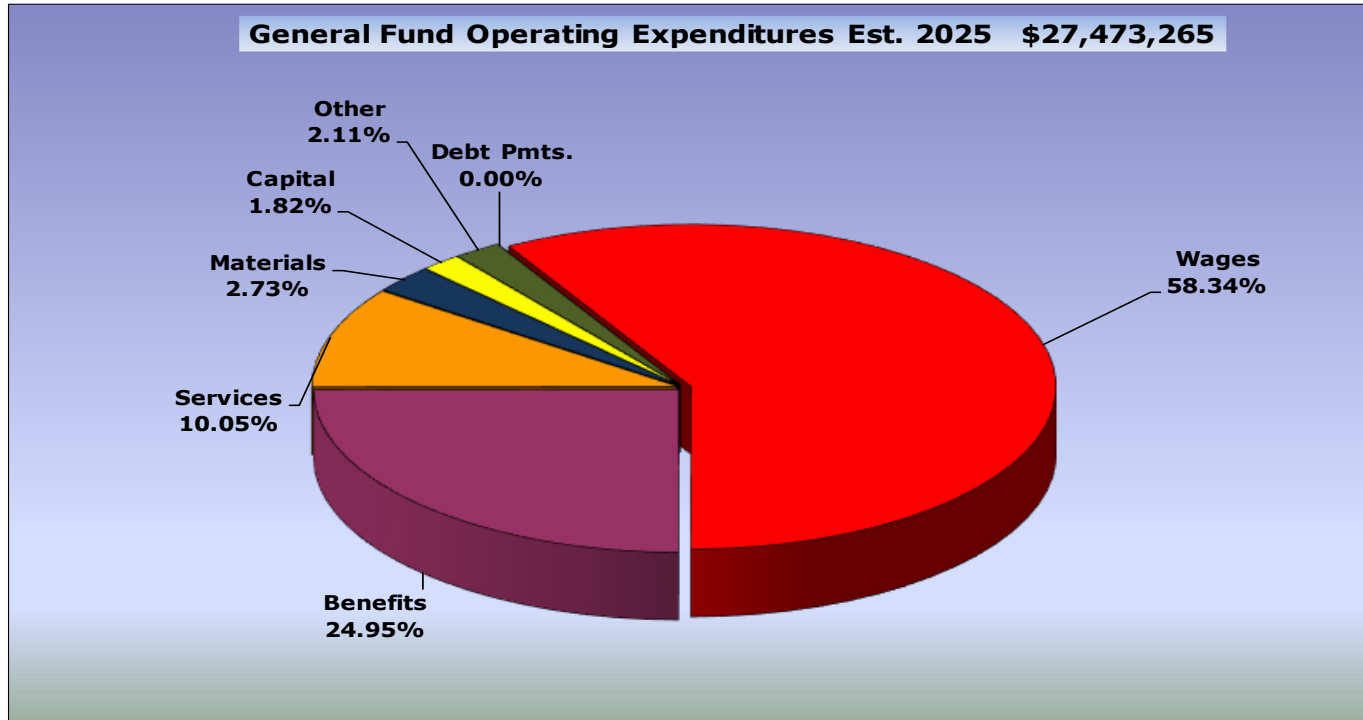


Forecasted Expenses - 2025 to 2029



— Personal Services — Employees Retirement and Benefits — Purchased Services — Capital Outlay

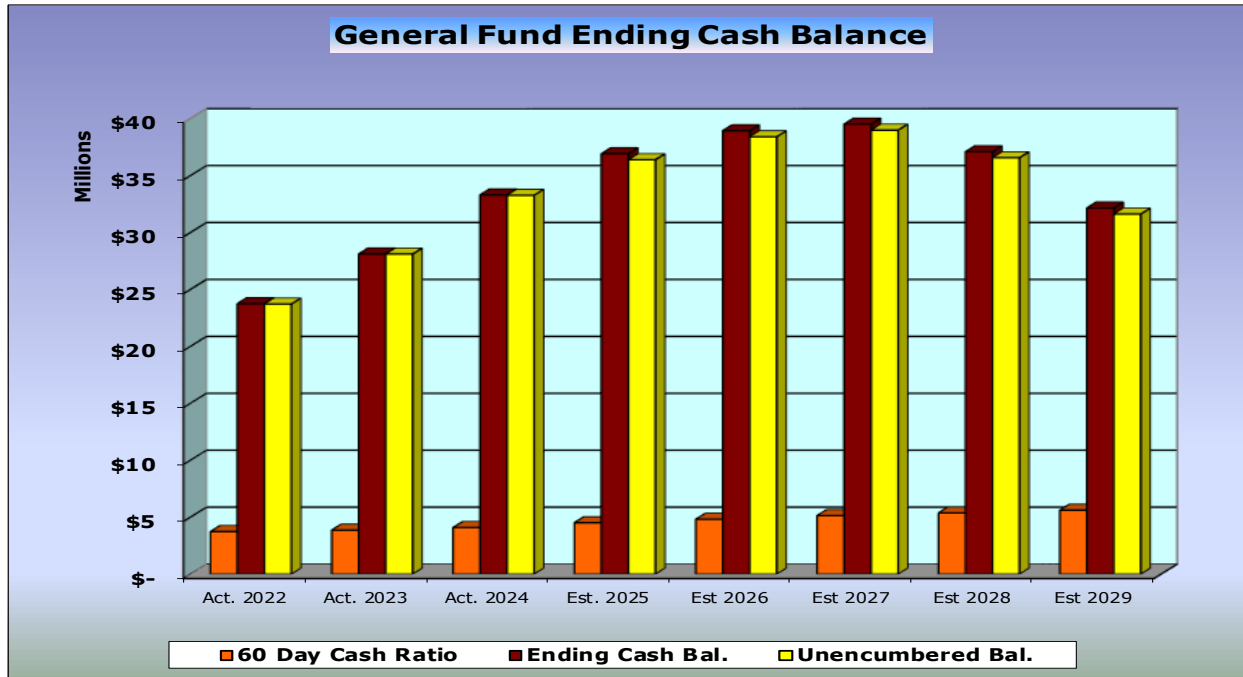
Est. General Fund Expenditures FY25



- Wages and benefits are 77.14%, the state average is 79.23% in FY23

		Actual				Forecasted				
		Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Average Change	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
	Expenditures									
3.010	Personal Services	\$13,819,271	\$13,851,189	\$14,426,490	2.2%	\$16,029,269	\$17,004,520	\$18,028,049	\$18,488,826	\$18,961,489
3.020	Employees' Retirement/Insurance Benefits	\$5,511,728	\$6,116,170	\$6,508,812	8.7%	\$6,854,186	\$7,543,902	\$8,269,989	\$8,975,542	\$9,750,547
3.030	Purchased Services	\$2,419,239	\$2,364,118	\$2,679,774	5.5%	\$2,761,126	\$2,871,784	\$2,988,296	\$3,111,048	\$3,240,457
3.040	Supplies and Materials	\$551,556	\$678,104	\$695,633	12.8%	\$750,241	\$809,563	\$874,031	\$944,122	\$1,020,356
3.050	Capital Outlay	\$0	\$0	\$0	0.0%	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
4.300	Other Objects	\$444,728	\$497,753	\$602,882	16.5%	\$578,443	\$606,616	\$636,781	\$669,115	\$703,810
4.500	<i>Total Expenditures</i>	\$22,746,522	\$23,507,334	\$24,913,591	4.7%	\$27,473,265	\$29,336,384	\$31,297,146	\$32,688,652	\$34,176,659
	Other Financing Uses									
5.010	Operating Transfers-Out	\$234,016	\$233,705	\$0	-50.1%	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
5.020	Advances-Out	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
5.030	All Other Financing Uses	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
5.040	<i>Total Other Financing Uses</i>	\$234,016	\$233,705	\$0	-50.1%	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
5.050	<i>Total Expenditures and Other Financing Uses</i>	\$22,980,538	\$23,741,039	\$24,913,591	4.1%	\$27,573,265	\$29,436,384	\$31,397,146	\$32,788,652	\$34,276,659
6.010	<i>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</i>	\$2,898,613	\$4,367,220	\$5,180,646	34.6%	\$3,626,528	\$2,015,370	\$578,388	(\$2,420,877)	(\$4,948,348)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$20,859,300	\$23,757,913	\$28,125,133	16.1%	\$33,305,779	\$36,932,307	\$38,947,677	\$39,526,065	\$37,105,188
7.020	<i>Cash Balance June 30</i>	\$23,757,913	\$28,125,133	\$33,305,779	18.4%	\$36,932,307	\$38,947,677	\$39,526,065	\$37,105,188	\$32,156,840

Ending Cash Balance



- 60 Day Cash Balance is minimum target to end year
- No less than \$-0- required by Ohio law

Thank You



Questions?