



NOVEMBER 2023 5 YEAR FORECAST

FY2024 THRU FY 2028
CRAIG YANIGLOS, CFO

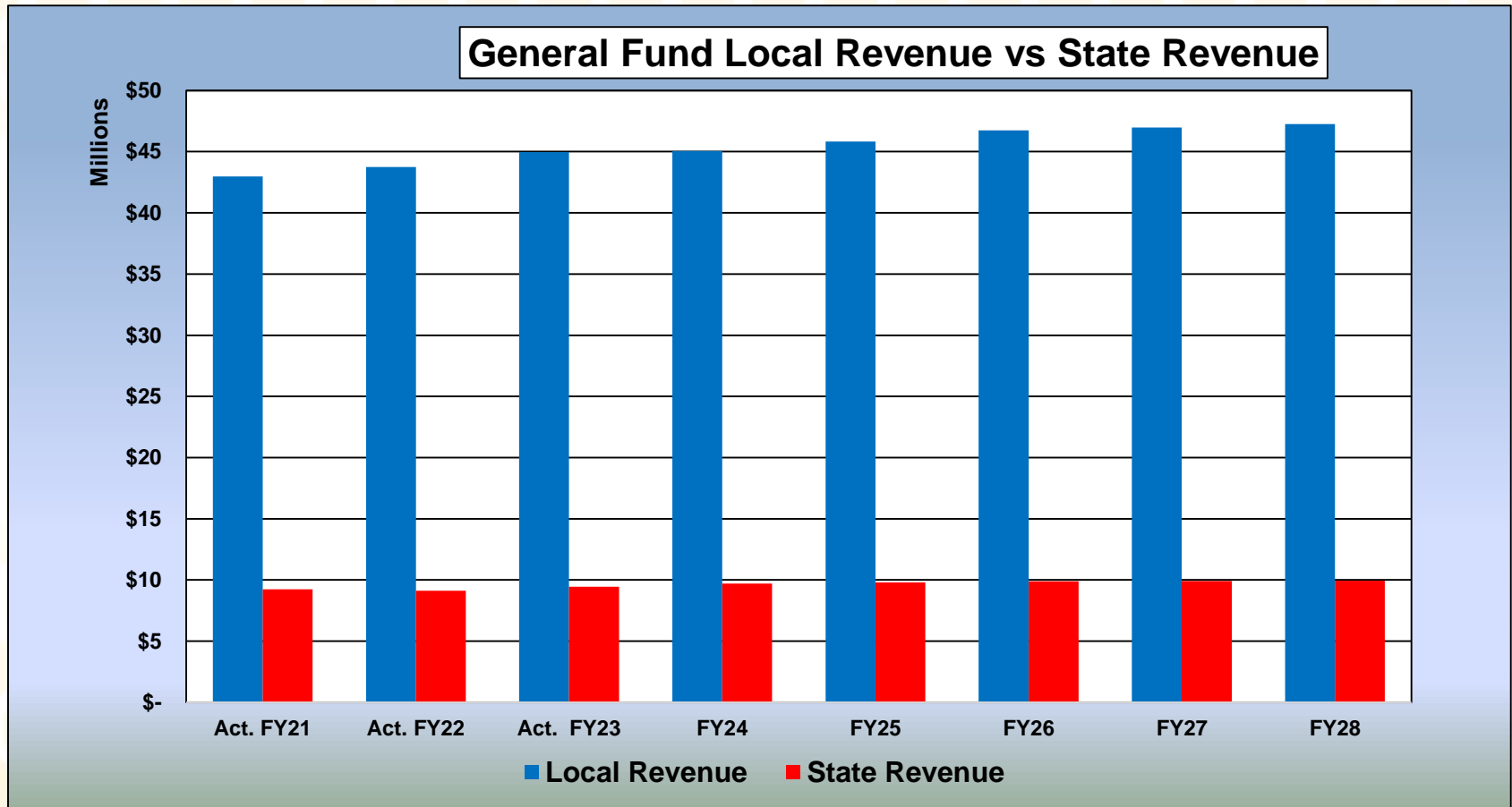
WHAT IS A FORECAST?

A forecast is a snapshot at a specific point in time and based off of the most current information available.

DISCLAIMERS:

1. A forecast is a living document and can change within hours or days of publication.
2. Assumptions laid out in this presentation in no way represent a baseline for any current or future negotiations with CBAs.
3. BBHCSD continues to monitor its financial situation in a very unique economic environment.
4. The forecast includes potential revenues regarding the Sherwin Williams/Valor Acres TIF – updated as of April 2023.

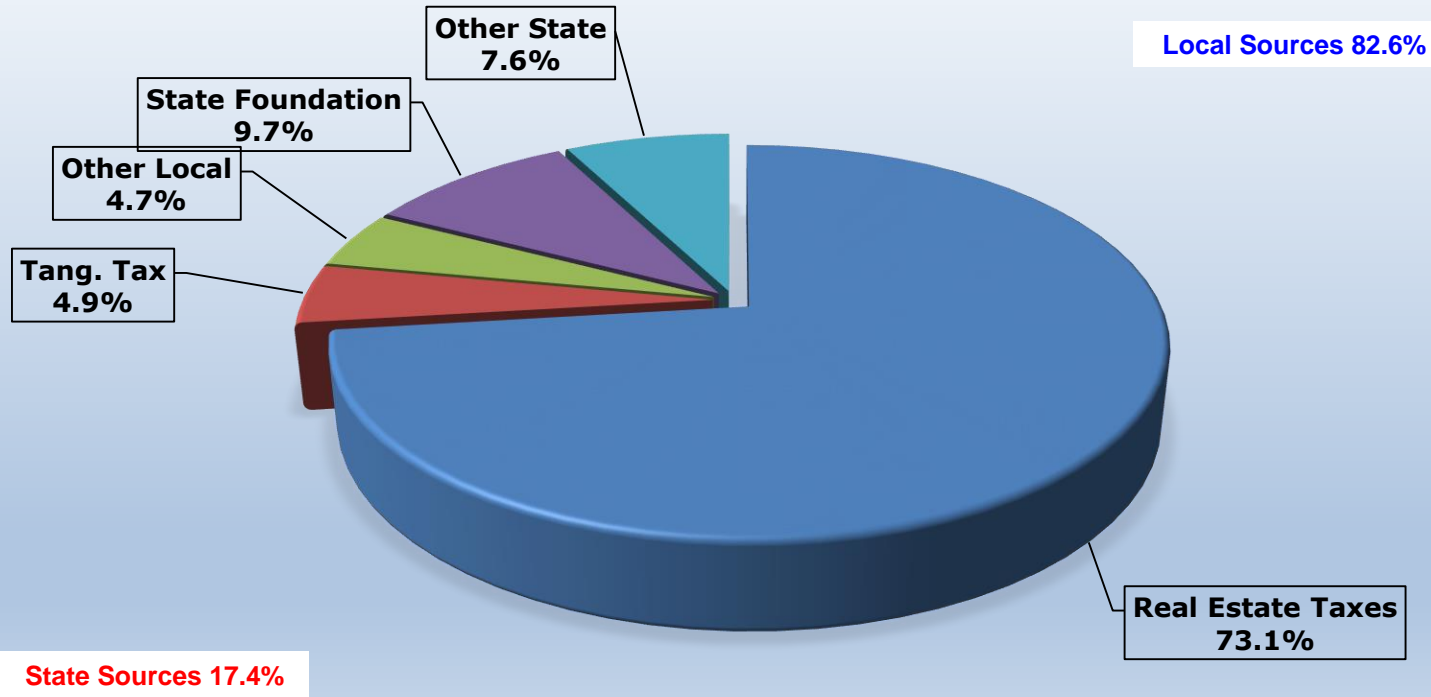
BBHCSD IS MOSTLY LOCALLY FUNDED



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ACTUAL REVENUES FROM FY23

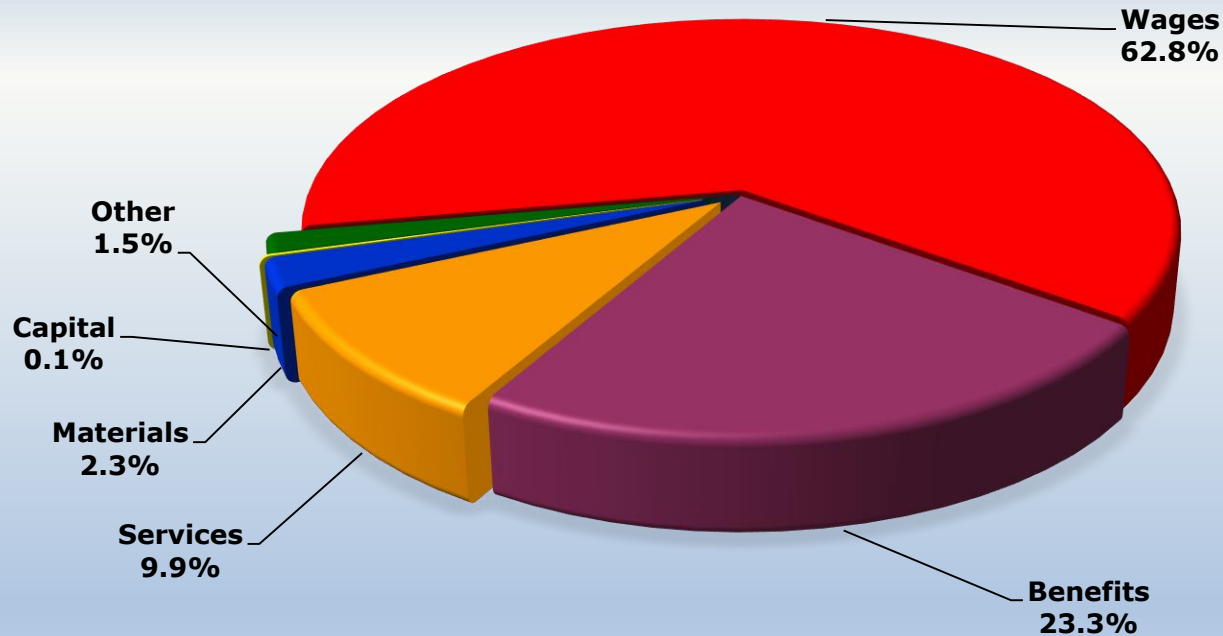
GENERAL FUND ACTUAL REVENUES FY23 \$54,406,188



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EXPENDITURE PROJECTIONS FY24

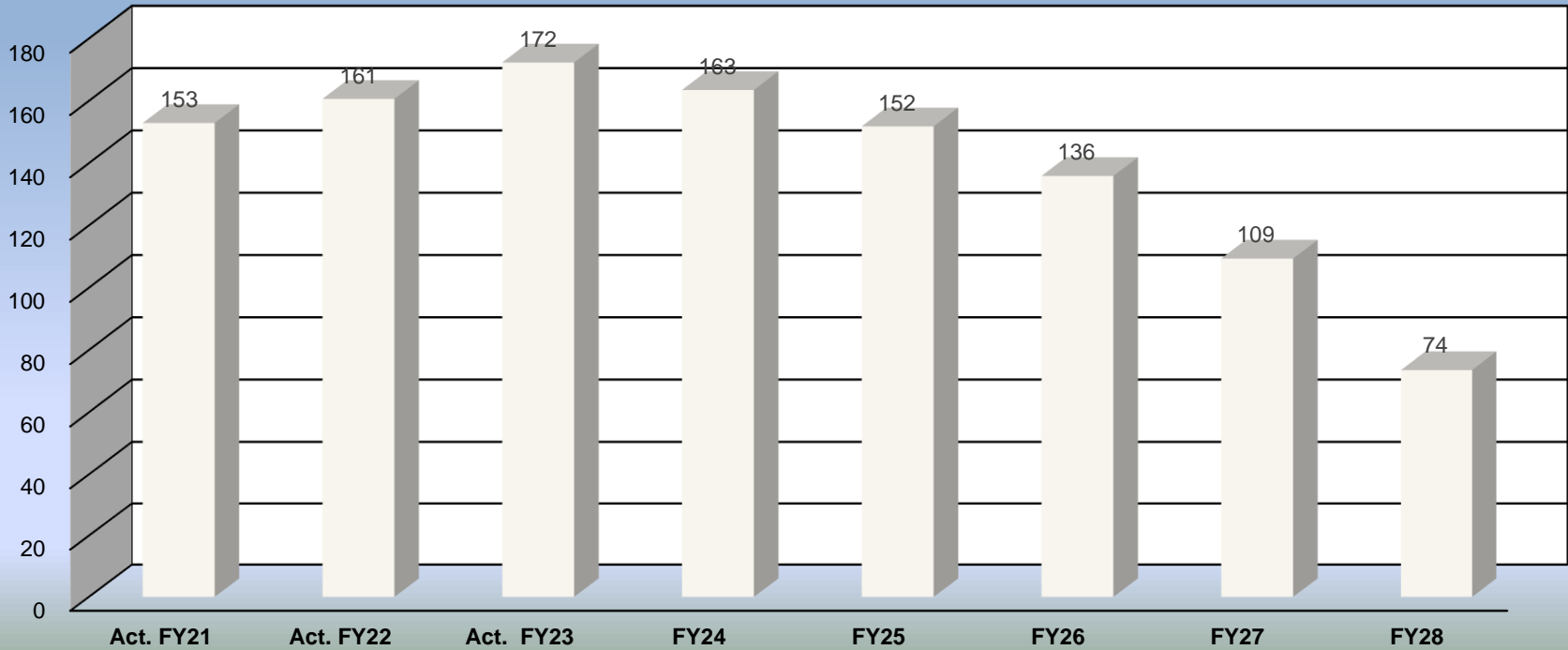
GENERAL FUND OPERATING EXPENDITURES EST. FY24
\$54,734,988



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CASH BALANCES AND TRUE DAYS CASH

Ending Unencumbered Cash Balance in True Cash Days



True days cash will begin to decline once deficit spending begins and will exponentially decrease until either expenditures decrease or revenues increase.

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KIS STATEMENT

		Actual			Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
2.08	Total Revenues	52,824,524	52,262,181	53,012,606	54,396,561	54,606,943	55,408,266	56,190,017	56,445,706
5.05	Total Expenditures	50,432,787	50,837,045	51,599,271	53,351,840	54,990,031	56,459,945	58,307,525	60,260,405
6.01	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses	2,391,737	1,425,136	1,413,335	1,044,722	(383,088)	(1,051,679)	(2,117,508)	(3,814,699)
7.01	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	17,475,491	19,867,228	21,292,364	22,705,699	23,750,421	23,367,332	22,315,653	20,198,145
7.02	Cash Balance June 30	19,867,228	21,292,364	22,705,699	23,750,421	23,367,332	22,315,653	20,198,145	16,383,446
	Reservations	0	0	87,403	100,000	100,000	100,000	100,000	100,000
1.30	Cumulative Balance of Renewal Levies	0	0	0	0	0	0	0	0
5.01	Unreserved Fund Balance June 30	19,867,228	21,292,364	22,618,296	23,650,421	23,267,332	22,215,653	20,098,145	16,283,446

Est. millage to cover deficit

		Actual			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
2.08	Total Revenues	52,262,181	53,012,606	54,444,397	54,797,211	55,669,304	56,668,974	56,917,510	57,234,178
5.05	Total Expenditures	50,837,045	51,599,271	52,407,277	54,864,988	56,673,059	58,471,965	60,544,380	62,734,535
6.01	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses	1,425,136	1,413,335	2,037,120	(67,777)	(1,003,755)	(1,802,991)	(3,626,870)	(5,500,357)
7.01	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	19,867,228	21,292,364	22,705,699	24,742,819	24,675,042	23,671,287	21,868,296	18,241,426
7.02	Cash Balance June 30	21,292,364	22,705,699	24,742,819	24,675,042	23,671,287	21,868,296	18,241,426	12,741,069
	Reservations	0	0	0	100,000	100,000	100,000	100,000	100,000
11.30	Cumulative Balance of Renewal Levies	0	0	0	0	0	0	0	0
15.01	Unreserved Fund Balance June 30	21,292,364	22,705,699	24,742,819	24,575,042	23,571,287	21,768,296	18,141,426	12,641,069

Economic Environment

1. HB187/SB153 are yet to be decided
 1. This would average reappraisals over 3 years.
 2. However, the legislature has floated the idea of lowering the 20 mill floor.
 3. What is the 20 mill floor? How are we affected?
2. Inflation still continues to drive prices of services and supplies higher.
3. Economic Recession is on the horizon according the most economists (60%) – when? July 2024?
 1. Unemployment beginning to increase.
 2. US Consumer Debt is at an all time high
 3. Inverted Yield Curve has predicted recessions for decades.

AMERICA'S \$1 TRILLION CREDIT CARD BALANCE

Americans' collective credit card bill surpassed \$1 trillion for the first time in Q2 2023.

\$1.03T
Q2, 2023

\$800B

\$600B

\$400B

\$200B

\$0

2005

2010

2015

2020



The average household credit card balance is **\$10,170**.

After the **2008** financial crisis, the delinquency rate on credit card loans peaked at 6.7%.



The average credit card charges around **21%** interest rate on overdue payments, nearly five percentage points higher than in 2022.



Sources: Federal Reserve Bank of New York/Equifax, WalletHub



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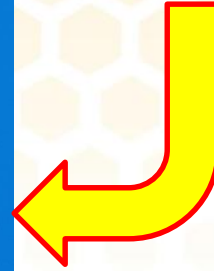


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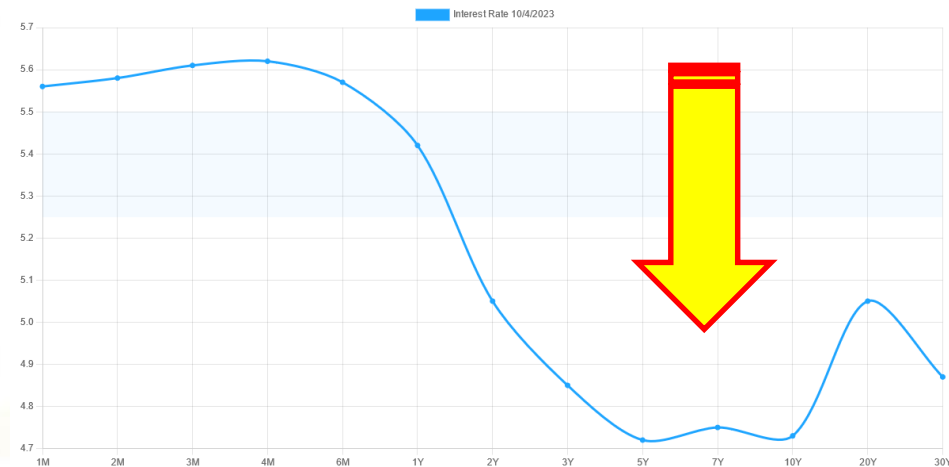


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Credit Card Debt



Inverted Yield Curve

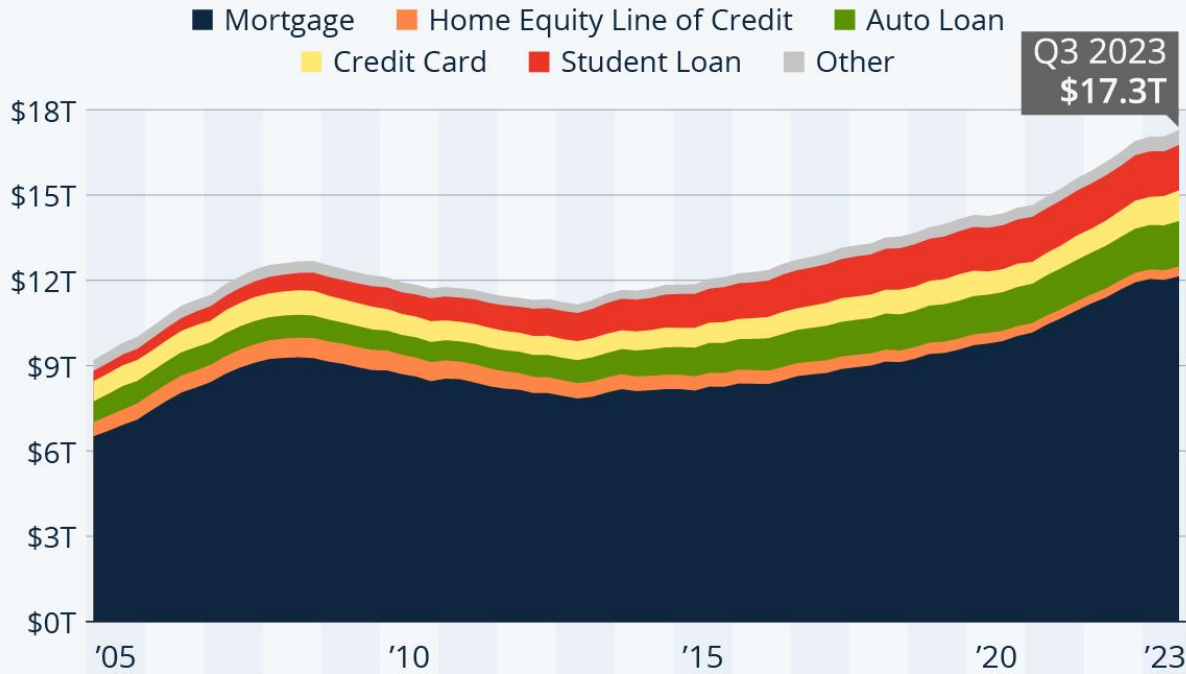


Historically, an inverted yield curve has been viewed as an indicator of a pending economic recession. When short-term interest rates exceed long-term rates, market sentiment suggests that the long-term outlook is poor and that the yields offered by long-term fixed income will continue to fall.

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U.S. Consumer Debt Climbs to \$17.3 Trillion

Total household debt balance in the United States, by category



Source: New York Fed Consumer Credit Panel/Equifax



Total US Consumer Debt

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GENERAL COMMENTS

1. HB126 has taken real dollars from commercial tax collections which has slowed real estate revenue growth for BBHCSD.
2. Continuing to work on tracking the TIF money from Valor Acres. One approval came through in July and we are expected to see TIF monies in the first half of 2024. This will be updated at the May presentation.
3. BBHCSD has done what it can to control costs and continues to pursue avenues to continue where possible.
4. BBHCSD continues to monitor its financial situation in a very unique economic environment.
5. Special Education costs have drastically changed the forecast due to several additional out placements.
6. Healthcare projections are better but still high due to inflation.

Questions?

Contact Craig Yaniglos for any questions.

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Presentation and notes are posted with [Department of Education and Workforce](#), [BoardDocs](#) and our [website](#).

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