

GREENEVIEW LOCAL SCHOOL DISTRICT-GREENE COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2022, 2023, and 2024 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2025, THROUGH JUNE 30, 2029



Forecast Provided By
Greeneview Local School District
Treasurer's Office
Inga Fisher, Treasurer
May 22, 2025

Greeneview Local School District – Greene County
Assumptions to the Five-Year Forecast
General Fund Only
May 22, 2025

Introduction to the Five-Year Forecast

A forecast is a snapshot of today. Based on historical trends, what we know and future assumptions. 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. Various 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, enrollment variances, 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 helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with the Ohio Department of Education and Workforce (ODEW) when events materially 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 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 Ohio Department of Education and Workforce, and the 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, and May 31, each fiscal year (July 1 to June 30). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the fiscal forecast is considered the baseline year. Our forecast is updated to reflect the most current economic data available for the May 2025 filing.

May 2025 Updates:

Revenues FY25

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 \$157 thousand or 0.85% higher than the November forecasted amount of \$18.53 million. This indicates that the November forecast was 99.15% accurate.

Line 1.01 and 1.02 - Property tax revenues represent a significant source of revenues at 34.23% and are estimated to be \$6.40 million, which is \$45 thousand higher for FY25 than the original November estimate of \$6.35 million. Our estimates are 99.28% accurate for FY25 and should mean future projections are also on target.

Line 1.03 - The district's collection of School District Income Tax (SDIT) was originally projected to be lower in the November forecast. Collections for FY25 are 4.55% over our original estimate by \$132 thousand. The SDIT represents 16.23% of the district revenues.

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 \$7.35 million, which is \$86 thousand lower than the original estimate for FY25. We are pleased that we were able to be 98.84% accurate for FY25. We are currently on the formula and are expected to remain as a formula district for FY26 through FY29.

Line 1.06 - Other revenues are up \$59 thousand over original estimates, primarily due to tuition and insurance claim payments received by the district, which are somewhat unpredictable from year to year.

All areas of revenue are tracking as anticipated for FY25 based on our best information at this time.

Expenditures FY25

Total General Fund expenditures (line 4.5) are estimated to be \$17.1 million for FY25, which is \$60 thousand higher than the original estimate of \$17.04 million in the November forecast, which is roughly 99.65 % on target with initial estimates. The expenditure line most significantly over projection is Capital Outlay (line 3.050) for additional equipment and Other Objects (line 4.300) for increased Auditor & Treasurer Fees.

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 ending primarily on target, our ending unreserved cash balance June 30, 2025, is anticipated to be roughly \$6.37 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2029 if assumptions we have made for property tax collections, state aid in future state budgets, and expenditure assumptions remain close to our estimates.

Forecast Risks and Uncertainty:

A five-year financial forecast has risks and uncertainty not only due to economic delays but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues and how they may affect our forecast in the long term:

1. Greene County experienced a triennial update and Clinton County experienced sexennial reappraisal in 2023 for collection in 2024. Together the reappraisal cycle increased the residential/agriculture values by 41.44% and the commercial/industrial values by 10.11%. Fayette County experienced the sexennial reappraisal in 2024 for collection in 2025 for a combined increase in Class I and Class II of \$1.48 million or 0.47%. There is, however, always a minor risk that the district could sustain a reduction in values in the next appraisal update, but we do not anticipate that at this time.

2. SB271 passed in 2024 created a Joint Committee on Property Taxation and Reform. This action was in response to the historic property valuation increases state-wide. The committee's mission was to review Ohio's property tax system and to make recommendations to the General Assembly on property taxation. The committee released their report to the General Assembly on January 2, 2025. The report outlined twenty-one (21) recommendations on actions that could be taken to restrict local tax growth for Ohio school districts.

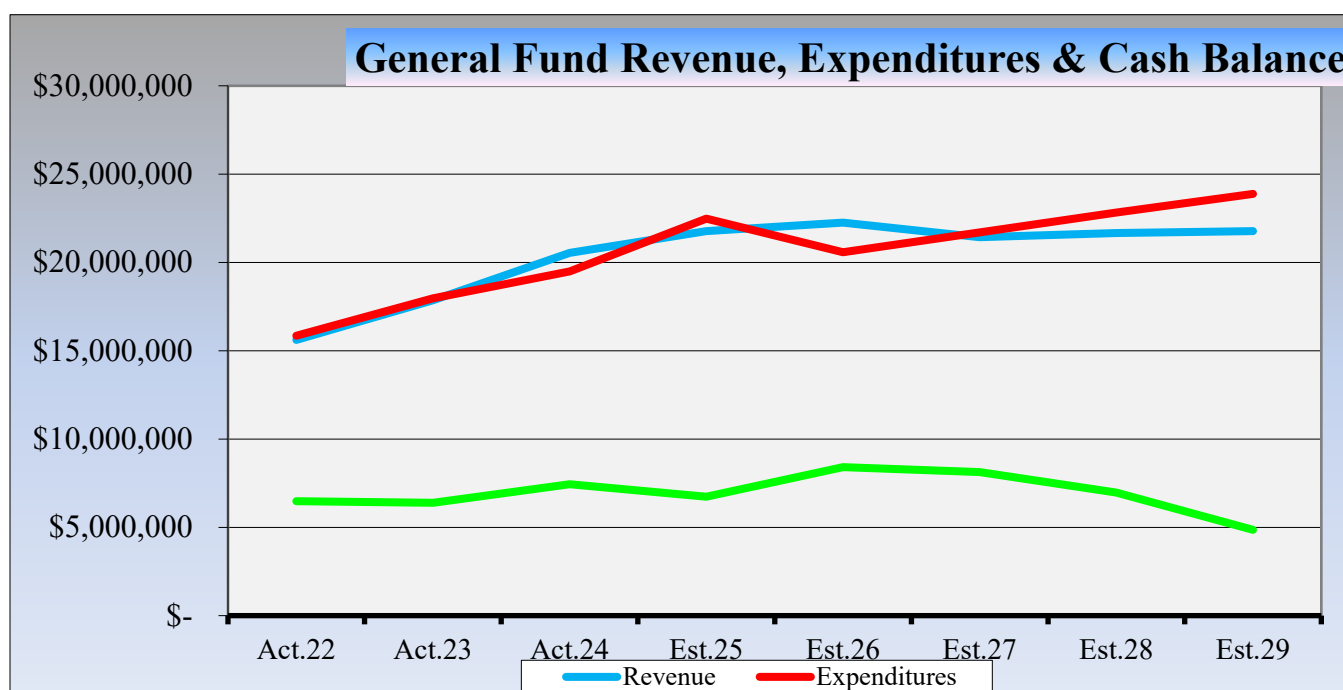
As a result of the numerous recommendations in the report, there are currently 14 pending pieces of legislation in the Ohio Legislature that seeks to limit growth of local property taxes in several different ways. The most egregious is HB96 which could impact every district in the state of Ohio. HB96 seeks to limit school district ending carry over cash balances to 30% of their prior years expenditures and to allow county budget commissions to suspend voter approved property tax levies and the 20-mill floor in order to reduce district reserves to the 30% target. HB96 has several severe consequences for school districts in terms of financial stability, loss of local control and will likely result in increased levy requests to district taxpayers. It is unclear at the time of this forecast whether HB96 will continue on through the Ohio Senate and be signed into law July 1, 2025. The district will be watching carefully for the final outcome of HB96 and several other legislative proposals that would limit property tax growth. Several of these proposals in addition to HB96 could be a very significant risk to future local tax growth for our district. We will update the forecast when factual data is available.

3. Income tax collections are dependent upon the economy. Previous years have seen both increases and decreases, which makes forecasting for income tax very difficult to do with the current economy. We will monitor the income tax revenue very closely for any positive or negative changes that may occur.
4. The state budget represents 43.55% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to the record high inflation or the Fair School Funding Plan is not funded in future state budgets due to an economic recession. In this forecast, two forthcoming State Biennium Budgets cover FY26-27 and FY28-29. The state legislature has shown little interest in equitably funding the current formula. The governors proposed budget recommendation in HB96 dated February 3, 2025, reduced funding for public school by \$103.5 million over FY26-27. The legislative process will continue with uncertainty through June 30, 2025, which is after the forecast must be approved. This is an area of elevated risk to district funding long-range through FY29. We have projected our state funding in FY25 based on HB33, our current state budget, which expires June 30, 2025. We will adjust the forecast for state aid in future years as we have reliable data to make an informed decision.
5. 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. FY25 reflects 66.67% of the implementation cost at year four of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.67% funding of (FSFP), however, the final two years of the phase-in are not guaranteed and are dependent on legislative actions for the FY26 and FY27 state biennium budget, which as of this forecast, does not appear favorable. We have used the April #2 foundation payment published by the Department of Education and Workforce for our forecasted revenues in FY25.

6. HB33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid for by the state of Ohio can expose the district to new expenditures currently outside the forecast. We closely monitor any new threats to our state aid and increased costs as new proposed laws are introduced in the legislature.
7. Labor relations in the district have been very amicable with all parties working for the best interest of students and realizing the resource challenges the district faces. We believe as the district moves forward a strong working relationship will continue.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Mrs. Inga Fisher, Treasurer of Greeneview Local Schools.

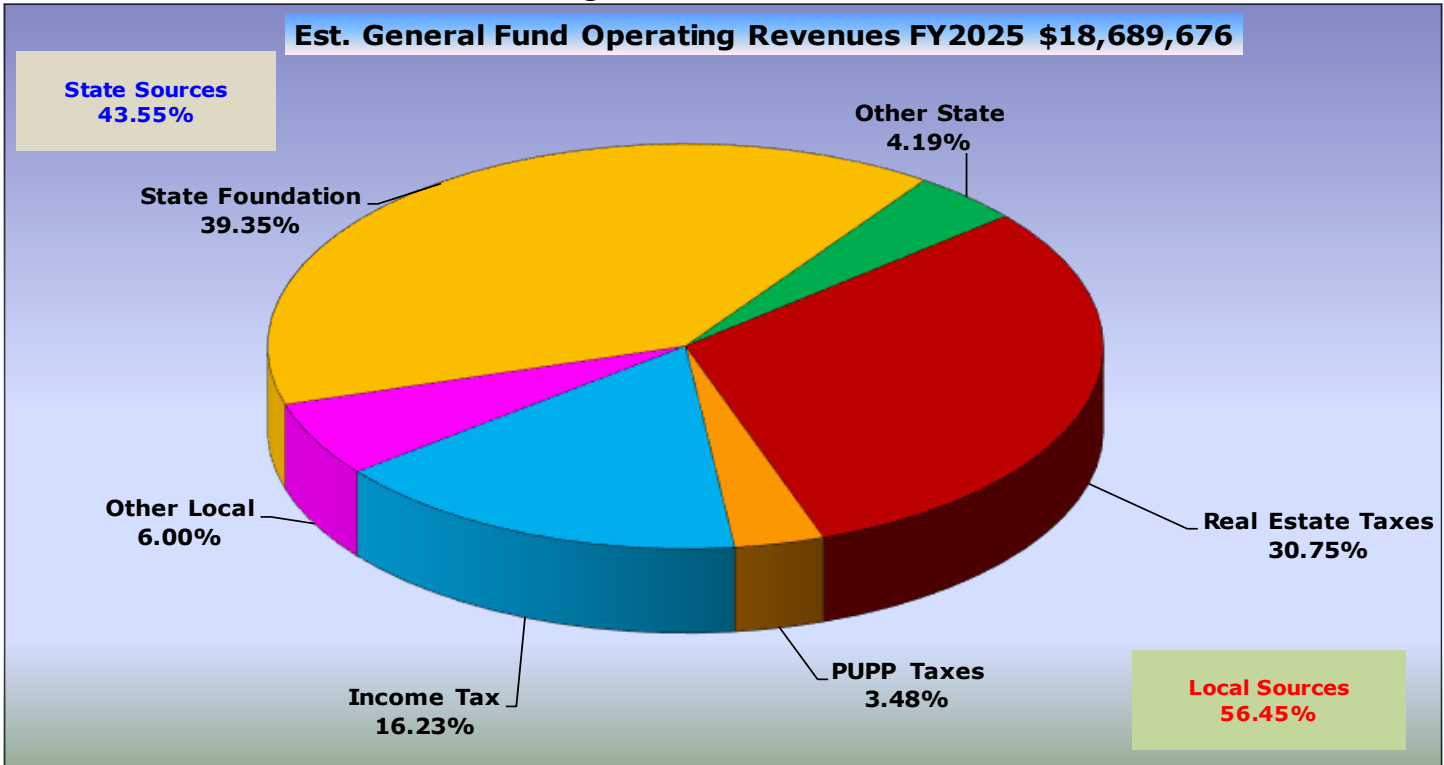
General Fund Revenue, Expenditure and Ending Cash Balance Actual FY22-24 and Estimated FY25-29



The graph above captures the finances in one snapshot of the operating scenario facing Greeneview Local Schools over the next few years.

Revenue Assumptions

Estimated Revenues for Fiscal Year Ending June 30, 2025



Property Valuation Assumptions

Property Values are established annually by the Greene, Clinton and Fayette County Auditors based on the type of property either residential/agriculture or commercial/industrial, which the values are defined even further based on new construction, demolitions, BOR/BTA activity, and complete reappraisal or updated values. Our district resides within three counties, each county reappraisal cycle can be in different years and each county three-year cycle can be either a sexennial reappraisal or the triennial update. Greene County had a triennial update and Clinton County had a sexennial reappraisal in 2023 for collection in 2024. Class I values increased by 41.44% or \$88.43 million and Class II values increased by 10.11% or \$1.27 million. Overall values increased in 2023 by \$91.81 million or 40.63%, which includes new construction for all classes of property. Fayette County experienced the sexennial reappraisal for the 2024 tax year to be collected in 2025. Residential/agricultural (Class I) values increased 0.17% or \$506 thousand and had no change for commercial/industrial (Class II) values.

The next reappraisal cycle for Greene and Clinton will occur in 2026 for collection in 2027, which we are estimating a 5.00% increase in Class I and a 2% increase in Class II values. A reappraisal update will occur in 2027 for collection in 2028 for Fayette County, for which we are estimating a 0.40% increase in Class I and no change for commercial/industrial property.

Public Utility Personal Property (PUPP) values change annually as the values are not included in the reappraisal or update years, which make them very difficult to forecast. PUPP values increased by \$1.04 million in Tax Year 2024, which is the largest increase in the past five years. We expect our values to continue to grow by \$650,000 each year of the forecast.

Estimated Assessed Property Valuations by Collection Year

	Actual	Estimated	Estimated	Estimated	Estimated
	TAX YEAR 2024	TAX YEAR 2025	TAX YEAR 2026	TAX YEAR 2027	TAX YEAR 2028
Classification	<u>COLLECT 2025</u>	<u>COLLECT 2026</u>	<u>COLLECT 2027</u>	<u>COLLECT 2028</u>	<u>COLLECT 2029</u>
Res./Ag.	\$305,278,780	\$306,068,780	\$322,162,219	\$324,240,868	\$325,030,868
Comm./Ind.	\$13,983,600	\$14,053,600	\$14,404,672	\$14,474,672	\$14,544,672
Public Utility (PUPP)	<u>\$19,329,900</u>	<u>\$19,979,900</u>	<u>\$20,629,900</u>	<u>\$21,279,900</u>	<u>\$21,929,900</u>
Total	<u>\$338,592,280</u>	<u>\$340,102,280</u>	<u>\$357,196,791</u>	<u>\$359,995,440</u>	<u>\$361,505,440</u>

Tax Rate Assumptions 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 27.75 mills while the Class I effective millage rate is 20.000020 mills, and the Class II effective millage rate is 20.00017 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 basically on the floor for both Class I and Class II.

General Property Tax (Real Estate) – Line #1.010

Property tax levies are estimated to be collected at 99.0% of the annual amount. Technically 100% of taxes will be settled on property due to Ohio’s property tax laws. The district receives tax payments for delinquent taxes at the rate of 0.52% in August and 2.05% in February collections. Property taxes are estimated to be collected at 57.89% of the Res/Ag and Comm/Ind in the February tax settlements and 42.17% collected in the August tax settlements.

Estimated Real Estate Tax Collections - Line #1.010

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Real Estate Tax Line #1.010	\$5,747,414	\$5,726,116	\$5,903,598	\$6,046,193	\$6,071,177

Estimated Public Utility Personal Tax – Line #1.020

The amounts below are public utility personal property (PUPP) tax payments from public utilities. Collections are typically 52.97% in March and 47.03% in August, along with the real estate settlements from the county auditor. The district received the delinquent taxes from the February 2024 collection in August 2024, which increased the amount for FY25.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Public Utility Personal Property Taxes (PUPP)	<u>\$649,741</u>	<u>\$545,960</u>	<u>\$563,997</u>	<u>\$582,035</u>	<u>\$600,072</u>

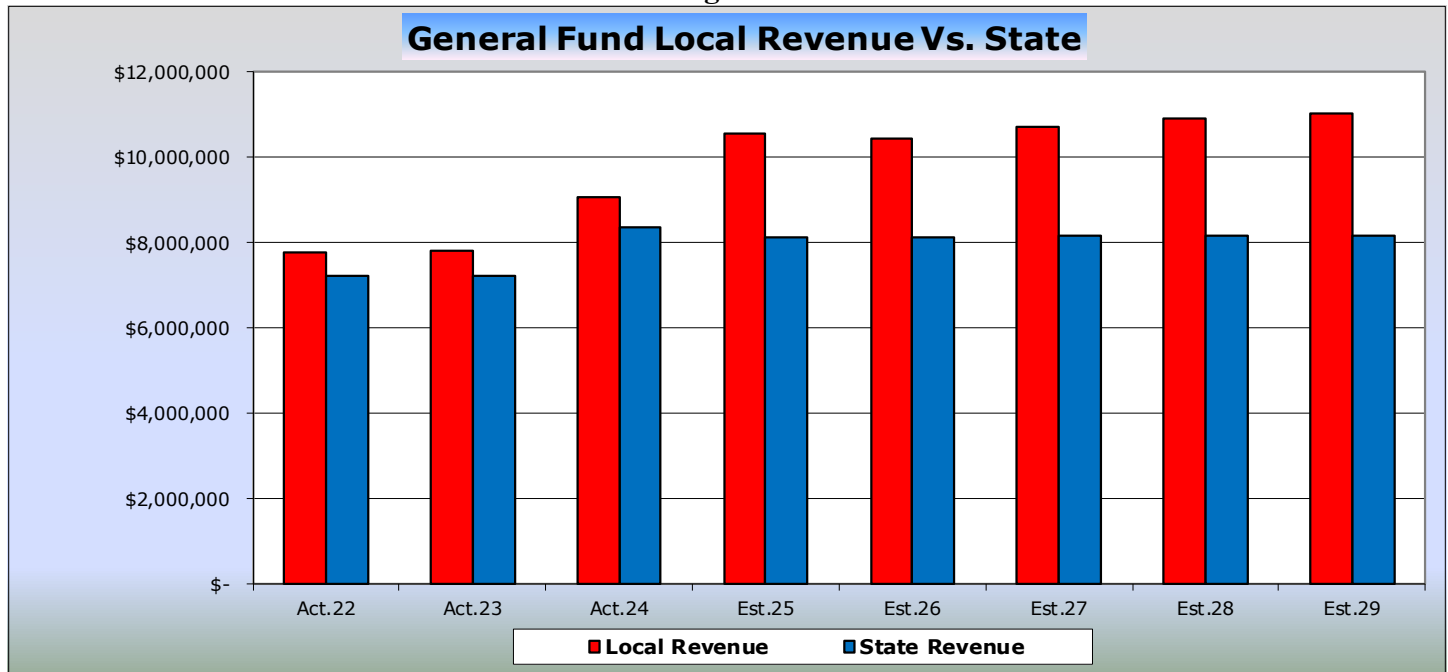
School District Income Tax Collections – Line #1.030

The district has two 0.5% continuous income tax levies that were approved in 1991 and 2021.

The district has seen a 14.7% increase in FY25 over FY24, which is greater than any increase in the last four years. We will assume that income from withholdings will continue to increase in future collections. We will assume an annual growth rate of 2.0% for FY26 through FY29 as the concerns over inflation may slow growth in this area.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
SDIT Collection	\$2,644,169	\$3,032,853	\$3,093,511	\$3,155,380	\$3,218,488
Adjustments	<u>\$388,684</u>	<u>\$60,658</u>	<u>\$61,869</u>	<u>\$63,108</u>	<u>\$64,370</u>
Total Line #1.030	<u><u>\$3,032,853</u></u>	<u><u>\$3,093,511</u></u>	<u><u>\$3,155,380</u></u>	<u><u>\$3,218,488</u></u>	<u><u>\$3,282,858</u></u>

Revenue Sources for the General Fund FY22 through Estimated FY29



State Foundation Revenue Estimates – Line #1.035, #1.040, and #1.045 Current State Funding Model per HB110 through June 30, 2025

A) Unrestricted State Foundation & Casino Revenue – Line #1.035

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25, which funds students where they are educated rather than where they live. We have projected FY25 funding based on the April #2 foundation settlement and funding factors.

Our district is currently a formula district in FY25 and is expected to continue to be on the formula in FY26-FY29 on the new Fair School Funding Plan (FSFP).

For a detailed overview of how foundation funding is calculated please visit the Ohio Department of Education and Workforce at: <https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding>

State Funding Phase-In FY25 and Guarantees

The Fair School Funding Plan was presented as a six (6) year phase-in plan, and the state legislature approved the first two (2) years of the funding plan in HB110 and extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it consists of a general phase-in percentage for most components of 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 FY25

Our funding status for FY26-29 will depend on two (2) unknown new state budgets. There is no guarantee that the current Fair School Funding Plan 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 FY29.

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 FY23 was \$113.1 million or \$64.90 per pupil. In FY24, the funding totaled \$114.18 million or \$65.99 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 1.0% annual growth rate for the remainder of the forecast.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Basic Aid-Unrestricted	\$6,652,198	\$6,652,198	\$6,652,198	\$6,652,198	\$6,652,198
Additional Aid Items	<u>\$253,514</u>	<u>\$253,514</u>	<u>\$253,514</u>	<u>\$253,514</u>	<u>\$253,514</u>
Basic Aid-Unrestricted Subtotal	\$6,905,712	\$6,905,712	\$6,905,712	\$6,905,712	\$6,905,712
Career Tech Credentials/Other Unrestricted	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Ohio Casino Commission ODT	<u>\$91,146</u>	<u>\$92,058</u>	<u>\$92,978</u>	<u>\$93,908</u>	<u>\$94,847</u>
Total Unrestricted State Aid Line #1.035	<u>\$6,997,858</u>	<u>\$6,998,770</u>	<u>\$6,999,690</u>	<u>\$7,000,620</u>	<u>\$7,001,559</u>

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. We have estimated revenues for these new restricted funding lines using current April funding factors. The amount of DPIA is limited to a 66.67% in FY25. We have flat-lined funding at FY25 levels for FY26-FY29 due to uncertainty on continued funding of the current funding formula. The district received additional High Quality Instructional Material payment in FY25 of \$891 which is due to the state redirecting funds that were not used by other districts.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Disadvantage Pupil Impact Aid-(DPIA)	\$77,680	\$77,680	\$77,680	\$77,680	\$77,680
Career Technical	\$10,239	\$10,239	\$10,239	\$10,239	\$10,239
Gifted	\$69,563	\$69,563	\$69,563	\$69,563	\$69,563
English Learner	\$777	\$777	\$777	\$777	\$777
Student Wellness and Success	\$197,771	\$197,771	\$197,771	\$197,771	\$197,771
Other Restricted	<u>\$891</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Restricted State Revenues Line #1.040	<u>\$356,921</u>	<u>\$356,030</u>	<u>\$356,030</u>	<u>\$356,030</u>	<u>\$356,030</u>

C) Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

Summary of State Foundation Revenues – Line #1.035; #1.040; and #1.045

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
a) Unrestricted Line #1.035	\$6,997,858	\$6,998,770	\$6,999,690	\$7,000,620	\$7,001,559
b) Restricted Line #1.040	\$356,921	\$356,030	\$356,030	\$356,030	\$356,030
c) Rest. Fed. Grants #1.045	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total State Foundation Revenue	<u>\$7,354,779</u>	<u>\$7,354,801</u>	<u>\$7,355,721</u>	<u>\$7,356,651</u>	<u>\$7,357,590</u>

State Share of Local Property Tax – Line #1.050

Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from 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 credits paid to the district from the state of Ohio for qualified elderly and disabled. 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 had 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 Share of Local Property Tax Reimbursement – Line #1.050

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Rollback and Homestead	<u>\$783,971</u>	<u>\$779,736</u>	<u>\$801,262</u>	<u>\$824,164</u>	<u>\$827,821</u>
Total Tax Reimb./Prop. Tax Allocations #1.050	<u>\$783,971</u>	<u>\$779,736</u>	<u>\$801,262</u>	<u>\$824,164</u>	<u>\$827,821</u>

Other Local Revenues – Line #1.060

All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area have been tuition for court placed students, interest, student fees, Medicaid payments and general rental fees.

The school district receives tuition for special education students from other districts who attend our school district. The district received an additional \$41,475 for tuition payments over the previous year. We are not projecting any increase for tuition for future years of the forecast.

Interest income is based on the district's cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. The Federal Reserve Bank cut interest rates by 50 basis point in September 2024. While interest income in FY25 should remain steady due to laddered investment strategies, the rate cuts will begin to have an impact on earnings in FY26 and future years. We will continue to monitor the investments for the district.

The district will receive a donation from Jamestown Area Foundation of \$100,000 annually for a librarian/digital media coordinator beginning in FY25. The district received \$18,000 for one-time payments in FY25 for insurance claims from storm damage.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Interest	\$429,273	\$420,688	\$412,274	\$404,029	\$395,948
Class/ Student/PTP Fees	\$75,294	\$75,294	\$75,294	\$75,294	\$75,294
Tuition SF-14 & SF-14H/Preschool	\$396,903	\$396,903	\$396,903	\$396,903	\$396,903
Other & Miscellaneous Local Revenue	<u>\$219,448</u>	<u>\$203,642</u>	<u>\$205,678</u>	<u>\$207,735</u>	<u>\$209,812</u>
Total Line #1.060	<u>\$1,120,918</u>	<u>\$1,096,527</u>	<u>\$1,090,149</u>	<u>\$1,083,961</u>	<u>\$1,077,957</u>

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

The district expects to make advances to other funds each year of the forecast. The advances are returned the following year to the general fund from the fund that they were advanced to, in order to not have negative balances in federal grants the district will advance funds each month for accounting purposes.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Transfers In - Line #2.040	\$0	\$0	\$0	\$0	\$0
Advance Returns - Line #2.050	<u>\$2,912,738</u>	<u>\$3,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>
Total Transfer & Advances In	<u>\$2,912,738</u>	<u>\$3,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$2,500,000</u>

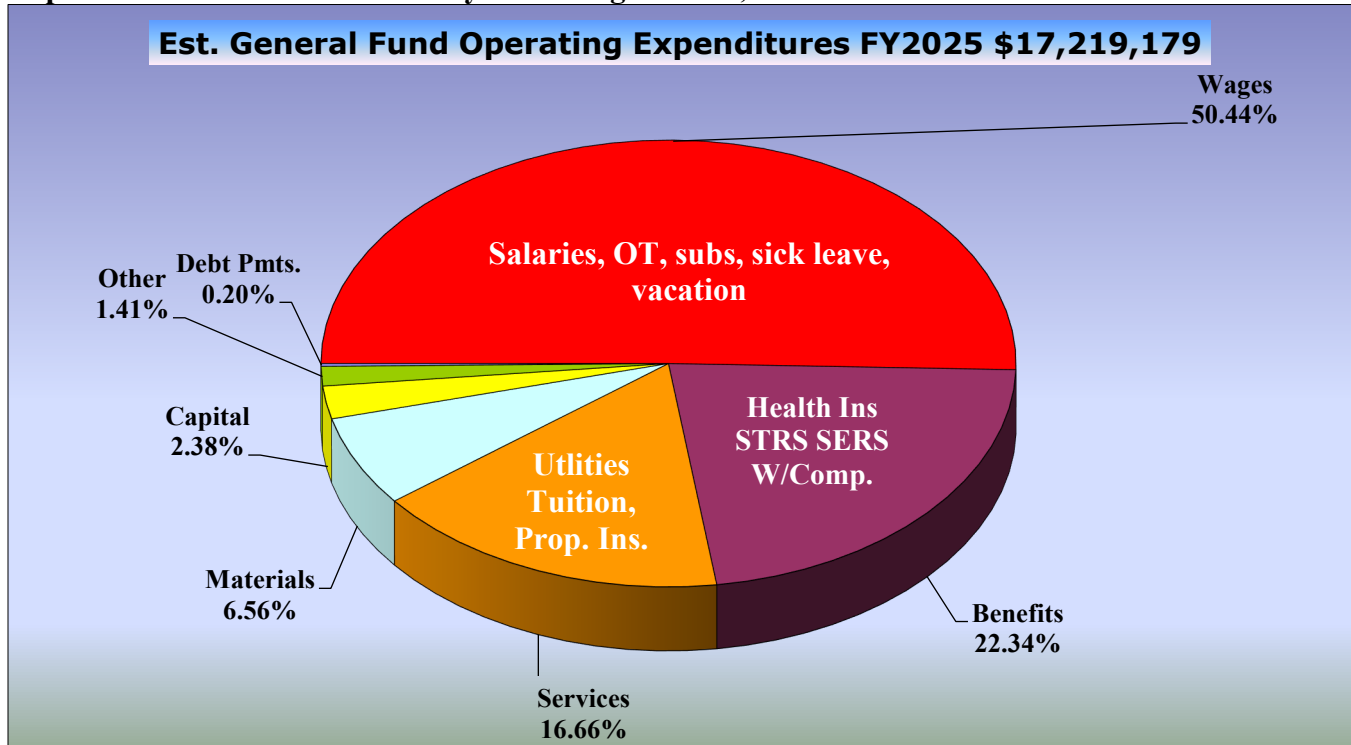
All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable. The district is including the annual average amount that is received for refunds of prior year expenditures in FY26-FY29.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Refund of prior years exp., sale of assets	\$174,141	\$156,000	\$50,000	\$50,000	\$50,000

Expenditures Assumptions

Expenditure Estimates for Fiscal year ending June 30, 2025



Wages – Line #3.010

The district has step increases of 3% each year. The district has completed negotiations that include base wage increases of 2.25% in FY23 and FY24 and 2% in FY25 with a 5% increase in FY26 through FY29 for forecasting purposes only. There is a 3% increase for Substitutes and Supplemental contracts in each year of the forecast. The district is forecasting severance costs to be \$23,605 in FY25, \$37,000 in FY26 and \$24,000 in FY27-FY29. The districts attendance incentive is expected to have no increase in the amount in FY25-FY29.

The district will have staffing changes in FY25 of the addition of librarian/media coordinator, an additional middle school teacher, an additional intervention specialist and an additional chemistry teacher, the resignation or retirement and the replacement of 3 administrators, 24 certified positions and 13 classified positions.

There will be changes in staffing for FY26 of the resignation with replacement of one custodian, 4.5 teaching positions and one preschool aide, there will also be the retirements with replacements of one principal and one custodian, along with the addition of an intervention aide. In FY27-FY29 the district is anticipating 2 certified staff members will retire and those positions will be replaced.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Base Wages	\$7,919,751	\$8,137,764	\$8,671,763	\$9,293,462	\$9,963,933
Base increase	\$178,194	\$395,988	\$406,888	\$433,588	\$278,804
Steps & Training	\$237,593	\$237,593	\$244,133	\$260,153	\$278,804
Staff Increases	\$1,486,369	\$598,717	\$127,956	\$93,081	\$94,943
Staff Decreases	(\$1,684,143)	(\$698,299)	(\$157,278)	(\$116,351)	(\$118,678)
Supplemental Contracts	\$250,544	\$258,060	\$265,802	\$273,776	\$281,989
Attendance Incentive	\$40,550	\$40,550	\$40,550	\$40,550	\$40,550
Subs/OT/Board	\$233,124	\$240,118	\$247,322	\$254,742	\$262,384
Severance - Retire Incent	<u>\$23,605</u>	<u>\$37,000</u>	<u>\$24,000</u>	<u>\$24,000</u>	<u>\$24,000</u>
Total Wages Line #3.010	<u><u>\$8,685,587</u></u>	<u><u>\$9,247,491</u></u>	<u><u>\$9,871,136</u></u>	<u><u>\$10,557,001</u></u>	<u><u>\$11,106,728</u></u>

Fringe Benefits Estimates Line #3.02

This area of the forecast captures all costs associated with benefits and retirement costs which are directly related to wages paid with the exception of health, vision, dental and life insurances.

A) STRS/SERS

The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law. The district is required to pay SERS Surcharge which is an additional employer charge based on the salaries of lower-paid members. It is exclusively used to fund health care.

B) Insurance

The district employees agreed to move to a High Deductible Plan and the district would contribute to the HSA for each employee. EPC, the insurance consortium, has advised the district that premiums will increase by 7% in FY25 and are anticipating increases of 10% each year from FY26 through FY29. The district contributes each year for the employees to HSA accounts, and no increase is expected throughout the remainder of the forecast.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to remain at about .42% of wages in FY25-FY29. Unemployment compensation has been a negligible cost for the district. The district expects that to be the same throughout the remainder of the forecast.

D) Medicare

Medicare will continue to increase at the rate of increase of 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 Reimbursement

The district reimburses staff for tuition according to the negotiated agreement in order to maintain their teaching licenses. We do not anticipate any increases during the forecast.

Summary of Fringe Benefits – Line #3.020

Category	FY25	FY26	FY27	FY28	FY29
STRS/SERS	\$1,382,297	\$1,465,541	\$1,564,066	\$1,673,142	\$1,764,185
Insurances	\$2,288,743	\$2,487,139	\$2,714,351	\$2,964,890	\$3,240,436
Workers Comp/Unemployment	\$36,979	\$39,339	\$41,959	\$44,839	\$47,148
Medicare	\$125,940	\$134,089	\$143,132	\$153,076	\$161,047
Other/Tuition Reimb	\$12,750	\$12,750	\$12,750	\$12,750	\$12,750
Total Line #3.020	\$3,846,709	\$4,138,858	\$4,476,258	\$4,848,697	\$5,225,566

Purchased Services – Line #3.030

Expenditures in this line include services received from the ESC, utilities, repairs and maintenance and tuition to other districts.

College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on historical trends.

Business support is expected to increase by 4% annually in FY25 through FY29 with an increase in FY25 of \$15,000 for the School Resource Officer contract. The utilities are experiencing large increases, which we are anticipating being 5% in FY25 through FY29. In FY26 there will be a new electric Capacity Charge that will be assessed on all electric bills to help expand Ohio's electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for just that twelve (12) month period. We have increased utilities in FY26 for the additional charge by 17% with no change in FY27, then a 5% increase in FY28 and FY29.

The costs of tuition for court placed students attending other districts and our ESC contract are increasing annually with projections of 2.5% each year of the forecast.

Instructional Services will increase in FY25 for vision impairment services by \$50,000; for gifted teacher services of \$36,000 and \$8,000 of English Language Services from the ESC.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Instructional Services	\$1,511,841	\$1,526,959	\$1,542,229	\$1,557,651	\$1,573,228
Business Support Services	\$556,243	\$578,493	\$601,633	\$625,698	\$650,726
Utilities/Telephone/Internet	\$317,574	\$371,562	\$371,562	\$390,140	\$409,647
Tuition and ESC Services	<u>\$483,756</u>	<u>\$495,850</u>	<u>\$508,246</u>	<u>\$520,952</u>	<u>\$533,976</u>
Total Line #3.030	<u>\$2,869,414</u>	<u>\$2,972,864</u>	<u>\$3,023,670</u>	<u>\$3,094,441</u>	<u>\$3,167,577</u>

Supplies and Materials – Line #3.040

Supplies are experiencing an overall inflation of 3% in FY25 – FY29. The district utilized the ESSER funds for purchases and is returning those funds in FY25 by \$100,000 for multiple year software agreement that will be renewed in FY27 for \$50,000. The district is also increasing curriculum supplies in FY25 by \$150,000 that will be continued throughout the forecast.

Due to rising costs for maintenance supplies, bus fuel and supplies we are forecasting a 5% increase for these costs in FY25 through FY29.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Supplies	\$787,483	\$711,107	\$782,440	\$755,913	\$778,590
Maintenance/Transportation	<u>\$342,797</u>	<u>\$359,937</u>	<u>\$377,934</u>	<u>\$396,831</u>	<u>\$416,673</u>
Total Line #3.040	<u>\$1,130,280</u>	<u>\$1,071,044</u>	<u>\$1,160,374</u>	<u>\$1,152,744</u>	<u>\$1,195,263</u>

Equipment – Line #3.050

The district will no longer purchase large number of buses at one time but will instead purchase one or two per year so that the cost of purchasing will not be all in one year. The district is planning on purchasing one bus each year of the forecast. Other equipment is for technology equipment or other expenditures that are needed during the year with no increase throughout the forecast.

The district purchased a new maintenance truck in FY25 due to the old truck no longer being operable. In addition, a new volleyball net system will be purchased in FY25. The old net system was purchased in 2002 and is falling apart. It is also difficult to set up and take down. The high school needs a new water softener system to hopefully help with the plumbing issues in the building. The cost of these three purchases is approximately \$125,000.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Bus /Van Purchases	\$135,000	\$141,750	\$148,838	\$156,279	\$164,093
Other	<u>\$274,494</u>	<u>\$149,494</u>	<u>\$149,494</u>	<u>\$149,494</u>	<u>\$149,494</u>
Total Line #3.050	<u>\$409,494</u>	<u>\$291,244</u>	<u>\$298,332</u>	<u>\$305,773</u>	<u>\$313,587</u>

HB264 Energy Conservation Note – Line #4.050 & #4.060

The district approved an energy conservation project in 2014 to be paid for in full by 2029. The principal and interest are paid from proceeds of the savings of utilities of the project.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
HB 264 Principal Line #4.050	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Interest on HB 264 Total Line #4.060	\$4,800	\$3,840	\$2,880	\$1,920	\$960

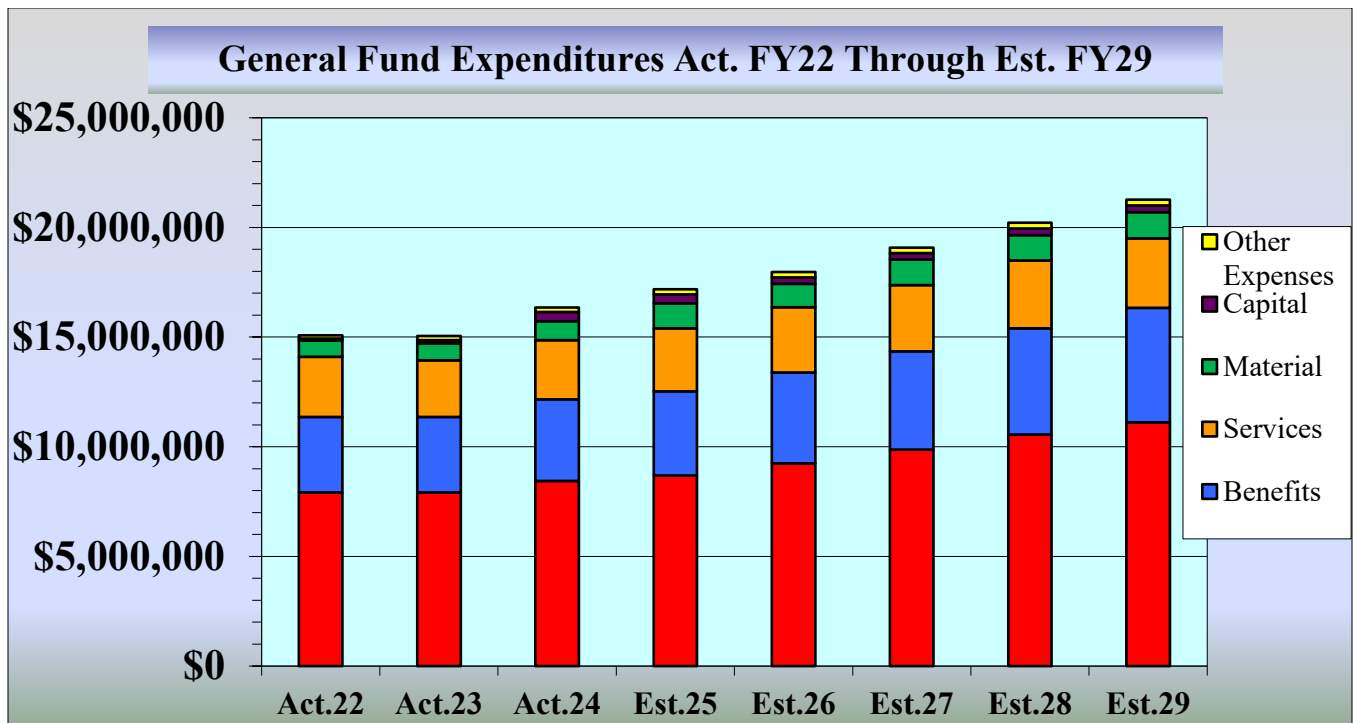
Other Expenses – Line #4.300

The category of Other Expenses consists primarily of bank fees, County Auditor/Treasurer fees and liability insurance. The district expects increases from 1% to 2.5% for the different lines in this area each year of the forecast. The district has had an increase in Auditor and Treasurer Fees in FY25 of \$34,375. We do not expect any decrease in future years.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Co. Auditor & Treasurer /IT collection Fees	\$126,863	\$128,766	\$130,697	\$132,657	\$134,647
County ESC	\$15,077	\$15,228	\$15,380	\$15,534	\$15,689
Audit/bank fees	\$24,708	\$24,955	\$25,205	\$25,457	\$25,712
Memberships, Liability Ins. & Other	<u>\$76,247</u>	<u>\$78,153</u>	<u>\$80,107</u>	<u>\$82,109</u>	<u>\$84,162</u>
Total Line #4.300	<u>\$242,895</u>	<u>\$247,102</u>	<u>\$251,389</u>	<u>\$255,757</u>	<u>\$260,210</u>

Operating Expenditures Actual FY22 through FY24 and Estimated FY25 through FY29

The graph below shows a quick overview of actual and estimated expenses by proportion to total in the General Fund.



Total Other Financing Uses - #5.040

The district transfers each year \$79,515 as required by the Ohio School Facilities Commission to the 034 Fund for OSFC project maintenance. The district may transfer additional funds in FY25 of \$450,000 for the multi-purpose building fund due to possible loss of ESSER funds and \$875,000 to the 070 for Capital Projects for roofing. The district anticipates advancing annually for Federal Grants that are waiting on funds at the end of the fiscal year which will be returned in the next fiscal year, and for month end advances that have been done throughout the year that are repaid in the following month.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Operating Transfers Out Line #5.010	\$1,404,515	\$79,515	\$79,515	\$79,515	\$79,515
Advances Out Line #5.020	\$3,858,738	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
All Other Financing Uses - Line #5.030	\$0	\$0	\$0	\$0	\$0
Total Line #5.040	<u>\$5,263,253</u>	<u>\$2,579,515</u>	<u>\$2,579,515</u>	<u>\$2,579,515</u>	<u>\$2,579,515</u>

Encumbrances –Line #8.010

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments which have been performed, invoiced, and are awaiting payment. Encumbrances on a budget basis of accounting are treated as the equivalent of expenditure at the time authorization is made in order to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Estimated Encumbrances	<u>\$357,338</u>	<u>\$357,338</u>	<u>\$357,338</u>	<u>\$357,338</u>	<u>\$357,338</u>

Reservations of Fund Balance – Line #9.010 to #9.080

The board has established a Budget Reserve of \$210,585; this amount may be released for operational expenditures with board action only.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Budget Reserve - Line 9.030	<u>\$210,585</u>	<u>\$210,585</u>	<u>\$210,585</u>	<u>\$210,585</u>	<u>\$210,585</u>

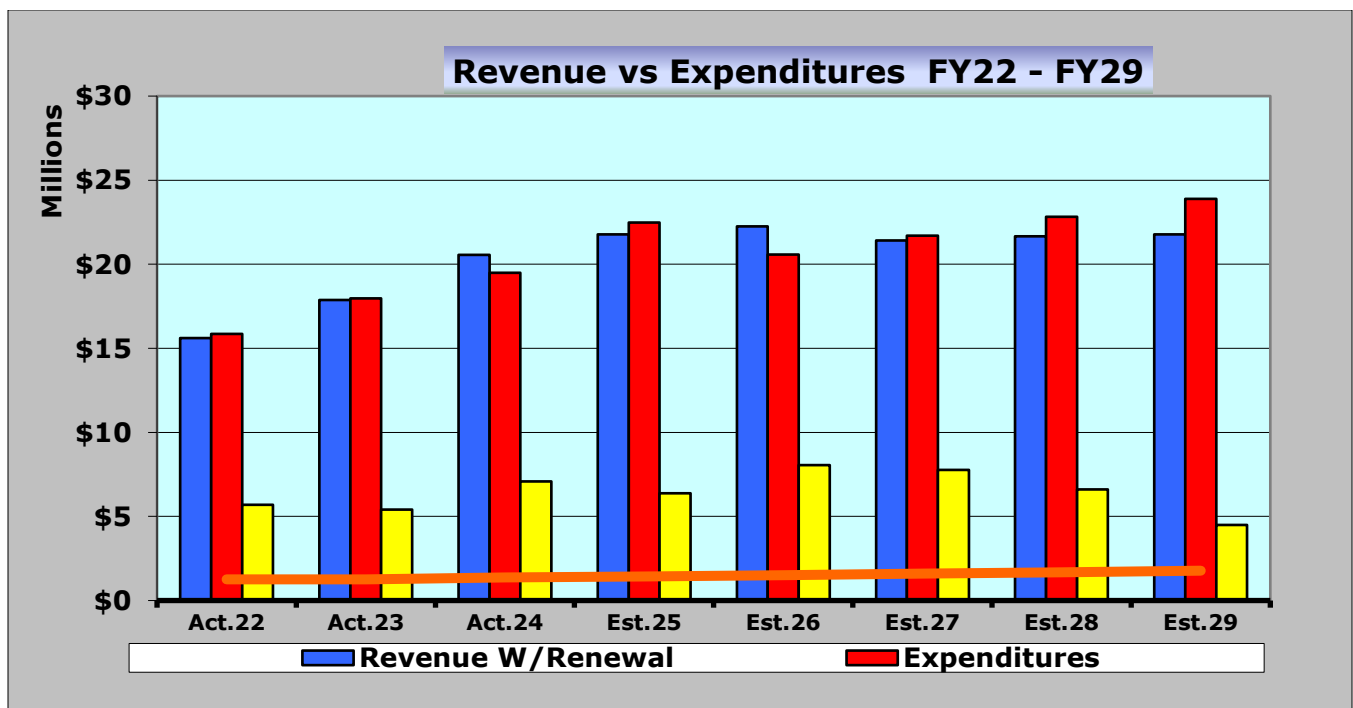
Ending Unreserved Cash Balance “The Bottom Line” – Line#15.010

This amount must not go below \$-0- or the district general fund will violate all Ohio Budgetary Laws. Any multi-year contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of \$10,000; unless an alternative 412 certificate, as permitted by HB153 effective September 30, 2011, could be issued.

	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Ending Unreserved Cash Balance- Line #15.010	<u>\$6,169,255</u>	<u>\$7,839,949</u>	<u>\$7,566,503</u>	<u>\$6,402,146</u>	<u>\$4,290,214</u>

Revenue vs Expenditures with Deficit Spending

The chart below shows that the district is in deficit spending in FY25 due to the large transfers with deficit spending from day-to-day operations beginning in FY27 for the remainder of the forecast.

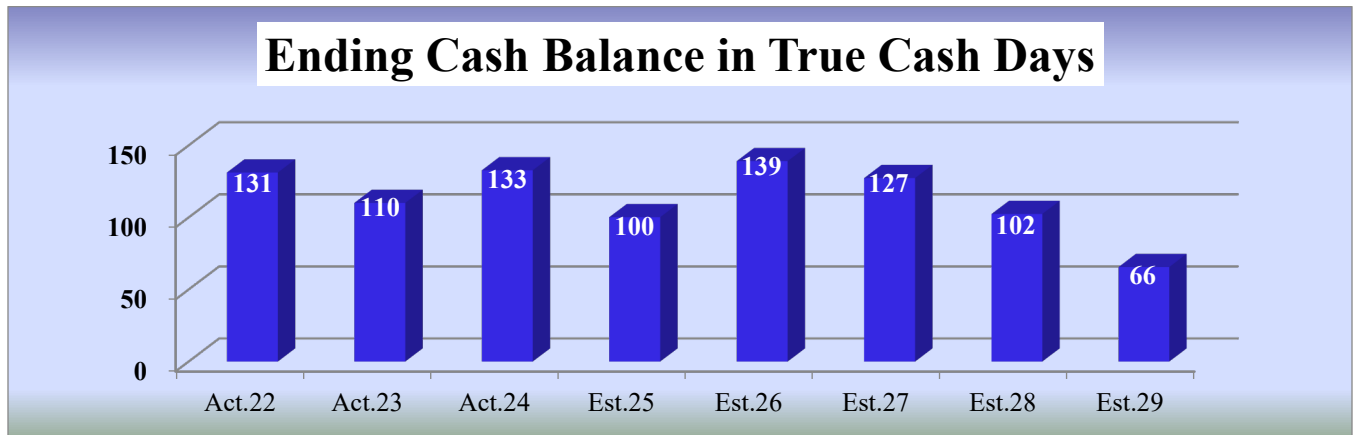


Deficit spending affects the amount of carryover that the district has to plan for the future. When reviewing the needs of the district we review the amount of spending and what would be needed to remove any deficit spending in order to have positive cash balances on the forecast. The chart below shows the amount of deficit spending that is included on Line 6.010 of the forecast and the millage for each year that would be needed in order to erase the deficit spending.

Category	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Excess Revenues over/(under) of Expenditures	(\$705,877)	\$1,670,693	(\$273,446)	(\$1,164,357)	(\$2,111,931)
Millage equivalent for deficit spending	2.10	0.00	0.80	3.26	5.87

True Cash Days

The Government Financial Officers Association (GFOA) recommends a school district, at a minimum, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months or 60 days of regular general fund operating revenues or regular general fund operating expenditures. The projection for the district shows that there will be more than 60 days true cash at the end of FY29.



Conclusion

Greeneview Local School District receives 43.55% of its funding for the district from state dollars, which is very beneficial to the overall operations for the education of our students.

The district administration is grateful for the changes in the current state budget HB33 as it has reduced the amount that was deducted for programs that were not within the district's control. However, future state budgets funding will need to be watched since the full amount of the Fair School Funding Plan was not totally implemented with this budget and there is no guarantee for future increases in state budgets for FY26-FY29.

HB96 the biennium budget bill for FY26-FY27 is currently moving through the legislative process. The Governor's version has now been changed with the House version. Within the house version, the legislature seeks to limit school district ending carry over cash balances to 30% of their prior years expenditures and to allow county budget commissions to suspend voter approved property tax levies and the 20-mill floor in order to reduce district reserves to the 30% target. HB96 has several severe consequences for school districts in terms of financial stability, loss of local control and will likely result in increased levy requests to district taxpayers. We will continue to monitor these items within the budget process as both of these will hinder the administration for planning for the future.

In planning for the future, the administration will need to make sure that the district is able to obtain a positive cash balance throughout the forecast. They will need to review current expenditures based on the current revenues to obtain this.

As you read through the notes and review the forecast, remember that the forecast is based on the information that is known at the time that it is prepared.