

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**

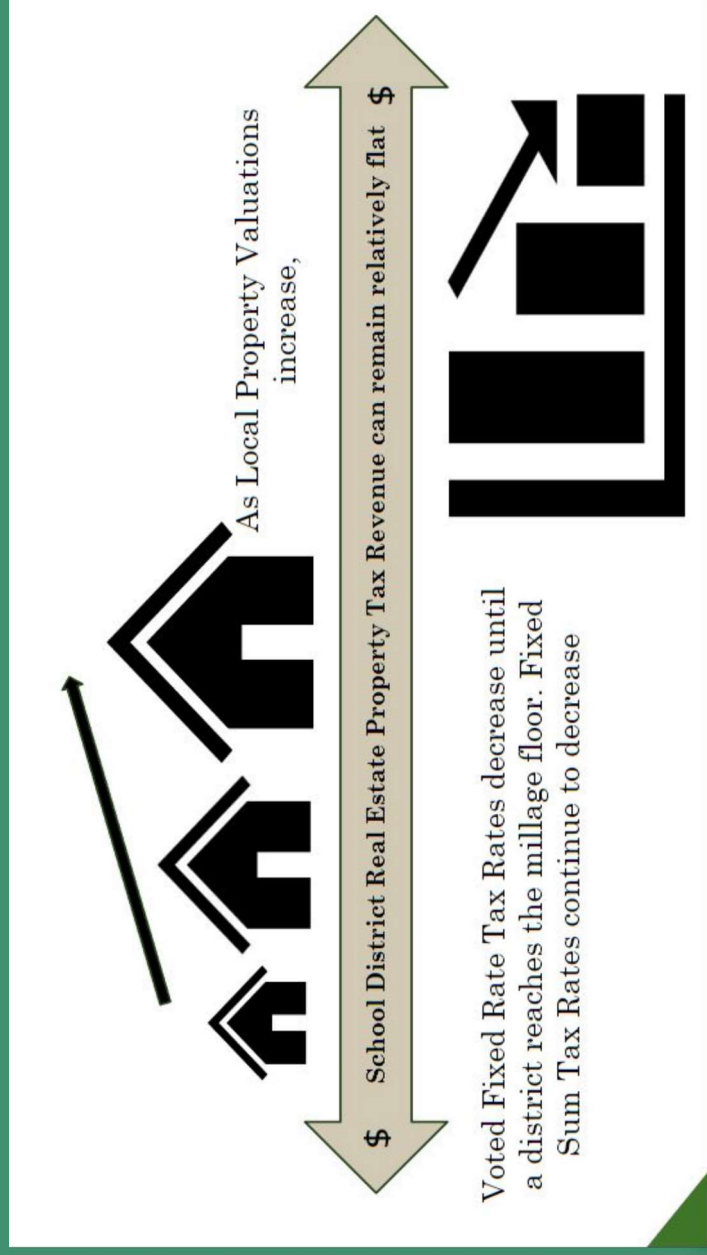


Valuation 20 Year History



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
Inside Mills	4.63	4.63	4.63	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%
Total General Operating Mills	70.45	30.76	25.62	-5.14	-17%
Bond Levies:					
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%
Total Bond Mills		3.75	3.15	-0.60	-16%
Total Collected Mills		34.51	28.77	-5.74	-33



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

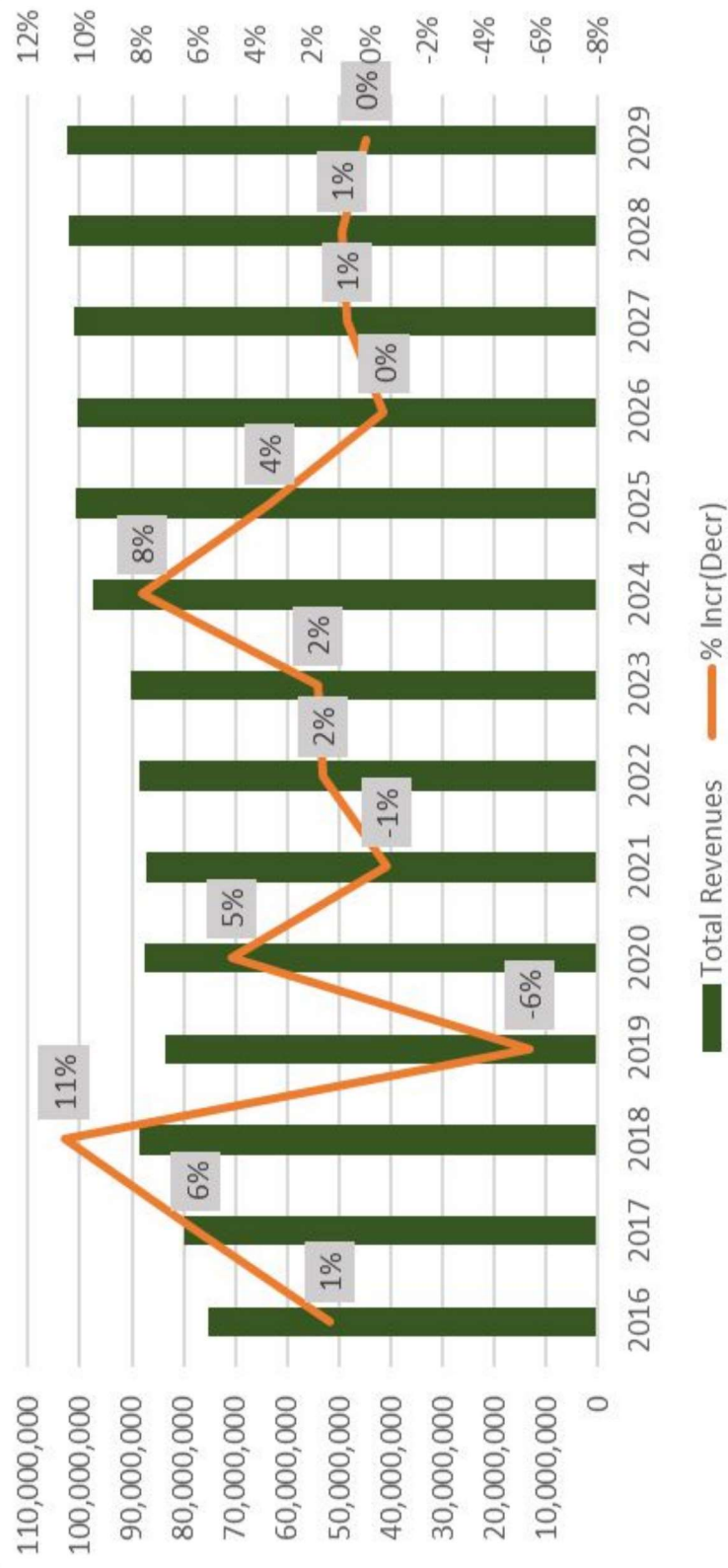
Sycamore Funding Levels

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

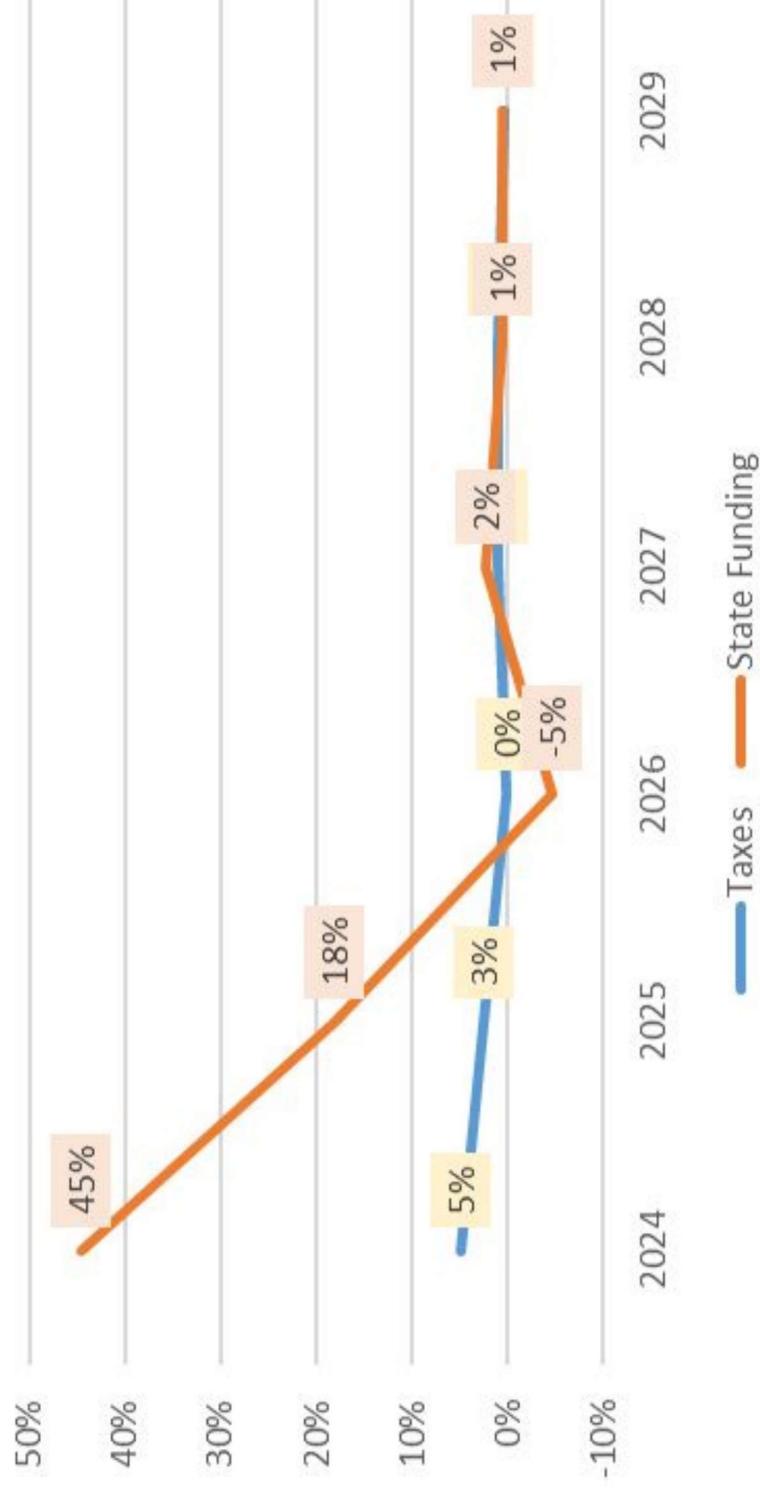
Assumption: Current Law - Phase-in will remain at 67% and 10% minimum

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:

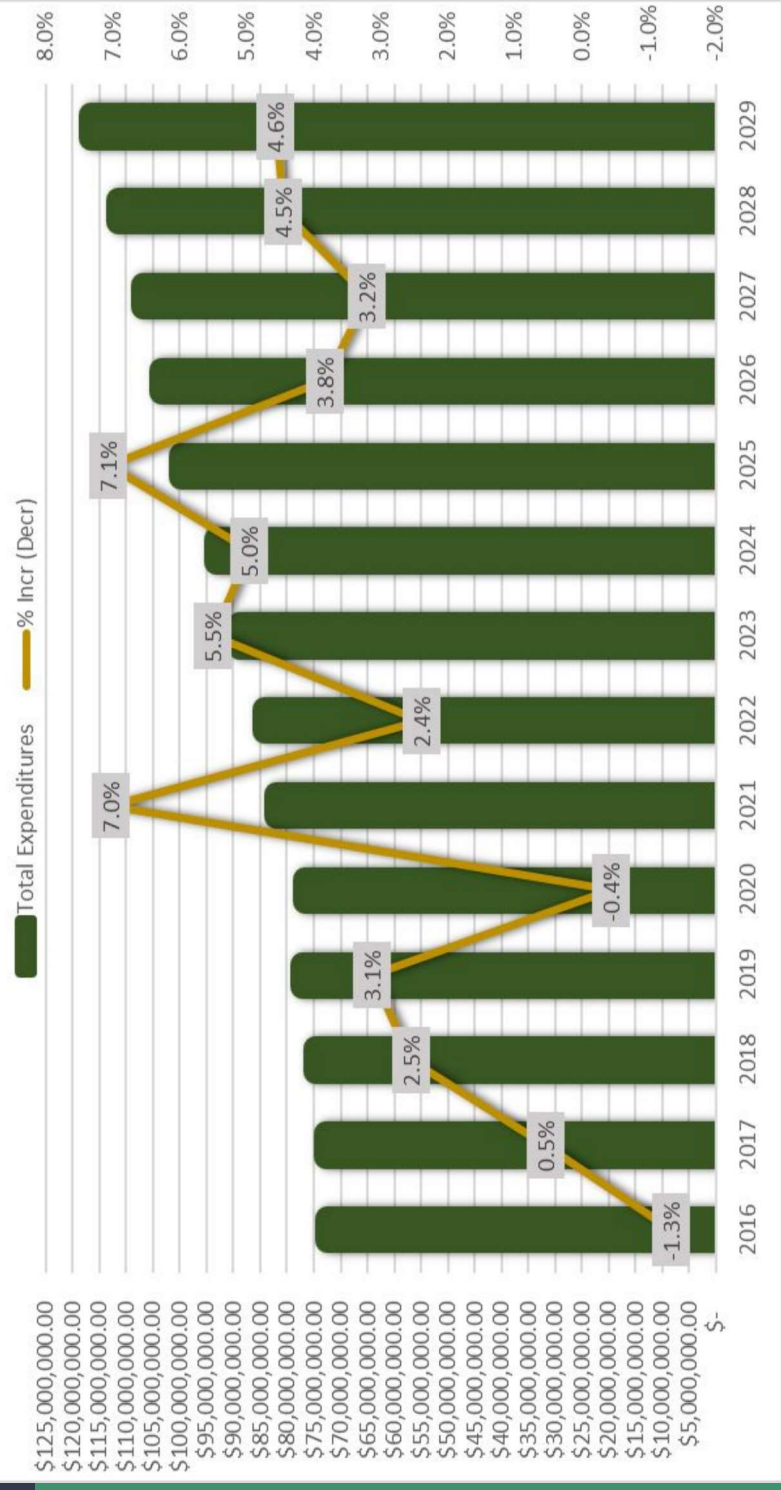
- Two New Curriculum Cost Incurred in FY25
- 3.5% Increase Predicted Moving Forward

Operating Transfers Out

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



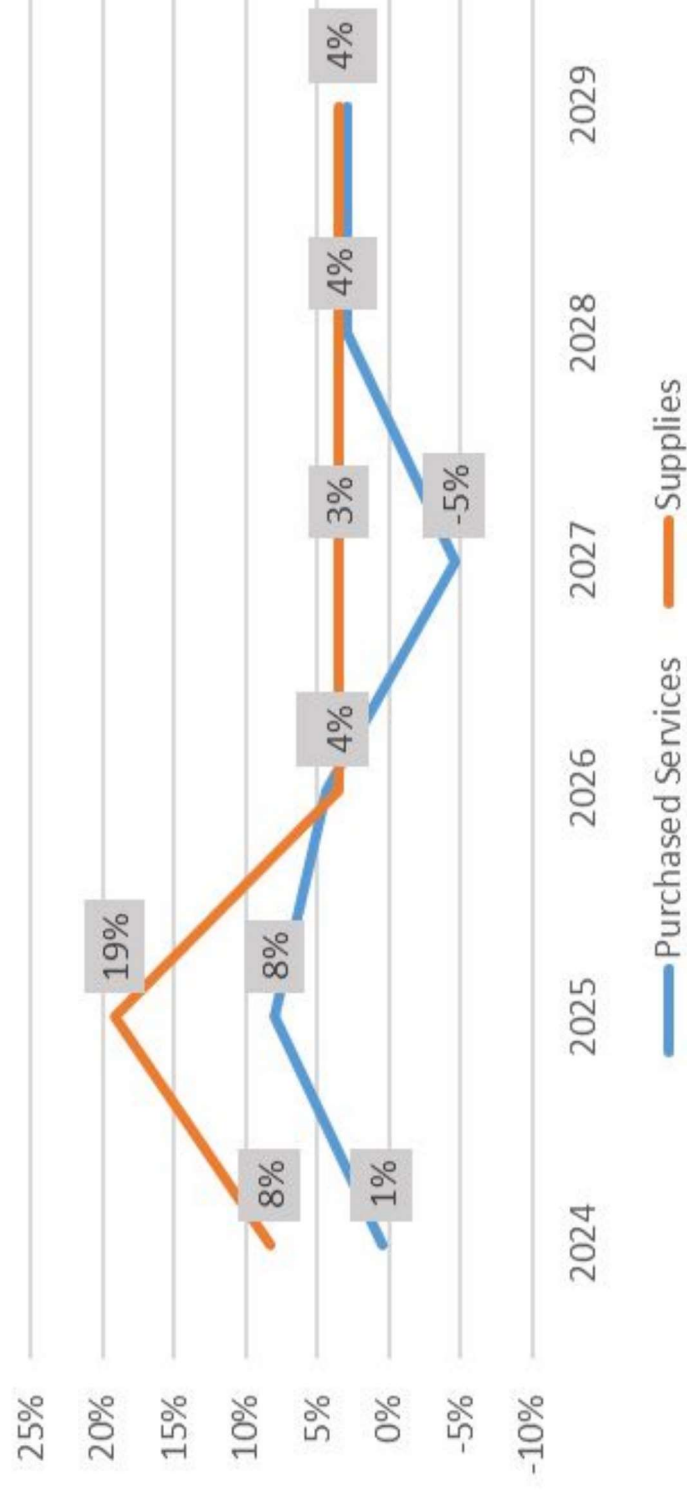
Expenditure History & Projections (Operating Expenditures)



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	\$ 115,905,955	\$ 121,009,616
	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	\$ 40,538,658	\$ 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	\$ 24,942,055	\$ 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	\$ 111,805,965	\$ 116,909,616	
Excess of Revenues and Other Financing Sources over (under) Expenditures and						
6.010 Other Financing Uses	(\$241,442)	(\$3,153,057)	\$1,918,384	\$5,597,349	\$663,131	
Cash Balance July 1 - Excluding Proposed						
7.010 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	\$ 103,781,783	\$ 104,668,495	\$ 103,715,122	\$ 104,712,228	\$ 104,881,661
5.050	Total Expenditures	\$ 104,003,225	\$ 107,821,562	\$ 111,145,838	\$ 115,906,965	\$ 121,009,616
	Excess of Revenues and Other Financing Sources over (under) Expenditures and					
6.010	Other Financing Uses	(\$241,442)	(\$3,153,057)	(\$7,430,716)	(\$11,193,737)	(\$16,127,955)
	Cash Balance July 1 - Excluding Proposed					
7.010	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	\$ 104,658,495	\$ 103,715,122	\$ 104,712,228	\$ 104,881,661	
5.050	Total Expenditures	\$ 104,003,225	\$ 105,667,277	\$ 107,357,563	\$ 109,075,680	\$ 110,820,891	
	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses						
6.010		(\$241,442)	(\$99,781,602)	(\$3,642,831,033)	(\$4,363,452,277)	(\$5,939,230,161)	
	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	\$ 113,694,190		
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses							
6.010	(\$241,442)	(\$1,674,802.56)	\$1,451,553.91	\$6,220,731.38	\$3,888,556.28		
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		
7.010	\$ 44,822,493	\$ 43,147,690	\$ 44,599,244	\$ 50,819,976	\$ 54,708,532		
7.020	\$ 24,942,056	\$ 25,896,638	\$ 26,727,710	\$ 27,917,741	\$ 29,193,654		
Cash Balance Goal							
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