

BIG WALNUT LOCAL SCHOOL DISTRICT- DELAWARE COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2017, 2018 and 2019 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2020 THROUGH JUNE 30, 2024



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Forecast Provided By
Big Walnut Local School District
Treasurer's Office
Jeremy Buskirk, Treasurer/CFO
November 21, 2019

Big Walnut Local School District

Delaware County

Schedule of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Years Ended June 30, 2017, 2018 and 2019 Actual;

Forecasted Fiscal Years Ending June 30, 2020 Through 2024

	Actual				Average Change	Forecasted				
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
Revenues										
1.010	General Property Tax (Real Estate)	16,416,912	17,574,730	18,283,805	5.5%	19,358,833	18,184,127	16,972,221	17,415,734	18,287,004
1.020	Tangible Personal Property	4,293,414	4,497,858	4,457,625	1.9%	4,440,120	3,993,086	3,565,613	3,480,958	3,393,934
1.030	Income Tax	6,356,869	6,901,674	7,609,785	9.4%	8,225,373	8,806,345	9,422,176	10,074,956	10,751,003
1.035	Unrestricted State Grants-in-Aid	6,648,879	6,844,308	6,883,850	1.8%	7,113,333	7,236,534	7,247,106	7,257,869	7,268,824
1.040	Restricted State Grants-in-Aid	31,867	51,038	82,077	60.5%	74,560	74,560	74,560	74,560	74,560
1.045	Restricted Fed. SFSF Fd. 532 FY10&11/Ed Jobs Fd.504 F	0	0	0	0.0%	0	0	0	0	0
1.050	Property Tax Allocation	2,317,544	2,442,919	2,575,146	5.4%	2,678,996	2,519,357	2,345,195	2,410,202	2,536,935
1.060	All Other Revenues	1,564,909	1,657,908	2,179,404	18.7%	1,818,586	1,778,622	1,754,351	1,733,827	1,716,688
1.070	Total Revenues	37,630,394	39,970,435	42,071,692	5.7%	43,709,801	42,592,630	41,381,222	42,448,106	44,028,948
Other Financing Sources										
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	-	-	-	-	-
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	-	-	-	0.0%	-	-	-	-	-
2.050	Advances-In	-	-	-	0.0%	-	-	-	-	-
2.060	All Other Financing Sources	26,624	159,108	375,379	316.8%	88,565	88,565	88,565	88,565	88,565
2.070	Total Other Financing Sources	26,624	159,108	375,379	316.8%	88,565	88,565	88,565	88,565	88,565
2.080	Total Revenues and Other Financing Sources	37,657,018	40,129,543	42,447,071	6.2%	43,798,366	42,681,195	41,469,787	42,536,671	44,117,513
Expenditures										
3.010	Personnel Services	\$20,472,771	\$22,300,785	\$23,102,495	6.3%	24,218,671	26,238,589	28,276,691	30,319,551	32,629,831
3.020	Employees' Retirement/Insurance Benefits	\$8,767,212	10,109,935	11,159,419	12.8%	12,783,224	13,650,572	14,879,831	16,408,533	18,137,748
3.030	Purchased Services	\$5,430,706	5,600,413	5,492,543	0.6%	5,964,563	6,354,563	6,665,667	7,045,622	7,561,646
3.040	Supplies and Materials	1,023,501	1,074,984	1,051,625	1.4%	1,180,026	1,249,730	1,281,111	1,313,312	1,396,353
3.050	Capital Outlay	657,112	436,716	15,335	-65.0%	15,000	15,000	15,000	15,000	15,000
3.060	Intergovernmental	-	-	-	0.0%	-	-	-	-	-
Debt Service:										
4.010	Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	0.0%	-	-	-	-	-
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	-	-	-	0.0%	-	-	-	-	-
4.300	Other Objects	\$515,390	510,312	527,508	1.2%	548,038	568,367	589,544	611,610	634,370
4.500	Total Expenditures	36,866,692	40,033,145	41,348,925	5.9%	44,709,522	48,076,820	51,707,844	55,713,627	60,374,949
Other Financing Uses										
5.010	Operating Transfers-Out	\$0	-	-	0.0%	-	-	-	-	-
5.020	Advances-Out	-	-	-	0.0%	-	-	-	-	-
5.030	All Other Financing Uses	\$0	-	-	0.0%	-	-	-	-	-
5.040	Total Other Financing Uses	-	-	-	0.0%	-	-	-	-	-
5.050	Total Expenditures and Other Financing Uses	36,866,692	40,033,145	41,348,925	5.9%	44,709,522	48,076,820	51,707,844	55,713,627	60,374,949
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	790,326	96,398	1,098,146	475.7%	(911,156)	(5,395,626)	(10,238,057)	(13,176,956)	(16,257,435)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	9,182,461	9,972,787	10,069,185	4.8%	11,167,331	10,256,175	4,860,549	(5,377,508)	(18,554,464)
7.020	Cash Balance June 30	9,972,787	10,069,185	11,167,331	5.9%	10,256,175	4,860,549	(5,377,508)	(18,554,464)	(34,811,900)
8.010	Estimated Encumbrances June 30	568,542	339,757	280,428	-28.9%	286,037	291,757	297,592	303,544	309,615
Reservation of Fund Balance										
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030	Budget Reserve	-	-	-	0.0%	-	-	-	-	-
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	Subtotal	-	-	-	0.0%	-	-	-	-	-
10.010	Fund Balance June 30 for Certification of Appropriations	9,404,245	9,729,428	10,886,903	7.7%	9,970,138	4,568,792	(5,675,100)	(18,858,009)	(35,121,515)
Revenue from Replacement/Renewal Levies										
11.010	Income Tax - Renewal	-	-	-	0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement	-	-	-	0.0%	\$0	\$2,745,384	\$5,408,406	\$5,408,406	\$5,408,406
11.300	Cumulative Balance of Replacement/Renewal Levies	-	-	-	0.0%	-	2,745,384	8,153,790	13,562,196	18,970,602

Big Walnut Local School District

Delaware County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2017, 2018 and 2019 Actual;
Forecasted Fiscal Years Ending June 30, 2020 Through 2024

	Actual				Average Change	Forecasted				
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019			Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
12.010 <i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>	9,404,245	9,729,428	10,886,903	7.7%	9,970,138	7,314,176	2,478,690	(5,295,813)	(16,150,913)	
Revenue from New Levies										
13.010 Income Tax - New				0.0%	-	-	-	-	-	
13.020 Property Tax - New				0.0%	-	-	\$0	\$0	\$0	
13.030 Cumulative Balance of New Levies	-	-	-	0.0%	-	-	-	-	-	
14.010 Revenue from Future State Advancements				0.0%	-	-	-	-	-	
15.010 <i>Unreserved Fund Balance June 30</i>	9,404,245	9,729,428	10,886,903	7.7%	9,970,138	7,314,176	2,478,690	(5,295,813)	(16,150,913)	

Big Walnut Local School District –Delaware County
Notes to the Five Year Forecast
General Fund Only

Introduction to the Five Year Forecast

For fiscal year 2020 (July 1, 2019 – June 30, 2020) school districts in Ohio are required to file a five (5) year financial forecast by November 30, 2019, and May 31, 2020. HB87, effective November 1, 2018, changed the October filing deadline to November 30 beginning with this forecast. The May 31 filing date remains unchanged. The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. HB166, the new state biennium budget provided new restricted state funding to school districts in Fiscal Years 20 and 21 specifically for Student Wellness and Success. These revenues are restricted and are required to be accounted for in a Special Revenue Fund (Fund 467) and are NOT included in this forecast.

Fiscal year 2020 (July 1, 2019-June 30, 2020) is the first year of the five-year forecast and is considered the baseline year. Our forecast is being updated to reflect the most current economic data available to us for the November 2019 filing.

Economic Outlook

It is prudent in long range forecasting to consider the economic climate that long range projection of revenues and expenses are made. The state of Ohio provides roughly 50% of all school district funding so the state's financial health is a stabilizing factor for school district funding. The state of Ohio ended FY19 with a surplus of revenue over expenses and is maintaining a statutory maximum balance of \$2.8 billion in the Budget Stabilization Fund that would enable it to weather an economic slowdown during the forecast period. Unemployment rates statewide fell from 4.5% in June 2018 to 4.0% in June 2019 and overall economic growth is predicted to grow at a relatively steady rate of 2% annually through 2021 according to the Ohio Office of Budget and Management. This positively impact state revenues and local revenues for districts with school district income taxes and will reduce delinquent local property tax payments if employment remains strong. These indicators suggest the state of Ohio's overall economy is healthy and should be able to maintain stable funding through the foundation program through the forecast period.

Statewide assessed property values and local tax collections have recovered from the sharp drops that occurred in 2008 through 2011. In 2008 statewide property values reached \$256.23 billion of assessed value and in 2017 they rose above this to \$263.73 billion for the first time. Assessed values grew 4.3% overall from 2017 to \$275.01 billion in 2018. Property values and new construction are expected to continue growing throughout the forecast period with some districts with high agricultural values experiencing slightly lower growth due to changes in current agricultural use valuation that will occur during reappraisal and update years. Property values and tax collections show trends supporting stability and growth for the forecast period.

Forecast Risks and Uncertainty:

A five year financial forecast has risks and uncertainty not only due to economic uncertainties noted above but also due to state legislative changes that will occur in the spring of 2021 and 2023 due to deliberation of the next two (2) state biennium budgets for FY22-23 and FY24-25, both of which affect this five year forecast. We have estimated revenues and expenses based on the best data available to us and the laws in effect at this time. The items below give a short description of the current issues and how they may affect our forecast long term:

- 1) Delaware County experienced the reappraisal for the 2017 tax year to be collected in 2018, which increased residential/agricultural, assessed values by \$67.6 million or an increase of 10.12%, and an increase of \$2.8 million or 4.84% for commercial/industrial values. The changes authorized by HB49 to CAUV values lower Class I agricultural values for counties experiencing a reappraisal of update in Tax

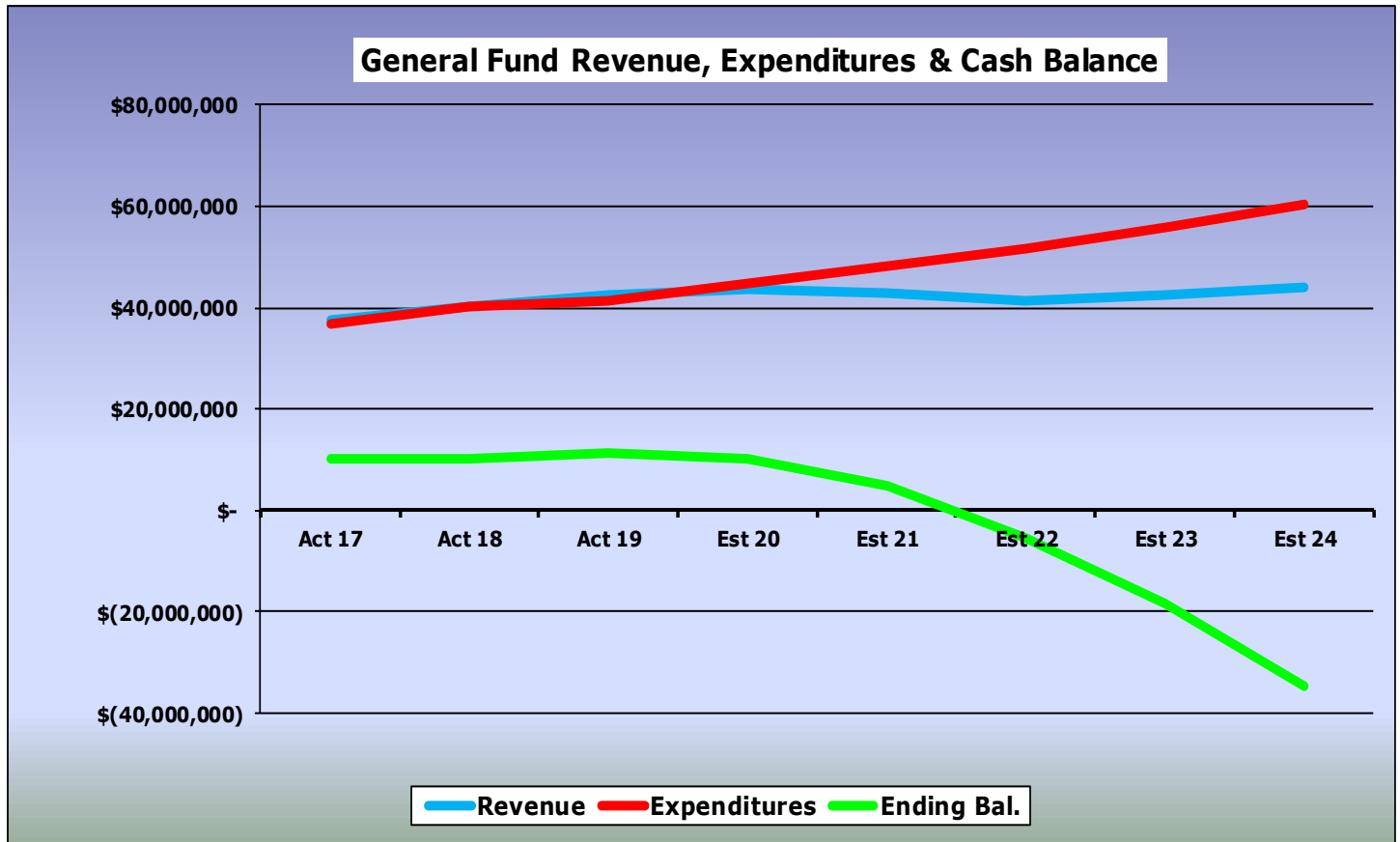
Year 2017. Since Delaware County experienced a reappraisal in 2017, these changes essentially took effect immediately and decreased our agricultural assessed valuation by 14.29% compared to Tax Year 2016. It is anticipated this reduction will be mostly offset by HB920 as rates will adjust up if net values for Class I are lower. It is also expected that cuts in CAUV will shift a larger tax burden to residential taxpayers which may be an unintended consequence of the legislature responding to agricultural interests.

- 2) The district's 6.9 mill substitute emergency levy was passed in May 2015 and will expire on December 31, 2020. The current effective millage rate has been set by the county at 5.45 for this levy. The renewal of this levy is necessary to keep the district financially healthy long term. We are concerned; however, we may not be able to provide the same level of services with only a renewal levy and District leadership is working to plan for what new resources are anticipated.
- 3) The State Budget represented nearly 22.57% of district revenues in FY20 and is an area of risk to revenue. The future risk comes in FY22 and beyond if the state economy worsens or if the funding formula in future state budgets reduce funding to our district. There are two future State Biennium Budgets covering the period from FY22-23 and FY24-25 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long range through FY24. We have projected our state funding to be in line with our current estimates through FY24 which we feel are conservative and should be close to whatever the state approves for the FY22-23 biennium budget. We will adjust the forecast in future years as we have data to help guide this decision
- 4) HB166 the current state budget for FY20-21 has frozen funding for all school districts in Ohio at their FY19 level with the only exception being the addition of Enrollment Growth Supplement money for a small number of growing districts. Our district is estimated to receive enrollment growth money for FY20-21 and will treat it as guaranteed in FY22-24. The only increase in funding to all districts in Ohio is restricted use money for Student Wellness and Success which is restricted in use and must be placed in Fund 467 and is not General Fund money and thus not included in the forecast. We have assumed this money will not continue after FY22.
- 5) HB166 continues the many provisions contained in prior state biennium budgets that will continue to draw funds away from our district through continuing school choice programs such as College Credit Plus, Community Schools and increases in per pupil scholarship amounts deducted from our state aid in the 2019-21 school years, even though funding for our students was not increased to our district for this biennium budget. College Credit Plus costs continue to increase as this program becomes more understood. These are examples of new choice programs that increase with each biennium budget and cost the district money. Expansion or creation of programs such as these exposes the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely.
- 6) The enrollment reporting for the state is very difficult to track. This is another area that we must monitor very closely especially with the increased enrollment that we are expecting from new housing developments.
- 7) Labor relations in the district have been fairly 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 good 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 Jeremy Buskirk, Treasurer at 740-965-3010.

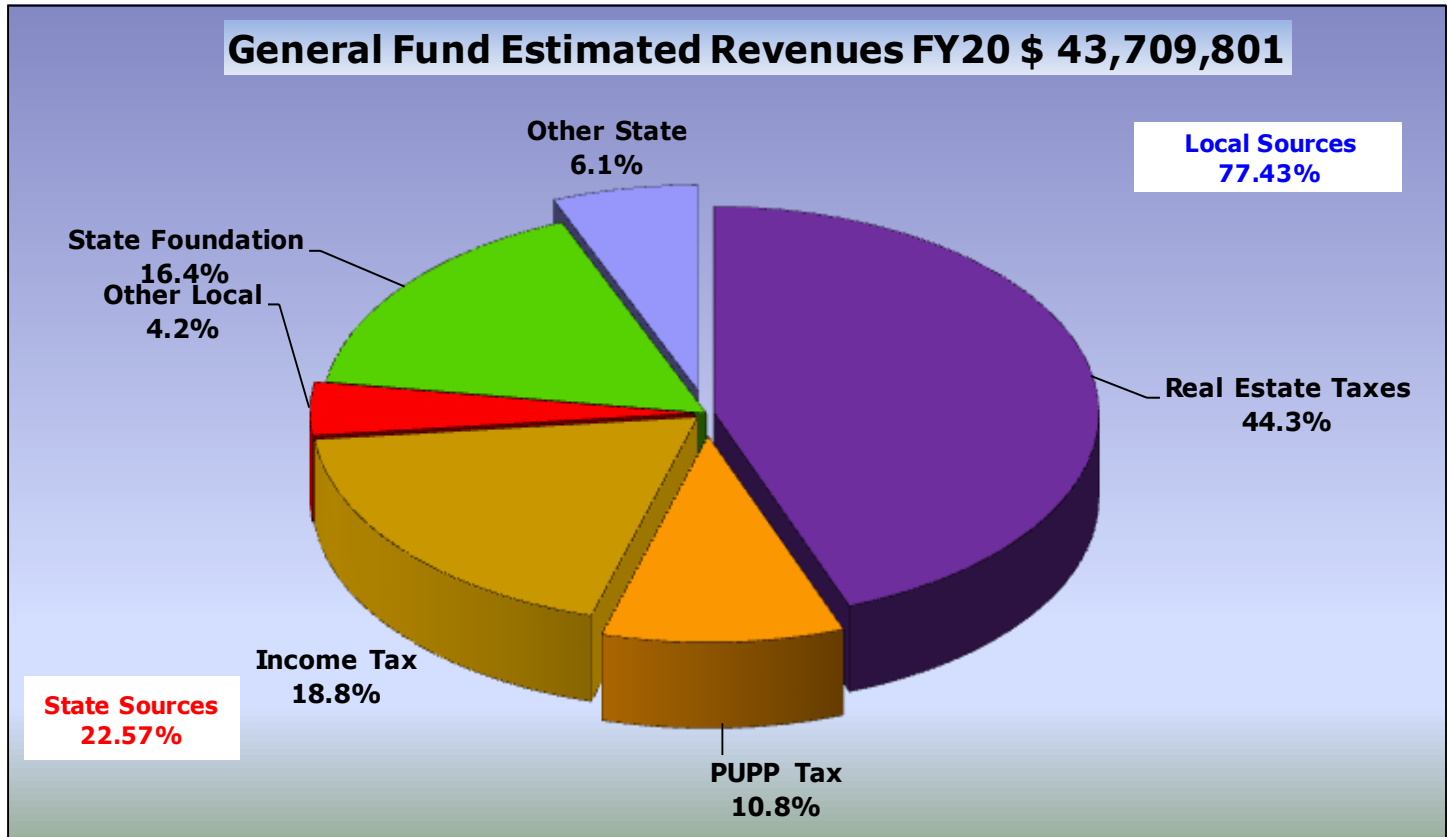
General Fund Revenue, Expenditure and Ending Cash Balance Actual FY17-19 and Estimated FY20-24

The graph captures in one snapshot the operating scenario facing the district over the next few years. The Substitute Emergency Levy expires December 31, 2020 and is moved to Line 11.02 of the forecast and is contributing to the negative balance.



Revenue Assumptions

All Revenue Sources General Fund FY20



Real Estate Value Assumptions – Line # 1.010

The County Auditor, based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values, establishes property values each year.

Delaware County went through a reappraisal for the 2017 tax year to be collected in 2018, which included a 10.12% increase in Class I reappraisal and a 4.84% increase for Class II. The Class I reappraisal includes the decreases for CAUV due to the changes in HB49 that took effect in the first year for any county going through either reappraisal or update after the passage of the law. This will cause a shift in taxes from agricultural taxpayers to residential taxpayers and may contribute to lower than anticipated taxes to our district.

There will be a reappraisal update in 2020 for collection in 2021. The district is estimating a 5% increase of values for Class I and a 2% increase in Class II for this update.

The growth of new construction for homes is anticipated to increase the district's valuations each year between the reappraisal in 2017 and the update in 2020. With the growth in the district, we continue to be at the 20 mill floor for the tax rates to be collected in 2017 for our Class I property. When values increase reduction factors are increased and House Bill 920 decreases effective tax rates so the district tax revenues are held harmless, until the effective millage is lowered to 20 mills. No district can collect less than 20 mills if the district voted millage is greater than 20 mills. Only the Class I rates will be at the 20 mill floor with the new values. Since the district is at the 20 mill floor the district will see some increase in the amount that is collected for taxes. The substitute emergency levy is not included in the millage rate for the 20 mill floor.

Data captured from the different townships and villages is used to estimate new construction for each collection year for the forecast. These are only estimates based on information provided at this time. The actual increase for new construction in Class I was 27,196,930 and Class II was 2,448,010 for 2018 collection in 2019. This is important in that new construction is taxed at the full voted rate and not subject to the effective millage rates, for the first year of collection, which will increase the estimate for taxes being collected. Based on preliminary new construction information from Delaware County and information available from our municipalities, the district is anticipating increasing new construction at 2% each year for the remainder of the forecast.

Property tax levies are estimated to be collected at 98.14% of the annual amount, which accounts for delinquencies that occur. We, also, anticipate 51.45% of the Res/Ag and Comm/Ind property taxes will be collected in the February tax settlement and 48.55% will be collected in the August tax settlement. While we saw a shift from historical trends in 2018 payments, which we believe was due to federal tax law changes, we believe collection splits between first and second half will come back in line with trends.

The district received a very large increase in Public Utility Personal Property (PUPP) tax valuation with the new AEP Vassell Substation.. The total increase in PUPP from collection year 2014 to 2017 was 113,477,710. This continues to be very significant for the district since PUPP values are taxed at full voted rates. The increase of values has a direct increase in tax dollars that are collected. The district received a \$1.33 million decrease in values for 2017 collected in 2018. However, the district received an increase of \$913,179 in valuations for 2018 collected in 2019. The district has been told to expect decreases in PUPP throughout the remainder of the forecast due to depreciation of the power plant equipment of approximately 3% to 3.5% each year. Due to new planned housing developments, we believe there will be additions to public utility infrastructure that will compensate for current depreciation, and our projections assume decreases throughout the forecast in this line of 2.0% in fiscal years 2020 and 2011, 2.25% in fiscal year 2022, and 2.5% in fiscal years 2023 and beyond. Prior to the new substation being brought on line the split of tax collection was 50% for each half of the year. The PUPP collections have returned to the 50% for each half collection with the collections in 2019.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

	Estimated	Estimated	Estimated	Estimated	Estimated
	TAX YEAR 2019	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022	TAX YEAR 2023
<u>Classification</u>	<u>COLLECT 2020</u>	<u>COLLECT 2021</u>	<u>COLLECT 2022</u>	<u>COLLECT 2023</u>	<u>COLLECT 2024</u>
Res./Ag.	\$813,727,579	\$878,743,958	\$903,318,958	\$928,141,408	\$999,620,852
Comm./Ind.	\$64,484,500	\$68,914,190	\$69,739,190	\$70,564,190	\$72,800,474
Public Utility (PUPP)	\$129,122,673	\$126,540,220	\$123,693,065	\$120,600,738	\$117,585,720
Total Assessed Value	<u>\$1,007,334,752</u>	<u>\$1,074,198,367</u>	<u>\$1,096,751,212</u>	<u>\$1,119,306,336</u>	<u>\$1,190,007,046</u>

ESTIMATED REAL ESTATE TAX - Line #1.010

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Est. Property Taxes Line #1.010	\$19,358,833	\$18,184,127	\$16,972,221	\$17,415,734	\$18,287,004

Estimated Tangible Personal Tax & PUPP Taxes – Line#1.020

There was a phase out of TPP taxes beginning in FY06 with HB66 that was adopted in June 2005. TPP tax assessments ended in FY11. The only amounts received after FY11 are from delinquent TPP taxes outstanding as of 2010. Big Walnut does not receive any TPP payments.

The amounts on this line of the forecast consist of Public Utility Personal Property (PUPP) tax payments. The amounts noted below are tax payments from public utilities. The values for PUPP are noted on the estimated assessments table above under Public Utility, which was \$131.7 million in assessed values in 2018 collected in 2019 and are anticipated to be \$129.1 million for 2019 collection in 2020. These tax payments are collected at

the district's gross voted millage rate. Collections are typically 50% in February and 50% in August along with the real estate settlements from the county auditor.

ESTIMATED PUBLIC UTILITY PERSONAL TAX – Line 1.020

Source	FY 20	FY 21	FY 22	FY 23	FY 24
Public Utility Personal Property Taxes	\$4,440,120	\$3,993,086	\$3,565,613	\$3,480,958	\$3,393,934
Est. PUPP Taxes Line 1.020	<u>\$4,440,120</u>	<u>\$3,993,086</u>	<u>\$3,565,613</u>	<u>\$3,480,958</u>	<u>\$3,393,934</u>

Renewal Tax Levies – Line #11.020 – At a minimum, the Substitute Emergency Levy will need to be renewed in 2020 for collection in 2021 to allow for most services to be provided beyond a state required minimum. The current Substitute Emergency Levy was passed as a 6.9 mill levy in 2015 and is currently collecting at 5.45 mills. The amount of the renewal is deducted from Lines 1.010 and 1.020 as a district cannot include any tax dollars that are not approved by the voters of a district.

Source	FY 20	FY 21	FY 22	FY 23	FY 24
Renew Substitute Emergency Levy 2020	\$0	\$2,745,384	\$5,408,406	\$5,408,406	\$5,408,406
Total Line # 11.020	<u>\$0</u>	<u>\$2,745,384</u>	<u>\$5,408,406</u>	<u>\$5,408,406</u>	<u>\$5,408,406</u>

New Tax Levies – Line #13.030 - No new levies are modeled in this forecast, however, the district will need to evaluate the needed resources to allow for the current educational delivery model and added services provided.

School District Income Tax – Line #1.03

The district passed an income tax (SDIT) of .75% effective in 1995, which was approved as a continuing tax in 2003. The amount of growth in income tax is difficult to estimate as most of the information from the Ohio Department of Taxation is confidential. The Department of Taxation has advised for increases between 2.0% and 4.0% for school income taxes. The district has received increases that have out-paced these estimates in the past years, and with the information available at this time, we believe this trend will continue. In FY18 the district had a total increase of 8.57% from FY17 and in FY19 we have experience a 10.26% increase from the previous year. As we project forward we will assume for FY20 through FY23 a 6.0% growth annually based on a low unemployment rate and current economic growth indicators. In addition, we are estimating growth from new families based on the following assumption: 200 families in FY20, 110 families per year in FY21-FY23 and 90 families per year in FY24 with an annual family income of approximately \$106,000 as estimated data from U.S. Census Bureau, 2013-2017 American Community Survey as compiled by Ohio Municipal Advisory Council OMAC data. A possible concern and uncertainty in this line is the possibility of an economic slowdown or recession, which has begun to be discussed in the recent months. This will be something we monitor closely as we plan for the coming years.

Source	FY 20	FY 21	FY 22	FY 23	FY 24
SDIT Collection	\$7,609,785	\$8,225,373	\$8,806,345	\$9,422,176	\$10,074,956
Adjustments	<u>\$615,587</u>	<u>\$580,972</u>	<u>\$615,831</u>	<u>\$652,781</u>	<u>\$676,047</u>
Total to Line #1.030	<u>\$8,225,373</u>	<u>\$8,806,345</u>	<u>\$9,422,176</u>	<u>\$10,074,956</u>	<u>\$10,751,003</u>

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045

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

The amounts estimated for state funding are based on HB166 funding simulations which basically guarantee all school districts the same amount of state aid they received in FY19. Essentially funding for all 610 traditional school districts and 49 Joint Vocational and Career Centers is frozen for FY20 & 21 at the FY19 funding level for state basic aid. The State Foundation Funding Formula used since FY14 has now been abandoned after six

(6) years. HB305 is currently being considered by the legislature and may produce a successor funding formula for the FY22-23 biennium budget but there is nothing to base future projections on. For this reason we have projected state aid flat through FY24 as we have nothing authoritative to rely on at this time.

Enrollment Growth Supplement: This funding element that was also introduced by Am. Sub. HB 166 for implementation in FY20 is aimed at providing additional funding to school districts that have experienced increased enrollment the past 3 years. The district is anticipated to receive this funding in FY20 of \$251,948 and \$370,722 in FY21.

Supplemental Funding for Student Wellness and Success (Restricted Fund 467)

Nearly all of the new funding for K-12 public education in the FY20-21 Executive Budget is provided through a formula allocating \$250 million in FY20 and \$358 million in FY21 based upon each district's percentage of students in households at or below 185% of the Federal Poverty Level (FPL) and the total number of students enrolled in each district. In FY20 proposed funding ranges from \$20 per student to \$250 per student and in FY21 funding ranges from \$25 per student to \$300 per student. All schools and students are to receive a minimum additional funding of \$25,000 in FY20 and \$30,000 in FY21. Our district is estimated to receive \$145,908 in FY20 and \$205,489 in FY21. Money will be received twice each year in October and February. These dollars are to be deposited in a Special Revenue Fund 467, which is not included in this forecast, and are restricted to expenses that follow a plan developed in coordination with one of the approved community partner organizations approved in HB166 that include the following:

A. Student Wellness and Success Initiatives (ORC 3317.26(B))

- Mental health services
- Services for homeless youth
- Services for child welfare involved youth
- Community liaisons
- Physical health care services
- Mentoring programs
- Family engagement and support services
- City Connects programming
- Professional development regarding the provision of trauma-informed care
- Professional development regarding cultural competence
- Student services provided prior to or after the regularly scheduled school day or any time school is not in session

B. Community Partners (ORC 3317.26(C))

- A board of alcohol, drug and mental health services
- An educational service center
- A county board of developmental disabilities
- A community-based mental health treatment provider
- A board of health of a city or general health district
- A county department of job and family services
- A nonprofit organization with experience serving children
- A public hospital agency

At this time our district is planning on adding new initiatives to service student needs per our plan as identified in 3317.26 (B) which will be funded in the new Fund 467. These initiatives are a partnership with the Education Service Center of Central Ohio and focus on student mental health and physical wellness. We anticipate that these funds will be discontinued in FY22-24 but if successful we will add these new costs to the General Fund FY22-24 and the General Fund forecast has been adjusted for these new expenses.

We believe our current state funding estimates for FY20-24 are reasonable and that we will adjust the forecast in the future when we have authoritative data to work with.

Future State Budgets: Our funding status for the FY22-24 will depend on two (2) new state budgets which are unknown. With the change to the state funding and no growth for the FY20-21 state amounts, we are not increasing the state funding for any year of the forecast. We believe our current state funding estimates for FY20-24 are reasonable and will adjust the forecast in the future when we have authoritative data to work with.

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. As of March 4, 2013 all four (4) casinos were open for business and generating Gross Casino Tax Revenues (GCR). Thirty-three percent (33%) of the gross casino revenue is collected as a tax. School districts receive 34% of the 33% GCR that is paid into a student fund at the state level. These funds are distributed to school districts twice a year on the 31st of January and August each year which began for the first time on January 31, 2013.

The state indicated recently that revenues from casinos are not growing robustly as originally predicted but are still growing slowly as the economy has improved. Actual numbers generated for FY19 statewide were 1,785,583 students at \$52.59 per pupil. That is a decline of .36% students from the prior year. For FY20-24 we estimated a .4% decline in pupils to 1,778,441 and GCR increasing to \$95.5 million or \$53.75 per pupil. We are increasing the amount by 1% each year for the remainder of the forecast.

Source	FY 20	FY 21	FY 22	FY 23	FY 24
Basic Aid-Unrestricted	\$6,349,226	\$6,343,267	\$6,343,267	\$6,343,267	\$6,343,267
Additional Aid Items	<u>\$559,724</u>	<u>\$678,498</u>	<u>\$678,498</u>	<u>\$678,498</u>	<u>\$678,498</u>
Basic Aid-Unrestricted Subtotal	\$6,908,950	\$7,021,765	\$7,021,765	\$7,021,765	\$7,021,765
Ohio Casino Commission ODT	<u>\$204,383</u>	<u>\$214,768</u>	<u>\$225,341</u>	<u>\$236,103</u>	<u>\$247,059</u>
Total Line # 1.035	<u>\$7,113,333</u>	<u>\$7,236,534</u>	<u>\$7,247,106</u>	<u>\$7,257,869</u>	<u>\$7,268,824</u>

B) Restricted State Revenues – Line # 1.040

HB64 continues funding two restricted sources of revenues to school district which are Economic Disadvantaged Funding and Career Technical Education funding. We have incorporated this amount into the restricted aid amount in Line # 1.04 for FY19-23. The district also submits for catastrophic costs, which provides reimbursement for a portion of the extraordinary costs paid for students with special needs.

Source	FY 20	FY 21	FY 22	FY 23	FY 24
Economically Disadvantage Aid	\$13,066	\$13,066	\$13,066	\$13,066	\$13,066
Career Tech - Restricted	\$1,494	\$1,494	\$1,494	\$1,494	\$1,494
Catastrophic Aid	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>
Total Line #1.040	<u>\$74,560</u>	<u>\$74,560</u>	<u>\$74,560</u>	<u>\$74,560</u>	<u>\$74,560</u>

Restricted Federal Grants in Aid – line #1.045

There is no additional restricted federal funding projected in this forecast.

Summary of State Foundation Revenues

SUMMARY	FY 20	FY 21	FY 22	FY 23	FY 24
Unrestricted Line # 1.035	\$7,113,333	\$7,236,534	\$7,247,106	\$7,257,869	\$7,268,824
Restricted Line # 1.040	\$74,560	\$74,560	\$74,560	\$74,560	\$74,560
Restricted Fed. Grants - Line #1.045	\$0	\$0	\$0	\$0	\$0
Total State Foundation Revenue	<u>\$7,187,893</u>	<u>\$7,311,094</u>	<u>\$7,321,666</u>	<u>\$7,332,429</u>	<u>\$7,343,384</u>

State Taxes Reimbursement/Property Tax Allocation

A) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from Ohio for tax credits given 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 also 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 over age 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 did not currently have their Homestead Exemption approved or those who did not get a new application approved for tax year 2013, and who become eligible thereafter only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013 did not lose it going forward and did not have to meet the new income qualification. These changes have slowed the growth of homestead reimbursements to the district, and as with the rollback reimbursements above, increases the taxes collected locally on taxpayers.

b) Tangible Personal Property Reimbursements –

The previous state budget bill HB153 reduced all reimbursements that the district received on TPP replacement dollars for both Fixed Rate and Fixed Sum Levies.

Summary of State Tax Reimbursement – Line #1.050

Source	FY 20	FY 21	FY 22	FY 23	FY 24
a) Rollback and Homestead	\$2,678,996	\$2,519,357	\$2,345,195	\$2,410,202	\$2,536,935
b) TPP Reimbursement - Fixed Rate	\$0	\$0	\$0	\$0	\$0
Total Tax Reimb./Prop. Tax Allocations	<u>\$2,678,996</u>	<u>\$2,519,357</u>	<u>\$2,345,195</u>	<u>\$2,410,202</u>	<u>\$2,536,935</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 source of revenue in this area is tuition for court placed students, preschool tuition, full-day kindergarten tuition, open enrollment, general rental fees, interest earnings and Medicaid reimbursements.

We anticipate TIF receipts to continue throughout the forecast period with a modest growth rate which is indicative of the past trends. The TIF payments are from the Sunbury Mills Plaza development.

FY15 was the first year for Open Enrollment for our staff only. The district is expecting a ½% increase each year for remaining years of the forecast. The interest income for FY19 has increase considerably from FY18 due to interest rates being higher than in past years and utilizing a better cash flow model for accounts payable payments. The amount for interest in future years is not expected to be at the same level as FY19 and is

decreasing the amount to 85% of FY19 in FY20 , 87.5% of FY20 in FY21 and 90% of previous years for the remainder of the forecast.

FY19 the district received several large payments for Medicaid reimbursements from previous years, we are not expecting any of those payments in FY20 which has decreased the other miscellaneous receipts to a more normal amount with a 1% increase for each year of the forecast.

<u>Source</u>	FY 20	FY 21	FY 22	FY 23	FY 24
TIF and PILOTS	\$119,887	\$121,086	\$122,297	\$123,520	\$124,755
Tuition	\$566,616	\$572,283	\$578,005	\$583,785	\$589,623
Open Enrollment	\$409,555	\$411,602	\$413,660	\$415,729	\$417,807
Interest	\$415,573	\$363,626	\$327,263	\$294,537	\$265,083
Class Fees	\$223,971	\$226,210	\$228,472	\$230,757	\$233,065
Other Miscellaneous Receipts	<u>\$82,985</u>	<u>\$83,814</u>	<u>\$84,653</u>	<u>\$85,499</u>	<u>\$86,354</u>
Total Line # 1.060	<u>\$1,818,586</u>	<u>\$1,778,622</u>	<u>\$1,754,351</u>	<u>\$1,733,827</u>	<u>\$1,716,688</u>

Short-Term Borrowing – Lines #2.010 & Line #2.020 –There is no additional borrowing planned in the forecast at this time.

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

These are non-operating revenues which are the repayment of short term loans to other funds over the previous fiscal year and reimbursements for expenses received for a previous fiscal year in the current fiscal year. The district does not anticipate any Transfers or Advances during the remainder of the forecast.

All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures and one-time payments that are very unpredictable.

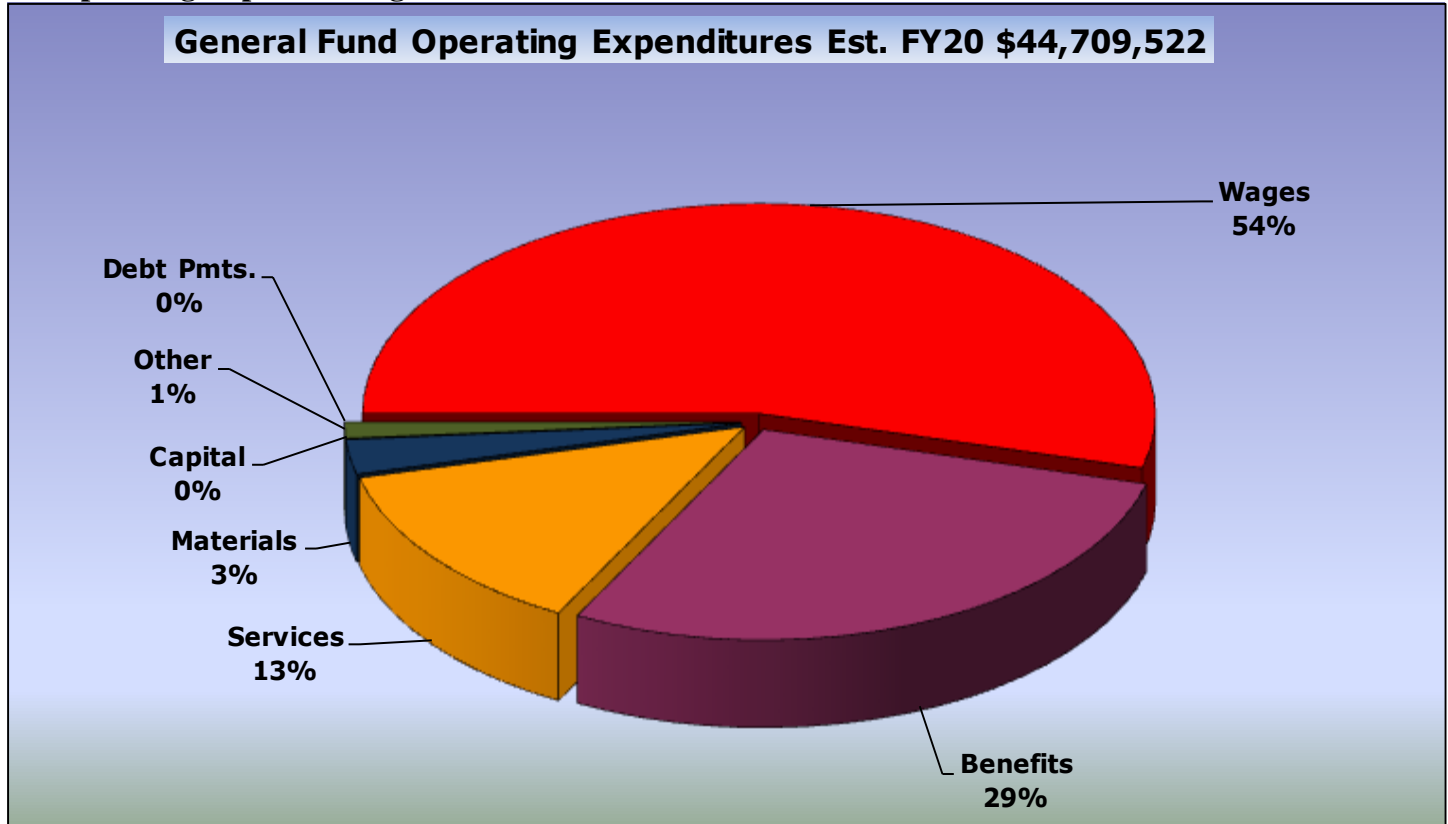
The district is estimating amounts for FY20 through FY24 based on currently received receipts and historical trends for this revenue area.

<u>Source</u>	FY 20	FY 21	FY 22	FY 23	FY 24
All Other Sources	\$88,565	\$88,565	\$88,565	\$88,565	\$88,565

Expenditures Assumptions

The district's leadership team is always looking at ways to improve the education of the students whether with changes in curriculum or new technology needs. As the administration of the district constantly reviews expenditures the education of our students is the forefront of decision making.

All Operating Expense Categories - General Fund FY20



Wages – Line #3.010

The district evaluates staffing needs with the help of enrollment projections that are based on the study conducted for the district by Future Think. Even though the district continues to see enrollment growth minimal staffing increases have been made recently due to budget pressures. The estimated net new hires in our forecast accounted for are estimated to be 2.5 in FY20, 16.25 in FY21, 15 in FY22, 13 in FY23 and 17.5 in FY24. The planned positions are mainly for staffing we believe will be necessary to meet the demands of the new buildings, state or federal requirements for busing and students with special needs. These estimates will be adjusted each year with the needs of the educational programs and as actual student information is available. The district will continue to keep a close watch of available resources to evaluate whether additional staffing can be accommodated or if other action will need to be taken. The district approved a contract in the fall with BWEA and BWPSS that runs retroactively from July 1, 2019 to June 30, 2021. These agreements provide a 3% increase in wages for each year and modifies the district's insurance plan design, which will be discussed in the next section. Step increases for current employees are estimated to be 2.6%. The district has a contract with both OAPSE 524 and 696 unions that run from July 1, 2017 to June 30, 2020, which provide a 2% increase in wages for each year. The district is forecasting an increase of 3% growth in Substitutes and Extra Curricular wages during the forecast years.

Summary of Personal Services – Line #3.010

Source	FY 20	FY 21	FY 22	FY 23	FY 24
Base Wages	\$21,988,381	\$23,055,761	\$25,005,231	\$26,993,992	\$28,984,646
Wage adjustments	\$609,804	\$639,405	\$500,105	\$539,880	\$579,693
Steps & Training	\$571,698	\$599,450	\$650,136	\$701,844	\$753,601
Growth/Replacement staff	\$1,111,339	\$823,026	\$770,318	\$687,318	\$866,999
Other	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Salary In Lieu of Insurance	\$180,980	\$197,721	\$217,493	\$239,242	\$263,166
Substitutes & Supplemental	\$956,930	\$985,638	\$1,015,207	\$1,045,663	\$1,077,033
Severance	\$25,000	\$50,000	\$50,000	\$50,000	\$50,000
Staff Reductions	<u>-\$1,425,460</u>	<u>-\$312,411</u>	<u>-\$131,798</u>	<u>-\$138,388</u>	<u>-\$145,307</u>
Total Wages Line 3.010	<u>\$24,218,671</u>	<u>\$26,238,589</u>	<u>\$28,276,691</u>	<u>\$30,319,551</u>	<u>\$32,629,831</u>

Fringe Benefits Estimates – Line #3.020

A) STRS/SERS will increase as Wages Increase

As required by law the BOE pays 14% of all employee wages to STRS or SERS. The district is using a blended rate of 15.9% for those that received pick-up on pick-up of the retirement and the additional surcharge for SERS members that do not earn \$21,600 each year.

B) Insurance

As the graph below notes health care is a significant cost for the district and continues to be a real challenge as costs rise. With increasing employee participation in the insurance plan and higher than industry average claims, we anticipate premium increases of 15% for FY20, 9.25% for FY21 and 10.0% for FY22-FY24. This increase is a blend of the districts history of claims increases and the industry standards of annual premium increases. Through the negotiations with the BWEA, administrators and classified support staff, the district will be making modifications to the district’s medical insurance plan design and implement a high deductible health plan. This plan change has lowered the insurance trend percentage for FY20 and FY21 and provided significant savings for the district.

Implementation of Patient Protection and Affordable Care Act (PPACA) has cost our district additional funds. There are numerous new regulations that have and potentially will require adding to staff time. We are not certain what all these added costs may be but there are “taxes” mandated by the act which have increased costs over the years and others that could still increase costs. Longer-term significant concern is the 40% “Cadillac Tax” that could be imposed in 2022 for plans whose value of benefits exceed \$10,200 for individual plans and \$27,500 for family plans. The rules and implementation of the PPACA is an ongoing issue we are watching closely to evaluate the effect on our district. The district insurance committee and benefit consultants continue to evaluate options to mitigate potential impacts of the “Cadillac Tax.”

C) Workers Compensation & Unemployment Compensation

Workers Compensation is based on the district’s rate of .3323% of the total salaries paid for each year of the forecast. The district for the past two years has had nominal claims for Unemployment, therefore, is not forecasting any expenditure during the forecast since we are a direct reimbursement employer. By being a direct reimbursement employer unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

D) Medicare

Medicare will continue to increase at the rate of increases in wages and as new employees are hired. 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.

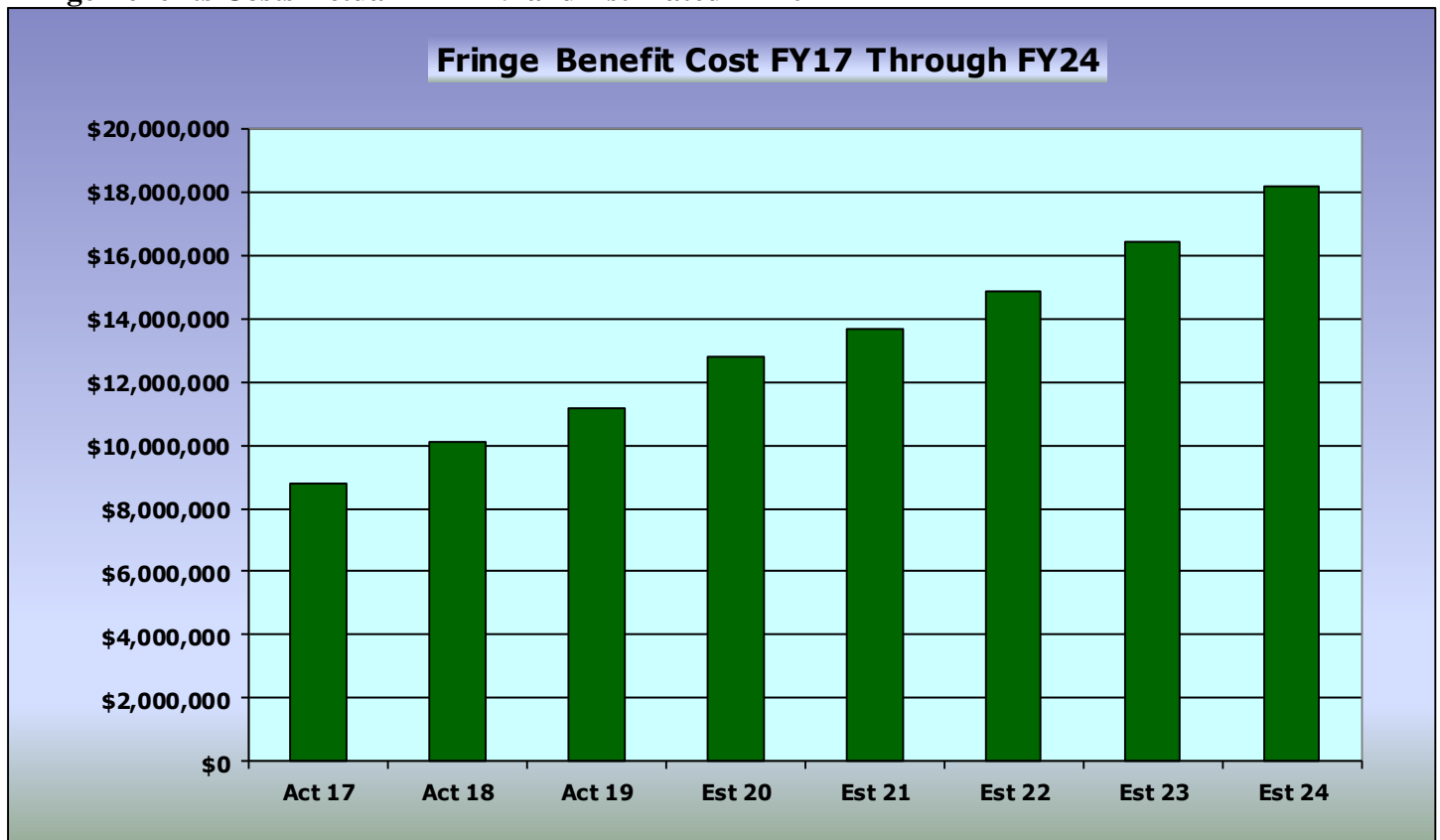
E) Tuition and Other Benefits

The district has implemented an early retirement incentive in FY20 and FY21. The district is also paying a portion for staffs that have taken the HSA in FY20 and FY21. These costs will be decreased to the normal tuition reimbursement in Fy22 and the remainder of the forecast.

Summary of Fringe Benefits – Line #3.020

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
STRS/SERS	\$3,797,738	\$4,095,508	\$4,415,676	\$4,736,997	\$5,095,505
Insurance's	\$7,924,638	\$8,828,214	\$9,912,280	\$11,083,252	\$12,412,783
Workers Comp/Unemployment	\$80,479	\$87,191	\$93,963	\$100,752	\$108,429
Medicare	\$351,171	\$380,460	\$410,012	\$439,633	\$473,133
Tuition and Other Benefits	\$629,199	\$259,199	\$47,899	\$47,899	\$47,899
Total Line 3.020	<u>\$12,783,224</u>	<u>\$13,650,572</u>	<u>\$14,879,831</u>	<u>\$16,408,533</u>	<u>\$18,137,748</u>

Fringe Benefits Costs Actual FY17-19 and Estimated FY20-24



Purchased Services – Line #3.030

An overall average inflation of 2% is being estimated for this category. Community School deductions and tuition paid to other districts are the largest unknown costs for the district as these areas are dependent upon the information that is received from other districts and can fluctuate significantly from one year to the next.

Municipal leases for student technology are forecasted on this line. The District uses the permanent improvement levy funds to pay for buses that had previously been paid as a general fund cost in this line.

The ESC of Central Ohio or other third party vendor costs will increase in FY20 due to additional full time equivalency (FTE) services for 0.2 speech and 5 tutors, which is estimated at \$139,000. In FY21 the district anticipates needing to add 1 additional psychologist, 0.5 occupational therapist, 0.2 physical therapist and 0.5 speech therapist as contracted services. In FY22 it is believed that an additional 0.2 adaptive physical education specialist and 1 behavioral therapist will be needed. The district is also planning to recode to the general fund from the Student Wellness and Success Fund for 1 nurse and 1 mental health specialist as we are not counting on these funds to be renewed with the next state budget. In FY23 the district is planning on a 0.5 additional occupational therapist to be paid through the ESC. For FY24 the district is planning for additional ESC costs for 0.5 speech therapist, 0.2 occupational therapist, 0.2 physical therapist, 0.2 adaptive physical education specialist, 1 technology specialist and 5 tutors.

FY20 expenditures were also increased by \$165,000 for students with special needs that require them to be provided intervention at external facilities, and these costs are planned to continue throughout the forecast.

Utilities are being increased annually by 3% and will see increases in FY21 for the new elementary and a reduction of partial closing for turning Harrison Street into an Early Learning Center; in FY23 will see changes for the new high school and bringing the intermediate school off line for a year; and FY24 will increase for reopening the intermediate school as an updated elementary school.

Maintenance and repair costs will increase with the changes and additions of the new buildings and have a base increase of 2% each year.

Purchased Services – Line #3.030

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Insurance, Leases, Postage, & Other	\$792,261	\$808,106	\$824,269	\$840,754	\$857,569
Professional Services, Legal Fees & ESC	\$2,462,525	\$2,710,676	\$2,941,289	\$3,050,515	\$3,424,825
Tuition, OE, SF14, CCP & Excess Costs	\$1,095,731	\$1,117,645	\$1,139,998	\$1,162,798	\$1,186,054
Community School Deductions	\$427,394	\$435,942	\$444,661	\$453,554	\$462,625
Phone and Internet Services	\$76,726	\$78,261	\$79,826	\$81,423	\$83,051
Utilities	\$680,898	\$761,325	\$784,165	\$981,090	\$1,052,522
Building Repairs & Services	\$429,027	\$442,607	\$451,459	\$475,489	\$494,998
Total Line 3.030	<u>\$5,964,563</u>	<u>\$6,354,563</u>	<u>\$6,665,667</u>	<u>\$7,045,622</u>	<u>\$7,561,646</u>

Supplies and Materials – Line #3.040

On average an inflation rate of 3% is being estimated for this category of expenses which are characterized by classroom supplies, textbooks, copy paper, maintenance supplies, materials, and bus fuel. We are anticipating additional costs for educational supplies and maintenance supplies when each of the new schools area opened.

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Supplies, Textbooks, and other	\$569,676	\$611,070	\$623,291	\$635,757	\$678,472
Maintenance & Transportation Supplies	\$610,350	\$638,661	\$657,820	\$677,555	\$717,882
Total Line 3.040	<u>\$1,180,026</u>	<u>\$1,249,730</u>	<u>\$1,281,111</u>	<u>\$1,313,312</u>	<u>\$1,396,353</u>

Equipment – Line # 3.050

The district continues to update its capital projects budget to update the aging bus fleet and replenish or refresh other assets such as roofing, asphalt, computers, desks and chairs that will be paid from the permanent improvement fund or within construction fund for the new buildings. The district has set the amount for FY20-FY24 to the annual amount of \$15,000 for updating of all types of minor capital outlay.

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Capital Outlay	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Technology	\$0	\$0	\$0	\$0	\$0
Facility Upkeep	\$0	\$0	\$0	\$0	\$0
Replacement Bus Purchases	\$0	\$0	\$0	\$0	\$0
Total Line 3.050	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>	<u>\$15,000</u>

Principal and Interest Payment – Lines # 4.05 and 4.06

There is no additional borrowing planned in the forecast at this time.

Other Expenses – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees, SDIT collection fees and our annual audit and other miscellaneous expenses. The district uses an average increase of 2.8% for the annual increase for this area.

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Auditor & Treasurer Fees	\$312,047	\$321,408	\$331,050	\$340,982	\$351,211
County ESC	\$21,926	\$22,364	\$22,812	\$23,268	\$23,733
SDIT Tax Collection Fees	\$123,381	\$132,095	\$141,333	\$151,124	\$161,265
Other expenses	<u>\$90,685</u>	<u>\$92,499</u>	<u>\$94,349</u>	<u>\$96,236</u>	<u>\$98,161</u>
Total Line 4.300	<u>\$548,038</u>	<u>\$568,367</u>	<u>\$589,544</u>	<u>\$611,610</u>	<u>\$634,370</u>

Transfers Out/Advances Out – Line #5.010

This account group covers fund to fund transfer and end of year short term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. The district is not expecting any future transfers or advances.

Encumbrances –Line #8.010

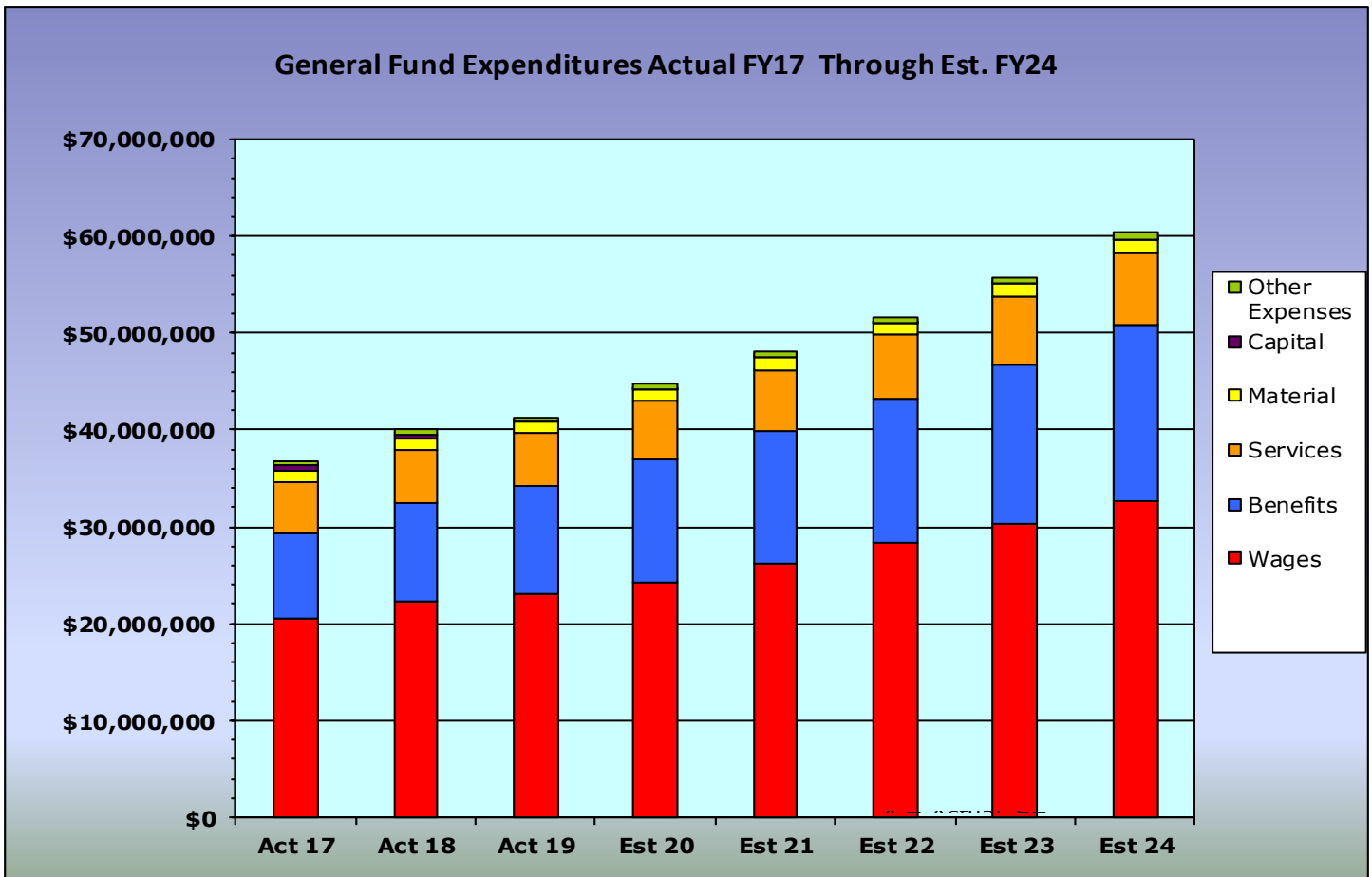
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

<u>Source</u>	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>
Estimated Encumbrances	<u>\$286,037</u>	<u>\$291,757</u>	<u>\$297,592</u>	<u>\$303,544</u>	<u>\$309,615</u>

Operating Expenditures Actual FY17 through FY19 and Estimated FY20 through FY24.

As the graph below indicates the largest expenditure for the district is that of staffing. We are attempting to accommodate the needs of a growing student population with these expenditures, but understand the challenging budgetary constraints we face.

General Fund Expenditures Actual FY17 Through Est. FY24



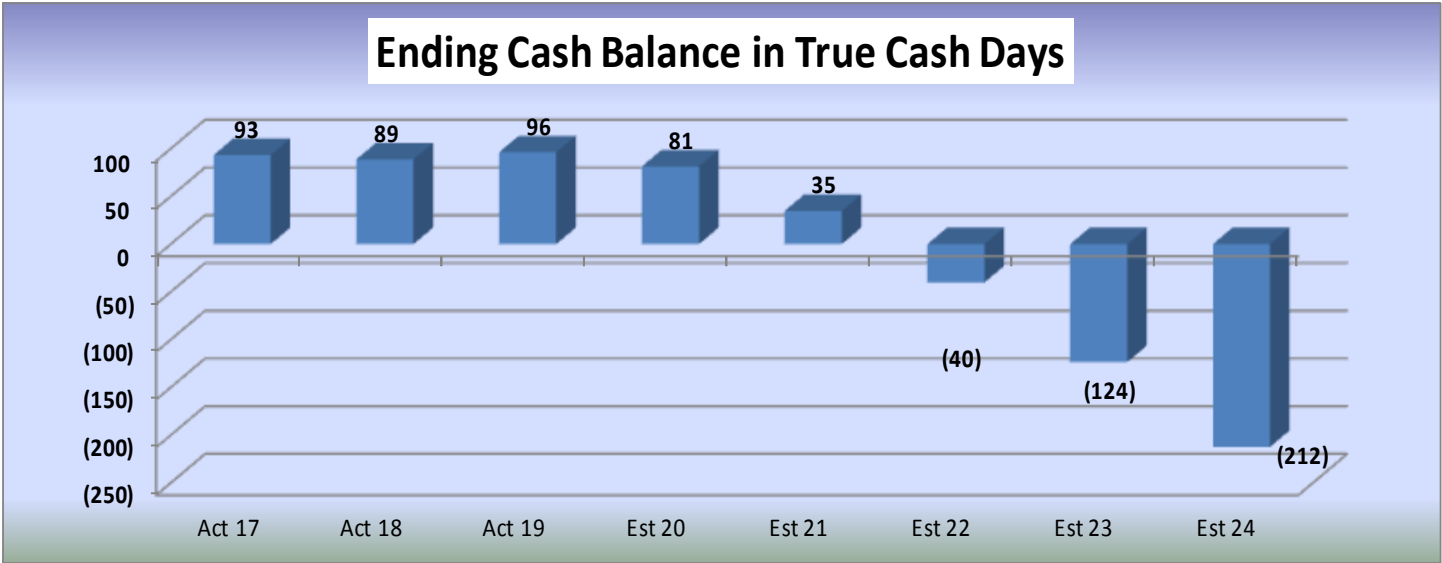
Ending Unencumbered Cash Balance – Line#15.010

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.

Source	FY 20	FY 21	FY 22	FY 23	FY 24
Ending Cash Balance	\$9,970,138	\$7,314,176	\$2,478,690	(5,295,813)	(16,150,913)

True Cash Days

The Government Financial Officers Association (GFOA) recommends, at a minimum, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. Based on the current fund balances the district will not have the sixty (60) day balance at the end of FY21. True Cash Days graph does not include the renewal of the Substitute Emergency Levy.



Conclusion

The Big Walnut Local Schools would like to thank the voters for the passage of the 6.9 Mill Substitute Emergency Levy in May 2015 for five years. This levy allows for continuing opportunities for our students education during the collection period.

The Big Walnut Local Schools would also like to thank the voters for the passage of the 1.25 Mill Permanent Improvement Levy in November 2017. The passage of this levy allows the district to readjust the funding from general fund to permanent improvement which provides needed funding for facility upkeep and helps with the overall fiscal health of the district.

The district administration notes that this current state biennium budget is why we have to be mindful and watch each state budget carefully as HB166 has not provided new unrestricted operating funds to our district. Future state biennium budgets could affect us positively or negatively for FY22 through FY24.

District administrations appreciates the supportive Big Walnut community and are actively planning for the future needs of our students while keeping an eye on the financial stability of the district. The administration is mindful that there are many risks and uncertainties that will need to be considered in future planning.

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.