

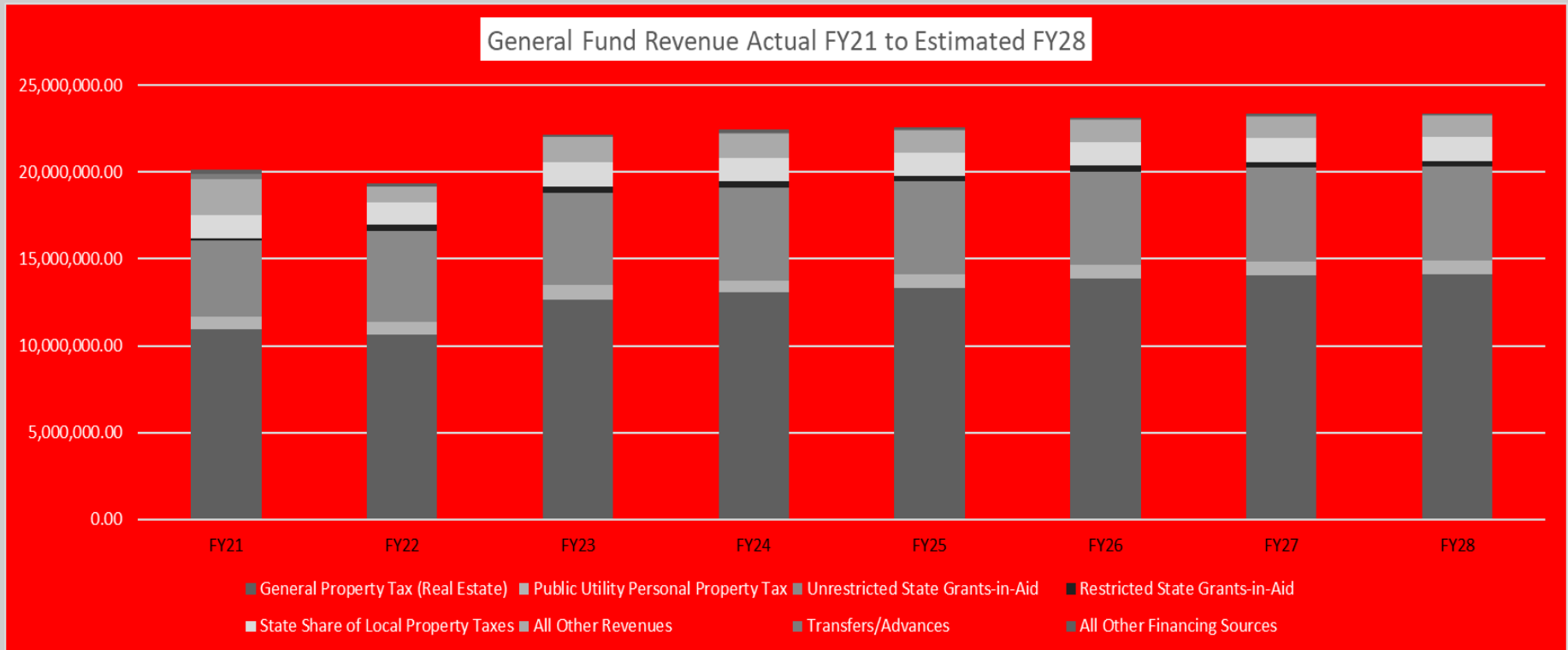
PURPOSE/OBJECTIVE

- Meets O.R.C. 5705.391 and O.A.C. 3301-92-04 requirements
 - A Board of Education is required to submit a five-year projection of operational revenues and expenditures along with assumptions to the Ohio Department of Education prior to November 30th and an update by May 31st of each fiscal year
- Management to use as long range planning and provide discussions of financial issues facing the school district.
 - The forecast is a snap shot in time based on current assumptions and should be updated as assumptions change.
- Serves 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".
- Provides a method for the Ohio Department of Education and Auditor of State to identify school districts with potential financial problems.

KEY LINE ITEMS OF FORECAST

- The five-year forecast is divided into two sections: revenue and expenditures.
 - The district's revenue is made up of two main sources; local revenue and state revenue.
 - The expenditures are mainly wages, benefits, purchased services, and supplies/materials.

REVENUE ACTUAL 2021 TO ESTIMATE 2028

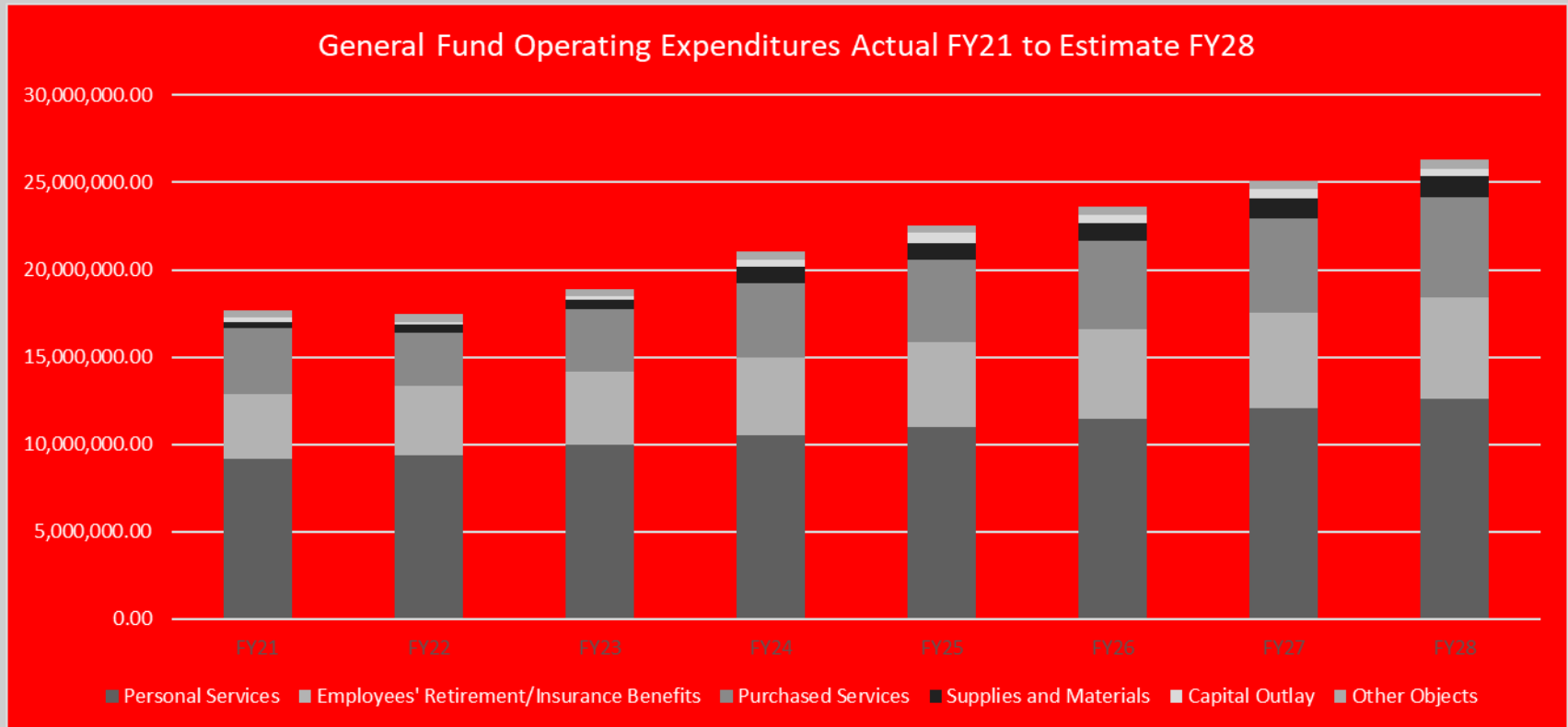


- The district's biggest funding source is Real Estate Taxes
 - FY24 Estimate is 59% of total revenue
- State Funding is the second largest funding source
 - FY24 Estimate is 26% of total revenue

CHALLENGES TO OPERATING REVENUE

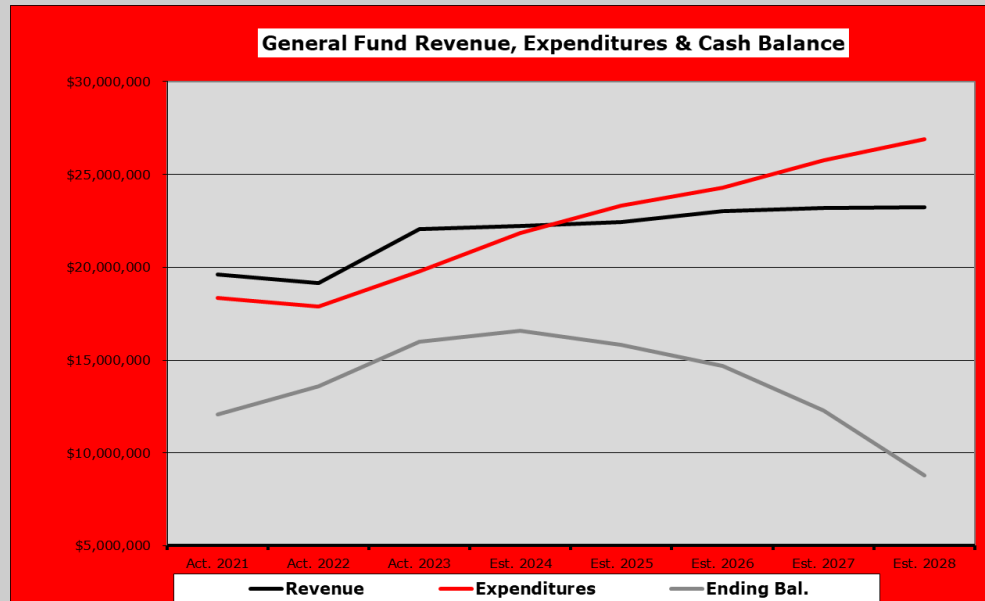
- Record high Property Value Growth caused discussions and proposed bills of tax reform from legislatures
- Uncertainty of state funding for next two state budgets; FY26 & FY27 and FY28 & FY29.
- Currently the School Funding Plan has us frozen and on guaranteed funding. It is uncertain how long the state will support guaranteed funding.

GENERAL FUND EXPENDITURES BY OBJECT FY21 THROUGH ESTIMATED FY 28



- Top Three Expenditure Categories – Wages, Benefits, and Purchased Services
- Those categories make up 91% of the General Fund Budget in FY24
- Expenditures are expected to rise each fiscal year as cost of doing business increases and as expenditures that have been purchased with one time grants funds return to the general fund

REVENUE VS. EXPENDITURE



- Revenue projections could be impacted by property tax reform and future state budgets
- Expenditure projections are expected to increase as the cost of doing business increases and expenditures that were funded with one time grant funds return to the general fund
- It is projected that the cash balance will decrease as revenues stay the same or possibly decrease and expenditures increase

IN SUMMARY....

- A financial forecast is a picture of the future based on what is known today and it should be reviewed with the notes and assumptions.
- We are grateful for the community support in renewing the 5-year emergency levy that will continue until December 31, 2029.
- Future revenue projections could be impacted by changes in property tax values, 20 mill floor decrease, and future unknown state budget bills.
- Deficit spending is currently projected in FY25 as expenditures that were made with one time grant funding return to the general fund.

QUESTIONS

