

**LICKING VALLEY LOCAL SCHOOL DISTRICT - LICKING 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
Licking Valley Local School District
Treasurer's Office
Andrew Douglass, Treasurer
November 18, 2024**

Licking Valley Local School District

Licking County

Schedule of Revenues, 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 2029

| | Actual | | | | Average Change | Forecasted | | | | |
|------------------------------------|--|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| | Fiscal Year 2022 | Fiscal Year 2023 | Fiscal Year 2024 | | | Fiscal Year 2025 | Fiscal Year 2026 | Fiscal Year 2027 | Fiscal Year 2028 | Fiscal Year 2029 |
| Revenues | | | | | | | | | | |
| 1.010 | General Property Tax (Real Estate) | \$4,960,561 | \$5,113,793 | \$6,039,423 | 10.6% | \$6,736,899 | \$6,753,845 | \$6,972,494 | \$7,146,666 | \$7,185,189 |
| 1.020 | Public Utility Personal Property Tax | 824,405 | 862,868 | 757,770 | -3.8% | 929,053 | 937,502 | 943,482 | 949,462 | 955,442 |
| 1.030 | Income Tax | 3,094,434 | 3,558,138 | 3,711,218 | 9.6% | 3,882,334 | 3,921,158 | 3,960,370 | 3,999,973 | 4,039,972 |
| 1.035 | Unrestricted State Grants-in-Aid | 11,057,592 | 11,598,772 | 12,774,115 | 7.5% | 12,906,361 | 12,909,249 | 12,912,180 | 12,915,175 | 12,918,235 |
| 1.040 | Restricted State Grants-in-Aid | 693,006 | 710,561 | 912,980 | 15.5% | 791,678 | 791,678 | 791,678 | 791,678 | 791,678 |
| 1.045 | Restricted Federal Grants-in-Aid | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 1.050 | State Share of Local Property Taxes | 724,810 | 740,440 | 841,645 | 7.9% | 939,906 | 953,993 | 983,392 | 1,012,791 | 1,018,272 |
| 1.060 | All Other Revenues | 919,639 | 665,971 | 1,111,857 | 19.7% | 957,990 | 832,955 | 746,906 | 574,809 | 488,760 |
| 1.070 | Total Revenues | \$22,274,447 | \$23,250,543 | \$26,149,008 | 8.4% | \$27,144,221 | \$27,100,380 | \$27,310,502 | \$27,390,554 | \$27,397,548 |
| Other Financing Sources | | | | | | | | | | |
| 2.010 | Proceeds from Sale of Notes | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 2.020 | State Emergency Loans | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 2.040 | Operating Transfers-In | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 2.050 | Advances-In | 0 | 121,553 | 189,901 | 0.0% | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| 2.060 | All Other Financing Sources | 102,517 | 78,141 | 138,500 | 26.7% | 78,141 | 78,141 | 78,141 | 78,141 | 78,141 |
| 2.070 | Total Other Financing Sources | \$102,517 | \$199,694 | \$328,401 | 79.6% | \$233,141 | \$233,141 | \$233,141 | \$233,141 | \$233,141 |
| 2.080 | Total Revenues and Other Financing Sources | \$22,376,964 | \$23,450,237 | \$26,477,409 | 8.9% | \$27,377,362 | \$27,333,521 | \$27,543,643 | \$27,623,695 | \$27,630,689 |
| Expenditures | | | | | | | | | | |
| 3.010 | Personal Services | \$12,434,679 | \$12,710,034 | \$12,996,496 | 2.2% | \$14,212,424 | \$14,907,290 | \$15,661,426 | \$16,245,611 | \$16,841,749 |
| 3.020 | Employees' Retirement/Insurance Benefits | 3,829,603 | 3,843,342 | 3,783,757 | -0.6% | 4,519,386 | 5,053,130 | 5,645,982 | 6,268,991 | 6,938,405 |
| 3.030 | Purchased Services | 3,004,916 | 2,707,145 | 2,832,358 | -2.6% | 3,331,575 | 3,241,196 | 3,369,103 | 3,481,366 | 3,597,540 |
| 3.040 | Supplies and Materials | 985,268 | 911,880 | 958,511 | -1.2% | 1,356,244 | 1,112,974 | 1,160,845 | 1,211,051 | 1,263,736 |
| 3.050 | Capital Outlay | 153,455 | 449,275 | 367,812 | 87.3% | 470,745 | 459,026 | 488,591 | 321,188 | 513,069 |
| 3.060 | Intergovernmental | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| | Debt Service: | | | | 0.0% | | | | | |
| 4.010 | Principal-All (Historical Only) | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.020 | Principal-Notes | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.030 | Principal-State Loans | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.040 | Principal-State Advancements | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.050 | Principal-HB 264 Loans | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.055 | Principal-Other | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.060 | Interest and Fiscal Charges | 0 | 0 | - | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 4.300 | Other Objects | 210,533 | 257,399 | 305,202 | 20.4% | 320,642 | 333,468 | 346,806 | 364,384 | 382,887 |
| 4.500 | Total Expenditures | \$20,618,454 | \$20,879,075 | \$21,244,136 | 1.5% | \$24,211,016 | \$25,107,084 | \$26,672,753 | \$27,892,591 | \$29,537,386 |
| Other Financing Uses | | | | | | | | | | |
| 5.010 | Operating Transfers-Out | \$788,529 | \$741,743 | \$838,529 | 3.6% | \$883,529 | \$883,529 | \$883,529 | \$883,529 | \$883,529 |
| 5.020 | Advances-Out | 121,553 | 189,901 | 235,481 | 40.1% | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| 5.030 | All Other Financing Uses | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 5.040 | Total Other Financing Uses | \$910,082 | \$931,644 | \$1,074,010 | 8.8% | \$1,038,529 | \$1,038,529 | \$1,038,529 | \$1,038,529 | \$1,038,529 |
| 5.050 | Total Expenditures and Other Financing Uses | \$21,528,536 | \$21,810,719 | \$22,318,146 | 1.8% | \$25,249,545 | \$26,145,613 | \$27,711,282 | \$28,931,120 | \$30,575,915 |
| 6.010 | Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses | \$848,428 | \$1,639,518 | \$4,159,263 | 123.5% | \$2,127,817 | \$1,187,908 | (\$167,639) | (\$1,307,425) | (\$2,945,226) |
| 7.010 | Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies | \$11,389,973 | \$12,238,401 | \$13,877,919 | 10.4% | \$18,037,182 | \$20,164,999 | \$21,352,907 | \$21,185,268 | \$19,877,843 |
| 7.020 | Cash Balance June 30 | \$12,238,401 | \$13,877,919 | \$18,037,182 | 21.7% | \$20,164,999 | \$21,352,907 | \$21,185,268 | \$19,877,843 | \$16,932,617 |
| 8.010 | Estimated Encumbrances June 30 | \$0 | \$62,167 | \$62,167 | 0.0% | \$62,167 | \$62,167 | \$62,167 | \$62,167 | \$62,167 |
| Reservation of Fund Balance | | | | | | | | | | |
| 9.010 | Textbooks and Instructional Materials | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.020 | Capital Improvements | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.030 | Budget Reserve | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.040 | DPIA | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.045 | Fiscal Stabilization | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.050 | Debt Service | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.060 | Property Tax Advances | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.070 | Bus Purchases | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 |
| 9.080 | Subtotal Reservations of fund Balance | \$0 | \$0 | \$0 | 0.0% | \$0 | \$0 | \$0 | \$0 | \$0 |
| 10.010 | Fund Balance June 30 for Certification of Appropriations | \$12,238,401 | \$13,815,752 | \$17,975,015 | 21.5% | \$20,102,832 | \$21,290,740 | \$21,123,101 | \$19,815,676 | \$16,870,450 |

Licking Valley Local School District

Licking County

Schedule of Revenues, 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 2029

| | Actual | | | | Average Change | Forecasted | | | | |
|--|---------------------|---------------------|---------------------|-------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Fiscal Year 2022 | Fiscal Year 2023 | Fiscal Year 2024 | | | Fiscal Year 2025 | Fiscal Year 2026 | Fiscal Year 2027 | Fiscal Year 2028 | Fiscal Year 2029 |
| Revenue from Replacement/Renewal Levies | | | | | | | | | | |
| 11.010 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.020 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.300 | \$0 | \$0 | \$0 | 0.0% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i> | | | | | | | | | | |
| 12.010 | \$12,238,401 | \$13,815,752 | \$17,975,015 | 21.5% | \$20,102,832 | \$21,290,740 | \$21,123,101 | \$19,815,676 | \$16,870,450 | |
| Revenue from New Levies | | | | | | | | | | |
| 13.010 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 | 0 |
| 13.020 | 0 | 0 | 0 | 0.0% | 0 | 0 | 0 | 0 | 0 | 0 |
| 13.030 | \$0 | \$0 | \$0 | 0.0% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 14.010 | | | | 0.0% | 0 | 0 | 0 | 0 | 0 | 0 |
| 15.010 | \$12,238,401 | \$13,815,752 | \$17,975,015 | 21.5% | \$20,102,832 | \$21,290,740 | \$21,123,101 | \$19,815,676 | \$16,870,450 | |

Licking Valley Local School District – Licking County
Notes to the Five-Year Forecast
General Fund Only
November 18, 2024

Introduction to the Five Year Forecast

The 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 to the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are especially important 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.

Three important purposes or objectives of the five-year forecast are:

- (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 November 2024 filing.

Economic Outlook

The persistently high inflation that has impacted our state, country, and broader globalized economy has slowed to an annualized rate of 2.53% in August 2024, which is down from the 40 year high of 9.1% annualized rate posted in June 2022. Costs for goods and services in FY23 and FY24 were notably impacted in areas such as capital and durable goods, diesel fuel for buses, electric, natural gas, and building materials for facility maintenance and repair. Inflation affecting district costs is expected to continue in FY25. The Federal Reserve is projecting inflation to be closer to their target rate of 2% by calendar year end 2024 or early in 2025. It remains to be seen if the cumulative cost increases over the past two years are transitory in goods and services or will last over the forecast period.

The Federal Reserve Bank cut Federal Fund rates In September 2024 by 50 basis points (.5%) which indicates slowing inflation and a slowing economy. Employment levels have begun to fall. The unemployment rate was 3.8% in September 2023 and rose to 4.2% in September 2024. How this news impacts the state of Ohio's FY26 and FY27 biennium budget deliberations and actions in late spring 2025 is unknown as this forecast is filed.

The state of Ohio has enjoyed economic growth over the past three years, and the state's Rainy Day Fund balance is at \$3.7 Billion. The new state funding formula is in the fourth year of a projected six-year phase-in. While increased inflation has impacted costs across Ohio, the state's economy has grown, and many school districts received new funding in HB33 for FY24 and FY25. The ongoing growth in Ohio's economy should enable the state to finalize the last two years of the phase-in of the new funding formula in FY26 and FY27 even if a cyclical recession occurs. Regardless of a recession, the state is well-positioned to continue state aid payments to Ohio's school districts.

Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

Forecast Risks and Uncertainty:

A five-year financial forecast has risks and uncertainty not only due to economic delays noted above 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 brief description of the current issues and how they may affect our forecast in the long term:

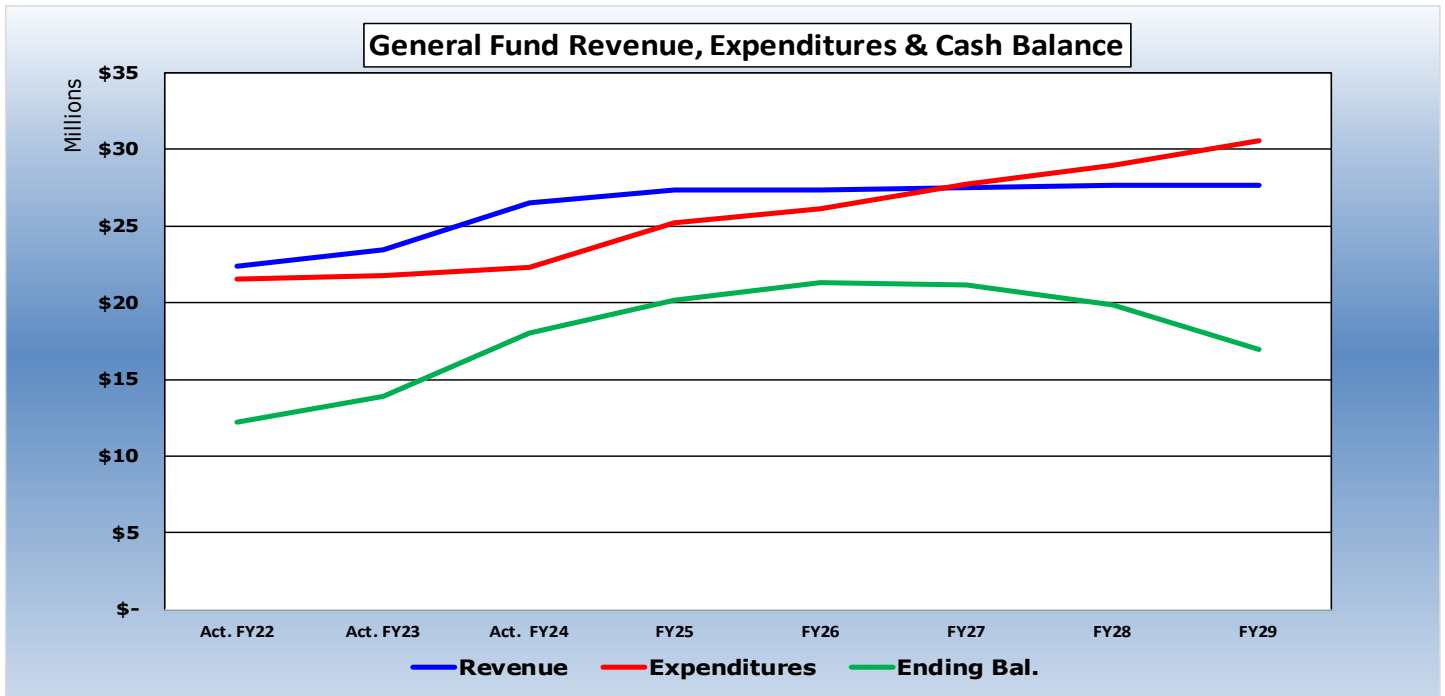
1. Property tax collections are the second largest revenue source for the school system. The housing market in our district is stable and seeing some small growth. We project continued growth in appraised values every three (3) years and new construction growth with continued modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Total local revenues, which are predominately local taxes equate to 46.1% of the district's resources.
2. Licking County experienced a reappraisal in the 2023 tax year to be collected in FY24. The 2023 update increased overall assessed values by \$92.86 million or an increase of 32.2% for Class I and Class II. A reappraisal update will occur in tax year 2026 for collection in FY27. We anticipate value increases for Class I and II property by \$20.3 million for an overall increase of 5.27%. There is, however, always a minor risk that the district could sustain a reduction in values in the next reappraisal update, but we do not anticipate that at this time.
3. Due to historic property value increases in reappraisal and update years the Ohio Legislature has considered various proposals since 2023 to help reduce non voted tax increases on taxpayers. Currently the senate has proposed SB271 that seeks to limit growth through refund or reduction taxes to ensure annual income and property taxes do not exceed 5% of a qualified taxpayer's income. If passed by the General Assembly this will result in lowering tax increases for our residents who qualify. We are watching this legislation closely.

In addition to SB271, the legislature developed a Joint Committee on Property Taxation and Reform in 2024 in response to the historic valuation increases. Their mission is to review Ohio's property tax system and to make recommendations to the General Assembly on property taxation. The committee must report to the General Assembly by December 31, 2024. We are following any actions of the committee closely to determine what impact, if any, proposals could mean for our district to limit tax growth or to reduce taxes.

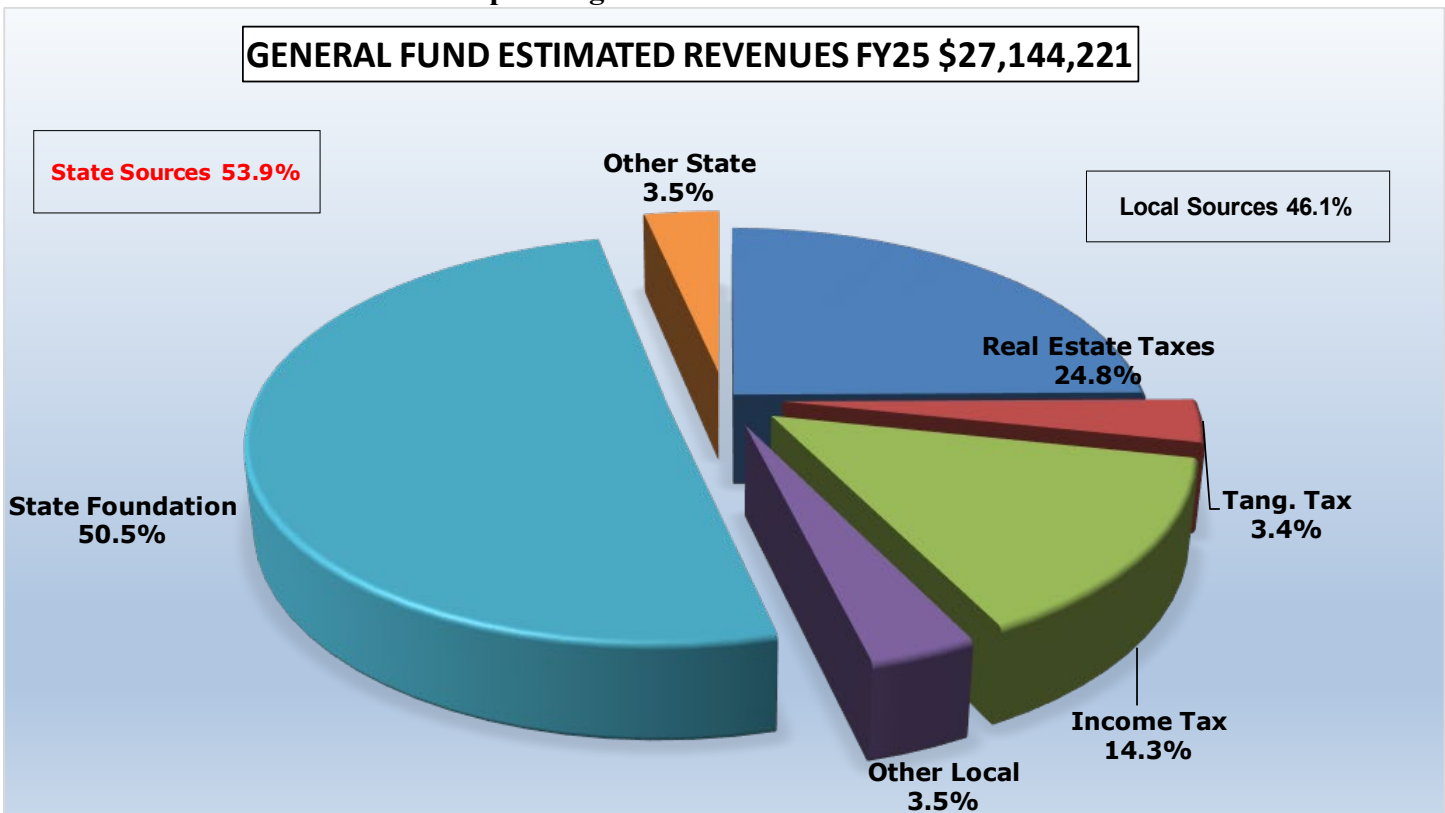
4. The state revenue represented 53.9% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to a possible recession or the last two (2) years of the Fair School Funding Plan is not funded in the next state biennium budget. In this forecast, there are two unknown future State Biennium Budgets covering FY26-27 and FY28-29. Future uncertainty in the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long-range through FY29. We have projected our state funding in FY25 based on the additional phase-in of HB33 (the FSFP). This forecast reflects state revenue aligning with the FY25 funding levels through FY29, which we feel is conservative and should be close to what the state approves for the next two biennium budgets. We will adjust the forecast in future years as we have 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. The FSFP has made many significant changes to how foundation revenues are calculated for school districts and how expenses are charged off. State foundation basic aid will be calculated on a base cost methodology with funding paid to the district where a student is enrolled to be educated. We have used the most recent simulations 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, Excess Costs and various tuitions continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid 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 our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we face. We believe as we move forward our positive working relationship will continue and will only grow stronger.

The significant 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 Andrew Douglass, Treasurer of Licking Valley Local School District.

General Fund Revenue, Expenditures and Ending Cash Balance Actual FY22-24 and Estimated FY25-29
 The graph captures in one snapshot the operating scenario facing the district over the next few years.



Revenue Assumptions
Estimated Operating Revenue Sources General Fund FY25



General Property Tax and Property Value Assumptions (Real Estate) – Line #1.010

Property Values are established annually by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Licking County experienced a reappraisal for the 2023 tax year to be collected in 2024. Residential/agricultural values increased 31.63% or \$84.8 million due to the reappraisal led by an improving housing market.

A reappraisal update will occur in 2026 for collection in 2027 for which we are estimating a 5.00% increase in residential and a 1.0% increase for commercial/industrial property. We anticipate Residential/Agricultural and Commercial/Industrial values to increase \$20.3 million or 5.27% overall.

Public Utility Personal Property (PUPP) values increased by \$463 thousand in Tax Year 2023. We expect our values to continue to grow in each year after in this forecast.

We have been conservative with any future value increases for reappraisal or updates due to uncertainty over legislative actions that may take place in the spring of 2025 that limits property tax growth.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

| | Actual | Actual | Estimated | Estimated | Estimated |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | TAX YEAR2024 | TAX YEAR2025 | TAX YEAR2026 | TAX YEAR2027 | TAX YEAR2028 |
| Classification | COLLECT 2025 | COLLECT 2026 | COLLECT 2027 | COLLECT 2028 | COLLECT 2029 |
| Res./Ag. | \$354,945,220 | \$356,990,220 | \$376,884,731 | \$378,929,731 | \$380,974,731 |
| Comm./Ind. | 28,309,976 | 28,459,976 | 28,894,575 | 29,044,575 | 29,194,575 |
| Public Utility Personal Property (PUPP) | <u>31,254,570</u> | <u>31,454,570</u> | <u>31,654,570</u> | <u>31,854,570</u> | <u>32,054,570</u> |
| Total Assessed Value | <u>\$414,509,766</u> | <u>\$416,904,766</u> | <u>\$437,433,876</u> | <u>\$439,828,876</u> | <u>\$442,223,876</u> |

ESTIMATED REAL ESTATE TAX (Line #1.010)

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Est. Real Estate Taxes | <u>\$6,736,899</u> | <u>\$6,753,845</u> | <u>\$6,972,494</u> | <u>\$7,146,666</u> | <u>\$7,185,189</u> |
| Total Line #1.01 Real Estate Taxes | <u>\$6,736,899</u> | <u>\$6,753,845</u> | <u>\$6,972,494</u> | <u>\$7,146,666</u> | <u>\$7,185,189</u> |

Property tax levies are estimated to be collected at 97.3% of the annual amount. This allows for a 2.7% delinquency factor. In general, 57.14% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the February tax settlement and 42.86% collected in the August tax settlement.

Estimated Public Utility Personal Property Tax (PUPP) – Line #1.020

The amounts below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted in the table above under Public Utility Personal Property, which was \$31.25 million in assessed values in 2024 and is collected at the district’s full voted millage rate. Collections have typically been 65% in February and 35% in August but most recently it appears that it will shift back to 50% in February and 50% in August. The values in 2024 rose by 0.6% and are expected to grow by \$200 thousand each year of the forecast.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|
| Public Utility Personal Property | <u>\$929,053</u> | <u>\$937,502</u> | <u>\$943,482</u> | <u>\$949,462</u> | <u>\$955,442</u> |
| Total PUPP Tax Line #1.020 | <u>\$929,053</u> | <u>\$937,502</u> | <u>\$943,482</u> | <u>\$949,462</u> | <u>\$955,442</u> |

New Tax Levies – Line #13.030

No new levies are modeled in this forecast.

School District Income Tax – Line#1.030

The district has a 1% School District Income Tax (SDIT) for a continuing period of time. We are projecting a 3% increase for FY25 and 1% increases for FY26 through FY29 as the concerns over inflation may slow growth in this area.

| <u>Source</u> | <u>FY25</u> | <u>FY26</u> | <u>FY27</u> | <u>FY28</u> | <u>FY29</u> |
|-------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| July payment | \$1,384,201 | \$1,398,043 | \$1,412,023 | \$1,426,143 | \$1,440,404 |
| October payment | 824,451 | 832,696 | 841,023 | 849,433 | 857,927 |
| January payment | 766,008 | 773,668 | 781,405 | 789,219 | 797,111 |
| April payment | 907,674 | 916,751 | 925,919 | 935,178 | 944,530 |
| Total SDIT Collections | \$3,882,334 | \$3,882,334 | \$3,921,158 | \$3,960,370 | \$3,999,973 |
| Adjustments | 0 | 38,824 | 39,212 | 39,603 | 39,999 |
| Total SDIT Line #1.030 | <u>\$3,882,334</u> | <u>\$3,921,158</u> | <u>\$3,960,370</u> | <u>\$3,999,973</u> | <u>\$4,039,972</u> |

**State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045
Current State Funding Model per HB33 through June 30, 2025**

A) Unrestricted State Foundation 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 October 2024 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, 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 Budget Projections beyond FY25

Our funding status for FY26-29 will depend on unknown two (2) 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 four (4) casinos to open 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% of Gross Casino Revenue 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, beginning 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 \$65.44 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 2% annual growth rate for the remainder of the forecast.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Basic Aid-Unrestricted | \$12,566,633 | \$12,566,633 | \$12,566,633 | \$12,566,633 | \$12,566,633 |
| Additional Aid Items | <u>195,602</u> | <u>195,602</u> | <u>195,602</u> | <u>195,602</u> | <u>195,602</u> |
| Basic Aid-Unrestricted Subtotal | 12,762,235 | 12,762,235 | 12,762,235 | 12,762,235 | 12,762,235 |
| Ohio Casino Commission ODT | <u>144,126</u> | <u>147,014</u> | <u>149,945</u> | <u>152,940</u> | <u>156,000</u> |
| Total Unrestricted State Aid Line #1.035 | <u>\$12,906,361</u> | <u>\$12,909,249</u> | <u>\$12,912,180</u> | <u>\$12,915,175</u> | <u>\$12,918,235</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. The district has elected to also post Catastrophic Aid for special education as restricted revenues. The amount of DPIA is limited to 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.

HB33 set aside funds state-wide to subsidize the Science of Reading initiative. The district will be reimbursed for teacher in-service and associated fringe benefits upon proof of training and certified reimbursement requests. The district is required to maintain documentation for how funds were spent for any subsidy received.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|---|------------------|------------------|------------------|------------------|------------------|
| Economically Disadvantaged Aid | \$139,422 | \$139,422 | \$139,422 | \$139,422 | \$139,422 |
| ESL | 1,108 | 1,108 | 1,108 | 1,108 | 1,108 |
| Gifted | 147,660 | 147,660 | 147,660 | 147,660 | 147,660 |
| Career Tech - Restricted | 56,992 | 56,992 | 56,992 | 56,992 | 56,992 |
| Student Wellness | 401,045 | 401,045 | 401,045 | 401,045 | 401,045 |
| Other Restricted State Funds | 0 | 0 | 0 | 0 | 0 |
| Catastrophic Aid | <u>45,451</u> | <u>45,451</u> | <u>45,451</u> | <u>45,451</u> | <u>45,451</u> |
| Total Restricted State Revenues Line #1.040 | <u>\$791,678</u> | <u>\$791,678</u> | <u>\$791,678</u> | <u>\$791,678</u> | <u>\$791,678</u> |

C) Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

| SUMMARY | FY25 | FY26 | FY27 | FY28 | FY29 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Unrestricted Line #1.035 | \$12,906,361 | \$12,909,249 | \$12,912,180 | \$12,915,175 | \$12,918,235 |
| Restricted Line #1.040 | 791,678 | 791,678 | 791,678 | 791,678 | 791,678 |
| Rest. Federal Funds #1.045 | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total State Foundation Revenue | <u>\$13,698,039</u> | <u>\$13,700,927</u> | <u>\$13,703,858</u> | <u>\$13,706,853</u> | <u>\$13,709,913</u> |

State Share of Local Property Tax – Line #1.050

a) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given to owner-occupied residences. Credits equal 12.5% of the gross property taxes charged to residential taxpayers on levies passed before September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after

September 29, 2013.

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 or older or disabled, regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who still need to get their Homestead Exemption approved or those who did not get a new application approved for the tax year 2013 and who become eligible after that 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 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 Tax Reimbursement – Line #1.050

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|-----------------------------------|------------------|------------------|------------------|--------------------|--------------------|
| Rollback and Homestead | <u>\$939,906</u> | <u>\$953,993</u> | <u>\$983,392</u> | <u>\$1,012,791</u> | <u>\$1,018,272</u> |
| b) TPP Reimbursement - Fixed Rate | 0 | 0 | 0 | 0 | 0 |
| c) TPP Reimbursement - Fixed Sum | 0 | 0 | 0 | 0 | 0 |
| Total Tax Reimbursements #1.050 | <u>\$939,906</u> | <u>\$953,993</u> | <u>\$983,392</u> | <u>\$1,012,791</u> | <u>\$1,018,272</u> |

Other Local Revenues – Line #1.060

All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, and general rental fees. Since FY22 open-enrolled students have been counted in our Enrolled ADM numbers for state funding and are not separately funded.

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 points 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.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Tuition Related Payments | \$174,744 | \$157,270 | \$157,270 | \$157,270 | \$157,270 |
| Open Enrollment | 0 | 0 | 0 | 0 | 0 |
| Class & Sports Oriented Fees | 145,426 | 145,426 | 145,426 | 145,426 | 145,426 |
| Interest Earnings | 537,805 | 430,244 | 344,195 | 172,098 | 86,049 |
| Miscellaneous | <u>100,015</u> | <u>100,015</u> | <u>100,015</u> | <u>100,015</u> | <u>100,015</u> |
| Total Other Local Revenue Line #1.060 | <u>\$957,990</u> | <u>\$832,955</u> | <u>\$746,906</u> | <u>\$574,809</u> | <u>\$488,760</u> |

Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short-term borrowing projected in this forecast.

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.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|
| Transfers In - Line #2.040 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Advance Returns - Line #2.050 | <u>155,000</u> | <u>155,000</u> | <u>155,000</u> | <u>155,000</u> | <u>155,000</u> |
| Total Transfer & Advances In | <u>\$155,000</u> | <u>\$155,000</u> | <u>\$155,000</u> | <u>\$155,000</u> | <u>\$155,000</u> |

All Other Financial Sources – Line #2.060 & Line #14.010

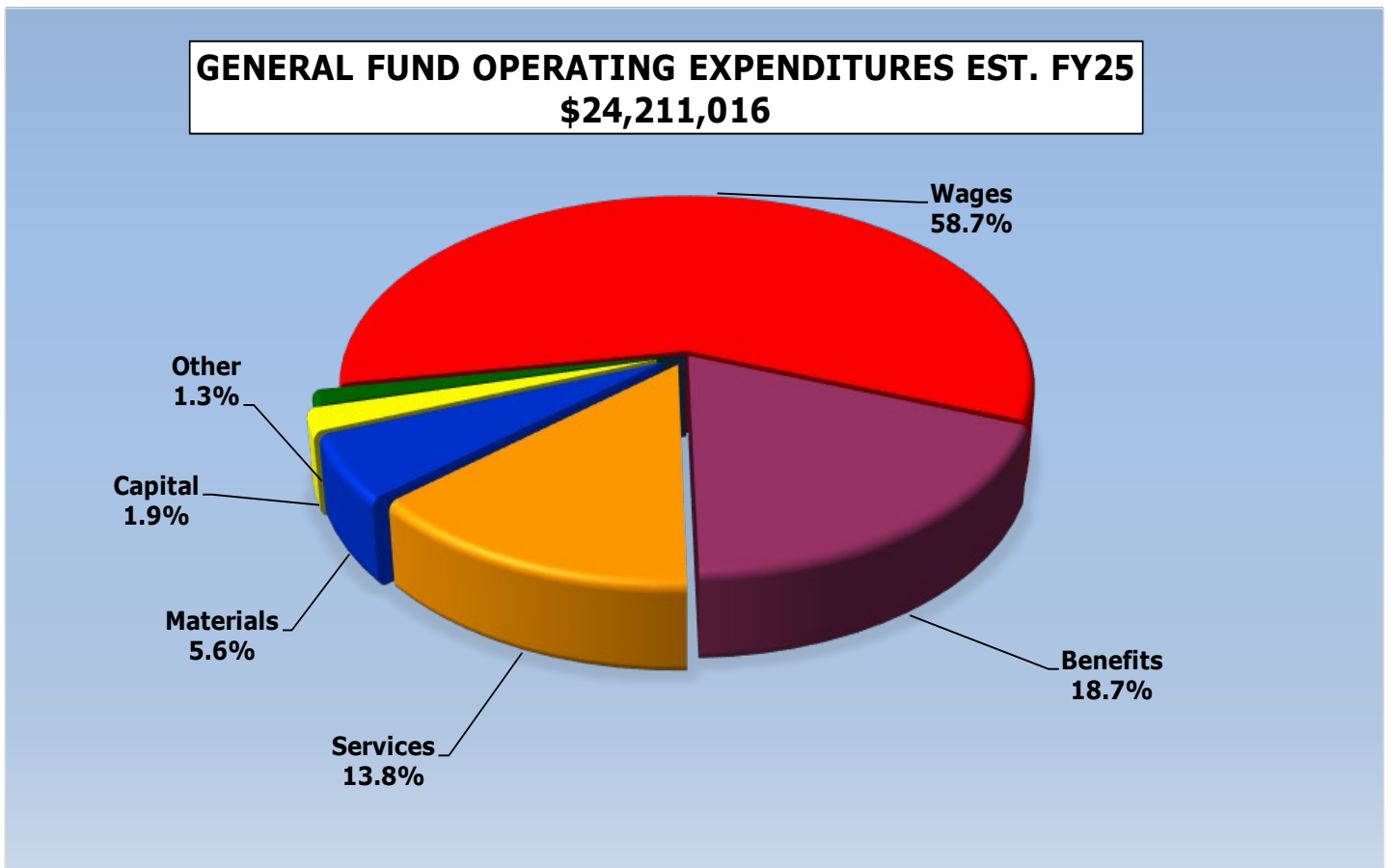
This funding source is typically a refund of prior year expenditures that is very unpredictable. These revenues are inconsistent from year to year, and we will not project that occurring in the remainder of the forecast.

| <u>Source</u> | <u>FY25</u> | <u>FY26</u> | <u>FY27</u> | <u>FY28</u> | <u>FY29</u> |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Refund of prior years expenditures | \$78,141 | \$78,141 | \$78,141 | \$78,141 | \$78,141 |

Expenditures Assumptions

The district’s leadership team is always looking at ways to improve the education of the students whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students and addressing student needs is at the forefront of resource utilization.

Estimated General Fund Operating Expenditures for FY25



Personnel Services – Employees’ Salaries & Wages – Line #3.010

The expenditures in this category represent salaries and wages for services rendered for all union and non-union employees. Negotiations with bargaining unit members resulted in an agreement to include base increases of 4.0% for FY25, 3% for FY26, and 3% in FY27. We are estimating a 2% increase in FY28-FY29. There are two intervention specialist positions and an aide that has been added for FY25.

| <u>Source</u> | <u>FY25</u> | <u>FY26</u> | <u>FY27</u> | <u>FY28</u> | <u>FY29</u> |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Base Wages | \$11,500,000 | \$12,601,009 | \$13,236,298 | \$13,928,685 | \$14,464,752 |
| Based Pay Increase | 510,000 | 384,769 | 403,962 | 285,585 | 296,306 |
| Steps & Academic Training | 200,366 | 201,250 | 220,518 | 231,635 | 243,752 |
| Growth Staff | 129,542 | 42,370 | 60,907 | 11,847 | 0 |
| New Building Staff | 0 | 0 | 0 | 0 | 0 |
| Substitutes | 1,168,284 | 1,203,333 | 1,239,432 | 1,264,221 | 1,289,506 |
| Supplementals | 308,417 | 333,045 | 358,795 | 382,124 | 405,919 |
| Severance | 141,514 | 141,514 | 141,514 | 141,514 | 141,514 |
| ESSER/Grant Adjustments | 254,301 | 0 | 0 | 0 | 0 |
| Other Adjustments/Reductions | 0 | 0 | 0 | 0 | 0 |
| Total Wages Line #3.010 | <u>\$14,212,424</u> | <u>\$14,907,290</u> | <u>\$15,661,426</u> | <u>\$16,245,611</u> | <u>\$16,841,749</u> |

Employees' Retirement & Insurance Benefits Estimates Line #3.020

This area of the forecast captures all costs associated with benefits and retirement costs.

A) STRS/SERS

As the law requires, the BOE pays 14% of all employee wages to STRS or SERS. The district is also required to pay SERS Surcharge, an additional employer charge based on the salaries of lower-paid members. It is exclusively used to fund health care.

B) Insurance

The district is estimating an 11% increase in insurance costs in FY25 and a 10% increase in each of the remaining years of the forecast.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to be approximately 0.20% of wages FY25-FY29. Unemployment is likely to remain at a shallow level in FY25-FY29. The district is a direct reimbursement employer, meaning unemployment costs are only incurred and due if we have eligible employees and draw unemployment.

D) Medicare

Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all employees hired to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

E) Other/Tuition

The district reimburses employees for the tuition to further their education to maintain licensure for teaching. The district does not anticipate any significant increase during the forecast.

Summary of Retirement/Insurance Benefits – Line #3.02

| <u>Source</u> | <u>FY25</u> | <u>FY26</u> | <u>FY27</u> | <u>FY28</u> | <u>FY29</u> |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| A) STRS/SERS | \$2,199,927 | \$2,319,229 | \$2,437,515 | \$2,533,148 | \$2,627,327 |
| B) Insurance's | 2,025,577 | 2,424,126 | 2,885,561 | 3,401,801 | 3,966,822 |
| C) Workers Comp/Unemployment | 28,555 | 29,959 | 31,482 | 32,662 | 33,866 |
| D) Medicare | 190,327 | 204,816 | 216,424 | 226,380 | 235,390 |
| Other/Tuition/Annuities | <u>75,000</u> | <u>75,000</u> | <u>75,000</u> | <u>75,000</u> | <u>75,000</u> |
| Total Fringe Benefits Line #3.020 | <u>\$4,519,386</u> | <u>\$5,053,130</u> | <u>\$5,645,982</u> | <u>\$6,268,991</u> | <u>\$6,938,405</u> |

Purchased Services – Line #3.030

HB110, the previous state budget, impacted Purchased Services beginning in FY22 as the Ohio Department of Education will directly pay these costs to the educating districts for open enrollment, community, and STEM schools and for scholarships granted to students to be educated elsewhere, as opposed to deducting these amounts from our state foundation funding. 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 have been adjusted based on historical trends. 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% in FY25. The district anticipates increases in expenditures as strategic plan initiatives are implemented.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Professional & Technical Services, ESC | \$1,174,369 | \$1,009,100 | \$1,039,373 | \$1,070,554 | \$1,102,671 |
| Maintenance, Insurance & Garbage Removal | 506,586 | 521,784 | 557,438 | 574,161 | 591,386 |
| Professional Development | 18,497 | 19,052 | 19,624 | 20,213 | 20,819 |
| Communications, Postage, & Telephone | 62,201 | 64,067 | 65,989 | 67,969 | 70,008 |
| Utilities | 779,674 | 814,759 | 851,423 | 889,737 | 929,775 |
| Contracted Trades & Services | 1,013 | 1,013 | 1,013 | 1,013 | 1,013 |
| Tuition, Excess Costs & Scholarship Costs | 635,697 | 654,768 | 674,411 | 694,643 | 715,482 |
| College Credit Plus | 149,119 | 152,101 | 155,143 | 158,246 | 161,411 |
| Contract Transportation | 4,419 | 4,552 | 4,689 | 4,830 | 4,975 |
| Miscellaneous Purchased Services | 0 | 0 | 0 | 0 | 0 |
| Total Purchased Services Line #3.030 | <u>\$3,331,575</u> | <u>\$3,241,196</u> | <u>\$3,369,103</u> | <u>\$3,481,366</u> | <u>\$3,597,540</u> |

Supplies and Materials – Line #3.040

Expenses which are characterized by curricular supplies, testing supplies, copy paper, maintenance and custodial supplies, materials, and bus fuel. The district anticipates increases in expenditures as strategic plan initiatives are implemented.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|-------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| General Office Supplies & Materials | \$813,571 | \$595,614 | \$619,439 | \$644,217 | \$669,986 |
| Textbooks & Instructional Supplies | 35,053 | 39,435 | 44,364 | 49,910 | 56,149 |
| Facility Supplies & Materials | 218,439 | 177,177 | 184,264 | 191,635 | 199,300 |
| Transportation Fuel & Supplies | 289,181 | 300,748 | 312,778 | 325,289 | 338,301 |
| Other adjustments | 0 | 0 | 0 | 0 | 0 |
| Total Supplies Line #3.040 | <u>\$1,356,244</u> | <u>\$1,112,974</u> | <u>\$1,160,845</u> | <u>\$1,211,051</u> | <u>\$1,263,736</u> |

Capital Outlay – Line #3.050

The district does not anticipate costs increasing significantly in this line because most capital outlay is paid by the Permanent Improvement Fund.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Capital Outlay & Maintenance | \$230,961 | \$80,199 | \$83,407 | \$86,743 | \$90,213 |
| Technology/Curriculum Purchases | 105,000 | 170,000 | 115,000 | 0 | 115,000 |
| Busses & Other Vehicles | 134,784 | 208,827 | 290,184 | 234,445 | 307,856 |
| Other adjustments SWSF, CARES, Etc. | 0 | 0 | 0 | 0 | 0 |
| Total Equipment Line #3.050 | <u>\$470,745</u> | <u>\$459,026</u> | <u>\$488,591</u> | <u>\$321,188</u> | <u>\$513,069</u> |

Other Objects – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit and other miscellaneous expenses.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|
| County Auditor & Treasurer Fees | \$171,309 | \$178,161 | \$185,287 | \$196,404 | \$208,188 |
| ESC Deduction | 0 | 0 | 0 | 0 | 0 |
| Annual Audit Costs | 33,989 | 35,349 | 36,763 | 38,234 | 39,763 |
| Dues, Fees & other Expenses | <u>115,344</u> | <u>119,958</u> | <u>124,756</u> | <u>129,746</u> | <u>134,936</u> |
| Total Other Expenses Line #4.300 | <u>\$320,642</u> | <u>\$333,468</u> | <u>\$346,806</u> | <u>\$364,384</u> | <u>\$382,887</u> |

Transfers Out/Advances Out – Line #5.010

This account group covers fund-to-fund transfers and end-of-year short-term loans from the General Fund to other funds until they have received reimbursements to repay the General Fund. An additional transfer will occur in FY25 for the pilot program to cover the student event admission for the student participation initiative of the strategic plan.

| Source | FY25 | FY26 | FY27 | FY28 | FY29 |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Operating Transfers Out Line #5.010 | \$883,529 | \$883,529 | \$883,529 | \$883,529 | \$883,529 |
| Advances Out Line #5.020 | <u>155,000</u> | <u>155,000</u> | <u>155,000</u> | <u>155,000</u> | <u>155,000</u> |
| Total Transfer & Advances Out | <u>\$1,038,529</u> | <u>\$1,038,529</u> | <u>\$1,038,529</u> | <u>\$1,038,529</u> | <u>\$1,038,529</u> |

Encumbrances – Line #8.010

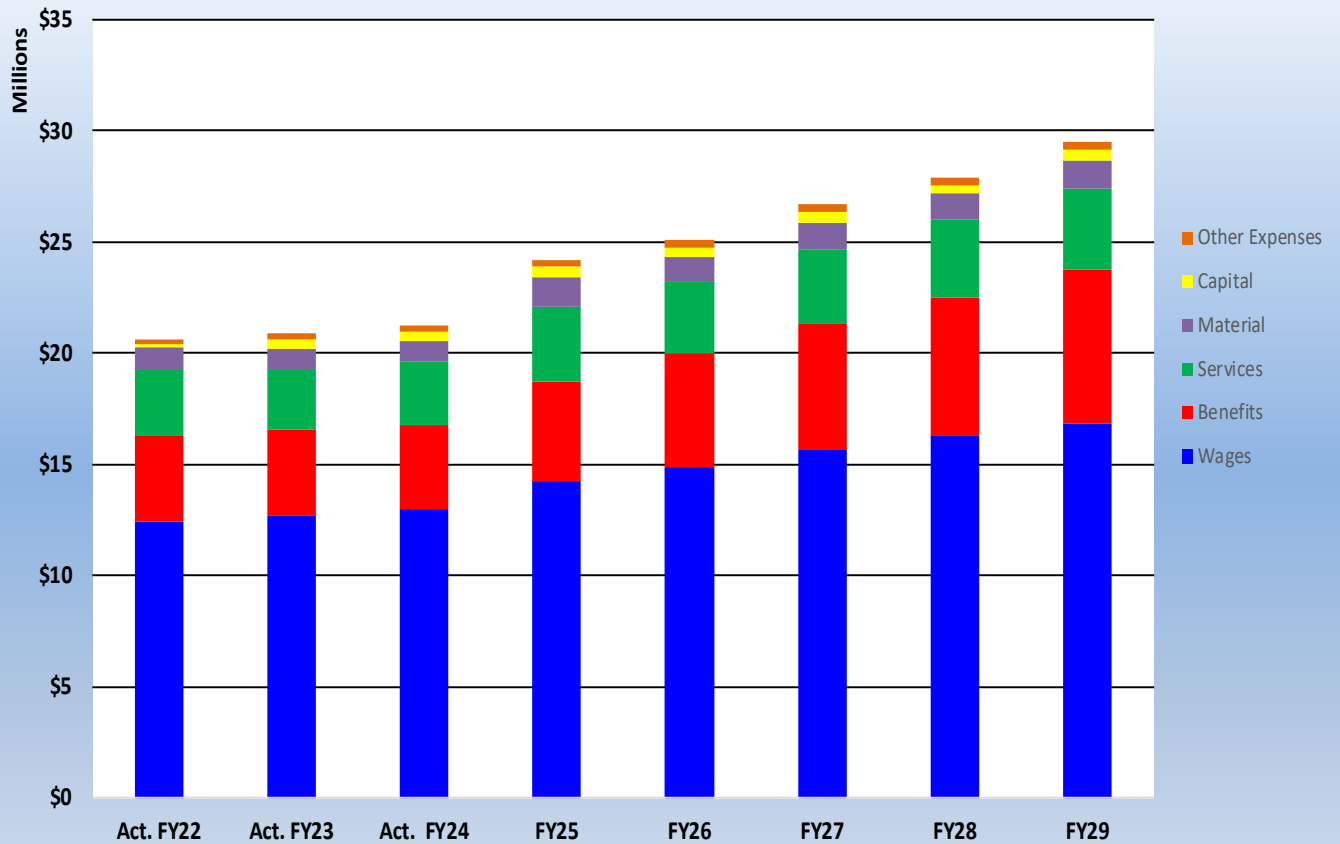
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

| | FY25 | FY26 | FY27 | FY28 | FY29 |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Estimated Encumbrances Line #8.010 | <u>\$62,167</u> | <u>\$62,167</u> | <u>\$62,167</u> | <u>\$62,167</u> | <u>\$62,167</u> |

Operating Expenditures Actual FY22 through FY24 and Estimated FY25-FY29

As the graph on the following page indicates, we have diligently contained costs due to lower and flat state revenues. We control our expenses while balancing students' academic needs to enable them to excel and perform well on state performance standards.

General Fund Expenditures Actual FY22 Through Projected FY29



Ending Unencumbered Cash Balance– Line #15.010

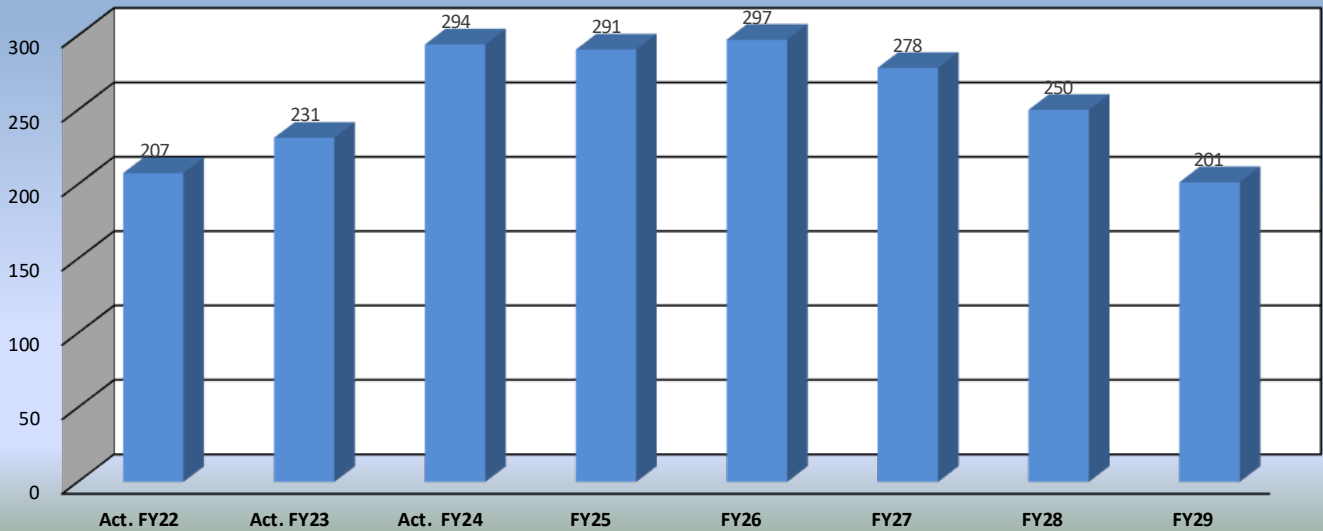
This amount must not go below \$-0- or the district General Fund will violate Ohio Budgetary Laws. Any multi-year contract which is knowingly signed that results in a negative unencumbered cash balance is a violation of Ohio Revised Code section 5705.412, punishable by personal liability of \$10,000, unless an alternative “412” certificate can be issued pursuant to House Bill 153 effective September 30, 2011. It is recommended by the GFOA and other authoritative sources that a district maintains a minimum of thirty (30) day cash balance.

| | <u>FY25</u> | <u>FY26</u> | <u>FY27</u> | <u>FY28</u> | <u>FY29</u> |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Ending Unreserved Cash Balance Line #15.01 | <u>\$20,102,832</u> | <u>\$21,290,740</u> | <u>\$21,123,101</u> | <u>\$19,815,676</u> | <u>\$16,870,450</u> |

True Cash Days Ending Balance

Another way to look at ending cash is to state it in “True Cash Days”. In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The government finance officers association recommends no less than two (2) months or 60 days of cash on hand at year end but could be more depending on each district’s complexity and risk factors for revenue collection.

Ending Unencumbered Cash Balance in True Cash Days



CONCLUSION

Licking Valley Local School District receives 53.9% 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 appreciates the supportive Licking Valley 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.