

**TALAWANDA CITY SCHOOL DISTRICT - BUTLER 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**  
**Talawanda City School District**  
**Treasurer's Office**  
**Shaunna Tafelski, Treasurer/CFO**

**November 21, 2024**

# Talawanda City School District

Butler County

Schedule of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Years Ended June 30, 2022, 2023, 2024 Actual;

Forecasted Fiscal Year Ending June 30, 2025 through 2029

	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
<b>Revenues</b>										
1.010	General Property Tax (Real Estate)	14,432,095	14,498,928	17,259,328	9.8%	19,380,810	19,435,091	19,981,430	20,442,556	20,553,286
1.020	Public Utility Personal Property Tax	2,455,280	2,092,842	2,203,281	-4.7%	3,330,678	2,439,876	2,488,751	2,537,625	2,586,500
1.030	Income Tax	8,458,140	9,464,884	9,347,504	5.3%	9,693,806	9,955,539	10,224,338	10,500,395	10,783,906
1.035	Unrestricted State Grants-in-Aid	8,085,710	8,269,331	8,120,604	0.2%	8,293,068	8,495,942	8,498,851	8,501,804	8,504,801
1.040	Restricted State Grants-in-Aid	574,924	530,155	740,843	16.0%	598,982	471,063	471,063	471,063	471,063
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	1,648,621	1,657,297	1,963,732	9.5%	2,307,547	2,255,327	2,321,742	2,388,880	2,399,413
1.060	All Other Revenues	1,892,514	2,199,849	3,011,898	26.6%	2,834,608	2,493,374	2,325,254	2,247,693	2,249,052
1.070	<b>Total Revenues</b>	<b>37,547,284</b>	<b>38,713,286</b>	<b>42,647,190</b>	<b>6.6%</b>	<b>46,439,499</b>	<b>45,546,212</b>	<b>46,311,429</b>	<b>47,089,916</b>	<b>47,548,021</b>
<b>Other Financing Sources</b>										
2.010	Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020	State Emergency Loans and Advancements (Approved)	0	0	0	0.0%	0	0	0	0	0
2.040	Operating Transfers-In	0	42,485	0	0.0%	0	0	0	0	0
2.050	Advances-In	15,062	554,588	41,044	999.0%	13,124	75,000	75,000	75,000	75,000
2.060	All Other Financing Sources	139,043	52,693	162,537	73.2%	115,161	108,926	128,875	117,654	118,485
2.070	<b>Total Other Financing Sources</b>	<b>154,105</b>	<b>649,766</b>	<b>203,581</b>	<b>126.5%</b>	<b>128,285</b>	<b>183,926</b>	<b>203,875</b>	<b>192,654</b>	<b>193,485</b>
2.080	<b>Total Revenues and Other Financing Sources</b>	<b>37,701,389</b>	<b>39,363,052</b>	<b>42,850,771</b>	<b>6.6%</b>	<b>46,567,784</b>	<b>45,730,138</b>	<b>46,515,304</b>	<b>47,282,570</b>	<b>47,741,506</b>
<b>Expenditures</b>										
3.010	Personnel Services	20,501,243	20,884,983	20,269,919	-0.5%	21,773,731	22,835,474	23,731,201	24,662,484	25,630,735
3.020	Employees' Retirement/Insurance Benefits	7,391,163	7,754,049	7,687,241	2.0%	8,751,966	9,305,462	9,803,866	10,330,453	10,887,065
3.030	Purchased Services	7,091,530	7,134,051	7,249,993	1.1%	7,899,503	8,294,836	8,422,531	8,670,188	8,925,429
3.040	Supplies and Materials	788,995	913,418	771,161	0.1%	853,089	903,711	934,105	965,607	998,261
3.050	Capital Outlay	466,852	3,886,735	776,422	326.3%	657,140	739,451	938,559	1,265,397	762,677
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	0
4.300	Other Objects	880,955	939,964	982,577	5.6%	1,026,933	1,073,437	1,122,114	1,173,149	1,226,577
4.500	<b>Total Expenditures</b>	<b>37,120,738</b>	<b>41,513,200</b>	<b>37,737,313</b>	<b>1.4%</b>	<b>40,962,362</b>	<b>43,152,371</b>	<b>44,952,376</b>	<b>47,067,278</b>	<b>48,430,744</b>
<b>Other Financing Uses</b>										
5.010	Operating Transfers-Out	0	0	0	0.0%	12,000	0	0	0	0
5.020	Advances-Out	554,588	41,044	13,124	-80.3%	75,000	75,000	75,000	75,000	75,000
5.030	All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040	<b>Total Other Financing Uses</b>	<b>554,588</b>	<b>41,044</b>	<b>13,124</b>	<b>-80.3%</b>	<b>87,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>
5.050	<b>Total Expenditures and Other Financing Uses</b>	<b>37,675,326</b>	<b>41,554,244</b>	<b>37,750,437</b>	<b>0.6%</b>	<b>41,049,362</b>	<b>43,227,371</b>	<b>45,027,376</b>	<b>47,142,278</b>	<b>48,505,744</b>
6.010	<b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b>	<b>26,063</b>	<b>(2,191,192)</b>	<b>5,100,334</b>	<b>-999.0%</b>	<b>5,518,422</b>	<b>2,502,767</b>	<b>1,487,928</b>	<b>140,292</b>	<b>(764,238)</b>
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	22,021,180	22,047,243	19,856,051	-4.9%	24,956,385	30,474,807	32,977,574	34,465,502	34,605,794
7.020	<b>Cash Balance June 30</b>	<b>22,047,243</b>	<b>19,856,051</b>	<b>24,956,385</b>	<b>7.9%</b>	<b>30,474,807</b>	<b>32,977,574</b>	<b>34,465,502</b>	<b>34,605,794</b>	<b>33,841,556</b>
8.010	<b>Estimated Encumbrances June 30</b>	<b>148,639</b>	<b>663,912</b>	<b>156,984</b>	<b>135.2%</b>	<b>156,984</b>	<b>156,984</b>	<b>156,984</b>	<b>156,984</b>	<b>156,984</b>
10.010	<b>Fund Balance June 30 for Certification of Appropriations</b>	<b>21,898,604</b>	<b>19,192,139</b>	<b>24,799,401</b>	<b>8.4%</b>	<b>30,317,823</b>	<b>32,820,590</b>	<b>34,308,518</b>	<b>34,448,810</b>	<b>33,684,572</b>
<b>Revenue from Replacement/Renewal Levies</b>										
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	0	0
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	0	0	0
11.300	Cumulative Balance of Replacement/Renewal Levies	0	0	0	0.0%	0	0	0	0	0
12.010	<b>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</b>	<b>21,898,604</b>	<b>19,192,139</b>	<b>24,799,401</b>	<b>8.4%</b>	<b>30,317,823</b>	<b>32,820,590</b>	<b>34,308,518</b>	<b>34,448,810</b>	<b>33,684,572</b>
<b>Revenue from New Levies</b>										
13.010	Income Tax - New	0	0	0	0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	0	0	0	0.0%	0	0	0	0	0
14.010	Revenue from Future State Advancements				0.0%	0	0	0	0	0
15.010	<b>Unreserved Fund Balance June 30</b>	<b>21,898,604</b>	<b>19,192,139</b>	<b>24,799,401</b>	<b>8.4%</b>	<b>30,317,823</b>	<b>32,820,590</b>	<b>34,308,518</b>	<b>34,448,810</b>	<b>33,684,572</b>

**Talawanda City School District – Butler County**  
**Notes to the Five-Year Forecast**  
**General Fund Only**  
**November 21, 2024**

**Introduction to the Five-Year Forecast**

A forecast is a snapshot of what we know to be true today. It is a tool used by the Board of Education to illustrate the projected financial position of the school district in upcoming years. Due to the significant unknowns in economic conditions and future assumptions, the forecast is constantly changing, fluid in nature.

Overall, the forecast is based on historical trends, what we know in this moment, and future assumptions. That snapshot, however, will be adjusted because the further into the future the forecast extends, the more likely it is that the projections will deviate from experience. Various events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal/replacement), salary increases, enrollment variances, or businesses moving in or out of the district. The five-year forecast is a crucial management tool and must be updated periodically. The five-year forecast enables district management teams to examine future years' projections and identify when challenges will arise. This helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with the Ohio Department of Education and Workforce (ODEW) when events materially change their forecast or, at a minimum, when required under the statute.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact the Treasurer/Chief Fiscal Officer of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

Here are three essential purposes or objectives of the five-year forecast:

- (1) To engage the local board of education and the community in long-range planning and discussions of financial issues facing the school district
- (2) To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate"
- (3) To provide a method for the Ohio Department of Education and Workforce, and the Auditor of State to identify school districts with potential financial problems.

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five-year financial forecast by November 30, and May 31, each fiscal year (July 1 to June 30). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures; with the first year of the forecast being considered the baseline year. Our forecast is updated to reflect the most current economic (as of 11.7.24) data available for the November 2024 filing.

**Economic Outlook**

The current economic recovery began in the fall of 2020 and remains robust through this forecast date. However, recent Federal Reserve Bank interest rate cuts foretell of a possible recession in the next six to twelve months from this forecast. 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 that 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. There is some good news, 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. A survey of prominent leading economists predicts there is roughly a 50% chance of a mild recession in the calendar year 2025. 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.

### **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 as a result of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues and how they may affect our forecast in the long term:

1. Property tax collections are the largest single revenue source for the school system. The housing market in our district is stable and growing. We project growth in appraised values every three (3) years and new construction growth with modest increases in local taxes as the pandemic has ended and the economy continues its recovery as anticipated. Total local revenues, which are predominately local taxes, equate to 75.9% of the district's resources. We believe there is a low risk that local collections would fall below projections throughout the forecast.
2. Butler County experienced a triennial update in the 2023 tax year to be collected in FY24. The 2023 update increased overall assessed values by \$267.7 million or an increase of 33.4%. Overall values rose \$275.4 million or 34.4%, which includes the reappraisal and new construction for all classes of property. A sexennial reappraisal is occurring in tax year 2026 for collection in FY27. We anticipate value increases for Class I and II property of \$51.4 million, for an overall increase of 4.7% based on recent information.
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 district has a 1% traditional income tax that generates 21% of the district's operating revenues. Due to this being our second largest source of income, a shift in our local economy could have an adverse effect on district revenues. This forecast assumes stable and slightly increasing revenues to this line. However, we recognize the potential risk associated with change to our local economy.
5. The state budget represented 24.1% 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 Fair School

Funding Plan). As we are currently on the ‘guarantee’, this forecast reflects state revenue to align 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.

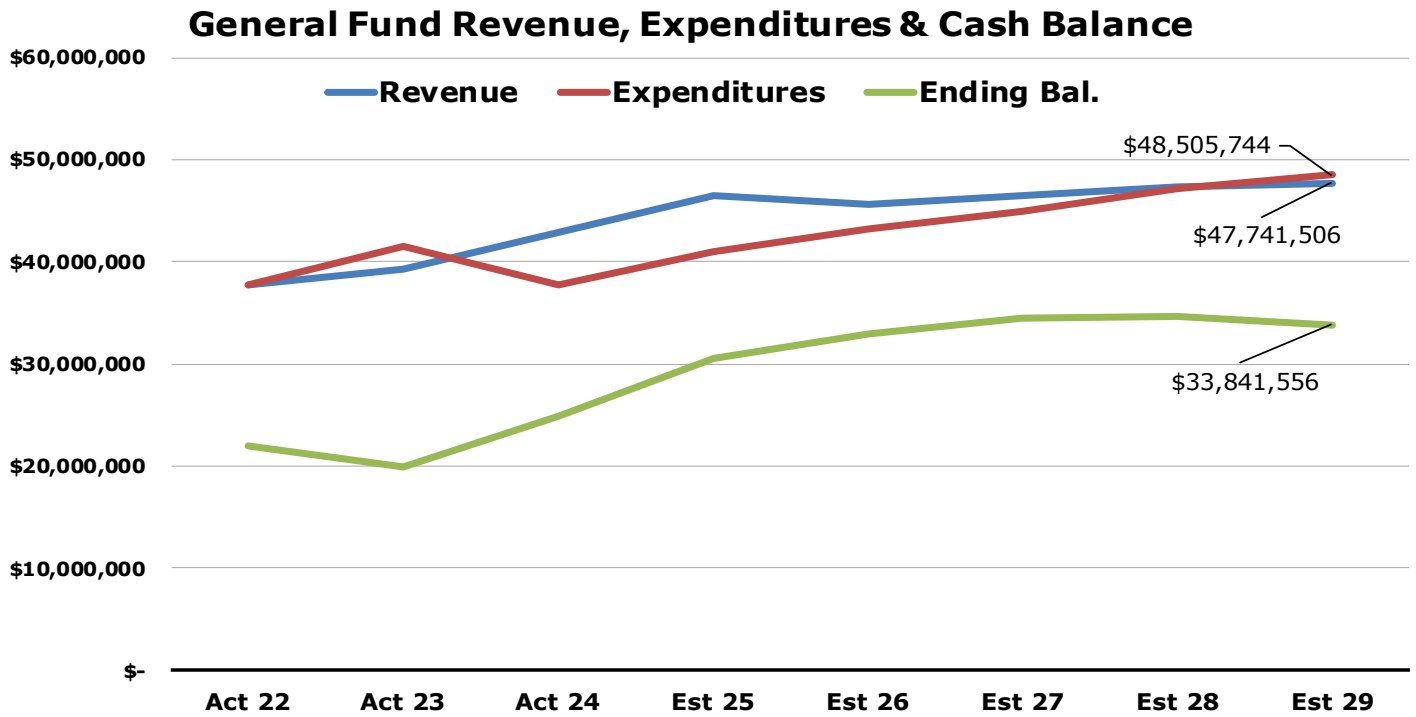
6. HB33, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY24 and FY25. FY25 reflects 66.67% of the implementation cost at year four of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.66% funding 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.
7. 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.
8. Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we have faced in prior years. We believe that as we move forward our positive working relationship will continue and will only grow stronger.
9. Healthcare fluctuations is an area that is closely watched. Prior to the pandemic our healthcare consortium experienced some of the lowest annual premium increases (5-year annual average: 1.6%) not only in Ohio but nationwide. Since the pandemic, and with the advances in gene therapy protocol we have seen 6% to 17.9% annual increases.

The forecast assumes a consistent level of federal grant funding (IDEA, Title I, Title IIA, etc) and state grant funding for future years (maintaining our ‘Guarantee’ status). The forecast does not add any additional stimulus (pandemic funding) at the time of submission.

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 assist the reader in reviewing the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please contact Shaunna Tafelski, Treasurer/CFO at 513-273-3100.

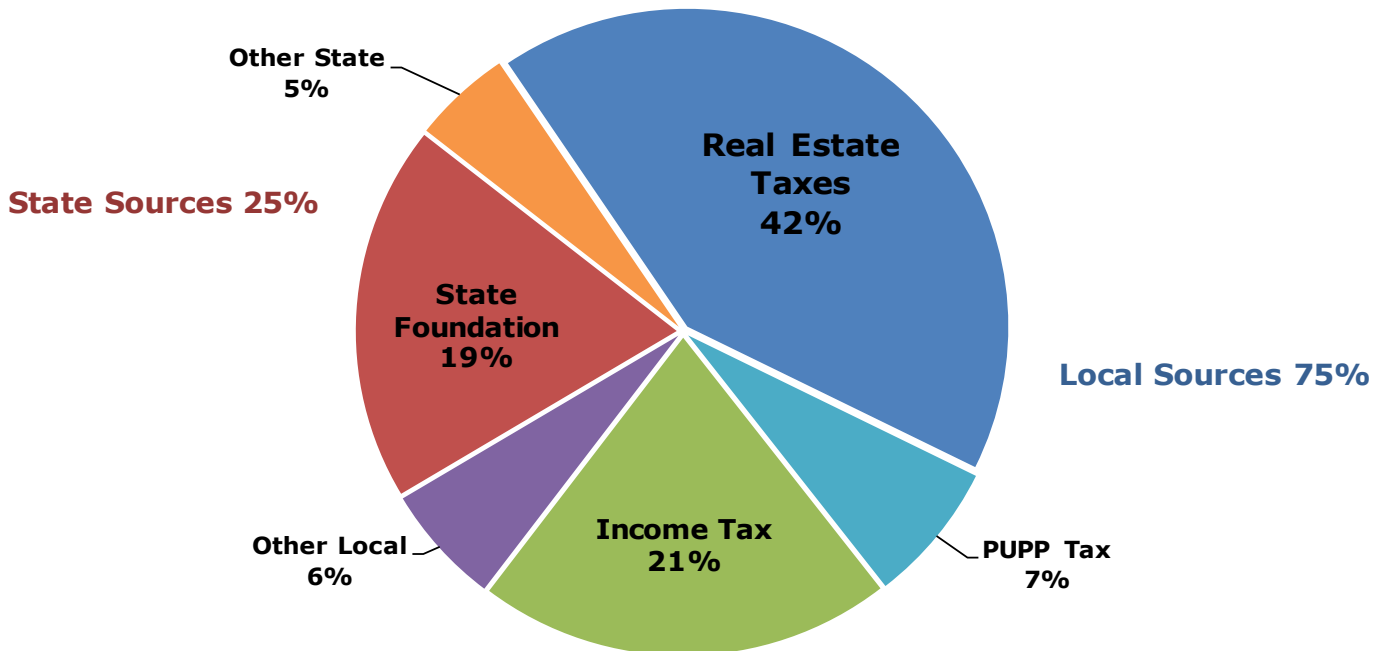
**General Fund Revenue, Expenditures and Ending Cash Balance Actual FY22-24 and Estimated FY25-29**

The graph below captures in one snapshot the operating scenario facing the district over the next few years.



### Revenue Assumptions All Operating Revenue Sources General Fund FY25

**General Fund Estimated Revenues FY25 \$ 46,439,499**



**Real Estate Value Assumptions – Line #1.010**

Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Butler County experienced a sexennial reappraisal for the 2023 tax year to be collected in FY24. Residential/Agricultural values increased 39.2% or \$241.1 million due to the reappraisal, led by an improving housing market.

For tax year 2023, new construction in residential property was up 1% or \$6.2 million in assessed value, and commercial/industrial values increased \$1.9 million. Overall values increased \$275 million, or 34.4%, which includes new construction for all classes of property.

A triennial update will occur in 2026 for collection in FY27, for which we are estimating a 5% increase in residential and a 1% increase for commercial/industrial property. We anticipate residential/agricultural and commercial/industrial values to increase \$51.4 million, or 4.7%, overall.

Public Utility Personal Property (PUPP) values increased by \$1.2 million in tax year 2023. We expect our values to continue to grow by \$500 thousand each year of the forecast. The Rockies Express Pipeline, LLC dispute with their taxable valuation has been resolved with the Ohio Department of Taxation. They had been paying at a tender rate, or the rate they believed it should be which was 50% of its original value. The most current information that we have is that it will be valued at 88% of its original valuation. The variance that is due to the district for tax years 2021 and 2022 will be treated as windfall revenue in FY25 but future years will return to its normal inflationary indexes.

**Estimated Assessed Value (AV) by Collection Years**

<u>Classification</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
	<u>TAX YEAR 2024</u>	<u>TAX YEAR 2025</u>	<u>TAX YEAR 2026</u>	<u>TAX YEAR 2027</u>	<u>TAX YEAR 2028</u>
	<u>COLLECT 2025</u>	<u>COLLECT 2026</u>	<u>COLLECT 2027</u>	<u>COLLECT 2028</u>	<u>COLLECT 2029</u>
Res./Ag.	\$865,595,033	\$869,272,021	\$916,683,562	\$920,916,532	\$924,785,837
Comm./Ind.	215,340,875	217,274,251	221,339,454	223,391,154	225,459,065
Public Utility (PUPP)	38,775,650	39,275,650	39,775,650	40,275,650	40,775,650
Total Assessed Value	<u>\$1,119,711,557</u>	<u>\$1,125,821,922</u>	<u>\$1,177,798,666</u>	<u>\$1,184,583,336</u>	<u>\$1,191,020,552</u>

**Tax Rate Assumptions**

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law (HB920) provides for “reduction factors” of all voted property tax levies to adjust the millage rates lower for the levy collections not to increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II), resulting in different effective millage rates. The district-voted rate for all levies is 48.30 mills while the Class I effective millage rate is 20.00 mills, and the Class II effective millage rate is 20.00 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the “20-Mill Floor”. Currently, our district is on the floor for Class I and reached the floor for Class II following the triennial update in tax year 2023.

**Estimated Real Estate Tax Collection - Line #1.010**

Property tax levies are estimated to be collected at 96.9% of the annual amount. This allows for a 3.1% delinquency factor. In general, 54.75% of the Residential/Agricultural and Commercial/Industrial property taxes are expected to be collected in the March tax settlement and 45.25% collected in the August tax settlement. Collections in FY24 were \$221 thousand due to a significant increase of delinquent taxes collected in the August and March tax settlements, which are expected to drop by \$76 thousand in FY25 and remain consistent for the remainder of the forecast.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Est. Property Taxes Line #1.010	<u>\$19,380,810</u>	<u>\$19,435,091</u>	<u>\$19,981,430</u>	<u>\$20,442,556</u>	<u>\$20,553,286</u>

**Public Utility Personal Property Taxes – Line#1.020**

Amounts noted below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted on the table above under Public Utility (PUPP), which were \$38.2 million in assessed values in 2023 and are collected at the district’s gross voted millage rate. Collections are typically 51% in March and 49% in August along with the real estate settlements from the county auditor. The values in 2023 increased by 3.4%, or \$1.2 million, and are expected to grow by \$500 thousand each year of the forecast.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Public Utility Personal Property Taxes	\$3,330,678	\$2,439,876	\$2,488,751	\$2,537,625	\$2,586,500

**Levy Renewal –Lines #11.010-11.030**

No levy renewals are modeled in this forecast.

**New Tax Levies – Lines #13.010-13.030**

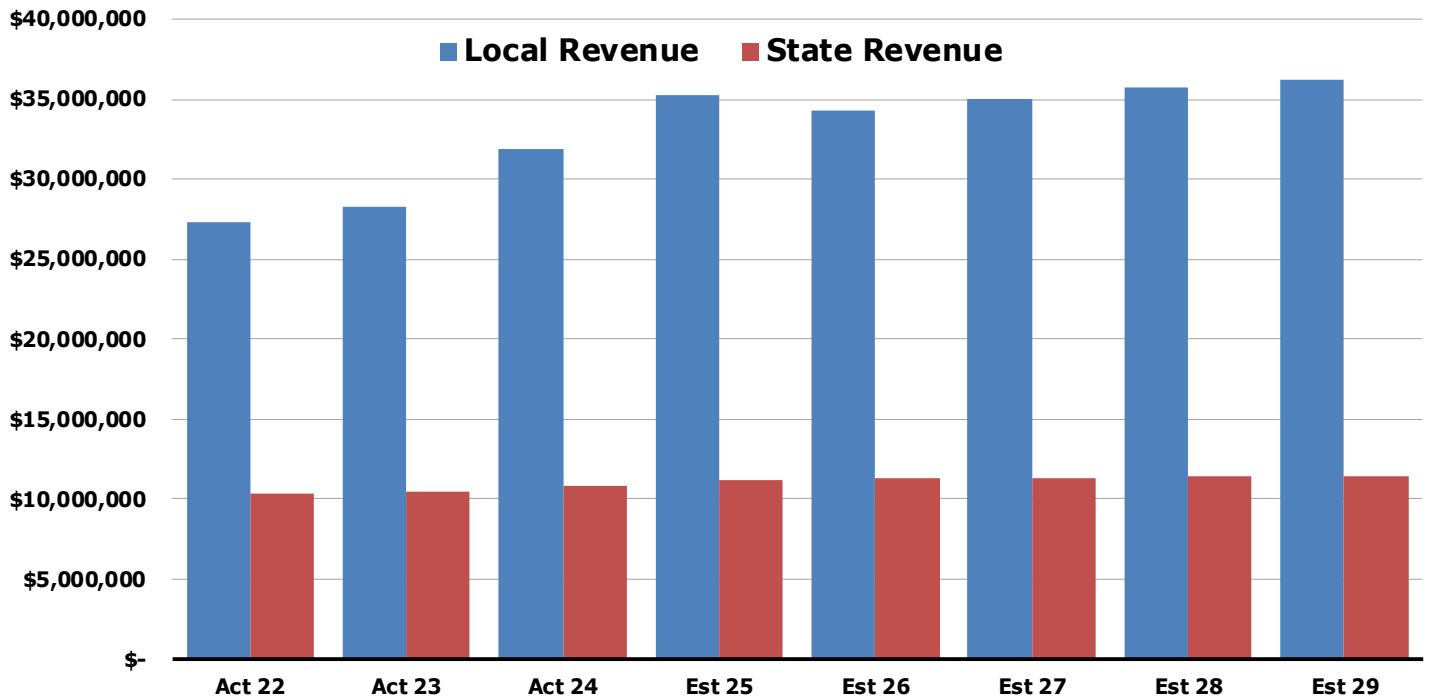
No additional levies are included in this forecast.

**School District Income Tax – Line#1.030**

The district has a 1% earned school district income tax. As we have moved into post-pandemic economic times, we are seeing that income tax collections are beginning to increase with the economic recovery. We will assume an annual growth rate of 2.7% for FY25-29 as the concerns over inflation may slow growth in this area.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
SDIT Collection	\$9,347,504	\$9,693,806	\$9,955,539	\$10,224,338	\$10,500,395
Adjustments	346,302	261,733	268,800	276,057	283,511
Total to Line #1.030	\$9,693,806	\$9,955,539	\$10,224,338	\$10,500,395	\$10,783,906

**General Fund Revenue Local vs State**





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

**Unrestricted State Foundation Revenue – Line #1.035**

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25. We have projected the funding in FY25 based on the October 2024 foundation settlement and funding factors from the simulations provided by the Department of Education and Workforce.

Our district is currently a guarantee district in FY25 and is expected to continue to be on the guarantee in FY26-FY29 on the 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 considered 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 FY25 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 31<sup>st</sup> 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 1.5% annual growth rate for the remainder of the forecast.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Basic Aid-Unrestricted	\$7,756,777	\$7,956,777	\$7,956,777	\$7,956,777	\$7,956,777
Additional Aid Items	345,231	345,231	345,231	345,231	345,231
Basic Aid-Unrestricted Subtotal	<u>\$8,102,008</u>	<u>\$8,302,008</u>	<u>\$8,302,008</u>	<u>\$8,302,008</u>	<u>\$8,302,008</u>
Ohio Casino Commission ODT	191,060	193,934	196,843	199,796	202,793
Total Unrestricted State Aid Line #1.035	<u>\$8,293,068</u>	<u>\$8,495,942</u>	<u>\$8,498,851</u>	<u>\$8,501,804</u>	<u>\$8,504,801</u>

**Restricted State Foundation Revenue – Line #1.035**

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged Funding) and Career Technical funding. In addition, new restricted funds have been added under “Restricted Categorical Aid” for Gifted, English Learners (ESL), and Student Wellness. We have estimated revenues for these new restricted funding lines using current October funding factors and using the simulations from the Department of Education and Workforce for FY25. The amount of DPIA

is limited to a 50% phase in growth for FY24 and 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.

In FY24, HB33 set aside \$64 million state-wide to subsidize the cost of high-quality instructional materials purchased by schools and districts aligned to the Science of Reading. The funds are provided to support both high-quality core curriculum and instructional materials in English language areas and evidenced-based reading intervention programs. The district received \$158,464 from this one-time subsidy in FY24 and is required to maintain documentation as to how the funds were leveraged along with expenses incurred beyond the subsidy.

In FY25, 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 request. It is estimated that the district will receive \$127,919 from this one-time subsidy in FY25 and is required to maintain documentation as to how the funds were spent.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
DPIA	\$165,474	\$165,474	\$165,474	\$165,474	\$165,474
ESL	17,145	17,145	17,145	17,145	17,145
Gifted	90,246	90,246	90,246	90,246	90,246
Career Tech - Restricted	4,424	4,424	4,424	4,424	4,424
Other Restricted State Funds	127,919	0	0	0	0
Student Wellness	<u>193,774</u>	<u>193,774</u>	<u>193,774</u>	<u>193,774</u>	<u>193,774</u>
Total Restricted State Revenues Line #1.040	<u>\$598,982</u>	<u>\$471,063</u>	<u>\$471,063</u>	<u>\$471,063</u>	<u>\$471,063</u>

**Restricted Federal Grants in Aid – Line #1.045**

There are no federal restricted grants projected during this forecast.

<u>SUMMARY</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Unrestricted Line # 1.035	\$8,293,068	\$8,495,942	\$8,498,851	\$8,501,804	\$8,504,801
Restricted Line # 1.040	598,982	471,063	471,063	471,063	471,063
Restricted Fed. Grants - Line #1.045	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total State Foundation Revenue	<u>\$8,892,050</u>	<u>\$8,967,005</u>	<u>\$8,969,914</u>	<u>\$8,972,867</u>	<u>\$8,975,864</u>

**State Share of Local Property Taxes – Line #1.050**

**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.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
State Share of Local Property Taxes Line #1.05	<u>\$2,307,547</u>	<u>\$2,255,327</u>	<u>\$2,321,742</u>	<u>\$2,388,880</u>	<u>\$2,399,413</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, any open-enrolled students since have been counted in our Enrolled ADM numbers for state funding and are not separately funded.

The district has implemented the Medicaid reimbursement program and since fiscal year 2016, the district has gross receipts of \$1.8M.

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

Catastrophic Aid nearly doubled in FY22 due to increased appropriations, which are funded at the state level by a reduction in special education funding at the local level. These revenues are inconsistent year to year, and we are projecting minimal growth over the remainder of the forecast.

Rentals have begun to return to pre-pandemic levels. All other revenues are expected to continue on historical trends.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Medicaid	\$266,912	\$266,912	\$266,912	\$266,912	\$266,912
Tuition from State	993,552	993,552	993,552	993,552	993,552
Local Tuition	105,492	106,547	107,612	108,688	109,775
Threshold Cost	36,145	36,506	36,871	37,240	37,612
Manufactured Homes	6,854	6,854	6,854	6,854	6,854
TIF and Abatements	49,948	49,948	49,948	49,948	49,948
Open Enrollment	0	0	0	0	0
Interest	1,223,710	881,060	711,510	632,404	632,404
Other Miscellaneous Receipts	151,995	151,995	151,995	151,995	151,995
Total Line #1.06	<u>\$2,834,608</u>	<u>\$2,493,374</u>	<u>\$2,325,254</u>	<u>\$2,247,593</u>	<u>\$2,249,052</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 prior fiscal year in the current fiscal year. The advances in the last fiscal year are expected to be repaid in the current year, as noted in the table below.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Transfers In - Line 2.040	\$0	\$0	\$0	\$0	\$0
Advance Returns - Line 2.050	13,124	75,000	75,000	75,000	75,000
Total Transfer & Advances In	<u>\$13,124</u>	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$75,000</u>

### All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable. For future years we are estimating an amount of refunds that are in line with historical collections.

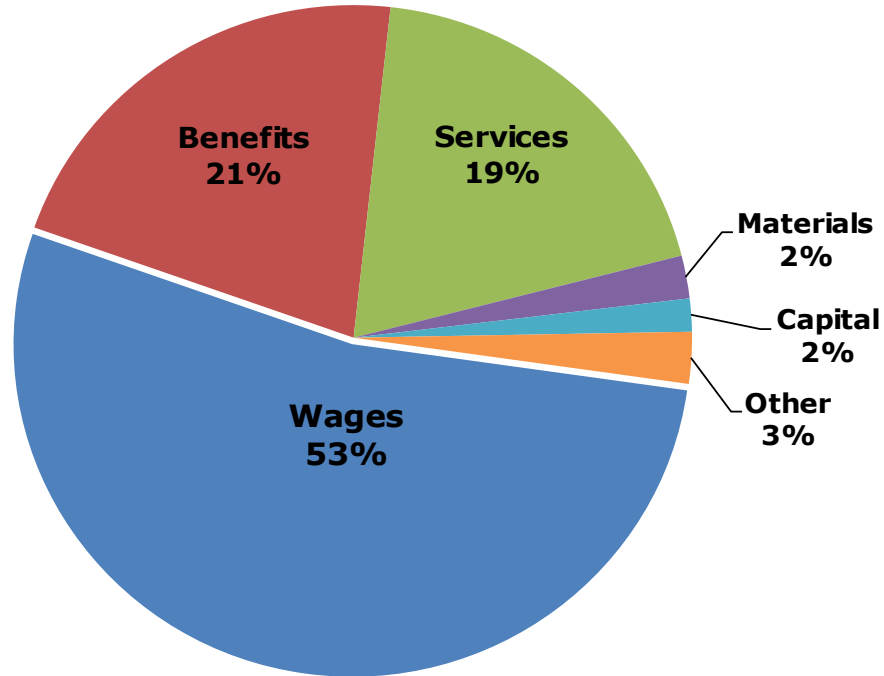
<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Sale of Personal Property	\$3,598	\$3,598	\$3,598	\$3,598	\$3,598
Refund of Prior Year Expense	111,563	105,328	125,277	114,056	114,887
Total Other Financing Sources	<u>\$115,161</u>	<u>\$108,926</u>	<u>\$128,875</u>	<u>\$117,654</u>	<u>\$118,485</u>

## Expenditure 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 quality education of our students is always the priority for resource utilization.

### All Operating Expense Categories - General Fund FY25

**General Fund Operating Expenditures Est. FY25 \$40,962,362**



### Wages – Line #3.010

The forecast as presented reflects a 4% base increase in FY25, a 3% increase in FY26, and a 2% base increase in FY27-29, for planning purposes only at this time. Steps and training increases saw average trend levels for FY25, which we expect to continue for FY26-29. We are not anticipating any large changes in staffing during the course of the forecasted period; however, if enrollment increases or services are required in providing our students education then wages could increase.

As referenced above in Restricted State Revenues (Line 1.040), in FY25, the district will receive a reimbursement for one-time stipends paid to teachers for completing training in the State of Ohio’s Science of Reading initiative. Administrators do not qualify for a stipend as part of this initiative. The amount shown in the chart below is the gross wages paid to teachers. The remaining expenditure of the reimbursement is reflected in the Fringe Benefits (Line 3.020) section below. This initiative is fully funded by the State of Ohio and will not be an expense to the district.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Base Wages	\$19,477,542	\$20,952,047	\$21,999,649	\$22,879,635	\$23,794,821
Wage adjustments	779,102	628,561	439,993	457,593	475,896
Steps & Training	389,551	419,041	439,993	457,593	475,896
Growth/Replacement staff	195,052	0	0	0	0
Science of Reading	110,800	0	0	0	0
Substitutes	114,668	114,668	114,668	114,668	114,668
Supplemental	577,744	589,299	601,085	613,107	625,369
Severance	95,338	97,245	100,162	103,167	106,262
Ot/Stipend/BOE	33,934	34,613	35,651	36,721	37,823
Staff Reductions (Retire/Resignation)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Wages Line #3.010</b>	<u><u>\$21,773,731</u></u>	<u><u>\$22,835,474</u></u>	<u><u>\$23,731,201</u></u>	<u><u>\$24,662,484</u></u>	<u><u>\$25,630,735</u></u>

### **Fringe Benefits Estimates – Line #3.020**

This area of the forecast captures all costs associated with benefits and retirement costs. These payments and HSA costs are included in the table below.

#### **A) STRS/SERS will increase as Wages Increase**

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

#### **B) Insurance**

The district is projecting an increase in the employees' insurance rates of 6.5% for FY25-29, which reflects the trend of our current employee census and claims data. We will continue to monitor this section to adjust as more information is received. Plan changes, including the addition of a Custom Design Benefit (True Cost) tier, in 2024 was initiated in hopes of curtailing the high annual premium costs that we have been seeing since the pandemic.

#### **C) Workers Compensation & Unemployment Compensation**

Workers' Compensation is expected to be approximately 0.34% of wages FY25 through FY29. Unemployment is likely to remain at a shallow level FY25 through 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 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.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
STRS/SERS	\$3,389,277	\$3,557,346	\$3,697,300	\$3,842,817	\$3,994,120
Insurance's	4,859,605	5,224,075	5,563,640	5,925,277	6,310,420
Workers Comp/Unemployment	72,068	76,336	79,476	82,574	85,795
Medicare	336,896	351,704	365,529	379,905	394,852
Tuition and Other Benefits	<u>94,120</u>	<u>96,002</u>	<u>97,922</u>	<u>99,880</u>	<u>101,878</u>
Total Fringe Benefits Line #3.020	<u>\$8,751,966</u>	<u>\$9,305,462</u>	<u>\$9,803,866</u>	<u>\$10,330,453</u>	<u>\$10,887,065</u>

### **Purchased Services – Line #3.030**

This category is heavy in personnel as we contract out our technology, nursing, substitute teachers, school resource officers (SRO's) and a few positions within our special education department with Butler County ESC, our transportation services with Petermann and Everdriven, followed by custodial services for our high school and Kramer Elementary.

- Butler County ESC personnel and SRO's were forecasted out at an annual increase of 2.7% FY26-FY29.
- Transportation was maintained at 1-tier bussing for FY25 with athletic/band transportation resuming. The Board voted at the October regular meeting to return to a 2-tier transportation model providing bussing services to our high school students, in addition to rolling back the 2-mile caveat to 1-mile. This will be an adjustment that we will see in FY26 with the addition of four to five bus routes and having to provide transportation to high school parochial students. For all transportation (Petermann, Everdriven and McKinney Vento) an annual increase of 3.4% in FY27-FY29.
- Historical trend for substitute teachers was utilized followed by an annual increase of 3%.
- Legal/Professional Services is looking to be a 12% increase in FY25 with a 3% increase assumed in FY26 with 0% assumed for FY27-FY29.
- In FY26 there will be a new electric Capacity Charge that will be assessed on all electric bills to help expand Ohio's electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for this twelve (12) month period only.
- All other purchase service components (excluding tuition) were treated individually and vary in annual increases based on historical trends and range in annual increases from 0.5-3.5%.

- College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which we believe will escalate moving forward based on historical trends.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Professional & Technical Services, ESC	\$2,040,291	\$2,095,379	\$2,151,954	\$2,210,057	\$2,269,729
Maintenance, Insurance & Garbage Removal	418,621	430,133	441,962	454,116	466,604
Professional Development	33,379	34,214	35,069	35,946	36,845
Communications, Postage, & Telephone	222,281	227,838	233,534	239,372	245,356
Utilities	909,025	1,054,469	970,111	999,214	1,029,190
Contracted Trades & Services	599,387	611,375	623,603	636,075	648,797
Tuition, Excess Costs & Scholarship Costs	202,842	208,927	215,195	221,651	228,301
Other Local Tuition	442,387	449,686	457,106	464,648	472,315
Open Enrollment & Community School Costs	0	0	0	0	0
College Credit Plus	177,892	186,787	196,126	205,932	216,229
Contract Transportation	2,852,191	2,994,801	3,096,624	3,201,909	3,310,774
Other Adjustments SWSF, CARES, Contingency, I	0	0	0	0	0
Miscellaneous Purchased Services	<u>1,207</u>	<u>1,227</u>	<u>1,247</u>	<u>1,268</u>	<u>1,289</u>
Total Purchased Services Line #3.030	<u>\$7,899,503</u>	<u>\$8,294,836</u>	<u>\$8,422,531</u>	<u>\$8,670,188</u>	<u>\$8,925,429</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. Fuel is projected to increase \$50 thousand in FY25 due to resuming after school transportation to athletic/band events.

- The Textbook Adoption cycle was followed for curriculum FY26-FY29.
- We were fortunate to pay for facility supplies and materials in FY23 and FY24 from ESSER funds, but these will now be fully absorbed by the general fund moving forward. An annual increase of 5% was utilized.
- A 12% increase in fuel was utilized in FY26, as we will moving back to a 2-tier system, followed by an annual increase of 3.8%.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
General Office Supplies & Materials	\$431,697	\$444,648	\$455,764	\$467,158	\$478,837
Textbooks & Instructional Supplies	61,148	62,982	64,871	66,817	68,822
Facility Supplies & Materials	146,594	154,656	162,389	170,508	179,033
Transportation Fuel & Supplies	213,650	241,425	251,081	261,124	271,569
Other adjustments SWSF, CARES, Etc.	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Supplies Line #3.040	<u>\$853,089</u>	<u>\$903,711</u>	<u>\$934,105</u>	<u>\$965,607</u>	<u>\$998,261</u>

### Equipment – Line # 3.050

In FY23, the district constructed a new bus and maintenance garage facility, which cost \$3.7M. The board made the difficult decision to construct this facility (from the general fund) after plans to participate in the Butler County Regional Transit Authority project for \$200K were not able to be realized. This category follows the 1:1 5-year cycle that the board approved over 10 years ago.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Capital Outlay	\$235,854	\$234,451	\$246,174	\$260,944	\$273,991
Technology	395,000	505,000	665,310	937,800	418,700
Facility Upkeep	<u>26,286</u>	<u>0</u>	<u>27,075</u>	<u>66,653</u>	<u>69,986</u>
Total Equipment Line #3.050	<u>\$657,140</u>	<u>\$739,451</u>	<u>\$938,559</u>	<u>\$1,265,397</u>	<u>\$762,677</u>

### Principal and Interest Payment – Lines # 4.05 and 4.06

There are no borrowings planned in the forecast period.

**Other Expenses – Line #4.300**

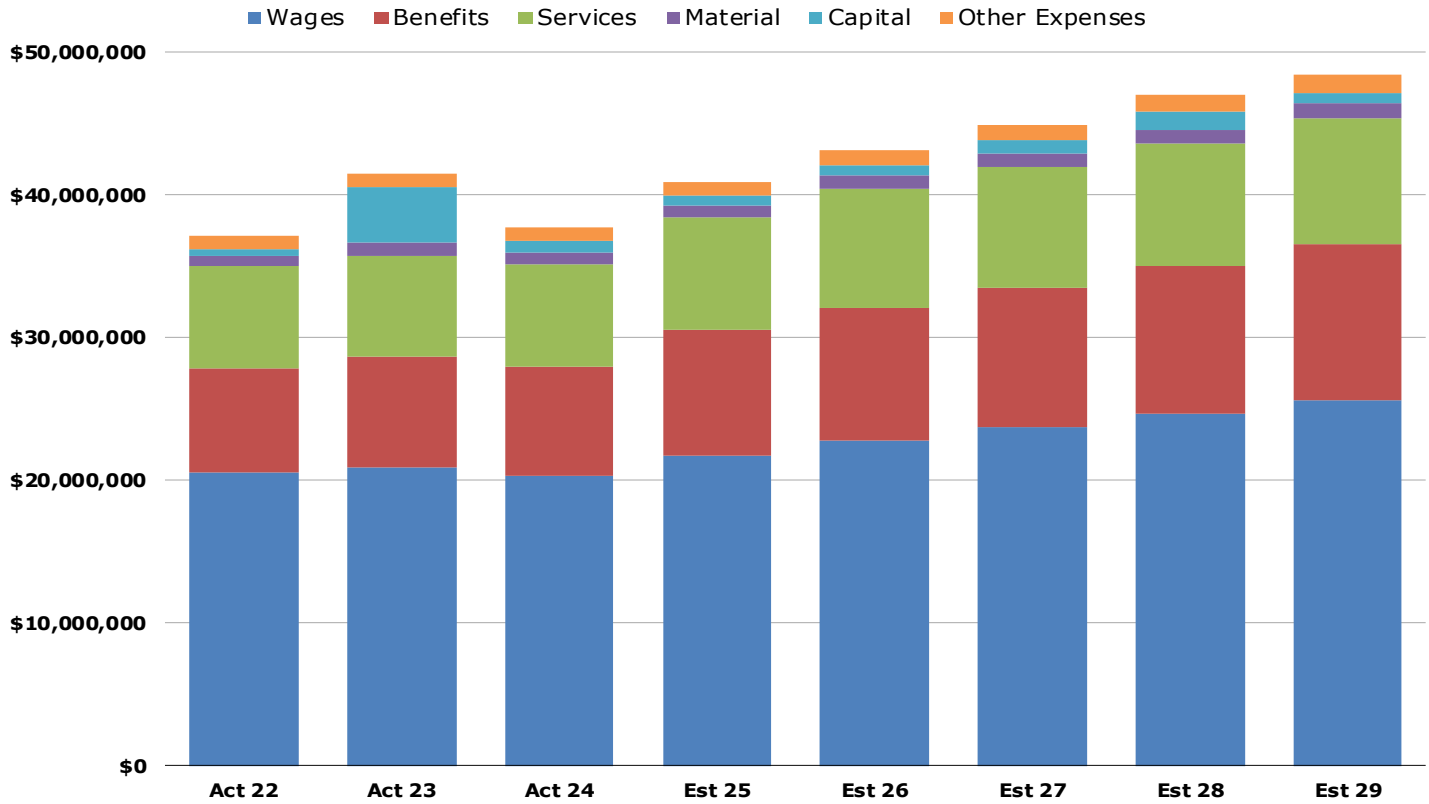
The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit, and other miscellaneous expenses. An average annual increase of 4.5% is projected in this area.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Auditor & Treasurer Fees	\$841,899	\$883,994	\$928,194	\$974,604	\$1,023,334
ESC	18,802	19,055	19,272	19,531	19,754
Other expenses	166,232	170,388	174,648	179,014	183,489
Total Other Expenses Line #4.300	<u>\$1,026,933</u>	<u>\$1,073,437</u>	<u>\$1,122,114</u>	<u>\$1,173,149</u>	<u>\$1,226,577</u>

**Operating Expenditures Actual FY22 through FY24 and Estimated FY25-FY29**

As the following graph 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 Est. FY29**



**Transfers Out/Advances Out – Lines # 5.010 and 5.020**

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 and can repay the General Fund. The board approve a 1-year fund transfer to the high school principal account of \$12k. This transfer was due to the elimination of student parking fees for FY25.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Operating Transfers Out Line #5.010	\$12,000	\$0	\$0	\$0	\$0
Advances Out Line #5.020	75,000	75,000	75,000	75,000	75,000
Total Transfer & Advances Out	<u>\$87,000</u>	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$75,000</u>	<u>\$75,000</u>

**Encumbrances – Line#8.010**

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

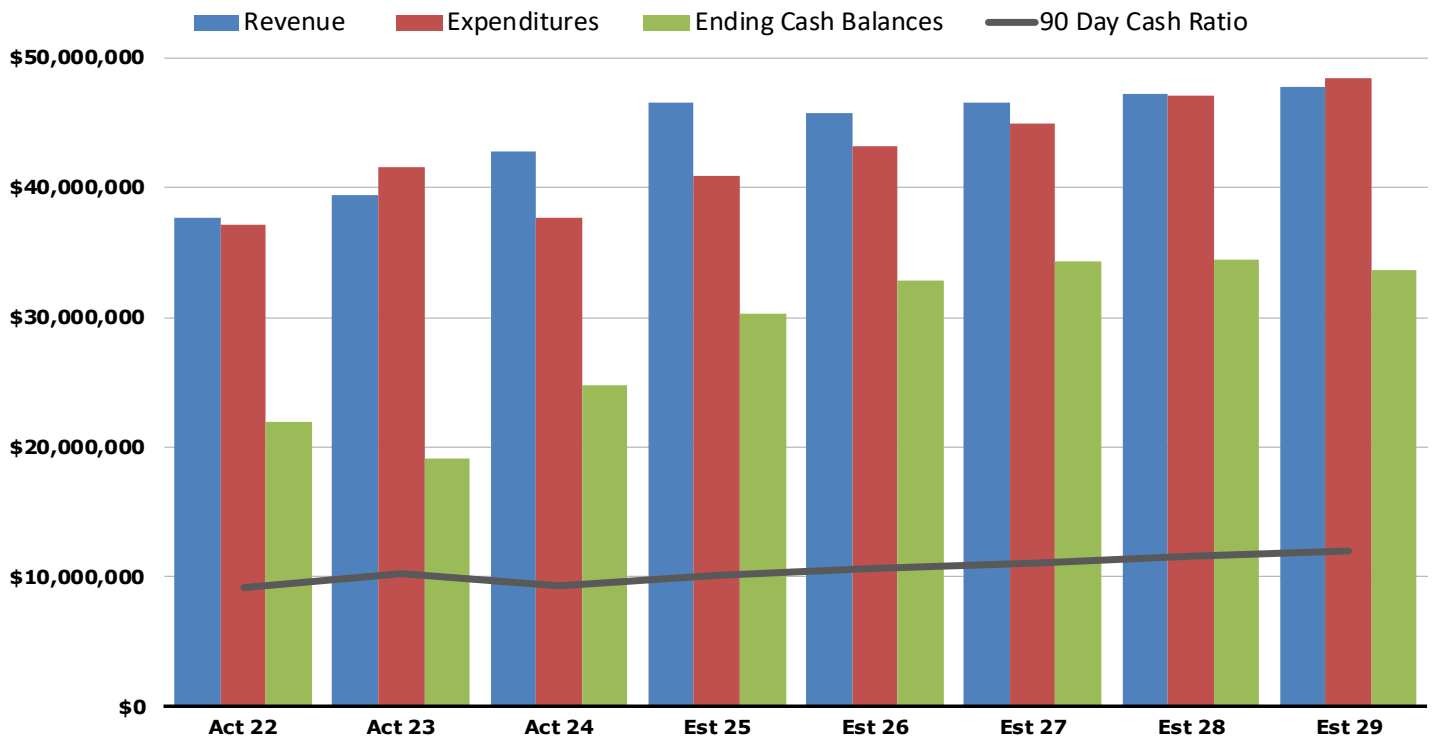
<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Estimated Encumbrances	<u>\$156,984</u>	<u>\$156,984</u>	<u>\$156,984</u>	<u>\$156,984</u>	<u>\$156,984</u>

**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, and which results in a negative unencumbered cash balance, is a violation of O.R.C. §5705.412, which is punishable by personal liability of \$10,000; unless an alternative 412 certificate, as permitted by HB153, effective September 30, 2011, could be issued. It is recommended by the Government Finance Officers Association (GFOA) and other authoritative sources that a district maintains a minimum of ninety (90) day cash balance, which is approximately \$10.1 million for our district.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Ending Cash Balance	<u>\$30,317,823</u>	<u>\$32,820,590</u>	<u>\$34,308,518</u>	<u>\$34,448,810</u>	<u>\$33,684,572</u>

**General Fund Revenues vs Expenditures Act FY22 through Est FY29**





### 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) = the number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association (GFOA) recommends that no fewer than two (2) months or 60 days of cash is on hand at year end. Still, it could be more dependent on each district's complexity and risk factors for revenue collection, which is why the district prefers to maintain no less than three (3) months, or 90 days of cash on hand at year end.

### Ending Cash Balance in True Cash Days

