PIKE DELTA YORK LOCAL SCHOOL DISTRICT
FULTON COUNTY

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2018, 2019 and 2020 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2021 THROUGH 2025.

Forecast Provided By
Pike-Delta-York Local School District
Finance Office
Matt A. Feasel, Treasurer/CFO

November 18th, 2020

Pike-Delta-York Local School District

Fulton County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

		Actual				Forecasted				
		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
	Revenues									
1.010	General Property Tax (Real Estate)	4,629,118	4,477,061	4,576,841	-0.5%	4,668,378	4,715,061	4,762,212	4,809,834	4,857,932
1.020	Tangible Personal Property	211,372	706,854	665,846	114.3%	824,863	833,112	841,443	849,857	858,356
1.030	Income Tax	-	-	-	0.0%	$0	$0	$0	$0	$0
1.035	Unrestricted State Grants-in-Aid	7,285,055	7,286,108	7,016,976	-1.8%	7,018,973	7,268,698	7,341,385	7,414,799	7,488,947
1.040	Restricted State Grants-in-Aid	194,610	168,909	169,688	-6.4%	157,586	157,586	157,586	157,586	157,586
1.045	Restricted Fed. SFSF Fd. 532 FY10&11/Ed Jobs Fd.504 FY	-	-	-	0.0%	$0	$0	$0	$0	$0
1.050	Property Tax Allocation	509,730	548,948	543,687	3.4%	571,876	577,595	583,371	589,205	595,097
1.060	All Other Revenues	929,553	973,929	963,096	1.8%	962,358	981,605	1,371,645	1,390,079	1,408,881
1.070	*Total Revenues*	13,759,438	14,161,809	13,936,134	0.7%	14,204,034	14,533,657	15,057,642	15,211,360	15,366,799
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	$0	$0	$0	$0	$0
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	-	-	-	0.0%	-	-	-	-	-
2.050	Advances-In	6,824	94,383	123,404	656.9%	226,000	125,000	125,000	125,000	125,000
2.060	All Other Financing Sources	1,295	28,497	1,983	1003.7%	$0	$0	$0	$0	$0
2.070	*Total Other Financing Sources*	8,119	122,880	125,387	707.8%	226,000	125,000	125,000	125,000	125,000
2.080	*Total Revenues and Other Financing Sources*	13,767,557	14,284,689	14,061,521	1.1%	14,430,034	14,658,657	15,182,642	15,336,360	15,491,799
	Expenditures									
3.010	Personal Services	7,370,842	7,794,608	7,812,664	3.0%	7,750,493	8,113,684	8,278,027	8,445,656	8,616,638
3.020	Employees' Retirement/Insurance Benefits	3,153,794	3,231,912	3,355,414	3.1%	3,352,196	3,533,269	3,842,632	4,018,561	4,202,407
3.030	Purchased Services	2,825,765	3,186,247	2,846,213	1.0%	3,026,245	3,220,180	3,348,987	3,482,946	3,622,264
3.040	Supplies and Materials	513,162	473,737	439,496	-7.5%	461,746	473,290	485,122	497,250	522,112
3.050	Capital Outlay	4,872	6,663	14,464	76.9%	14,464	14,464	14,464	14,464	14,464
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	211,175	167,634	195,226	-2.1%	195,226	195,226	195,226	195,226	195,226
4.500	*Total Expenditures*	14,079,610	14,860,801	14,663,477	2.1%	14,800,370	$15,550,113	16,164,458	16,654,103	17,173,112
	Other Financing Uses									
5.010	Operating Transfers-Out	138,581	220,453	186,866	21.9%	$226,309	$226,309	$226,309	$226,309	$226,309
5.020	Advances-Out	94,383	123,313	39,444	-18.7%	-	-	-	-	-
5.030	All Other Financing Uses	-	-	-	0.0%	$0	$0	$0	$0	$0
5.040	*Total Other Financing Uses*	232,964	343,766	226,310	6.7%	226,309	226,309	226,309	226,309	226,309
5.050	*Total Expenditures and Other Financing Uses*	14,312,574	15,204,567	14,889,787	2.1%	15,026,679	15,776,422	16,390,767	16,880,412	17,399,421
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	(545,017)	(919,878)	(828,266)	29.4%	(596,645)	(1,117,765)	(1,208,125)	(1,544,052)	(1,907,622)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	3,709,120	3,164,103	2,244,225	-21.9%	1,415,959	819,314	(298,451)	(1,506,576)	(3,050,629)
7.020	*Cash Balance June 30*	3,164,103	2,244,225	1,415,959	-33.0%	819,314	298,451-	1,506,576-	3,050,629-	4,958,250-
8.010	*Estimated Encumbrances June 30*	38,108	23,139	32,839	1.3%	-	-	-	-	-
`	**Reservation of Fund Balance**									
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030	Budget Reserve	-	-	-	0.0%	-	-	-	-	-
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	*Subtotal*	-	-	-	0.0%	-	-	-	-	-
10.010	*Fund Balance June 30 for Certification of Appropriations*	3,125,995	2,221,086	1,383,120	-33.3%	819,314	(298,451)	(1,506,576)	(3,050,629)	(4,958,250)
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement				0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies				0.0%	-	-	-	-	-
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	3,125,995	2,221,086	1,383,120	-33.3%	819,314	(298,451)	(1,506,576)	(3,050,629)	(4,958,250)
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	-	-	-	-	-
13.020	Property Tax - New				0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-	-		0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	3,125,995	2,221,086	1,383,120	-33.3%	819,314	(298,451)	(1,506,576)	(3,050,629)	(4,958,250)

Pike-Delta-York Local School District – Fulton County
Notes to the Five Year Forecast
General Fund Only
November 2020

Introduction to the Five Year Forecast
For fiscal year 2021 (July 1, 2019 – June 30, 2020) school districts in Ohio are required to file a five (5) year financial forecast by November 30, 2020, and May 31, 2021. HB87, effective November 1, 2018, changed the October filing deadline to November 30 beginning with this forecast. The May 31st filing date remains unchanged. The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. HB166, the new state biennium budget provided new restricted state funding to school districts in Fiscal Years 2020 and 2021 specifically for Student Wellness and Success. These revenues are restricted and are required to be accounted for in a Special Revenue Fund (Fund 467) and are NOT included in this forecast.

Fiscal year 2021 (July 1, 2020 - June 30, 2021) is the first year of the five-year forecast and is considered the baseline year. Our forecast is being updated to reflect the most current economic data available to us for the November 2020 filing.

November 2020 Updates:

Revenues:
Overall, revenues projections have changed moderately from our May 2020 forecast to the November of 2020 forecast other than the state foundation projection. The state foundation has been adjusted to reflect actual funding levels vs. the projected May ten (10%) percent reduction. This accounts for 71% of the change. Adjustments in our real estate tax estimate, the rollback and homestead estimate and non-operating expenses have resulted in a $ 714,730 variance between the two forecasts.

Expenditures:
The expenditures for the 2019-20 were reduced by $ 314,782 or 2.07% from the 2018-19 expenditures. General Fund expenditures are currently estimated at $ 15,026,680 or just $ 136,894 or .92% more than the fiscal year 2019-20 expense levels. The forecast has expenditures increasing at an annual average percentage of 3.17%. The utilization of grant dollars has been used when possible to reduce general fund expenses.

Unreserved Ending Cash Balance:
Ultimately, everyone looks at the “Bottom-Line” when looking at any financial document. As we indicated earlier in these assumptions, this is the best estimate that we can make at the present time. These projections can change almost immediately due to the needs of our students, the state budget, who can or cannot pay their property taxes or more unfunded mandates place on the local taxpayers by our legislative body. The COVID-19 pandemic has created situations that we have never seen before. We need to continue to utilize this forecast as a planning document and constantly monitor our progress on a monthly basis. Financial stability is crucial in addressing the future needs and plans for meeting the instructional needs of our students and community while preparing for those unforeseen circumstances that occasionally present themselves. It is inevitable that additional revenue is needed to maintain our current programs.

Forecast Risks and Uncertainty:

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

HB166 the current state budget for FY20-21 has frozen funding for all school districts in Ohio at their FY19 level with the only exception being the addition of Enrollment Growth Supplement money for a small number of growing districts. The only increase in funding to all districts in Ohio is restricted use money for Student Wellness and Success which is restricted in use and must be placed in Fund 467. This is not General Fund money and thus not included in the forecast. We have assumed this money will continue after FY22.

I. Fulton County experienced a reappraisal update in the 2014 tax year to be collected in FY15. The 2016 update increased the district's overall value by almost eight (7.99%) percent. Our district will experience a reappraisal in 2020 for collection in calendar year 2021. We conservatively anticipate value increases for Class I and II property, including the adjustment for lower Current Agricultural Use Values (CAUV) authorized by HB49. The changes authorized by HB49 to CAUV values will lower those values by an estimated 30% beginning with counties experiencing a reappraisal or update in Tax Year 2017. It is anticipated this reduction will be mostly offset by HB920 as rates will adjust up if net values for Class I are lower. It is also expected that cuts in CAUV will shift a larger tax burden to residential taxpayers which may be an unintended consequence of the legislature responding to agricultural interests. There is however always a minor risk that the district could sustain a reduction in values in the next appraisal update but we do not anticipate that at this time.

II. The community supported the renewal of the two emergency levies that were combined and approved by voters on May 6, 2014. These levies were renewed in November of 2018 as a "substitute levy" that will generate revenue growth and the district's property valuation grows and as tax abatements expire. No additional growth from this levy has been projected within this update.

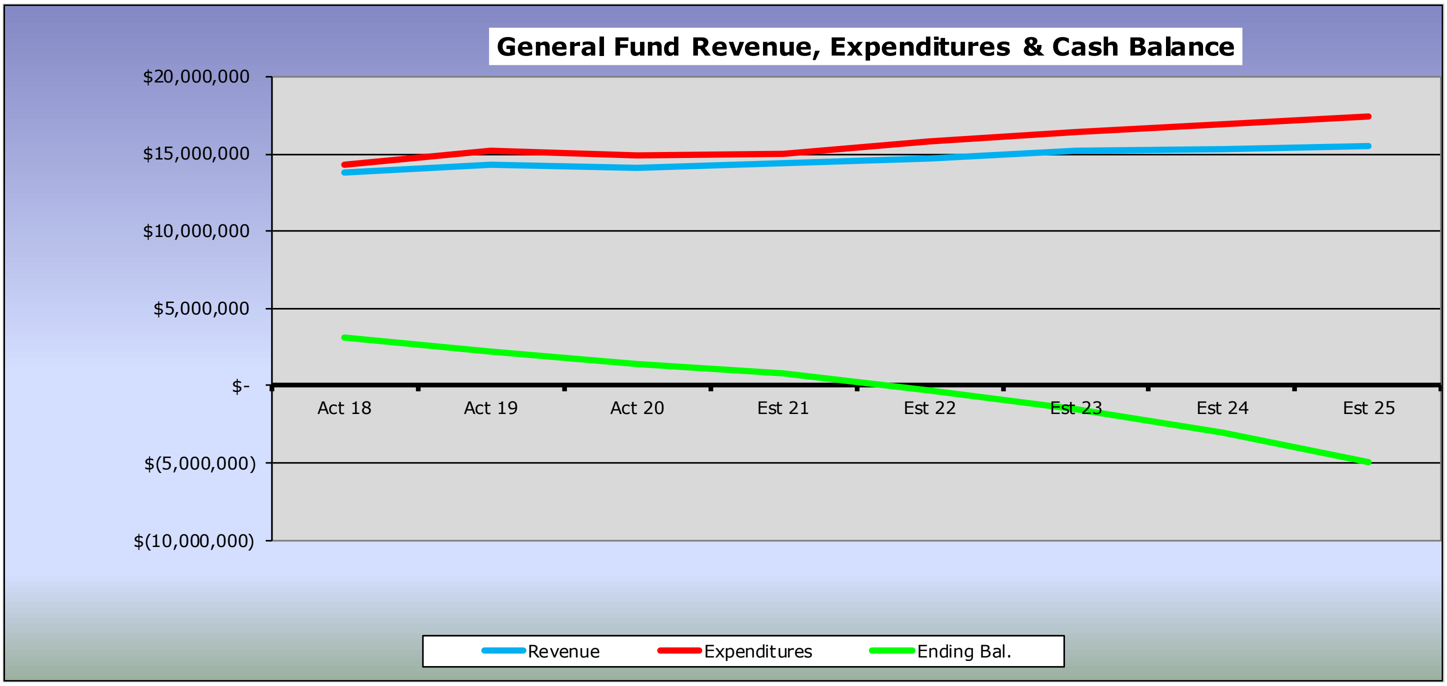
III. HB166 continues the many provisions contained in prior state biennium budgets that will continue to draw funds away from our district through continuing school choice programs such as College Credit Plus, Community Schools and increases in per pupil scholarship amounts deducted from our state aid in the 2019-21 school years, even though funding for our students was not increased to our district for this biennium budget. College Credit Plus costs continue to increase as this program becomes more understood. These are examples of new choice programs that increase with each biennium budget cost the district money. Expansion or creation of programs such as these exposes the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely.

IV. 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 major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information please feel free to contact Matt A. Feasel, CFO/Treasurer of the Pike Delta York Local School District at (419) 822-3391.

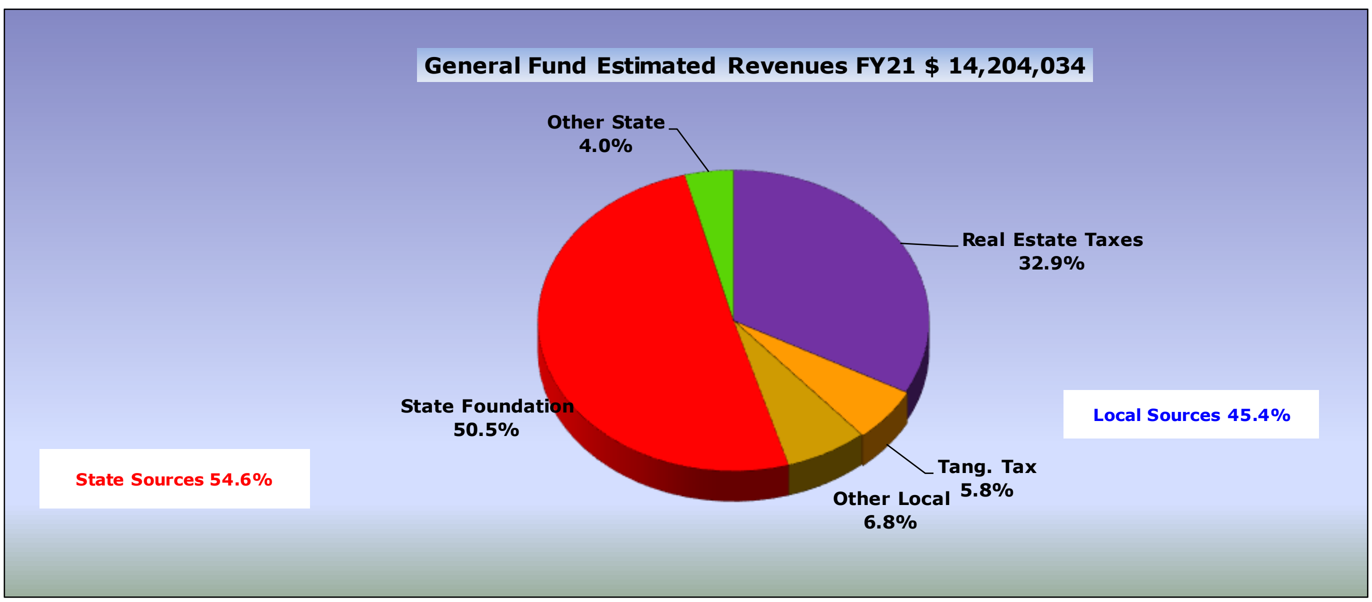
Pike Delta York Local Schools

Cash Position Statement
November 2020



Pike Delta York Local Schools

Estimated General Fund Revenue
November 2020



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. Fulton County experienced a reappraisal for the 2014 tax year to be collected in 2015. Residential/agricultural values increased 15.26% for the Pike Delta York Local Schools due to the reappraisal update led by an improving housing market. New construction in residential property was up 16.01% or $ 20,511,660 in assessed value. Information on the 2020 reappraisal is unavailable at the time this forecast was prepared.

As a result of the 2014 reappraisal update Commercial/industrial values decreased 5.37% or $ 1,474,950.

A full reappraisal will occur in 2020 for collection in 2021 for which we are estimating a very conservative 2.00% for the first year of the forecast and a 1.00% increase for residential/agricultural and a .5% increase for commercial/industrial property for the remaining four years of the forecast.

Public Utility Personal Property (PUPP) values have increased an average of $ 313,865 over the past four years as a result of reinvestments being made by utilities statewide. We remain somewhat conservative in our projections and have projected valuation increases of 200,000 for each year of the forecast.

CAUV values represent 29.64% of Class I residential agricultural values. HB49 authorized a reduction in CAUV computations that will result in these values falling on average by 30%. These reductions will occur as districts experience their next reappraisal or update cycle. We will experience this in the Tax Year 2020 reappraisal. A reduction of value has been weighted in to our average Class I value change in 2019. This will cause a shift in taxes from agricultural taxpayers to residential taxpayers but should not result in lower taxes to our district.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

	TAX YEAR2020	TAX YEAR2021	TAX YEAR2022	TAX YEAR2023	TAX YEAR2024
Classification	COLLECT 2021	COLLECT 2022	COLLECT 2023	COLLECT 2024	COLLECT 2025
Res./Ag.	$152,032,200	$152,682,200	$153,332,200	$153,982,200	$154,632,200
Comm./Ind.	$26,095,440	$26,445,440	$26,795,440	$27,145,440	$27,495,440
Public Utility Personal Property (PUPP)	$17,099,455	$17,199,455	$17,299,455	$17,549,455	$17,799,455
Tangible Personal Property (TPP)	$0	$0	$0	$0	$0
Total Assessed Value	$195,227,095	$196,327,095	$197,427,095	$198,677,095	$199,927,095

ESTIMATED REAL ESTATE TAX (Line #1.010)

Source	FY21	FY22	FY23	FY24	FY25
Est. General Property Taxes Excluding TPP to Lir	$4,668,378	$4,715,061	$4,762,212	$4,809,834	$4,857,932

Property tax collections are a major revenue source for the local portion of the district's revenue. The continued issue of tax abatements within the village is to be of concern regarding future property tax growth. The minimal growth that the district used to experience from new construction will disappear as new homeowners apply for and receive 100% abatements. At the time of this forecast being prepared, the village has granted twenty-six (26) residential & commercial 100% ten (10) year tax abatements with an estimated value of $ 5,706,000 and an estimated tax loss of $ 212,667.73 annually to the district. The district will continue to monitor potential future abatements and the affects it will have on district taxpayers.

Local property tax revenues account for 38.07% of the district's resources. Fulton County just completed a property reappraisal. Collections on these updated values will be collected in calendar year 2021. The district has been unable to obtain updated values or tax rates to accurately project the impact that the reappraisal will have on district finances.

The community supported the renewal of the two emergency levies in November of 2018. Those levies were due to expire at the end of 2019. These levies were renewed as a "substitute levy" that will generate revenue growth and the district's property valuation grows and as tax abatements expire. Calendar year 2020 were the "capture" year for the replacement substitute levy. New construction and properties coming off or abatement programs in 2021 should generate 6.90 mills of additional revenue Having limited experience with the recently approved substitute levy, we have not projected significant changes during the forecasted period. We have projected a two (2%) growth in the 2020-21 fiscal year due to the unforeseen results of the reappraisal and a minimal (1.00%) growth for the remaining years of the forecast for the remaining real estate taxes and the growth rate of the public utility property taxes.

New Tax Levies – Line #13.030
No new levies are modeled in this forecast.

ESTIMATED PERSONAL PROPERTY TAX (Line#1.020)

The district experienced additional revenue as a result of the NEXUS pipeline being completed. It is estimated that the district received approximately $ 306,000 with the addition of the NEXUS pipeline value. This collection is based on the assessed value of $ 5,919,410 which represents 61.49% of the original assessed value of $ 9,626,120. Nexus has lost two appeals of the original value to the Ohio Department of Taxation and has filed their final appeal.

The phase out of tangible personal property tax (TPP), as noted earlier, began in fiscal year 2006. The TPP was eliminated after fiscal year 2011. Any revenues received in fiscal year 2014 and beyond are delinquent TPP taxes.

INCOME TAX (Line #1.03)

The Pike Delta York Local School District does not currently have a school district income tax.

UNRESTRICTED STATE FOUNDATION REVENUE (Line #1.035)

The amounts estimated for state funding are based on HB166 funding simulations which essentially guarantee all school districts the same amount of state aid they received in FY19. Essentially funding for all 610 traditional school districts and 49 Joint Vocational and Career Centers is frozen for FY20 & 21 at the FY19 funding level for state basic aid. The State Foundation Funding Formula used since FY14 has now been abandoned after six (6) years. HB305 is currently being considered by the legislature and may produce a successor funding formula for the FY22-23 biennium budget but there is nothing to base future projections on. For this reason we have projected state aid flat through FY24 as we have nothing authoritative to rely on at this time.

Supplemental Funding for Student Wellness and Success (Restricted Fund 467)
Nearly all of the new funding for K-12 public education in the FY20-21 Executive Budget is provided through a formula allocating $250 million in FY20 and $358 million in FY21 based upon each district's percentage of students in households at or below 185% of the Federal Poverty Level (FPL) and the total number of students enrolled in each district. In FY20 proposed funding ranges from $20 per student to $250 per student and in FY21 funding ranges from $25 per student to $300 per student. All schools and students are to receive a minimum

additional funding of $25,000 in FY20 and $30,000 in FY21. Our district is estimated to receive **<u>$132,538 in FY20 and $205,414 in FY21</u>**. Money will be received twice each year in October and February. These dollars are to be deposited in a Special Revenue Fund 467 and are restricted to expenses that follow a plan developed in coordination with one of the approved community partner organizations approved in HB166 that include the following:

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

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

Community Partners (ORC 3317.26(C))

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

At this time our district is spending money in our General Fund that is servicing student needs as identified in 3317.26 (B) and our approved plan calls for these expenses to be recoded to Fund 467 for FY20 and FY21, then returning these expenses to the General Fund for FY22-24 as we have no direction on the future continuation of this funding. The General Fund reflects the reduction of these expenses for FY20 and FY21 and increase in expenses in FY22-24.

<u>Current FY20-21 State Biennium Budget Deliberations on School Funding</u>

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

The Governor has proposed guaranteeing all school districts their net state funding received in FY19 and giving all districts new money restricted for use on defined areas in Student Wellness and Student Success. This proposal would distribute these new funds using federal poverty data and actual number of students educated in each district, as opposed to a state created state share index that measures district wealth and average daily membership (ADM) to statewide comparisons to distribute current funds.

The foundation allocation for fiscal year 2019-20 was reduced by $ 250,021. Funding reductions continued at the same level for fiscal year 2021. We have projected funding levels to return to fiscal year 2019 levels in fiscal year 2022. We have also structured this forecast taking into account the recent provisions of H.B. 166. The allocation to all districts in Ohio is restricted money for Student Wellness and Success which is restricted in use and must be placed in Fund 467. This is not General Fund money and thus not included in the forecast. We have assumed this money will not continue after FY22. Senate Bill 376 has been introduced at the time of this forecast being prepared. Some are hopeful that this legislation will take a fast track and potentially be approved by the end of the calendar year. The new school funding formula was originally introduced by Representatives Bob Cupp and John Patterson and exhibits equity and adequacy. The state aid has been projected with a one (1.00%) adjustment in years three through five of this forecast.

The new formula for Student Wellness and Success Funding proposed by the Governor would send new money to all districts in Ohio without regard to their being designated as a CAP, Guarantee or Formula district as the current state funding formula determines.

The Cupp/Patterson proposal creates another complicated funding formula that tries to identify what it costs to educate each student based on each districts unique circumstances and it would also fund schools on actual enrollment and not ADM. Under this proposal not every district in Ohio would get new net money and it would cost the state significantly more than the Governor's proposal over the new biennium.

We believe our current state funding estimates for FY20-24 are reasonable and that we will adjust the forecast in May when we actually have more authoritative data.

Casino Revenue

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos one each in Cleveland, Toledo, Columbus and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% GCR 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 which began for the first time on January 31, 2013.

The state indicated recently that revenues from casinos are not growing robustly as originally predicted but are still growing slowly as the economy has improved. Actual numbers generated for FY18 statewide were 1,791,647 students at $51.37 per pupil. That is a decline of 4 tenths of 1% percent from the prior year. For FY19-23 we estimated another 4 tenths of 1% decline in pupils to 1,784,480 and GCR increasing to $92.9 million or $52 per pupil. We will increase estimates for out years when actual casino revenues show signs of stronger increases.

Source	FY21	FY22	FY23	FY24	FY25
Basic Aid-Unrestricted	$6,813,392	$7,063,117	$7,133,748	$7,205,086	$7,277,137
Additional Aid Items	$137,329	$137,329	$138,702	$140,089	$141,490
Basic Aid-Unrestricted Subtotal	$6,950,721	$7,200,446	$7,272,450	$7,345,175	$7,418,627
Ohio Casino Commission ODT	$68,252	$68,252	$68,935	$69,624	$70,320
Total Unrestricted State Aid Line # 1.035	$7,018,973	$7,268,698	$7,341,385	$7,414,799	$7,488,947

RESTRICTED STATE REVENUES (Line # 1.040)

HB166 continues funding two restricted sources of revenues to school districts which are Economic Disadvantaged Funding and Career Technical Education Funding. The district has elected to also post Catastrophic Aid for special education as restricted revenues. The amount of the Economically Disadvantaged Aid is estimated to remain stable each remaining year of the forecast. We have incorporated this amount into the restricted aid amount in Line #1.04 for FY21-25.

Source	FY21	FY22	FY23	FY24	FY25
Economically Disadvantaged Aid	$60,074	$60,074	$60,074	$60,074	$60,074
Career Tech & Catastrophic - Restricted	$68,512	$68,512	$68,512	$68,512	$68,512
Catastrophic & Other State Support	$29,000	$29,000	$29,000	$29,000	$29,000
Total Restricted State Revenues Line #1.040	$157,586	$157,586	$157,586	$157,586	$157,586

RESTRICTED FEDERAL GRANTS-IN-AID (Line #1.045)

No federal unrestricted grants are projected FY20-24.

STATE TAXES REIMBURSEMENT & PROPERTY TAX ALLOCATIONS

PROPERTY TAX ALLOCATION (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 owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013, which is the effective date of HB59. HB66 the FY06-07 budget bill previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are also credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007 HB119 expanded the Homestead Exemption for all seniors over age 65 ~~years of age~~ or older or who are disabled regardless of income. Effective September 29, 2013 HB59 changes the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter, will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who currently have their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualification. This will reduce homestead reimbursements to the district, and as with the rollback reimbursements above, increase the taxes collected locally on taxpayers. **On the District revenue, if an existing levy is not renewed we would never regain this revenue on any levies in the future.**

Source	FY21	FY22	FY23	FY24	FY25
a) Rollback and Homestead	$571,876	$577,595	$583,371	$589,205	$595,097
b) TPP Reimbursement - Fixed Rate	$0	$0	$0	$0	$0
c) TPP Reimbursement - Fixed Sum	$0	$0	$0	$0	$0
Total Tax Reimb./Prop. Tax Allocations #1.050	$571,876	$577,595	$583,371	$589,205	$595,097

OTHER LOCAL REVENUES (Line #1.060)

Local revenue are receipts that come to the district at the local level other than real estate taxes. Interest income, open enrollment tuition, pay to participate fees and facility rental fees are just a couple of examples. Interest income will undoubtedly decrease as a result of the recent pandemic. We have reduced our original investment estimate for 2020-21 by 40% with gradual increases of 10% in every year thereafter of the forecast. We continue to work with Red Tree Investments to maximize our investment opportunities and diversify our portfolio. Security of the public funds collected by the district is the top priority of this office.

Donation agreements are also accounted for within this area. The District currently has several donation agreements in place. Fulton County Processing actually has three donation agreements in place. The first one was entered into in 2008 with payments beginning in 2010. The one will expire this year with the final payment already received. The second agreement was entered into in with a donation amount of $26,414 that will expire in 2024 and the third, recently negotiated CRA began this calendar year and is estimated to bring $ 36,900 annually to the district.

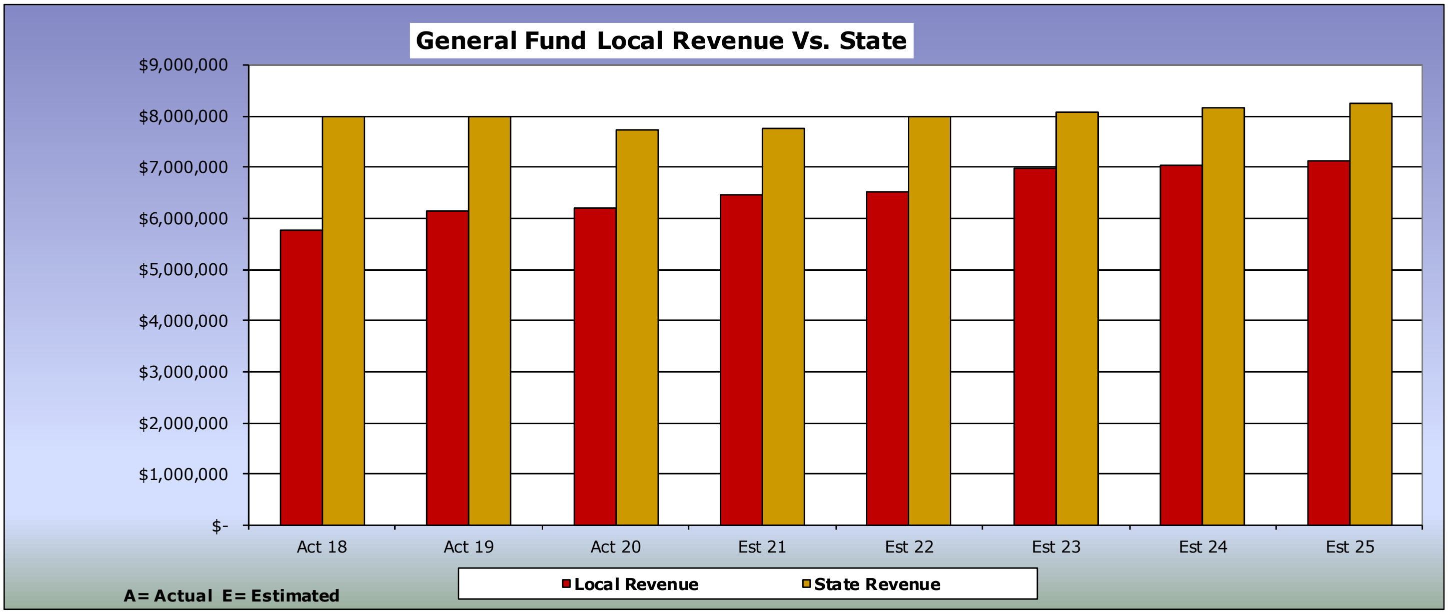
Worthington Industries tax abatement proceeds have been part of the local receipts and as a result, these projections have declined due to the fact that this abatement will no longer be collected. Upon the expiration of these agreements, the values of these properties will be added to the tax duplicate and will then be included in general property tax in FY20 and FY21.

The District approved an agreement with Nature Fresh Farms and received the first payment of $ 25,679.56 in February of 2017. The District received the second payment of $ 23,625.00 in February of 2018 and is projected to receive the amounts of $ 21,707 in FY19, and $19,970 in FY20 and decreasing 8% annually until February of 2030. Future donation agreements with Nature Fresh for their continued expansion evaporated due to the fact that the Village of Delta operates under a Pre1994 provision of tax abatement legislation. It is our understanding that the village has agreed to grant Nature Fresh 100% tax abatement on any future expansion at that site. Originally it was projected that once all phases of the project were complete, that the district would have received 50% of any future tax revenue generated as a result of this expansion. Estimated total of the donation was $ 3.2 million dollars over a twenty-three (23) year period.

The District was able to negotiate a donation agreement with North Star BlueScope on the estimated $ 750,000,000 additions to its current facility. Construction began in January of 2020 with a completion date estimated at December of 2021. This would place a non-abated value on the 2022 tax year payable in 2023. It is estimated that the district would receive the first donation agreement in February of 2023 or the 2022-23 fiscal year.

Source	FY21	FY22	FY23	FY24	FY25
Open Enrollment Tuition	$461,089	$463,394	$465,711	$468,040	$470,380
Interest	$47,000	$47,940	$48,899	$49,877	$50,874
Tax Incentive Agreements	$65,417	$66,725	$543,239	$554,103	$565,185
Tuition SF-14 & SF-14H	$123,261	$125,726	$128,241	$130,806	$133,422
Other Income, Rentals and Fees	$265,591	$277,819	$185,555	$187,253	$189,019
Total Line # 1.060	$962,358	$981,605	$1,371,645	$1,390,079	$1,408,881

COMPARISON OF STATE & LOCAL REVENUE



SHORT TERM BORROWING (Line #2.010 & 2.020)

The district has not borrowed so this line is not used.

TRANSFERS IN & RETURN OF ADVANCES (Line #2.040 & #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. All advances over year end are planned to be returned in the succeeding fiscal year.

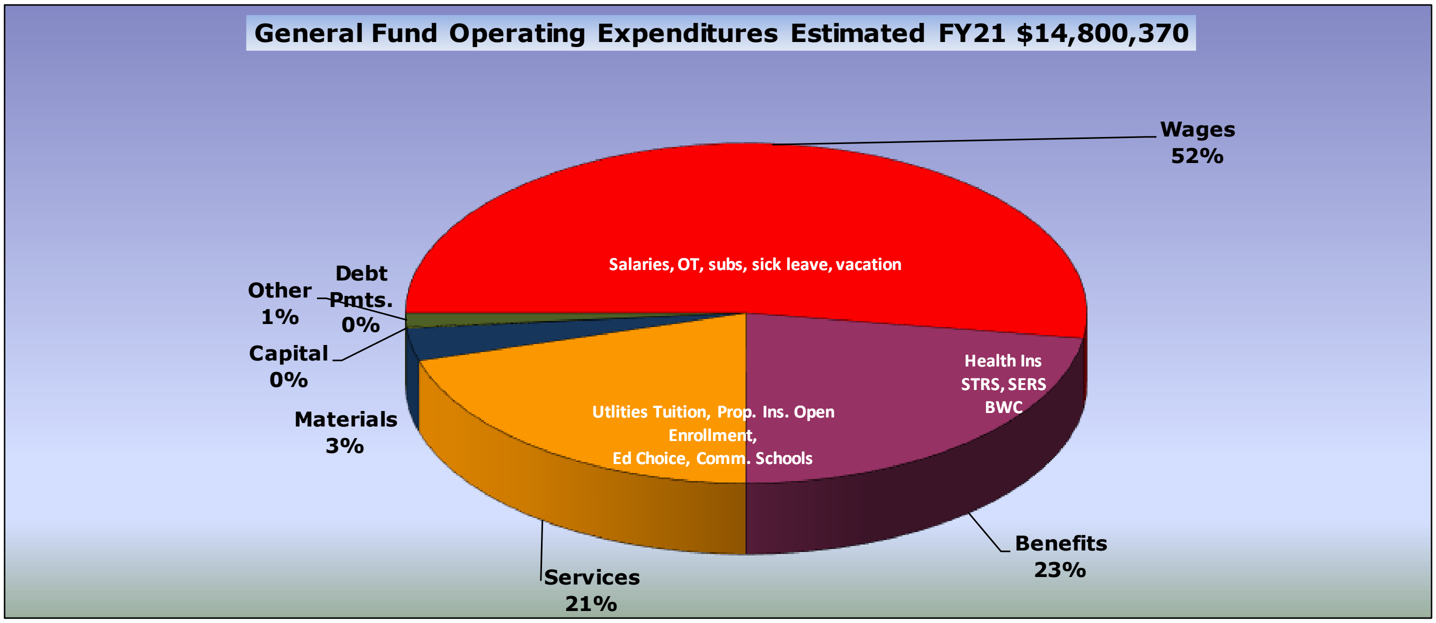
Source	FY21	FY22	FY23	FY24	FY25
Transfers In - Line 2.040	$0	$0	$0	$0	$0
Advance Returns - Line 2.050	$226,000	$125,000	$125,000	$125,000	$125,000
Total Transfer & Advances In	$226,000	$125,000	$125,000	$125,000	$125,000

ALL OTHER FINANCING SOURCES (Line #2.060)

This funding source is typically a refund of prior year expenditures that is very unpredictable. We will estimate these payments when we have solid data with which to do so.

Expenditure Assumptions

Estimated General Fund Projected Expenditures
2020-21 Fiscal Year



PERSONAL SERVICES (Line #3.010)

Collective bargaining agreements expired at the end of the 2019-20 school year. Projecting salaries with any degree of accuracy becomes very difficult without salary schedules and a collective bargaining agreement in place beyond the current fiscal year. Given the state foundation reductions and the reductions that followed throughout the 2020-21 state budget, projecting salary adjustments would not be certifiable under section 5705.412 of the Ohio Revised Code, given the district's financial position beyond the current fiscal year. Historically we have seen the salary line item of the budget increase at an average of 3.90%. These figures are based on salaries paid to all staff including certified, classified, supplementals, administrators, substitutes, aides, etc. For the purposes of this forecast, no salary adjustment was made for the entire staff, with the exceptions of step adjustments for those eligible staff members for the current (2020-21) fiscal year. Potential staffing reductions may be inevitable if additional funding sources are not found. A two (2.00%) percent inflation rate has been applied for the four remaining years of this forecast to allow for step increases, educational adjustments and increases in sub costs.

EMPLOYEE'S RETIREMENT/INSURANCE BENEFITS (Line #3.020)

This area of the forecast captures all costs associated with benefits and retirement costs, which all except health insurance are directly related to the wages paid.

A) **STRS/SERS**
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.

B) Insurance

The Northern Buckeye Health Plan Board of Directors have addressed rates for the calendar year 2021. Medical plans were increased 9%. Dental insurance was adjusted 4.25% for the calendar year 2021 rates. The increases include adjustments for inflation and the function of the health insurance committee to maintain control of costs. Over the past two plan years, claims have increased and have resulted in increases of premiums to cover the plan.

Projected increases for medical and dental insurance is 6.00% for the remaining years of this forecast. The increases include adjustments for inflation and the function of the health insurance committee to maintain control of costs. Over the past two plan years, claims have increased and have resulted in increases of premiums to cover the plan.

The 2020-21 fiscal year has been projected with current staffing levels and enrollment levels. Staffing reductions and alternative (grants, Student Wellness and Success, etc.) funding has been utilized when applicable and permissible for the 2020-21 and 2021-22 fiscal years. A four and a half (4.5%) percent inflation rate has been applied to the final four years of the forecast.

C) Workers Compensation & Unemployment Compensation

Workers Compensation issued a refund recently due to claims being significantly less than expected. It is not anticipated that we will see any type of rate increase for calendar year 2021. A second rebate of $ 131,683 has been announced for December of 2020 and is included in the current forecast. The district has committed to the Northern Buckeye Education Council's consortium for 2021. Unemployment Compensation has been negligible and is anticipated to remain as such as we plan our staffing needs carefully.

D) Medicare

Medicare will continue to increase at the rate of increase of wages. 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.

Summary of Fringe Benefits – Line #3.020

Source	FY21	FY22	FY23	FY24	FY25
A) STRS/SERS	$1,240,079	$1,298,189	$1,324,484	$1,351,305	$1,378,662
B) Insurance's	$1,883,697	$2,001,262	$2,278,717	$2,421,987	$2,572,404
C) Workers Comp/Unemployment	$28,943	$28,943	$28,943	$28,943	$28,943
D) Medicare	$134,939	$140,337	$145,950	$151,788	$157,860
Other/Tuition	$64,538	$64,538	$64,538	$64,538	$64,538
Total Line 3.020	$3,352,196	$3,533,269	$3,842,632	$4,018,561	$4,202,407

PURCHASED SERVICES (Line #3.030)

This has been the most volatile area of the budget recently. We were forced to increase this area of the budget by over twelve (12.75%) percent during the 2018-19 fiscal year. This area includes expenses that are performed by individuals and/or companies not employed by the district. They include expenses related to utilities, professional development, tuition, legal services, property and fleet insurance and special needs services performed by the educational service center. These expenses account for almost twenty-one (21%) percent of the budget. We have closely monitored this area of the budget and have made every attempt to control these costs.

We have projected $ 3,026,245 for 2020-21 with an annual increase of four (4.00%) percent over the remaining life of this forecast.

Source	FY21	FY22	FY23	FY24	FY25
Base Services	$283,475	$301,641	$313,707	$326,255	$339,305
Instructional Services	$468,954	$499,007	$518,967	$539,726	$561,315
Building and Maintenance	$238,449	$253,730	$171,210	$283,430	$224,264
Open Enrollment Deductions	$967,840	$1,029,863	$1,071,058	$1,113,900	$1,158,456
Community School Deductions	$154,339	$164,229	$170,798	$177,630	$184,736
Other Tuition Including Ed Scholarship	$474,737	$505,160	$525,367	$546,381	$568,237
Utilities	$438,451	$466,548	$485,210	$504,619	$524,803
Total Line 3.030	$3,026,245	$3,220,180	$3,348,987	$3,482,946	$3,622,264

SUPPLIES & MATERIALS (Line #3.040)

This category is self-explanatory. Instructional supplies, office supplies, testing supplies, technology, custodial, transportation and fuel are all tracked through this line item. We have reduced this are of the budget for the current fiscal year and have built in a moderate annual increase to account for one-to-one technology purchases.

Source	FY21	FY22	FY23	FY24	FY25
Supplies & Materials	$461,746	$473,290	$485,122	$497,250	$522,112

CAPITAL OUTLAY (Line # 3.050)

The administration has prepared a five-year capital project plan and have continued to update this plan annually. The plan addresses the needs of the district to address the needs of maturing facilities and transportation fleet. Technology is another area that continually presents challenges. Inside millage (2.00 mills) was transferred earlier this year, from the general fund, to generate a funding source for capital projects. General fund dollars will no longer be needed to fund these needed repairs and renovations and were projected to be transferred to the permanent improvement fund to meet future transportation needs and building maintenance.

Source	FY21	FY22	FY23	FY24	FY25
Capital Outlay	$14,464	$14,464	$14,464	$14,464	$14,464
Replacement Bus Purchases	$0	$0	$0	$0	$0
Total Line 3.050	$14,464	$14,464	$14,464	$14,464	$14,464

OTHER OBJECTS (Line #4.300)

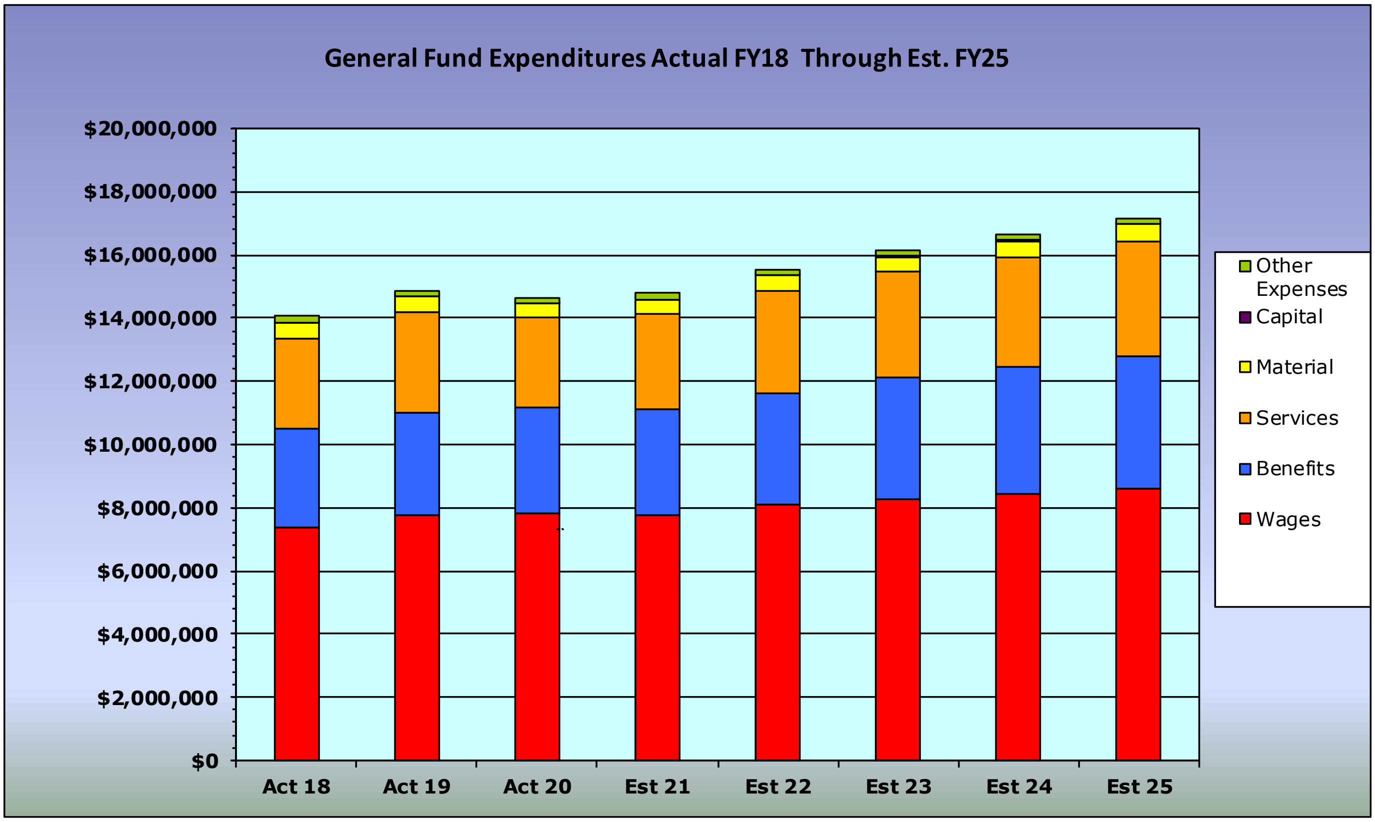
The category of Other Objects consists primarily of the County ESC deductions for specialized services provided to the District. Auditor & Treasurer fees that are related to the collection of real estate taxes, membership fees, employee bonding and miscellaneous collection fees are classified within this area. Currently, we are flat-lining this line item in an effort to balance this budget.

Source	FY21	FY22	FY23	FY24	FY25
County Auditor & Treasurer Fees	$116,059	$116,059	$116,059	$116,059	$116,059
Other expenses	$79,167	$79,167	$79,167	$79,167	$79,167
Total Line 4.300	$195,226	$195,226	$195,226	$195,226	$195,226

General Fund
Expenditure Categories

Actuals: 2017-18, 2018-19 and 2019-20

Estimated: 2021 – 2025



OTHER FINANCING USES (Line # 5.01-5.04)

Non-operating expenses are to account for financial necessities of the overall operation of the district. Occasionally, various programs within the district require fiscal assistance throughout the year. A temporary advance of funds may be necessary to cover a temporary cash deficit. In fiscal year 2019 the general fund advanced approximately $ 125,000 to various funds to cover a temporary deficit as a result of cash flow. Those advances have been returned to the general fund. With the effects of the COVID-19 pandemic, additional funds will be needed to finance deficits created within the food service fund.

The Bureau of Worker's Compensation has recently announced that they will be issuing yet another dividend in December of 2020 to offset the costs related to the pandemic. It is estimated that our share of this rebate will be $ 131,683.00. It is anticipated that this will be receipted as a refund of a prior year expense.

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. These amounts are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund.

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.

	FY21	FY22	FY23	FY24	FY25
Estimated Encumbrances	$0	$0	$0	$0	$0

EXPENDITURES (Line # 5.050)

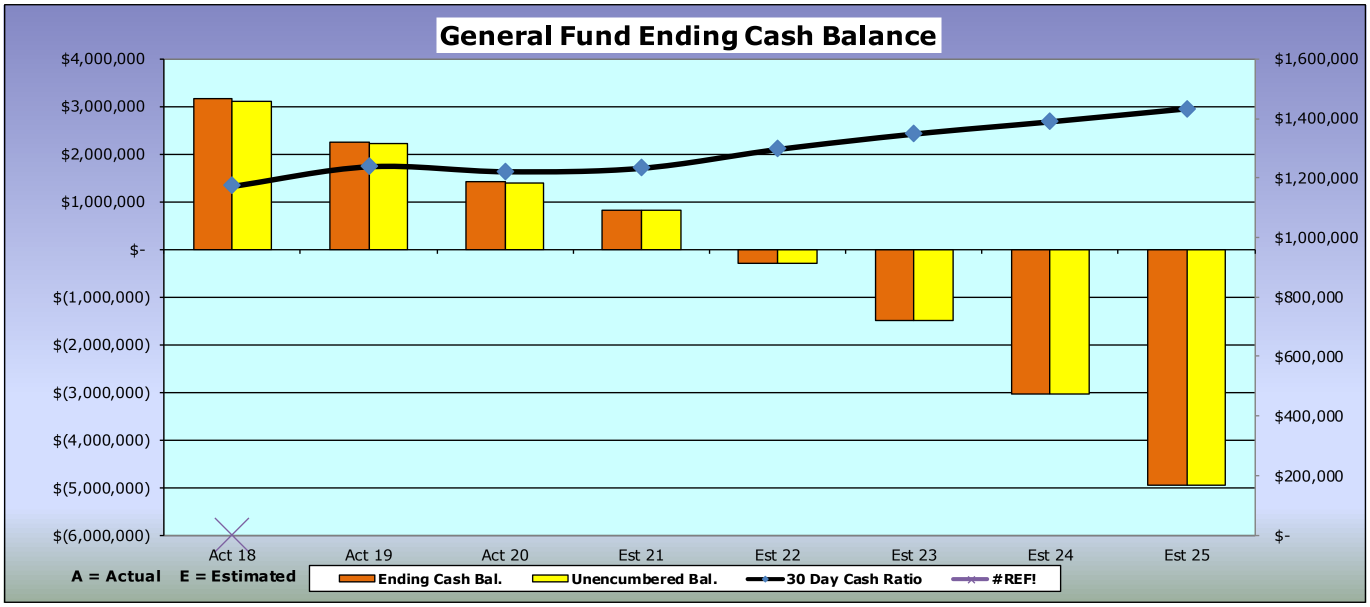
The budget for 2019-20 has been reduced by $ 146,354 or .97% since the May of 2019 forecast. By finalizing last year's expenditure and having the forecast reflect the most current information for the current fiscal year, it has an effect across the entire forecast. Total General Fund expenditures are estimated at $ 14,950,000 for the current (2019-20) fiscal year. The forecast has expenditures increasing at an annual average percentage of 2.25%.

"THE BOTTOM LINE" – ENDING UNENCUMBERED CASH BALANCE (Line #15.010)

Ultimately, everyone looks at the "Bottom-Line" when looking at any financial document. As we indicated earlier in these assumptions, this is the best estimate that we can make at the present time. These projections can change almost immediately due to the needs of our students, the state budget, who can or cannot pay their property taxes or more unfunded mandates place on the local taxpayers by our legislative body. The COVID-19 pandemic has created situations that we have never seen before. We need to continue to utilize this forecast as a planning document and constantly monitor our progress on a monthly basis. Financial stability is crucial in addressing the future needs and plans for meeting the instructional needs of our students and community while preparing for those unforeseen circumstances that occasionally present themselves. It is inevitable that additional revenue is needed to maintain our current programs.

	FY21	FY22	FY23	FY24	FY25
Ending Unencumbered Cash Balance	$819,314	-$298,451	-$1,506,576	-$3,050,629	-$4,958,250

General Fund
Cash Balance Analysis
Actuals: 2017-18, 2018-19 and 2019-20
Estimated: 2021 – 2025



General Fund
Cash Balance Analysis
Actuals: 2017-18, 2018-19 and 2019-20
Estimated: 2021 – 2025