



# WASHINGTON LOCAL SCHOOLS

FIVE-YEAR FORECAST  
FEBRUARY 2020 - *REVISED*



# **Student Wellness and Success Funds Guidance**

## **Provided by the Ohio Department of Education**

Under the leadership of Governor Mike DeWine, Ohio has invested \$675 million in student wellness and success. Aligned with Each Child, Our Future, Ohio's strategic plan for education, these funds will help school districts address the needs of the whole child. These funds allow districts, alongside allowable community partners, flexibility to design programs and purchase services that meet the specific needs of their students covering the 11 different initiatives listed below:

- 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.

### **Can the district fund work it is already doing?**

**YES,**

Please note;

What is not stated above is the new funding source is coupled with freezing state aid at 2018/2019 funding levels for 2019/2020 and 2020/2021.

# FEBRUARY 2020

## Forecast Assumptions

*This Five-year Forecast is being revised due to the recoding of Personnel (Nurses, Counselors, and Social Workers) from the General Fund to the new State Fund – Student Wellness and Success Fund.*

### November 2019–

~~*The State did freeze funding for 2019/2020 and all future years at the 2019/2019 funding levels. The State did provide a new funding source for 2020 and 2021. This is a non General Fund and is called Student Wellness and Success Fund. We are expecting to receive \$1.5 million in 2020 and \$2.1 million in 2021. These funds are restricted and may be used to offset current expenditures (reduce our forecasted deficits) in our General Fund (nurses/counselors), however as a decision has not been made, any use of these funds are not included in the November 2019 Forecast.*~~

### February 2020–

***The State did freeze funding for 2019/2020 and all future years at the 2018/2019 funding levels. The State did provide a new revenue source for 2019/2020 and 2020/2021. There is not an allocation past 2020/2021. The Student Wellness and Success Funds are separate from the General Fund. However, these funds may be utilized to continue the General Fund Programs and Services if needed. Originally we were hopeful these funds could be used to enhance our current programs. Unfortunately, with unconstitutional school funding (previously capping our state and now freezing it for two years) and the addition of EdChoice, we will need these funds to continue our current programs. We are expected to receive approximately \$3.6 million in Student Wellness and Success Funds and will utilize \$3.4 million for current nurses, counselors and our social worker that are currently being funded by the General Fund. We will have approximately \$200,000 remaining in the Student Wellness and Success Fund to be utilized for student mental health services.***

### May 2020 – Unknown.

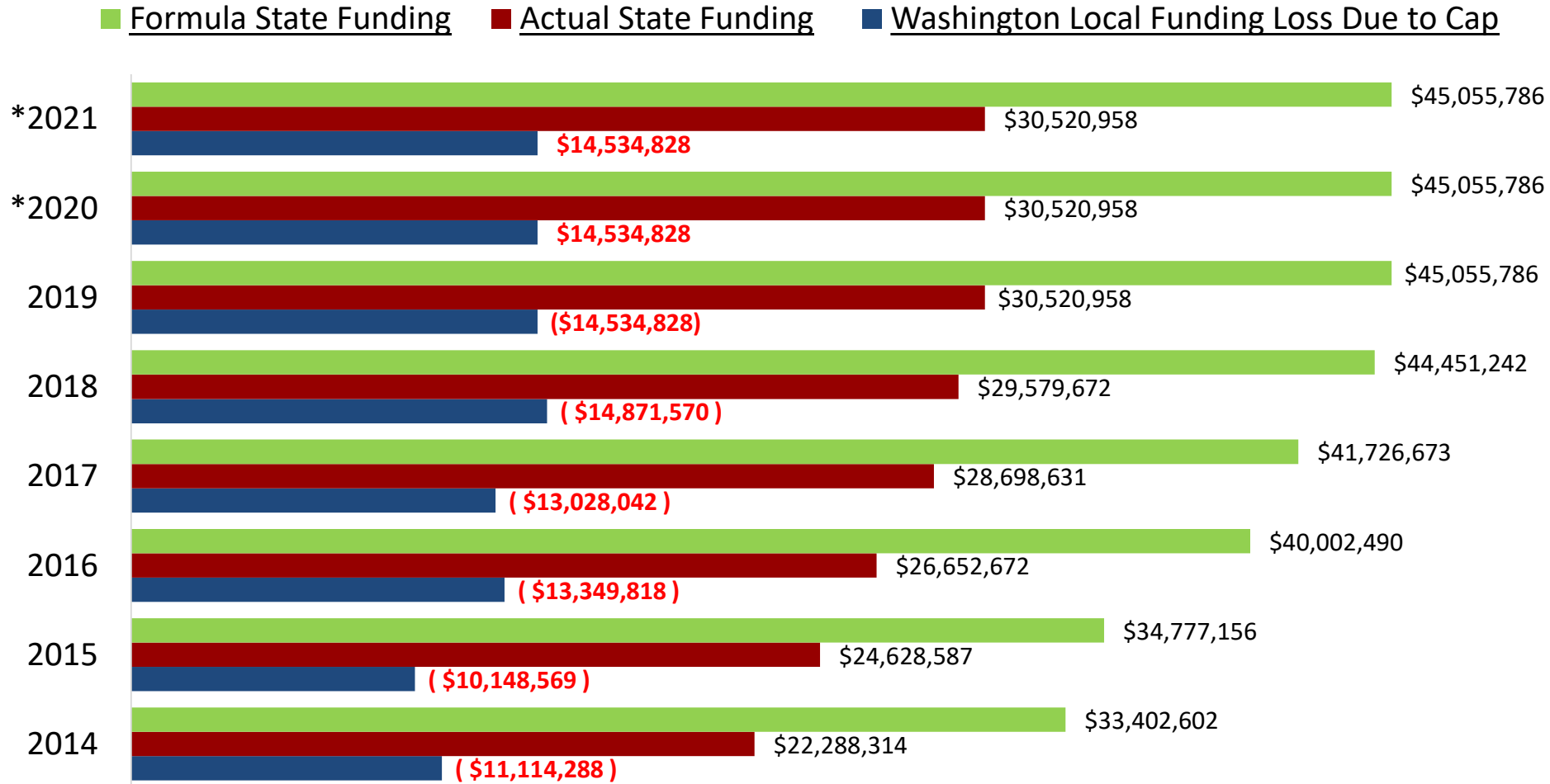
# Washington Local School District

## REVENUES

February 2020 -Unchanged from November 2019

Revenues	Actual			Avg. Change	Forecasted				
	2017	2018	2019		2020	2021	2022	2023	2024
	-	-	-		-	-	-	-	-
General Property Tax (Real Estate)	37,077,079	37,047,152	38,022,521	1.3%	39,725,000	41,400,000	41,400,000	41,785,000	41,785,000
Tangible Personal Property Tax	-	-	346		-	-	-	-	-
Income Tax	-	-	-		-	-	-	-	-
Unrestricted State Grants-in-Aid	27,577,676	28,763,832	29,315,085	3.1%	29,513,773	29,518,773	29,518,773	29,518,773	29,518,773
Restricted State Grants-in-Aid	2,236,993	2,243,536	2,481,931	5.5%	2,291,546	2,291,546	2,291,546	2,291,546	2,291,546
Property Tax Allocation	8,512,904	7,956,941	7,385,696	-6.9%	6,801,052	6,321,491	5,841,930	5,362,368	5,362,368
All Other Revenues	1,617,468	2,494,584	3,007,259	37.4%	2,518,711	2,091,711	1,991,711	1,823,750	1,823,750
<b>Total Revenues</b>	<b>77,022,120</b>	<b>78,506,045</b>	<b>80,212,837</b>	<b>2.1%</b>	<b>80,850,082</b>	<b>81,623,521</b>	<b>81,043,960</b>	<b>80,781,437</b>	<b>80,781,437</b>
Advances-In	400,000	400,000	400,000		400,000	400,000	400,000	400,000	400,000
All Other Financing Sources	4,724,992	4,814,232	5,026,104	3.1%	5,027,500	5,027,500	5,027,500	4,952,500	4,952,500
<b>Total Other Financing Sources</b>	<b>5,124,992</b>	<b>5,214,232</b>	<b>5,426,104</b>	<b>2.9%</b>	<b>5,427,500</b>	<b>5,427,500</b>	<b>5,427,500</b>	<b>5,352,500</b>	<b>5,352,500</b>
<b>Total Revenues and Other Financing Sources</b>	<b>82,147,112</b>	<b>83,720,277</b>	<b>85,638,941</b>	<b>2.1%</b>	<b>86,277,582</b>	<b>87,051,021</b>	<b>86,471,460</b>	<b>86,133,937</b>	<b>86,133,937</b>

Washington Local Schools  
Financial Projection  
General Fund Loss of Funding  
Impact of Funding Cap



Eight Years (2014-2021) of State Funding Loss – Due to Cap **(\$106,150,771)**

**\* STATE AID HAS BEEN FROZEN AT 2019 LEVELS IN 2020 & 2021**

# Washington Local Schools

## EXPENDITURES

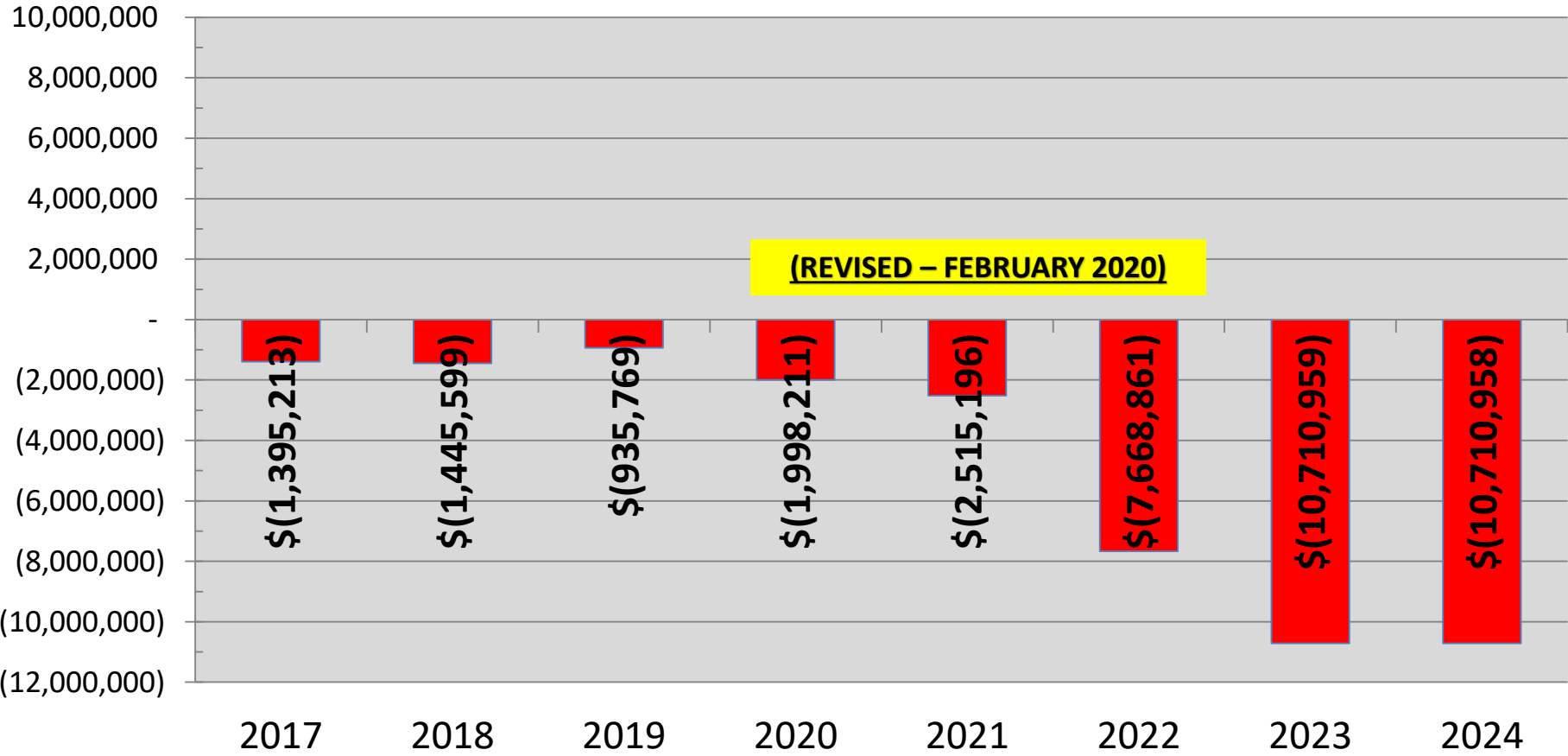
NOVEMBER 2019

(REVISED – FEBRUARY 2020)

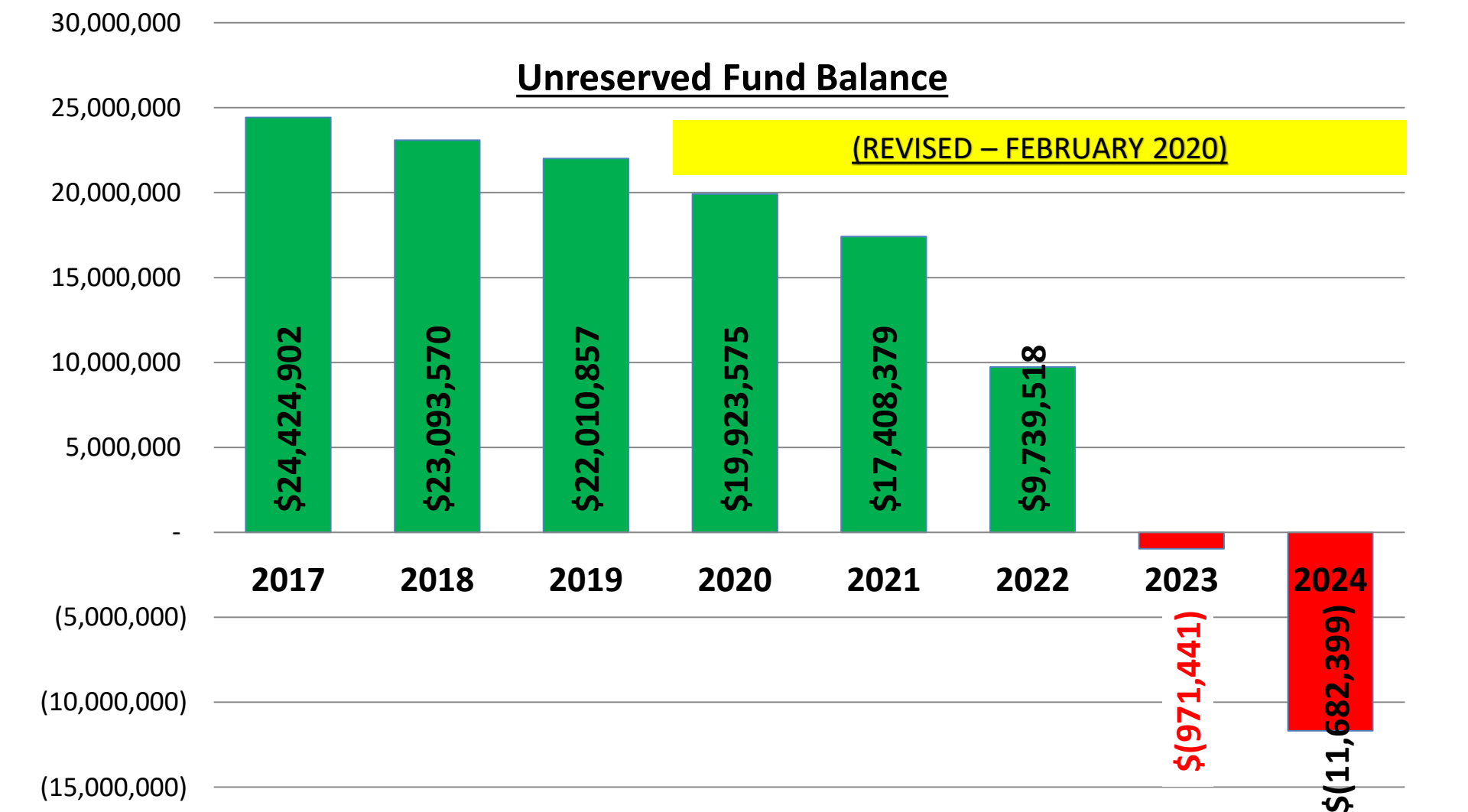
	Actual					(REVISED)		Forecasted		
					Avg.					
Expenditures	2017	2018	2019	Change	2020	2021	2022	2023	2024	
Personal Services / Salaries	47,193,921	47,855,137	49,675,118	2.6%	50,204,858	50,733,999	54,062,272	56,012,082	56,012,082	
Employees' Retirement/Insurance Benefits	18,781,205	19,152,318	18,894,990	0.3%	18,793,204	18,871,630	20,019,834	20,759,270	20,759,270	
Purchased Services - Instructional Services, Utilities	11,479,008	11,738,733	12,343,737	3.7%	13,553,665	14,168,726	14,293,736	14,309,064	14,309,064	
Supplies and Materials - Instruction, Maintenance, Transportation	2,685,709	2,941,522	2,864,884	3.5%	2,894,879	2,978,672	2,953,104	2,953,104	2,953,104	
Capital Outlay	1,857,999	2,117,172	1,210,240	-14.4%	1,142,748	1,098,900	1,104,450	1,104,450	1,104,450	
Other Objects	881,128	922,994	899,685	1.1%	998,389	1,026,240	1,018,875	1,018,876	1,018,875	
Total Expenditures	82,878,970	84,727,876	85,888,654	1.8%	87,587,743	88,878,167	93,452,271	96,156,846	96,156,845	
Operating Transfers-Out	263,355	38,000	286,056	283.6%	288,050	288,050	288,050	288,050	288,050	
Advances-Out	400,000	400,000	400,000		400,000	400,000	400,000	400,000	400,000	
Total Other Financing Uses	663,355	438,000	686,056	11.3%	688,050	688,050	688,050	688,050	688,050	
Total Expenditures and Other Financing Uses	83,542,325	85,165,876	86,574,710	1.8%	88,275,793	89,566,217	94,140,321	96,844,896	96,844,895	

Other Financing Uses	Actual				Forecasted				
	2017	2018	2019	Avg. Change	2020	2021	2022	2023	2024
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(1,395,213)	(1,445,599)	(935,769)	-15.8%	(1,998,211)	(2,515,196)	(7,668,861)	(10,710,959)	(10,710,958)

**Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses**



Other Financing Uses	Actual				Forecasted				
	2017	2018	2019	Avg. Change	2020	2021	2022	2023	2024
Unreserved Fund Balance June 30	24,424,902	23,093,570	22,010,857	-5.1%	19,923,575	17,408,379	9,739,518	(971,441)	(11,682,399)





# WASHINGTON LOCAL SCHOOLS

## FEBRUARY 2020 FORECAST – REVISED

*THIS IS AND ALWAYS HAS BEEN A WORKING DOCUMENT*

2020

2021

2022

### VARIABLES TO CONSIDER IN MAY 2020

### TOTAL CHANGES

– State Aid – FROZEN (a)	\$ .8 Million	\$1.7 Million	\$2.6 Million	\$5.1 Million
– EdChoice (Vouchers)	\$ .8 Million	\$1.0 Million	\$1.0 Million	\$2.8 Million
– Personal Property Loss	\$ .5 Million	\$ .5 Million	\$ .5 Million	\$1.5 Million
– Special Education – (Preschool & ESC)		\$ .2 Million	\$ .2 Million	\$ .4 Million

- Union Negotiations - Forecasted 1.25% base increase
- Franklin Park Mall Tax Appeal – We are still in litigation. The expected decrease in valuation will reduce our revenues and likely contain a 2-3 year refunds of previous taxes paid.
- Staffing - We have stated no additional or reduction in staffing or programming for 2019/2020 or future years.
- DIS - Additional technology needed.
- Self-Funded Healthcare Fund

**Student Wellness & Success Funds \$1.5 Million**

**\$2.1 Million**

**\$0.0 Million**

**\$3.6 Million**

(a) Assumed 3% state aid increase May 2020. Based on past 2 years (FY 2018 & 2019) received 3% and are capped district by an annual reduction exceeding \$14 million.

### **Concern Going Forward**

Within a few months our district will be borrowing nearly \$50 million and we will be receiving a credit rating. The General Fund, deficit spending, and Fund balance will have a direct impact on the interest rate on our debt issuance.

# WASHINGTON LOCAL SCHOOLS: DEFICIT / SURPLUS SUMMARY

## FY 2008 – 2019 Actuals / FY 2020 – 2024 Forecasted

Fiscal Year	Surplus / Deficit	Amount (Over / Under)	Unreserved Cash Balance as of June 30	Unreserved Fund Balance as of June 30 *
2008	Surplus	3,421,022	37,224,891	33,479,602
2009	Deficit	(541,160)	36,683,731	32,998,686
2010	Deficit	(2,318,705)	34,365,026	31,339,209
2011	Deficit	(1,311,266)	33,053,760	30,167,113
2012	Deficit	(48,676)	33,005,084	28,591,688
2013	Deficit	(652,259)	32,352,825	27,935,333
2014	Deficit	(4,210,893)	28,141,932	23,586,579
2015	Surplus	949,014	29,090,946	24,486,717
2016	Surplus	1,157,421	30,248,367	25,612,902
2017	Deficit	(1,395,213)	28,853,154	24,424,902
2018	Deficit	(1,445,599)	27,407,555	23,093,570
2019	Deficit	(935,769)	26,471,786	22,010,857
<b>FORECASTED - REVISED FEBRUARY 2020</b>				
2020	Deficit	(1,998,211)	24,473,575	19,923,575
2021	Deficit	(2,515,196)	21,958,379	17,408,379
2022	Deficit	(7,668,861)	14,289,518	9,739,518
2023	Deficit	(10,710,959)	3,578,559	(971,441)
2024	Deficit	(10,710,959)	(7,132,399)	(11,682,399)

\*The Unreserved Fund Balance includes encumbrances as of June 30th and the budget reserve (Rainy Day) Fund of \$3.6 million.

*Due to our fund balance deficit in 2023, without additional revenue or expenditure reductions, the district will be required to be on the ballot in 2022 or early 2023.*