



WASHINGTON LOCAL SCHOOLS

FIVE-YEAR FORECAST

MAY 2020



Significant Items

- **Franklin Park Tax Refund and Annual Reduction in Tax payments?**
 - Last tax appeal - \$400,000 annual reduction. Future reduction expected to be higher. These reductions will be as a tax refund and lower tax revenue going forward.
 - December 2020. New scheduled hearing date.
 - JCPenney (and other mall tenants) have declared bankruptcy.
- **Student Success and Wellness Funds – Not on Forecast – New State Fund**

Governor stated in February 2020, this new school funding source will continue in FY 21/22 and likely increase. Even with this statement we did not put in Forecast after FY 20/21. Due to COVID-19 related budget reductions concerns are now being raised for the FY 20/21 funding of \$2.1 million.

 - \$ 1.5 Million in 2020 and \$ 2.1 million in 2021
 - 20 TAWLS members (nurses, counselors, and social workers) currently being charged to Student Success and Wellness Funds, instead of the General Fund.
 - We have approximately \$250,000 currently being allotted for student wellness in 2021. Will these funds be needed for other expenditures to offset SSWF revenue reductions?
- **EdChoice Vouchers**
 - Voucher expansion has been paused for FY 20/21, \$750,000 forecasted in 2021 and future years for Whitmer High School. Will the expansion continue in FY 21/22 to other Washington Local School buildings as originally announced? No EdChoice voucher expansion in Forecast.
- **State Funding**
 - FY 19/20 state aid reduced in May 2020, by \$685,784
 - Forecasted amount to 2.5 times (\$1.7 million) in FY 20/21 and FY 21/22 of the 2020 reductions
 - What will the actual reduction be in FY 21 and FY 22? More? Less?

- **Deficits narrowed**
 - 2022 deficit will require an 8 mill levy to eliminate deficit
- **Significant Staff Reductions made in FY 20/21**
 - 1- Administrator
 - 4- Teachers
 - 1- Custodian
 - ½ - Secretary
- **Property Tax Delinquencies**
 - Increased by \$200,000 for FY 20/21 collections. Will that be enough? Will the lower tax collection continue into FY 21/22?
- **COVID-19**
 - Related Savings for FY 19/20
 - Teacher & Classified Substitutes
 - Extra Teacher Pay (tutoring, detention, etc.) and Overtime
 - Transportation costs for Special Education and Homeless Students
 - Utilities
 - Diesel Fuel
 - Textbooks
 - ❖ Textbook Adoption for FY 20/21 eliminated
 - Food Services
 - ❖ COVID related savings eliminated operating deficit in FY 19/20
- **Debt Issuance Costs FY 20/21**
 - Revenue and Expenditures increased by \$484,128
 - Ohio Revised Code requires this debt revenue/debt issuance costs be included in the General Fund
 - 2019/2020 – Salaries /Benefits forecasted to be less than 2018/2019 salaries/benefits
 - No impact on Operating Deficit or Fund Balance

REVENUE



FLAT

Washington Local School District

REVENUES

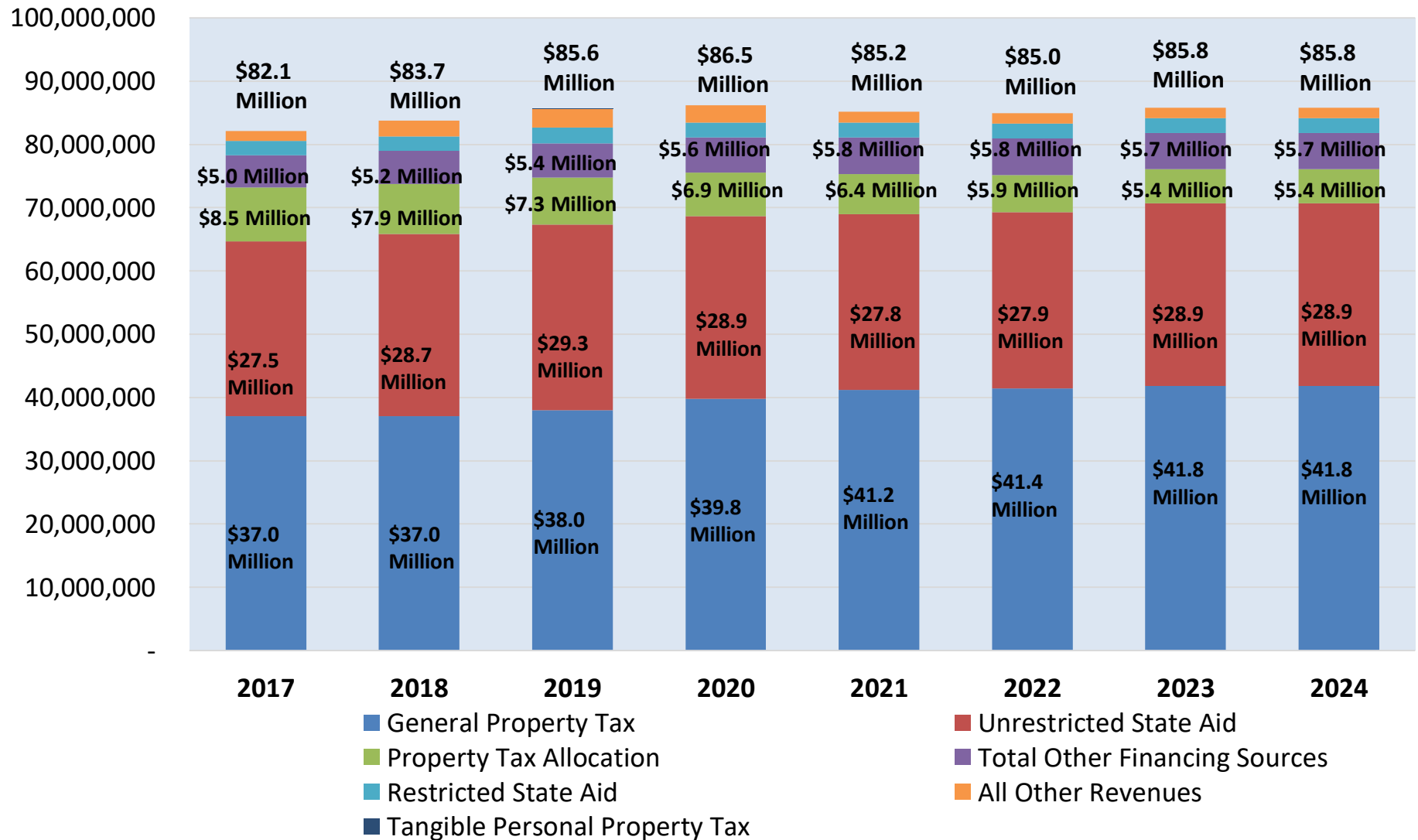
MAY 2020

	Actual			Avg. Change	Forecasted				
	<u>2017</u>	<u>2018</u>	<u>2019</u>		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Revenues</u>	-	-	-		-	-	-	-	-
General Property Tax (Real Estate)	37,077,079	37,047,152	38,022,521	1.3%	39,754,005	41,200,000	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%	28,881,508	27,764,593	27,869,593	28,888,809	28,888,809
Restricted State Grants-in-Aid	2,236,993	2,243,536	2,481,931	5.5%	2,352,021	2,347,248	2,347,248	2,347,248	2,347,248
Property Tax Allocation	8,512,904	7,956,941	7,385,696	-6.9%	6,877,871	6,381,291	5,901,730	5,422,168	5,422,168
All Other Revenues	1,617,468	2,494,584	3,007,259	37.4%	3,064,024	1,703,028	1,678,028	1,628,028	1,628,028
<i>Total Revenues</i>	77,022,120	78,506,045	80,212,837	2.1%	80,929,429	79,396,160	79,196,599	80,071,253	80,071,253
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%	5,206,733	5,370,000	5,370,000	5,295,000	5,295,000
<i>Total Other Financing Sources</i>	5,124,992	5,214,232	5,426,104	2.9%	5,606,733	5,770,000	5,770,000	5,695,000	5,695,000
<i>Total Revenues and Other Financing Sources</i>	82,147,112	83,720,277	85,638,941	2.1%	86,536,162	85,166,160	84,966,599	85,766,253	85,766,253

Washington Local Schools

Revenues

MAY 2020





EXPENDITURES



Washington Local Schools

EXPENDITURES

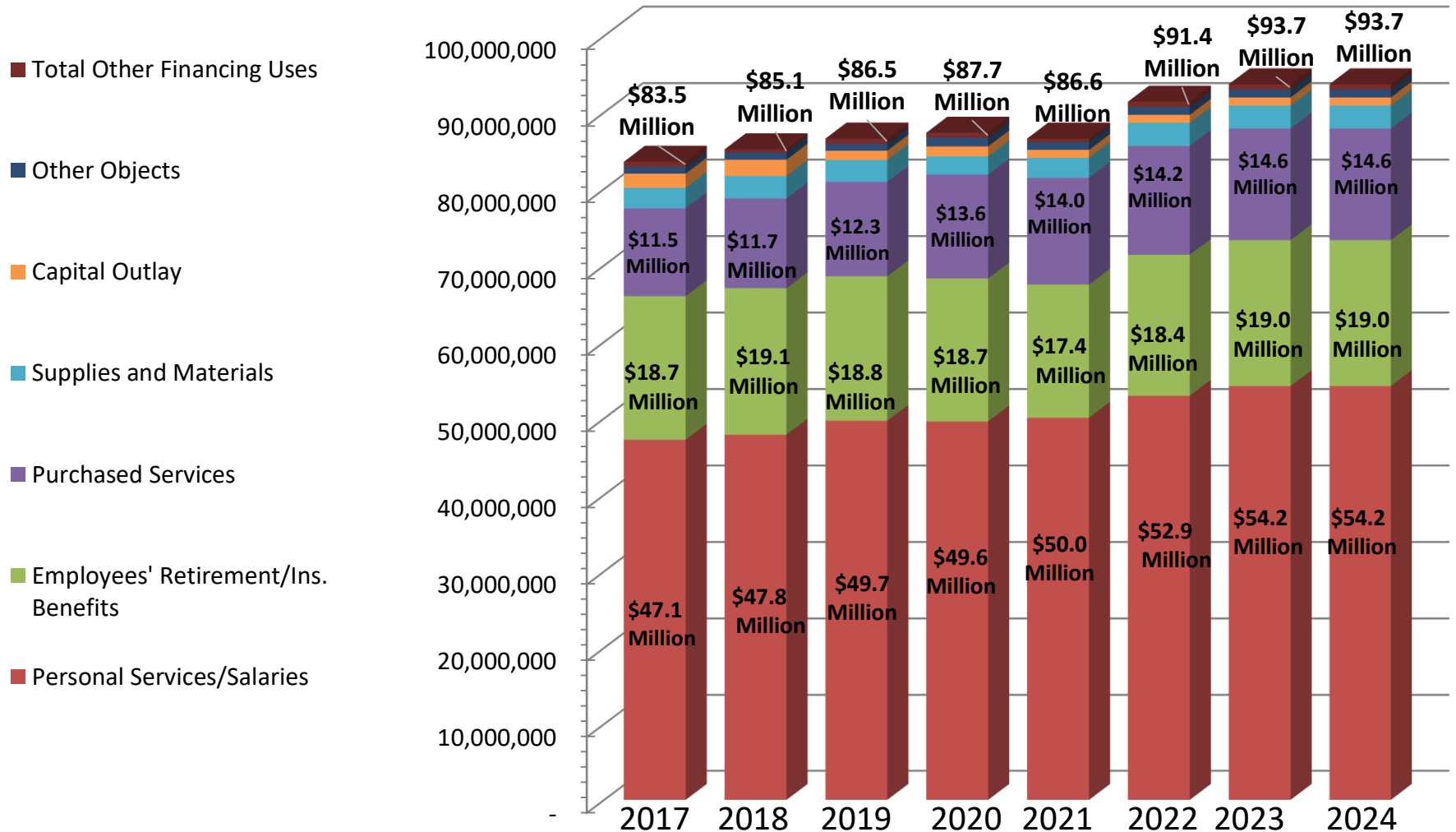
MAY 2020

	Actual					Forecasted				
<u>Expenditures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	Avg. Change		<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Personal Services / Salaries	47,193,921	47,855,137	49,675,118	2.6%		49,589,708	50,075,214	52,947,645	54,212,474	54,212,474
Employees' Retirement/Insurance Benefits	18,781,205	19,152,318	18,894,990	0.3%		18,694,729	17,411,543	18,435,943	19,084,004	19,084,004
Purchased Services - Instructional Services, Utilities	11,479,008	11,738,733	12,343,737	3.7%		13,573,545	13,952,383	14,236,691	14,587,720	14,587,720
Supplies and Materials - Instruction, Maintenance, Transportation	2,685,709	2,941,522	2,864,884	3.5%		2,386,177	2,612,862	3,010,854	3,017,371	3,017,371
Capital Outlay	1,857,999	2,117,172	1,210,240	-14.4%		1,311,553	1,042,470	1,047,735	1,049,841	1,049,841
Other Objects	881,128	922,994	899,685	1.1%		1,460,730	1,041,600	1,030,750	1,030,750	1,030,750
<i>Total Expenditures</i>	82,878,970	84,727,876	85,888,654	1.8%		87,016,442	86,136,072	90,709,618	92,982,160	92,982,160
Operating Transfers-Out	263,355	38,000	286,056	283.6%		246,196	40,550	288,050	288,050	288,050
Advances-Out	400,000	400,000	400,000			400,000	400,000	400,000	400,000	400,000
<i>Total Other Financing Uses</i>	663,355	438,000	686,056	11.3%		646,196	440,550	688,050	688,050	688,050
<i>Total Expenditures and Other Financing Uses</i>	83,542,325	85,165,876	86,574,710	1.8%		87,662,638	86,576,622	91,397,668	93,670,210	93,670,210

Washington Local Schools

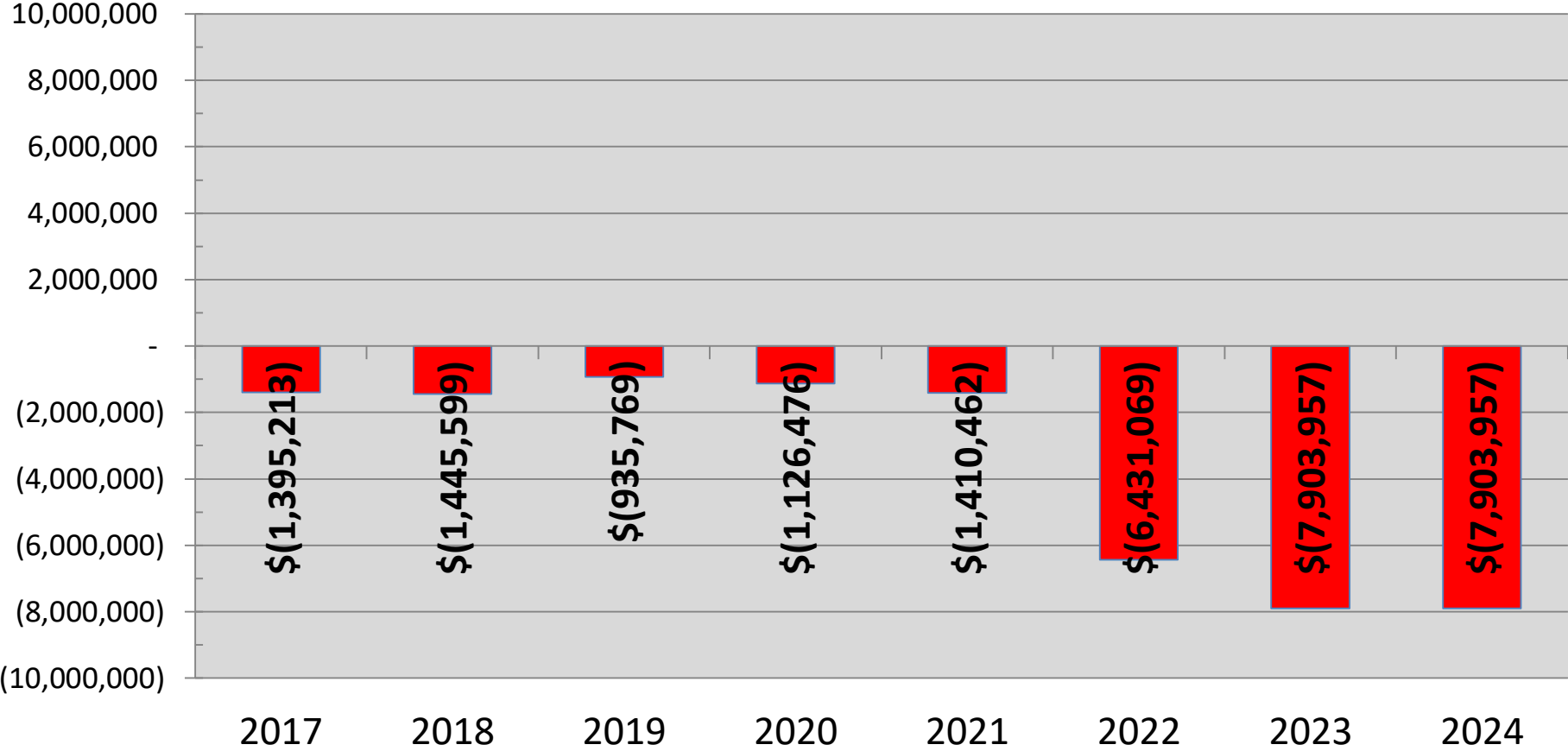
Expenditures

MAY 2020

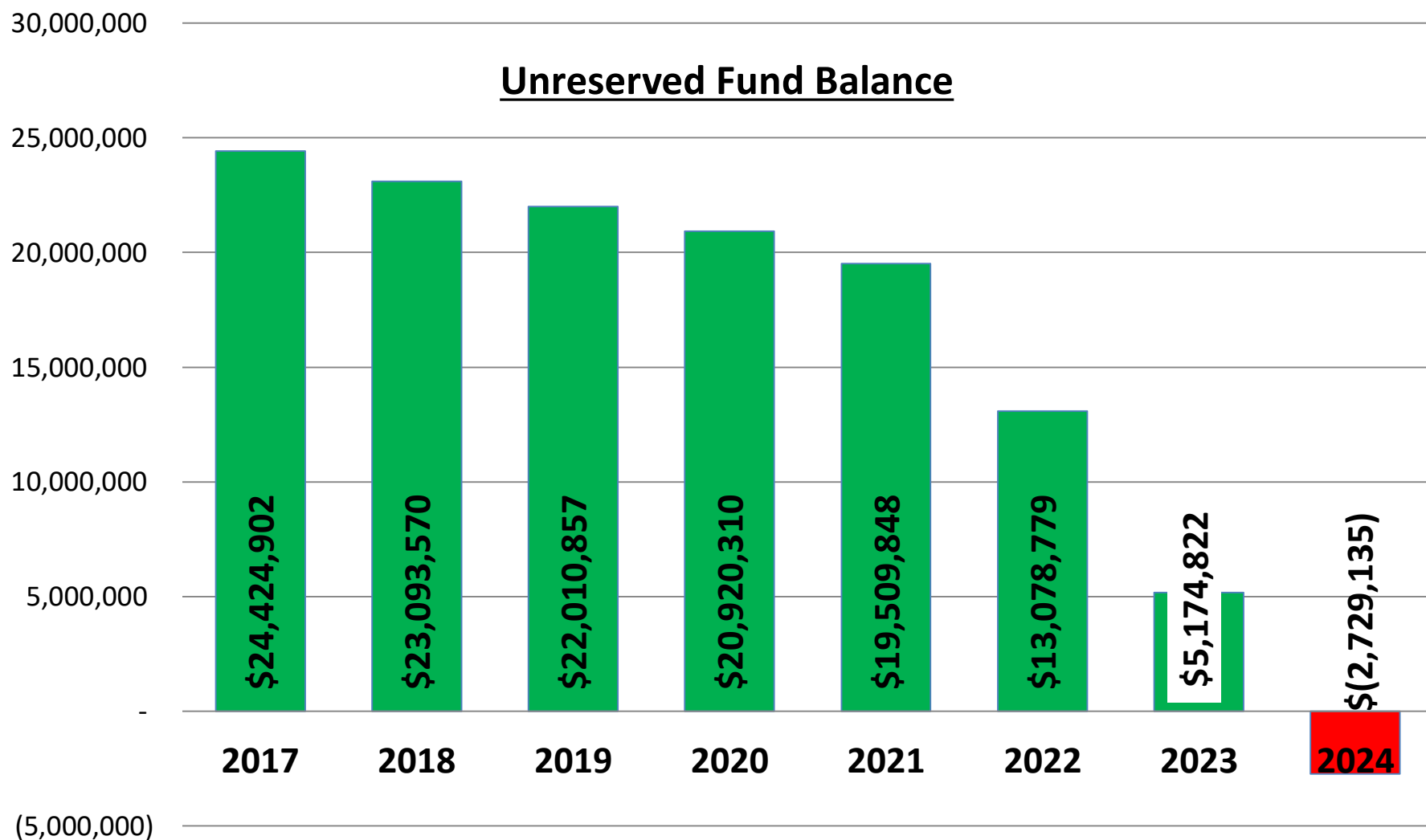


Other Financing Uses	2017	2018	2019	Avg. Change	2020	2021	2022	2023	2024
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(1,395,213)	(1,445,599)	(935,769)	-15.8%	(1,126,476)	(1,410,462)	(6,431,069)	(7,903,957)	(7,903,957)

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

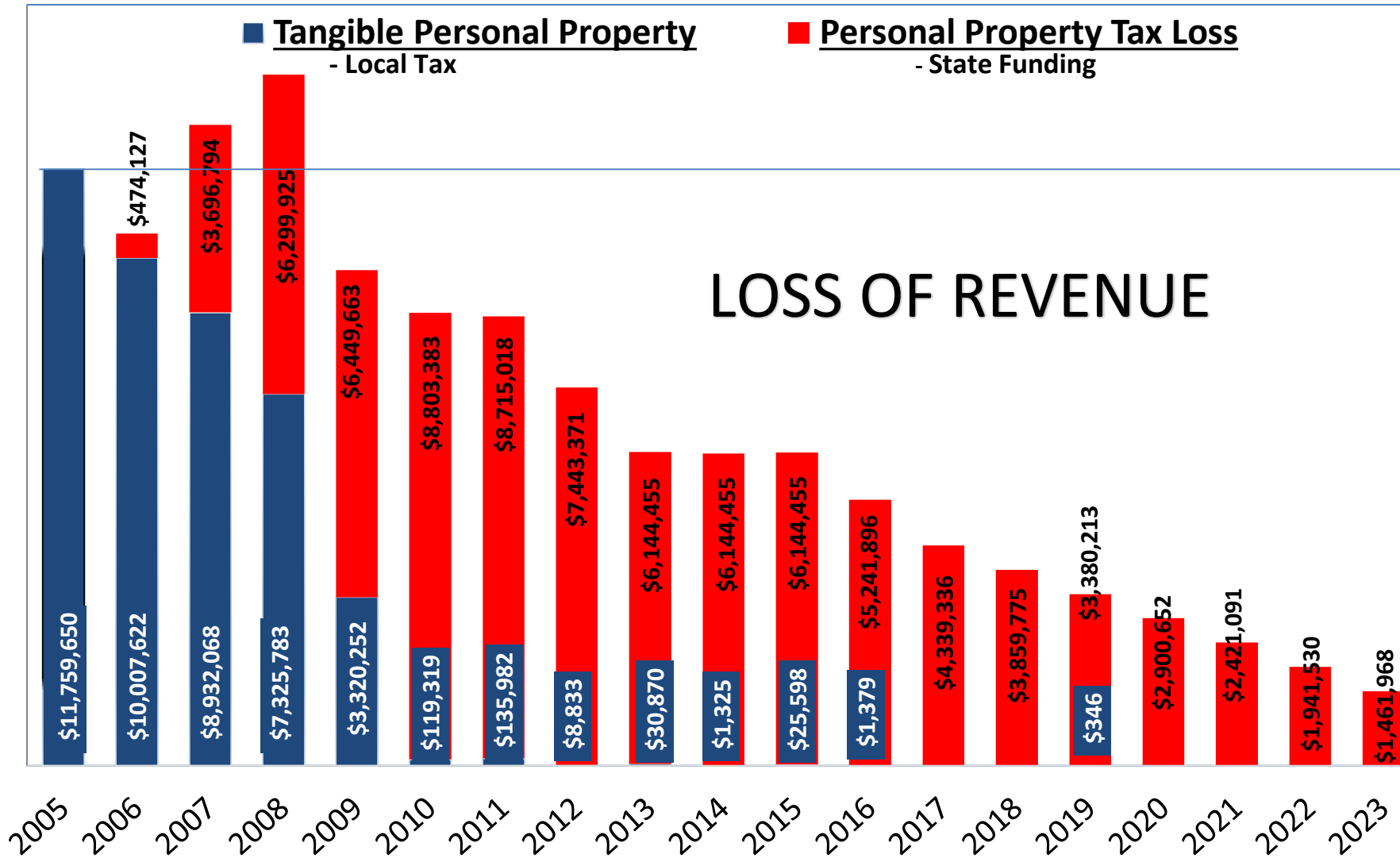


<u>Other Financing Uses</u>	<u>Actual</u>				<u>Forecasted</u>				
	2017	2018	2019	Avg. Change	2020	2021	2022	2023	2024
Unreserved Fund Balance June 30	24,424,902	23,093,570	22,010,857	-5.1%	20,920,310	19,509,848	13,078,779	5,174,822	(2,729,135)



General Fund Personal Property Tax

Elimination – HB 66



WASHINGTON LOCAL SCHOOLS

MAY 2020 FORECAST

THIS IS AND ALWAYS HAS BEEN A WORKING DOCUMENT

ITEMS TO CONSIDER FOR NOVEMBER 2020 FORECAST

- ☐ **WILL THE COVID-19 PANDEMIC BE OVER?**
- ☐ **HOW WILL THE SCHOOL YEAR BEGIN FOR FY 21 - NORMAL, REMOTELY OR HYBRID ?**
- ☐ **Actual State Aid**
 - Will final reductions be known?
- ☐ **Impact of how school starts**
 - Staffing
 - Technology
 - Supplies
- ☐ **Food Service**
 - Forecasted budget deficit (\$250,000) when we return FY 2020/21
- ☐ **Union Negotiations Base Salary Increase** – Forecasted reduced from 1.25% to 0.0%.
- ☐ **Franklin Park Mall Tax Appeal** – We are still in litigation. The expected decrease in valuation will reduce our revenues and likely contain a 1-3 year refund of previous taxes paid. JCPenney declared bankruptcy as well as other tenants will assist the malls tax appeal.
- ☐ **Department of Information Systems (DIS)** - Additional technology needed – Not Budgeted (ESSER Funds?)
- ☐ **Self-Funded Healthcare Fund** – 10% Reduction in FY 20/21
- ☐ **Self-Funded Dental Fund** – 10% Reduction in FY 2021
- ☐ **Elementary and Secondary School Emergency Relief Fund (ESSER)**
 - **New Federal Fund** – Elementary and Secondary School Emergency Relief \$1.4 million (must be expended by September 2022). May be utilized for new expenditures (technology, professional development, sanitization-cleaning supplies/equipment, and classroom materials.)

WASHINGTON LOCAL SCHOOLS: DEFICIT / SURPLUS SUMMARY
FY 2008 – 2019 Actuals / FY 2020 – 2024 Forecasted
MAY 2020 FORECAST

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
FORECASTED - MAY 2020				
2020	Deficit	(1,126,476)	25,345,310	20,920,310
2021	Deficit	(1,410,462)	23,934,848	19,509,848
2022	Deficit	(6,431,069)	17,503,779	13,078,779
2023	Deficit	(7,903,957)	9,599,822	5,174,822
2024	Deficit	(7,903,957)	1,695,865	(2,729,135)

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

General Fund Budget Summary – MAY 2020 FIVE YEAR FORECAST

FY 2013 – FY 2019 Actual / FY 2020- FY 2024 Forecasted

	2013	2014	2015	2016	2017	2018	2019	FORECASTED				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	71,334,159	72,560,410	78,232,416	80,725,296	82,147,112	83,720,277	85,638,941	86,536,162	85,166,160	84,966,599	85,766,253	85,766,253
Expenses	71,986,418	76,771,303	77,283,402	79,567,875	83,542,325	85,165,876	86,574,710	87,662,638	86,576,622	91,397,668	93,670,210	93,670,210
Over/Under	-652,259	-4,210,893	949,014	1,157,421	-1,395,213	-1,445,599	-935,769	-1,126,476	-1,410,462	-6,431,069	-7,903,957	-7,903,957
Unreserved Fund Balance	27,935,333	23,586,579	24,486,717	25,612,902	24,424,902	23,093,570	22,010,857	20,920,310	19,509,848	13,078,779	5,174,822	-2,729,135

