

**COSHOCTON CITY SCHOOL DISTRICT- COSHOCTON COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2019, 2020 and 2021 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2022 THROUGH JUNE 30, 2026**



**Forecast Provided By
Coshocton City School District
Treasurer's Office
Terri Eyerman, Treasurer/CFO
November 18, 2021**

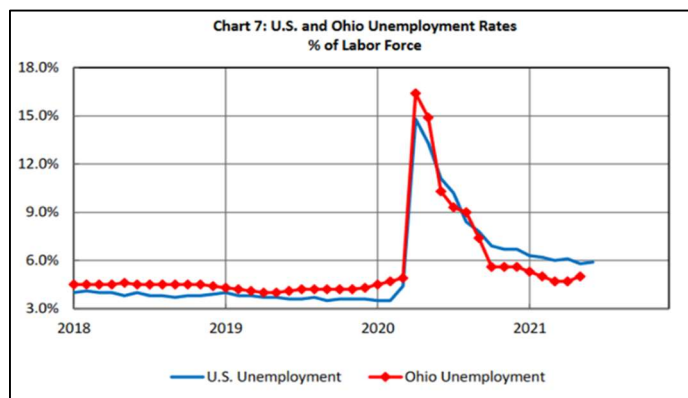
Coshocton City School District –Coshocton County
Notes to the Five Year Forecast
General Fund Only

Introduction to the Five Year Forecast

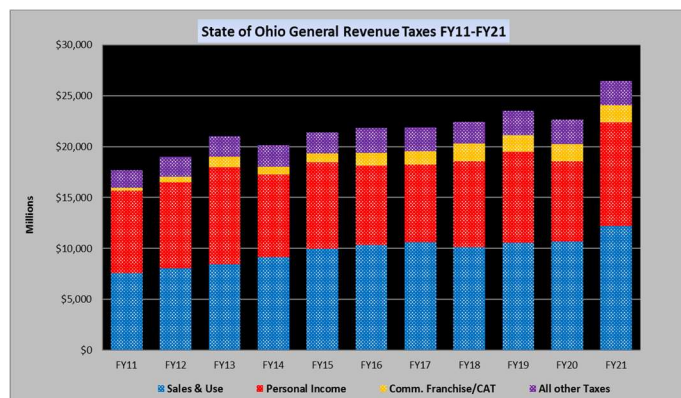
School districts are required to file a five (5) year financial forecast by November 30, 2021, and May 31, 2022 for fiscal year 2022 (July 1, 2021 to June 30, 2022). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. Fiscal year 2022 (July 1, 2021 through June 30, 2022) 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 2021 filing.

Economic Outlook

This five-year forecast is being filed during the ongoing global health and financial recovery from the COVID-19 Pandemic which began in early 2020. The effects of the pandemic continue to impact our state, country and our globalized economy. Our school district plays a vital role in the recovery in our community and we have maintained continuity of services to our students and staff. As noted in the graphs below, the State of Ohio's economy has steadily recovered over the past year thus the full restoration of the original school foundation funding cuts from May 2020 are being restored to school districts beginning July 1, 2021. While increased inflation impacting district costs are expected to continue over the next few years, the economy is also expected to continue to grow as the recovery from the pandemic continues.



Source: Ohio Office of Budget and Management



Source: Ohio Office of Budget and Management

As a result, from the financial stresses that responding to the pandemic placed on school district budgets, all school districts are being aided by three (3) rounds of federal Elementary and Secondary Schools Emergency Relief Funds (ESSER) which began being disbursed in fiscal year 2020 and can be extended into fiscal year 2025 for ESSER III expenses. The ESSER funds and restored state budget cuts will assist our district in providing vital services to our students.

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

Forecast Risks and Uncertainty:

A five-year financial forecast has risks and uncertainty not only due to economic uncertainties noted above but also due to state legislative changes that will occur in the spring of 2023 and 2025 due to deliberation of the next two (2) state biennium budgets for FY24-25 and FY26-27, 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:

1) HB110, the current state budget implements what has been referred to as the Fair School Funding Plan (FSFP) for FY22 and FY23. The FSFP has many significant changes to the way 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. There will be no separate open enrollment revenue payments to school districts beginning in FY22. There will also be direct funding to the district where students are educated for expenses previously deducted from districts state foundation funding for open enrollment, community schools, STEM schools and scholarship recipients. The initial impact on the forecast will be that the historic actual costs for FY19 through FY21 on the forecast will potentially reflect different trends on Lines 1.035, 1.04, 1.06 and 3.03 beginning in FY22. Longer term there may be some adjustments for FY22 and FY23 in state aid as the Ohio Department of Education resolves issues and possible unintended consequences as they create and implement the numerous changes to the complicated new formula. Our state aid projections have been based on the best information that we have at this time. The new HB110 formula will be available in December. At that time the District will work to resubmit an updated forecast to the Ohio Department of Education that will include the updated changes in funding.

2) On May 4, 2021 the district renewed the 4.9 mill operating levy which became a continuing levy. The district also has a \$900,000 emergency levy, which is collecting at \$977,000 in 2021, approved by voters in 2019 that will expire on 12/31/2023. The renewal of this levy is critical to the Coshocton City Schools.

3) The state budget represented 68% of district revenues, which means it is a significant area of risk to revenue. The future risk comes in FY24 and beyond if the state economy stalls or worsens and the fair school funding plan is not funded in future state budgets or if an economic downturn results in a reduction in state aid. There are two future State Biennium Budgets covering the period from FY24-25 and FY26-27 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long range through FY26. We have projected our state funding to be in line with the FY23 funding levels through FY26, which we feel is conservative and should be close to whatever the state approves for the FY24-FY27 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

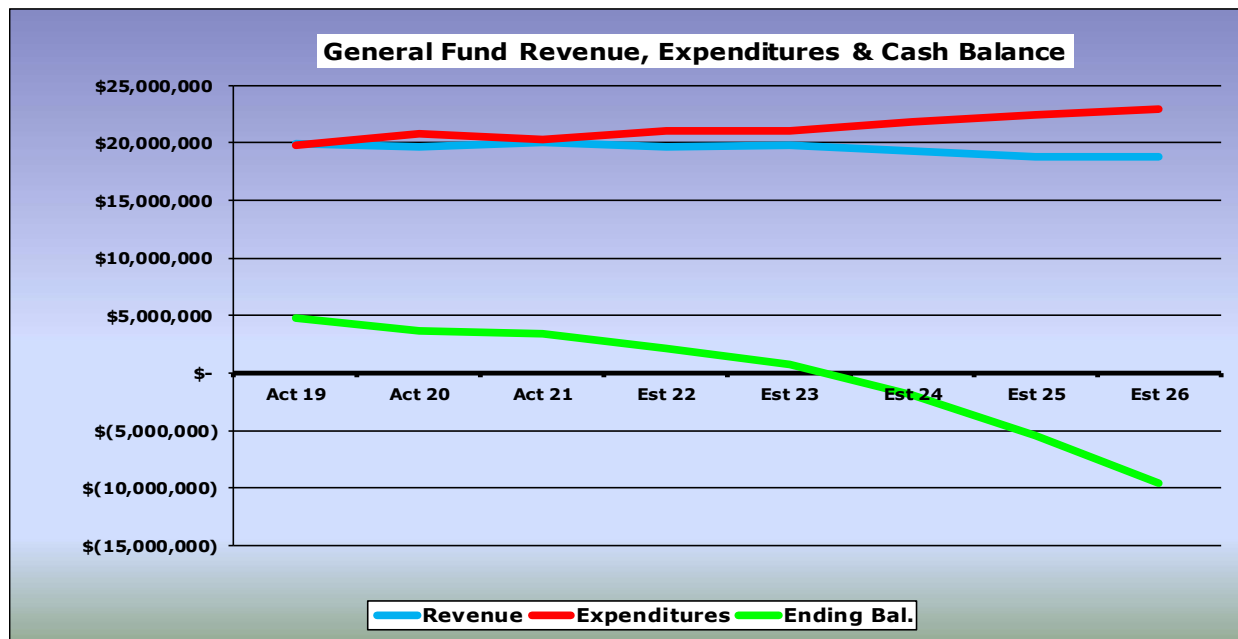
4) Coshocton County experienced a reappraisal update in the 2018 tax year to be collected in FY19. The 2018 update increased overall assessed values by \$8.8 million or an increase of 8.56%. A full reappraisal will occur in tax year 2021 for collection in FY22. We anticipate value increases for Class I and II property by \$5.6 million for an overall increase of 5% based on current sales data. 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.

5) HB110 makes significant changes in the funding formula. Details will not be known until December of 2021. The forecast will be updated once the updated data is available.

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 Terri Eyerman, Treasurer at 740-622-1901 ext.1113

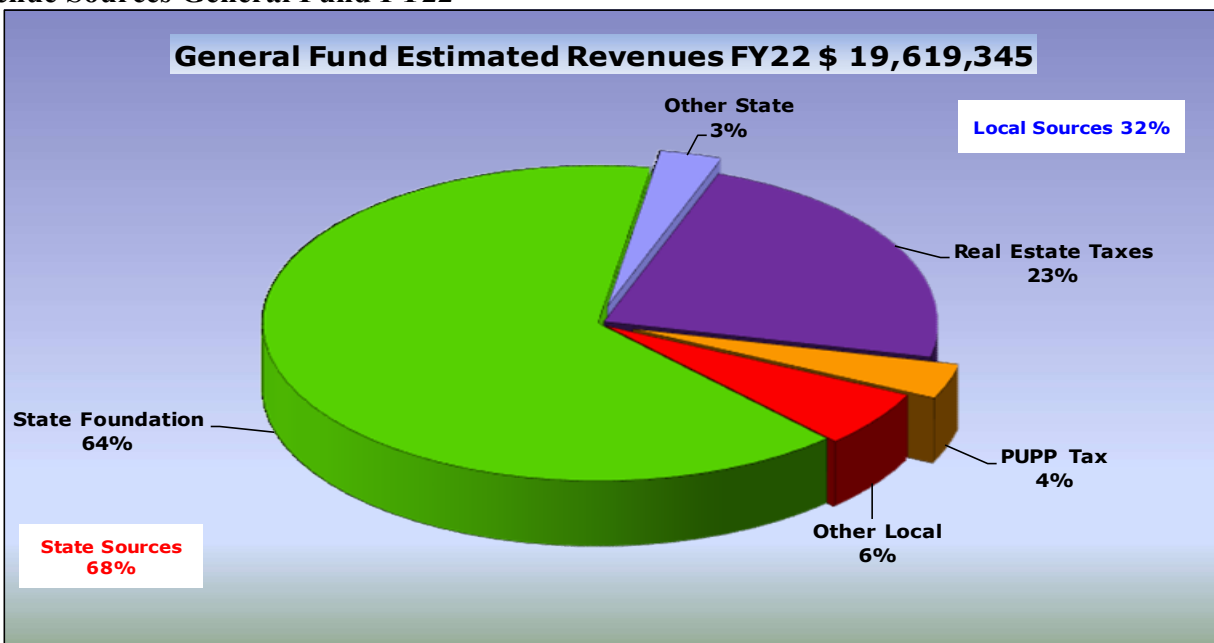
General Fund Revenue, Expenditure and Ending Cash Balance Actual FY19-21 and Estimated FY22-26

The graph captures in one snapshot the operating scenario facing the district over the next few years. The 4.9 Mill Operating Levy set to expire on 12/31/21 was approved by voters in May2021. The Substitute Emergency Levy expires December 31, 2023 and is moved to Line 11.02 of the forecast and contributes to the negative balances in future years.



Revenue Assumptions

All Revenue Sources General Fund FY22



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. Coshocton County experienced a reappraisal for the 2018 tax year to be collected in 2019. Residential/agricultural values increased 8.56% or \$8.8 million due to the reappraisal update led by an improving housing market while Commercial/Industrial values fell by - 5.18% or \$2.9 million. A full reappraisal will occur in 2021 for collection in 2022 for which we are estimating a 5% increase in residential/agricultural based on current market trends and a 2% decrease for commercial/industrial property. FY21 realized a \$8 million decrease in values due to a change in exempt status which decreased RE collections.

Property tax levies are estimated to be collected at 97.5% of the annual amount, which accounts for delinquencies that occur. We also anticipate 52.3% of the Res/Ag and Comm/Ind property taxes will be collected in the February tax settlement and 47.7% will be collected in the August tax settlement.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

<u>Classification</u>	Estimated TAX YEAR2021 COLLECT 2022	Estimated TAX YEAR2022 COLLECT 2023	Estimated TAX YEAR2023 COLLECT 2024	Estimated TAX YEAR2024 COLLECT 2025	Estimated TAX YEAR 2025 COLLECT 2026
Res./Ag.	\$117,838,511	\$117,829,908	\$117,822,018	\$121,349,511	\$124,983,556
Comm./Ind.	43,264,980	43,114,980	43,114,980	43,114,980	43,114,980
Public Utility (PUPP)	<u>12,960,840</u>	<u>13,260,840</u>	<u>13,560,840</u>	<u>13,860,840</u>	<u>14,160,840</u>
Total Assessed Value	<u>\$174,064,331</u>	<u>\$174,205,728</u>	<u>\$174,497,838</u>	<u>\$178,325,331</u>	<u>\$182,259,376</u>

ESTIMATED REAL ESTATE TAX - Line #1.010

<u>Source</u>	FY 22	FY 23	FY 24	FY 25	FY 26
Est. Property Taxes Line #1.010	<u>\$4,525,016</u>	<u>\$4,532,214</u>	<u>\$4,105,259</u>	<u>\$3,748,475</u>	<u>\$3,764,125</u>

Estimated Tangible Personal Tax & PUPP Taxes – Line#1.020

There was a phase out of TPP taxes beginning in FY06 with HB66 that was adopted in June 2005. TPP tax assessments ended in FY11. The only amounts received after FY11 are from delinquent TPP taxes outstanding as of 2010. Coshocton does not receive any TPP payments.

Amounts noted below are public utility tangible personal property (PUPP) tax payments from public utilities. Collections are typically 50% in March and 50% in August along with the real estate settlements from the county auditor. FY21 includes a \$200,000 payment received in the 2nd half (August 2020 collection) that was delinquent from the 1st half 2020 collection.

ESTIMATED PUBLIC UTILITY PERSONAL TAX – Line 1.020

<u>Source</u>	FY 22	FY 23	FY 24	FY 25	FY 26
Public Utility Personal Property Taxes	<u>\$705,179</u>	<u>\$720,579</u>	<u>\$699,010</u>	<u>\$676,630</u>	<u>\$691,435</u>

Renewal Tax Levies – Line #11.020

On May 4, 2021 the district renewed the 4.9 mill operating levy which became a continuing levy. The district also has a \$900,000 emergency levy, which is collecting at \$977,000 in 2021, approved by voters in 2019 that will expire on 12/31/2023. The emergency levy renewal is modeled at the bottom of the forecast and is not included in line 1.01 per ODE requirements. The renewal of this levy is critical to the Coshocton City Schools.

<u>Source</u>	FY 22	FY 23	FY 24	FY 25	FY 26
Renew Emergency Levy Exp. 12/31/23	<u>0</u>	<u>0</u>	<u>510,214</u>	<u>975,552</u>	<u>975,552</u>
Total Line # 11.020	<u>\$0</u>	<u>\$0</u>	<u>\$510,214</u>	<u>\$975,552</u>	<u>\$975,552</u>

New Tax Levies – Line #13.030 - No new levies are modeled in this forecast, however, the district will need to evaluate the needed resources to allow for the current educational delivery model and added services provided.

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045
Current State Funding Model per HB110 through June 30, 2023

A) Unrestricted State Foundation Revenue & Casino Revenue– Line #1.035

The actual release of the new Fair School Funding Plan formula has been delayed until December which is beyond the filing deadline of this forecast. We have projected State funding as it was in the May forecast until the details are known.

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. As of March 4, 2013 all four (4) casinos were open for business and generating Gross Casino Tax Revenues (GCR). Thirty-three percent (33%) of the gross casino revenue is collected as a tax. School districts receive 34% of the 33% GCR that is paid into a student fund at the state level. These funds are distributed to school districts twice a year on the 31st of January and August each year which began for the first time on January 31, 2013.

Casino revenue fell slightly in FY21 due to COVID-19 and Casinos closing for a little over two months. We have increased the amount in FY22 back to pre-pandemic FY20 levels as Casino revenues appear to have dipped largely due to their closure and not in response to the economic downturn. Prior to COVID-19 closure, casino revenues were growing modestly as the economy improved. Original projections for FY22-26 estimated a .4% decline in pupils to 1,778,441 and GCR increasing to \$106.35 million or \$59.80 per pupil. We believe FY22 Casino revenues will resume their historical growth rate.

<u>Source</u>	FY 22	FY 23	FY 24	FY 25	FY 26
Basic Aid-Unrestricted	\$10,784,208	\$10,784,208	\$10,784,208	\$10,784,208	\$10,784,208
Additional Aid Items	<u>233,509</u>	<u>233,509</u>	<u>233,509</u>	<u>233,509</u>	<u>233,509</u>
Basic Aid-Unrestricted Subtotal	\$11,017,717	\$11,017,717	\$11,017,717	\$11,017,717	\$11,017,717
Ohio Casino Commission ODT	<u>85,847</u>	<u>87,564</u>	<u>89,315</u>	<u>91,101</u>	<u>92,923</u>
Total Unrestricted State Aid Line #1.035	<u>\$11,103,564</u>	<u>\$11,105,281</u>	<u>\$11,107,032</u>	<u>\$11,108,818</u>	<u>\$11,110,640</u>

B) Restricted State Revenues – Line # 1.040

This funding historically has remained flat. At this time, it is forecasted to remain that way. In the new funding formula, Restricted State Revenue is to be continued as Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding) and Career Technical funding. In addition, there have been new restricted funds added for Gifted, English Learners (ESL) and Student Wellness. The amount of DPIA in the new funding formula is limited to 0% phase in growth for FY22 and 14% in FY23. These changes will be reflected on the revised forecast that will be completed once the new funding formula data is released in December, 2021.

Restricted Federal Grants in Aid – line #1.045

There is no additional restricted federal funding projected in this forecast.

<u>Source</u>	FY 22	FY 23	FY 24	FY 25	FY 26
DPIA	\$1,498,440	\$1,498,440	\$1,498,440	\$1,498,440	\$1,498,440
Career Tech - Restricted	50,879	50,879	50,879	50,879	50,879
Catastrophic Aid	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Restricted State Revenues Line #1	<u>\$1,549,319</u>	<u>\$1,549,319</u>	<u>\$1,549,319</u>	<u>\$1,549,319</u>	<u>\$1,549,319</u>

Summary of State Foundation Revenues

<u>SUMMARY</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Unrestricted Line # 1.035	\$11,103,564	\$11,105,281	\$11,107,032	\$11,108,818	\$11,110,640
Restricted Line # 1.040	1,549,319	1,549,319	1,549,319	1,549,319	1,549,319
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>\$12,652,883</u>	<u>\$12,654,600</u>	<u>\$12,656,351</u>	<u>\$12,658,137</u>	<u>\$12,659,959</u>

State Taxes Reimbursement/Property Tax Allocation

A) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from 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 changed the requirement for Homestead Exemptions. Individual taxpayers who did not currently have their Homestead Exemption approved or those who did not get a new application approved for tax year 2013, and who become eligible thereafter only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013 did not lose it going forward and did not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the state is increasing the tax burden on our local taxpayers.

Summary of State Tax Reimbursement – Line #1.050

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Rollback and Homestead	<u>\$591,327</u>	<u>\$594,967</u>	<u>\$537,419</u>	<u>\$481,343</u>	<u>\$484,549</u>

Other Local Revenues – Line #1.060

All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area are open enrollment, tuition for court placed students, student fees, and general rental fees. In FY21 interest income fell sharply due to fed rate reductions due to the pandemic which will impact our earning capability in this area until rates begin to increase. Rentals are expected to remain somewhat lower due to COVID-19 restrictions and lower participation. All other revenues are expected to continue on historic trends.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Open Enrollment	\$618,616	\$621,709	\$624,818	\$627,942	\$631,081
Tuition	254,626	257,172	259,744	262,341	264,965
Interest	38,317	34,485	31,037	27,933	25,140
Medicaid Reimbursement	97,472	97,472	97,472	97,472	97,472
Other Income	<u>90,000</u>	<u>90,900</u>	<u>91,809</u>	<u>92,727</u>	<u>93,654</u>
Total Line # 1.060	<u>\$1,099,031</u>	<u>\$1,101,739</u>	<u>\$1,104,879</u>	<u>\$1,108,415</u>	<u>\$1,112,312</u>

Transfers In / Return of Advances – Line #2.040 & Line #2.050

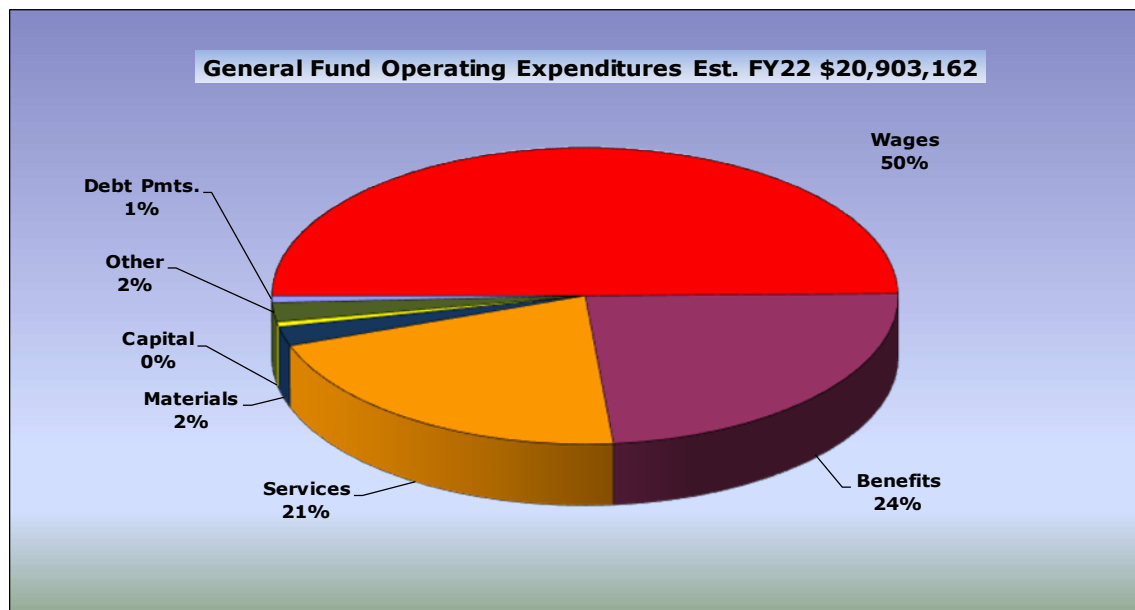
These are non-operating revenues which are the repayment of short term loans to other funds over the previous fiscal year and reimbursements for expenses received for a previous fiscal year in the current fiscal year. The district does not anticipate any Transfers or Advances during the remainder of the forecast.

All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable. We received several Bureau of Workers Compensation refunds over the past two years and do not expect to receive a refund in FY22. These revenues are inconsistent year to year and we will not project that occurring in the remainder of the forecast.

Expenditures Assumptions

The district's leadership team is always looking at ways to improve the education of our students whether with changes in curriculum or new technology needs. As the administration of the district constantly reviews expenditures the education of our students is at the forefront of decision making.



Wages – Line #3.010

The current CCEA negotiated agreement expires June 30, 2023. FY22 includes 2.5% increase on the base amount and 0% has been used for FY23-25. CCEA will reopen to discuss wages and insurance at the end of FY2022. The OAPSE agreement will expire June 30, 2022. FY22 includes a 2.5% increase on the base amount.

Summary of Personal Services – Line #3.010

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Base Wages	\$9,404,084	\$9,722,626	\$10,096,530	\$10,034,820	\$10,173,414
Wage adjustments	235,102	-	-	-	-
Steps & Training	159,869	165,285	171,641	170,592	172,948
Substitutes	289,421	295,209	301,114	307,136	313,279
Supplemental	272,741	274,105	275,475	276,853	278,237
Severance	117,000	25,000	25,000	25,000	25,000
Staff Reductions (Retire/Resignation)	(76,430)	(311,381)	(233,350)	(31,998)	0
Total Wages Line #3.010	<u>\$10,401,788</u>	<u>\$10,170,844</u>	<u>\$10,636,409</u>	<u>\$10,782,403</u>	<u>\$10,962,878</u>

Fringe Benefits Estimates – Line #3.020

A) STRS/SERS will increase as Wages Increase

As required by law the BOE pays 14% of all employee wages to STRS or SERS. The district is using a blended rate of 15.9% for those that received pick-up on pick-up of the retirement and the additional surcharge for SERS members that do not earn \$21,600 each year.

B) Insurance

As the graph below notes health care is a significant cost for the district and continues to be a real challenge as costs rise. The district received a 9.6% increase for FY21 and is projecting 3.5% increase for FY22. FY23-FY26 is projected to be 7% increases. This increase is a blend of the districts history of claims increases and the industry standards of annual premium increases.

The Further Consolidated Appropriations Act of 2020, included a full repeal of three taxes originally imposed by the Affordable Care Act (ACA): the 40% Excise Tax on employer-sponsored coverage (a.k.a. “Cadillac Tax”), the Health Insurance Industry Fee (a.k.a. the Health Insurer Tax), and the Medical Device Tax. These added costs are no longer an uncertainty factor for our health care costs in the forecast.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to be approximately .06% of wages FY22– FY26. Unemployment is expected to remain at a very low level FY22-FY26. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible 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.

Summary of Fringe Benefits – Line #3.020

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
STRS/SERS	\$1,618,548	\$1,605,148	\$1,677,431	\$1,696,698	\$1,724,598
Insurance's	3,195,967	3,344,953	3,523,096	3,762,033	4,025,375
Workers Comp/Unemployment	55,129	53,905	56,373	57,147	58,103
Medicare	140,348	136,995	143,358	145,530	147,999
Tuition and Other Benefits	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
Total Fringe Benefits Line #3.020	<u>\$5,044,992</u>	<u>\$5,176,001</u>	<u>\$5,435,257</u>	<u>\$5,696,408</u>	<u>\$5,991,075</u>

Purchased Services – Line #3.030

HB110, the new state budget, will impact Purchased Services beginning in FY22. Once details of the new funding formula are known the forecast will be updated. College Credit Pus, excess costs and other tuition costs will continue to draw funds away from the district, which will continue in this area and have been adjusted based on historical trend.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Insurance, Leases, Postage, & Other	\$327,194	\$333,738	\$340,413	\$347,221	\$354,165
Professional Services, Legal Fees & ESC	406,372	414,499	422,789	431,245	439,870
Open Enrollment	1,579,076	1,610,658	1,642,871	1,675,728	1,709,243
Community Schools	602,446	614,495	626,785	639,321	652,107
Other Tuition	819,675	836,069	852,790	869,846	887,243
Utilities	378,590	389,948	401,646	413,696	426,106
Building Repairs & Services	<u>265,582</u>	<u>270,894</u>	<u>276,312</u>	<u>281,838</u>	<u>287,474</u>
Total Purchased Services Line #3.030	<u>\$4,378,936</u>	<u>\$4,470,300</u>	<u>\$4,563,606</u>	<u>\$4,658,894</u>	<u>\$4,756,208</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.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Supplies, Textbooks, and other	\$418,743	\$427,118	\$435,660	\$444,373	\$453,261
Maintenance & Transportation Supplies	<u>26,617</u>	<u>27,416</u>	<u>28,238</u>	<u>29,085</u>	<u>29,958</u>
Total Supplies Line #3.040	<u>\$445,360</u>	<u>\$454,534</u>	<u>\$463,898</u>	<u>\$473,459</u>	<u>\$483,219</u>

Equipment – Line # 3.050

Equipment includes items that have a useful life of five years or longer and typically include items such as buses, roof repair, asphalt, computers, and furniture.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Capital Outlay	\$98,451	\$100,420	\$102,428	\$104,477	\$106,567
Technology	10,467	10,677	10,891	11,108	11,330
Facility Upkeep	-	-	-	-	-
Replacement Bus Purchases	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Equipment Line #3.050	<u>\$108,918</u>	<u>\$111,097</u>	<u>\$113,319</u>	<u>\$115,585</u>	<u>\$117,896</u>

Principal and Interest Payment – Lines # 4.05 and 4.06

This category of expenditures includes HB264 projects and an operating lease. This is considered un-voted debt as there is a revenue source for the payment.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Principal - Other Line 4.055	<u>36,000</u>	<u>37,000</u>	<u>38,000</u>	<u>39,000</u>	<u>41,000</u>
Total Principal Payments	<u>\$36,000</u>	<u>\$37,000</u>	<u>\$38,000</u>	<u>\$39,000</u>	<u>\$41,000</u>

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
HB 264 Principal Line 4.050	<u>\$80,000</u>	<u>\$83,000</u>	<u>\$85,000</u>	<u>\$87,000</u>	<u>\$91,000</u>

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Interest Total Line 4.060	<u>\$36,645</u>	<u>\$32,855</u>	<u>\$28,934</u>	<u>\$24,933</u>	<u>\$19,610</u>

Other Expenses – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees, County Board of Education and other miscellaneous expenses. The district uses an average increase of 2% for the annual increase for this area.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Auditor & Treasurer Fees	\$122,520	\$124,970	\$127,469	\$130,019	\$132,620
County Board of Education	302,963	309,021	315,203	321,507	327,937
Other expenses	<u>14,997</u>	<u>15,297</u>	<u>15,603</u>	<u>15,915</u>	<u>16,233</u>
Total Other Expenses Line #4.300	<u>\$440,480</u>	<u>\$449,289</u>	<u>\$458,275</u>	<u>\$467,441</u>	<u>\$476,790</u>

Transfers Out/Advances Out – Line #5.010 and 5.020

This account group covers fund to fund transfer 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. These expenses have been projected using historical trends. Transfers and advances must take Board of Education action and are processed on an as-needed basis.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Operating Transfers Out Line #5.010	\$71,538	\$71,538	\$71,538	\$71,538	\$71,538
Advances Out Line #5.020	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total Transfer & Advances Out	<u>\$121,538</u>	<u>\$121,538</u>	<u>\$121,538</u>	<u>\$121,538</u>	<u>\$121,538</u>

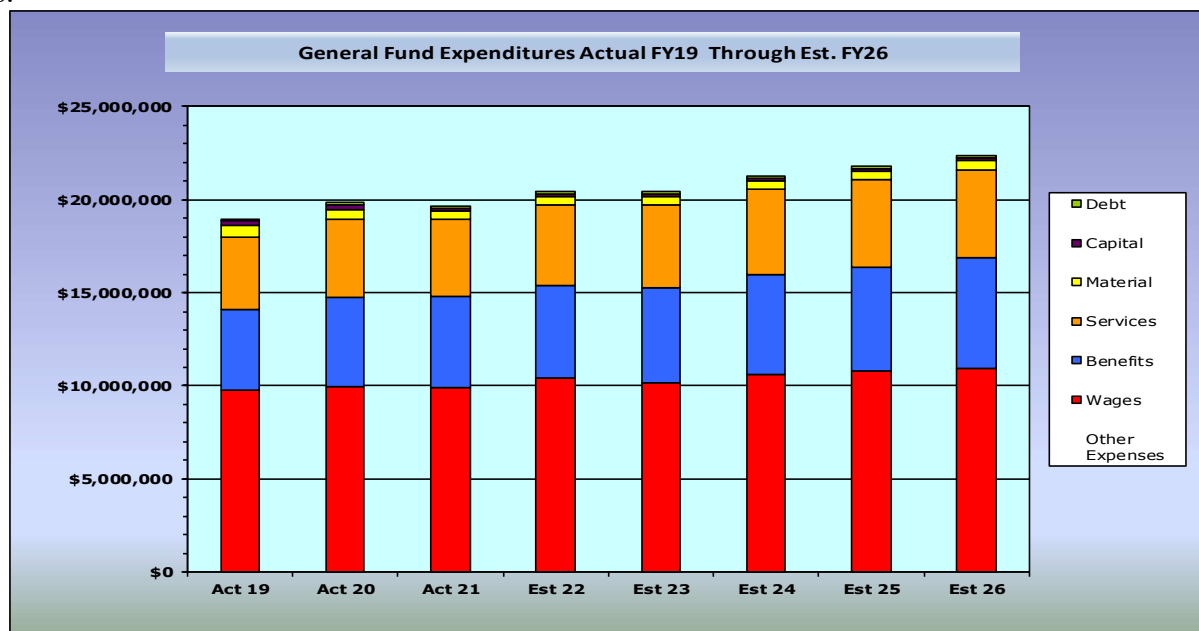
Encumbrances – Line #8.010

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

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Estimated Encumbrances	<u>\$235,193</u>	<u>\$239,897</u>	<u>\$244,695</u>	<u>\$249,589</u>	<u>\$254,580</u>

Operating Expenditures Actual FY19 through FY21 and Estimated FY22 through FY26.

As the graph below indicates the largest expenditure for the district is that of staffing which includes salaries and benefits.



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 which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of \$10,000.

<u>Source</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>
Ending Cash Balance	<u>\$1,846,187</u>	<u>\$539,645</u>	<u>\$ (1,590,781)</u>	<u>(4,203,033)</u>	<u>(7,364,942)</u>

True Cash Days

The Government Financial Officers Association (GFOA) recommends, at a minimum, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. Based on the current fund balances the district dropped below the sixty (60) day balance at the end of FY21.

