

**COSHOCTON CITY SCHOOL DISTRICT- COSHOCTON COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2022, 2023, and 2024 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2025, THROUGH JUNE 30, 2029**



**Forecast Provided By
Coshocton City School District
Treasurer's Office
Terri Eyerman, Treasurer/CFO
May 29, 2025**

Coshocton City School District

Coshocton County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2022, 2023 and 2024 Actual;
Forecasted Fiscal Years Ending June 30, 2025 Through 2029

	Actual				Average Change	Forecasted				
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024			Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Revenues										
1.010	4,626,112	4,593,946	4,499,695	-1.4%	4,840,649	4,997,997	5,025,567	5,100,106	5,155,930	
1.020	716,879	862,536	985,596	17.3%	1,025,556	1,044,137	1,062,511	1,080,044	1,097,646	
1.030	-	-	-	0.0%	-	-	-	-	-	
1.035	9,957,472	11,011,705	12,161,301	10.5%	13,148,314	13,149,346	13,150,388	13,151,441	13,152,505	
1.040	1,861,721	2,235,220	2,210,096	9.5%	2,104,352	1,958,561	1,958,561	1,958,561	1,958,561	
1.045	-	-	-	0.0%	-	-	-	-	-	
1.050	588,962	577,106	569,265	-1.7%	604,333	640,204	644,427	656,746	669,003	
1.060	319,859	529,708	814,207	59.7%	785,625	760,430	738,288	718,900	701,994	
1.070	18,071,005	19,810,221	21,240,160	8.4%	22,508,829	22,550,676	22,579,743	22,665,797	22,735,638	
Other Financing Sources										
2.040	0	0	0	0.0%	-	-	-	-	-	
2.050	78,866	145,340	422,604	137.5%	39,237	50,000	50,000	50,000	50,000	
2.060	9,455	60,575	32,061	246.8%	30,000	30,000	30,000	30,000	30,000	
2.070	88,321	205,915	454,665	127.0%	69,237	80,000	80,000	80,000	80,000	
2.080	18,159,326	20,016,136	21,694,825	9.3%	22,578,066	22,630,676	22,659,743	22,745,797	22,815,638	
Expenditures										
3.010	9,996,172	9,942,848	10,660,542	3.3%	12,045,404	11,725,323	12,169,290	12,762,093	13,384,392	
3.020	4,251,241	4,618,228	5,368,075	12.4%	6,111,615	6,191,432	6,584,510	7,039,311	7,528,738	
3.030	2,312,032	2,733,867	3,180,157	17.3%	3,478,247	3,552,434	3,628,243	3,705,711	3,784,875	
3.040	649,817	663,953	953,260	22.9%	887,569	908,352	929,643	951,452	973,795	
3.050	43,858	137,536	169,828	118.5%	223,225	675,689	128,203	130,767	133,382	
4.050	80,000	83,000	85,000	3.1%	87,000	91,000	94,000	96,000	30,000	
4.055	36,000	37,000	38,000	2.7%	76,701	41,000	42,000	43,000	44,000	
4.060	36,645	32,855	28,934	-11.1%	24,933	20,801	16,486	12,041	8,067	
4.300	257,390	262,432	279,042	4.1%	292,623	290,315	296,122	302,044	308,085	
4.500	17,663,155	18,511,719	20,762,838	8.5%	23,227,316	23,496,347	23,888,495	25,042,419	26,195,334	
Other Financing Uses										
5.010	44,117	53,993	63,750	20.2%	75,000	75,000	75,000	75,000	75,000	
5.020	145,340	422,604	39,237	50.0%	50,000	50,000	50,000	50,000	50,000	
5.030	-	-	-	0.0%	-	-	-	-	-	
5.040	189,457	476,597	102,987	36.6%	125,000	125,000	125,000	125,000	125,000	
5.050	17,852,612	18,988,316	20,865,825	8.1%	23,352,316	23,621,347	24,013,495	25,167,419	26,320,334	
6.010	306,714	1,027,820	829,000	107.9%	(774,250)	(990,671)	(1,353,752)	(2,421,622)	(3,504,696)	
7.010	3,406,735	3,713,449	4,741,269	18.3%	5,570,269	4,796,019	3,805,348	2,451,595	29,973	
7.020	3,713,449	4,741,269	5,570,269	22.6%	4,796,019	3,805,348	2,451,595	29,973	(3,474,723)	
8.010	395,198	482,676	465,881	9.3%	475,199	484,703	494,397	504,285	514,370	
10.010	3,318,251	4,258,593	5,104,388	24.1%	4,320,820	3,320,645	1,957,199	(474,311)	(3,989,093)	
Revenue from Replacement/Renewal Levies										
11.010	-	-	-	0.0%	-	-	-	-	-	
11.020	-	-	-	0.0%	-	-	-	-	-	
11.300	-	-	-	0.0%	-	-	-	-	-	
12.010	3,318,251	4,258,593	5,104,388	24.1%	4,320,820	3,320,645	1,957,199	(474,311)	(3,989,093)	
Revenue from New Levies										
13.010	-	-	-	0.0%	-	-	-	-	-	
13.020	-	-	-	0.0%	-	-	-	-	-	
13.030	-	-	-	0.0%	-	-	-	-	-	
15.010	3,318,251	4,258,593	5,104,388	24.1%	4,320,820	3,320,645	1,957,199	(474,311)	(3,989,093)	

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

Introduction to the Five Year Forecast

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

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

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

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

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

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five-year financial forecast by November 30, and May 31, each fiscal year (July 1 to June 30). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the fiscal forecast is considered the baseline year. Our forecast is updated to reflect the most current economic data available for the May 2025 filing.

May 2025 Updates:

Revenues FY25

The overview of revenues shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues (line 1.07) are estimated to be \$22.5 million or .83% higher than the February forecasted amount of \$22.3 million. This indicates that the November forecast was 99.17% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our most significant source of revenues at 25% and are estimated to be \$5.8 million, which is \$101 thousand higher for FY25 than the original February estimate of \$5.7 million. Our estimates are 98.24% accurate for FY25 and should mean future projections are also on target.

Line 1.035 and 1.04 - State Aid continues the implementation of the Fair School Funding Plan (FSFP), which has caused significant changes to the way our state revenues are calculated. We are estimating our state aid to be \$15.2 million, which is \$91 thousand higher than the original estimate for FY25. We are pleased that we were able to be 99.4% accurate for FY25. We are currently on the formula and are expected to remain as a formula district for FY26 through FY29.

All areas of revenue are tracking as anticipated for FY25 based on our best information at this time.

Expenditures FY25

Total General Fund expenditures (line 4.5) are estimated to be \$23.2 million for FY25, which is \$200 thousand lower with the original estimate of \$23.4 million in the February forecast, which is roughly 99.15% on target with initial estimates.

All other areas of expenses are expected to remain on target with original projections for the year.

Unreserved Ending Cash Balance

With revenues increasing from estimates and expenditures decreasing, our ending unreserved cash balance June 30, 2025, is anticipated to be roughly \$4.3 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2027 if assumptions we have made for property tax collections, state aid in future state budgets, and expenditure assumptions remain close to our estimates.

Forecast Risks and Uncertainty:

A five-year financial forecast has risks and uncertainty not only due to economic delays noted above but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues and how they may affect our forecast in the long term:

- 1) HB33, , the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY24 and FY25. FY25 reflects 66.67% of the implementation cost at year four of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.67% funding of (FSFP), however, the final two years of the phase-in are not guaranteed and are dependent on legislative actions for the FY26 and FY27 state biennium budget, which as of this forecast do not appear favorable. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY2.
- 2) On May 4, 2021, the district renewed the 4.9 mill operating levy which became a continuing levy. Voters also approved the \$900,000 substitute emergency levy for a continuing period.
- 3) The state budget represented 70% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to a possible recession or the last two (2) years of the Fair School Funding Plan is not funded in the next state biennium budget. In this forecast, there are two unknown future State Biennium Budgets covering FY26-27 and FY28-29.

The state legislature has shown little interest in equitably funding the current formula. The governors proposed budget recommendation in HB96 dated February 3, 2025, reduced funding for public school by - \$103.5 million over FY26-27. The legislative process will continue with uncertainty through June 30, 2025, which is after the forecast must be approved. This is an area of elevated risk to district funding long-range through FY29. We have projected our state funding in FY25 based on of HB33 our current state budget

which expires June 30, 2025. We will adjust the forecast for state aide in future years as we have reliable data to make an informed decision

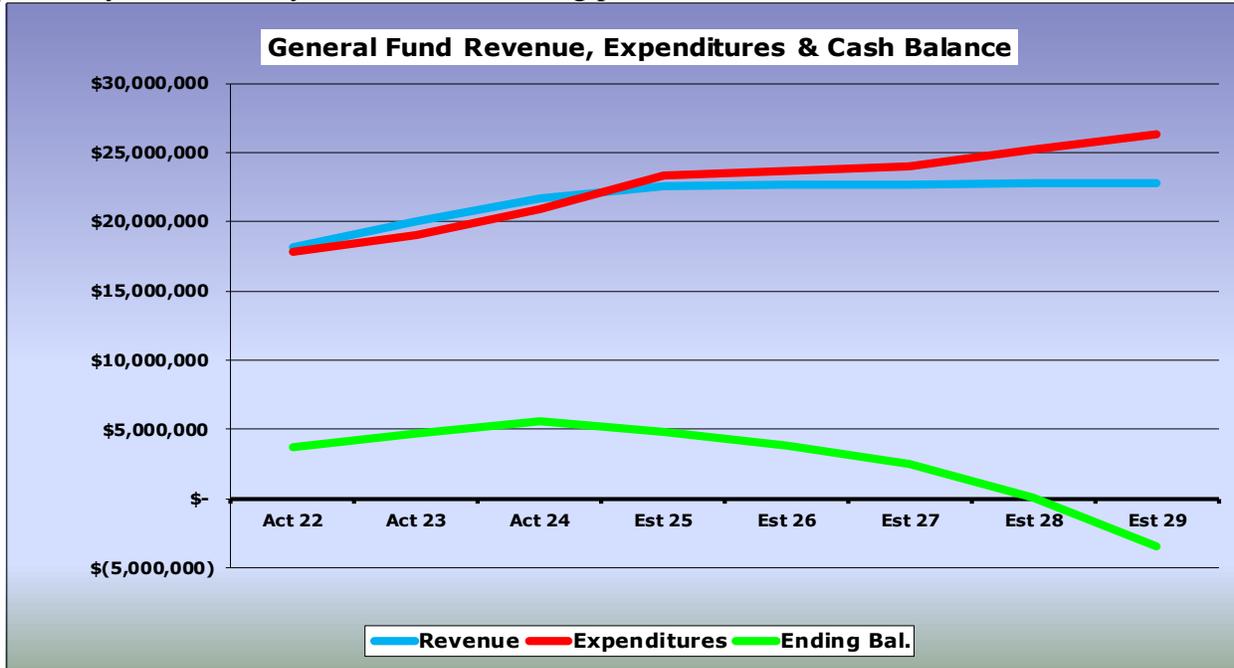
- 4) Coshocton County experienced a reappraisal update in tax year 2024 for collection in FY25. The 2024 update increased overall assessed values by \$34.6 million or an increase of 29.54% and Class II increased by \$2.2 million or 4.57% for an overall increase of 22.29% based on current sales data. A reappraisal update will occur in tax year 2027 to collect in 2028. The District is projecting a 3% increase in Class I values and 0% in Class II.
- 5) SB271 passed in 2024 that created a Joint Committee on Property Taxation and Reform. This action was in response to the historic property valuation increases. The committee's mission was to review Ohio's property tax system and to make recommendations to the General Assembly on property taxation. The committee released their report to the General Assembly on January 2, 2025. The report outlined twenty-one (21) recommendations on actions that could be taken to restrict local tax growth for Ohio school districts.

As a result of the numerous recommendations in the report there are currently 14 pending pieces of legislation in the Ohio Legislature that seeks to limit growth of local property taxes in several different ways. The most egregious is HB96 which could impact every district in the state of Ohio. HB96 seeks to limit school district ending carry over cash balances to 30% of their prior years expenditures and to allow county budget commissions to suspend voter approved property tax levies and the 20-mill floor in order to reduce district reserves to the 30% target. HB96 has several severe consequences for school districts in terms of financial stability, loss of local control which will likely result in increased levy requests to district taxpayers. It is unclear at the time of this forecast whether HB96 will continue on through the Ohio Senate and be signed into law July 1, 2025. The district will be watching carefully for the final outcome of HB96 and several other legislative proposals that would limit property tax growth. Several of these proposals in addition to HB96 could be a very significant risk to future local tax growth for our district. We will update the forecast when factual data is available.

- 6) HB33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid for by the state of Ohio can expose the district to new expenditures currently outside the forecast. We closely monitor any new threats to our state aid and increased costs as new proposed laws are introduced in the legislature.

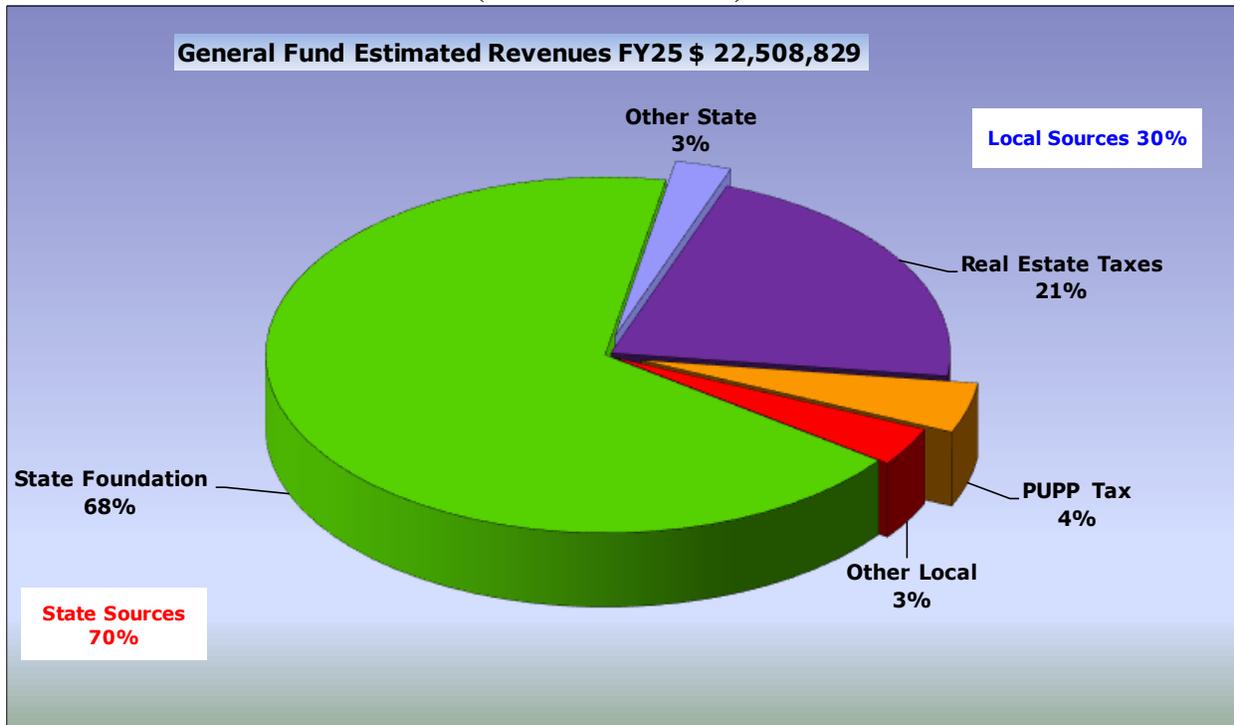
General Fund Revenue, Expenditure and Ending Cash Balance Actual FY22-24 and Estimated FY25-29

The graph captures in one snapshot the operating scenario facing the district over the next few years. The 4.9 Mill Operating Levy was approved by voters in May 2021 for a continuing period. The substitute Emergency Levy was approved by voters in May 2023 for a continuing period.



Revenue Assumptions

All Revenue Sources General Fund FY24 (Forecast Line 1.07)



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 update in 2024 for collection in 2025 which realized a 29.54% increase in residential/agricultural based on current market trends and a 4.57% increase for commercial/industrial property for an overall increase of 22.29%. A full reappraisal will occur in tax year 2027 to collect in 2028. An increase in Class I values of 3% and Class II of 0% is projected due to the update.

Property tax levies are estimated to be collected at 99.5% of the annual amount, which accounts for delinquencies that occur. We also anticipate 61% of the Res/Ag and Comm/Ind property taxes will be collected in the February tax settlement and 39% will be collected in the August tax settlement.

We have been conservative with any future value increases for reappraisal or updates due to uncertainty over legislative actions that may take place in the spring of 2025 that limits property tax growth.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

<u>Classification</u>	<u>Estimated TAX YEAR 2024 COLLECT 2025</u>	<u>Estimated TAX YEAR 2025 COLLECT 2026</u>	<u>Estimated TAX YEAR 2026 COLLECT 2027</u>	<u>Estimated TAX YEAR 2027 COLLECT 2028</u>	<u>Estimated TAX YEAR 2028 COLLECT 2029</u>
Res./Ag.	\$152,358,650	\$152,581,014	\$152,806,401	\$157,619,034	\$157,850,560
Comm./Ind.	51,474,000	51,474,000	51,474,000	51,474,000	51,474,000
Public Utility (PUPP)	19,273,310	19,573,310	19,873,310	20,173,310	20,473,310
Total Assessed Value	<u>\$223,105,960</u>	<u>\$223,628,324</u>	<u>\$224,153,711</u>	<u>\$229,266,344</u>	<u>\$229,797,870</u>

ESTIMATED REAL ESTATE TAX - Line #1.010

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Est. Property Taxes Line #1.010	<u>\$4,840,649</u>	<u>\$4,997,997</u>	<u>\$5,025,567</u>	<u>\$5,100,106</u>	<u>\$5,155,930</u>

Estimated Public Utility Personal Property (PUPP) Taxes – Line #1.020

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.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Public Utility Personal Property Taxes	<u>\$1,025,556</u>	<u>\$1,044,137</u>	<u>\$1,062,511</u>	<u>\$1,080,044</u>	<u>\$1,097,646</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. Voters also approved the \$900,000 substitute emergency levy for a continuing period.

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

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25, which funds students where they are educated rather than where they live. We have projected FY25 funding based on the April #2 foundation settlement and funding factors.

Our district is currently a formula district in FY25 and is expected to continue to be on the formula in FY26-FY29 on the new Fair School Funding Plan (FSFP).

For a detailed overview of how foundation funding is calculated please visit the Ohio Department of Education and Workforce at: <https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding>.

State Funding Phase-In FY25 and Guarantees

The Fair School Funding Plan was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB110 and extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it consists of a general phase-in percentage for most components of 66.67% in FY25.

The funding formula includes three (3) guarantees: 1) “Formula Transition Aid,” 2) Supplemental Targeted Assistance, and 3) Formula Transition Supplement. The three (3) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY24 and FY25 than they received in FY21.

Future State Budget Projections beyond FY23

Our funding status for FY26-29 will depend on unknown two (2) new state budgets. There is no guarantee that the current Fair School Funding Plan will be funded or continued beyond FY25; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative data to work with. For this reason, funding is held constant in the forecast for FY26 through FY29.

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% Gross Casino Revenue that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year which began for the first time on January 31, 2013.

The casino revenue has recovered from the pandemic from closing the casinos in 2020. Total funding in FY24 was \$114.18 million or \$65.44 per pupil. In FY25, the funding totaled \$114.30 million or \$65.99 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 1.0% annual growth rate for the remainder of the forecast.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Basic Aid-Unrestricted	\$12,495,758	\$12,495,758	\$12,495,758	\$12,495,758	\$12,495,758
Additional Aid Items	<u>390,694</u>	<u>390,694</u>	<u>390,694</u>	<u>390,694</u>	<u>390,694</u>
Basic Aid-Unrestricted Subtotal	\$12,886,452	\$12,886,452	\$12,886,452	\$12,886,452	\$12,886,452
Ohio Casino Commission ODT/Medicaid	<u>261,862</u>	<u>262,894</u>	<u>263,936</u>	<u>264,989</u>	<u>266,053</u>
Total Unrestricted State Aid Line #1.035	<u>\$13,148,314</u>	<u>\$13,149,346</u>	<u>\$13,150,388</u>	<u>\$13,151,441</u>	<u>\$13,152,505</u>

B) Restricted State Revenues – Line # 1.040

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding) and Career Technical funding. In addition, new restricted funds have been added under “Restricted Categorical Aid” for Gifted, English Learners (ESL), and Student Wellness. We have estimated revenues for these new restricted funding lines using current October funding factors. The amount of DPIA is limited to 66.67% in FY25. We have flat-lined funding at FY25 levels for FY26-FY29 due to uncertainty on continued funding of the current funding formula.

HB33 set aside funds state-wide to subsidize the Science of Reading initiative. The district will be reimbursed for teacher in-service and associated fringe benefits upon proof of training and certified reimbursement request.

It is estimated that the district will receive \$145,791 from this one-time subsidy in FY25 and is required to maintain documentation as to how the funds were spent.

Restricted Federal Grants in Aid – line #1.045

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

<u>Source</u>	FY 25	FY 26	FY 27	FY 28	FY 29
DPIA	\$1,477,028	\$1,477,028	\$1,477,028	\$1,477,028	\$1,477,028
Career Tech - Restricted	37,852	37,852	37,852	37,852	37,852
Gifted	94,042	94,042	94,042	94,042	94,042
ESL	4,176	4,176	4,176	4,176	4,176
Student Wellness	345,463	345,463	345,463	345,463	345,463
Other Restricted State Funding	<u>145,791</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Restricted State Revenues Line #1	<u>\$2,104,352</u>	<u>\$1,958,561</u>	<u>\$1,958,561</u>	<u>\$1,958,561</u>	<u>\$1,958,561</u>

Summary of State Foundation Revenues

<u>SUMMARY</u>	FY 25	FY 26	FY 27	FY 28	FY 29
Unrestricted Line # 1.035	\$13,148,314	\$13,149,346	\$13,150,388	\$13,151,441	\$13,152,505
Restricted Line # 1.040	2,104,352	1,958,561	1,958,561	1,958,561	1,958,561
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>\$15,252,666</u>	<u>\$15,107,907</u>	<u>\$15,108,949</u>	<u>\$15,110,002</u>	<u>\$15,111,066</u>

State Taxes Reimbursement/Property Tax Allocation

A) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given to owner-occupied residences. Credits equal 12.5% of the gross property taxes charged to residential taxpayers on levies passed before September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013.

Homestead Exemptions are 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>	FY 25	FY 26	FY 27	FY 28	FY 29
Rollback and Homestead	<u>\$604,333</u>	<u>\$640,204</u>	<u>\$644,427</u>	<u>\$656,746</u>	<u>\$669,003</u>

Other Local Revenues – Line #1.060

All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been, interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, and general rental fees. Since FY22 any open-enrolled students since have been counted in our Enrolled ADM numbers for state funding and are not separately funded.

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

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Open Enrollment	\$0	\$0	\$0	\$0	\$0
Tuition	312,799	315,927	319,086	322,277	325,500
Interest	300,467	270,420	243,378	219,040	197,136
Medicaid Reimbursement	0	0	0	0	0
Other Income	<u>172,360</u>	<u>174,083</u>	<u>175,824</u>	<u>177,582</u>	<u>179,358</u>
Total Line # 1.060	<u>\$785,625</u>	<u>\$760,430</u>	<u>\$738,288</u>	<u>\$718,900</u>	<u>\$701,994</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 during the remainder of the forecast.

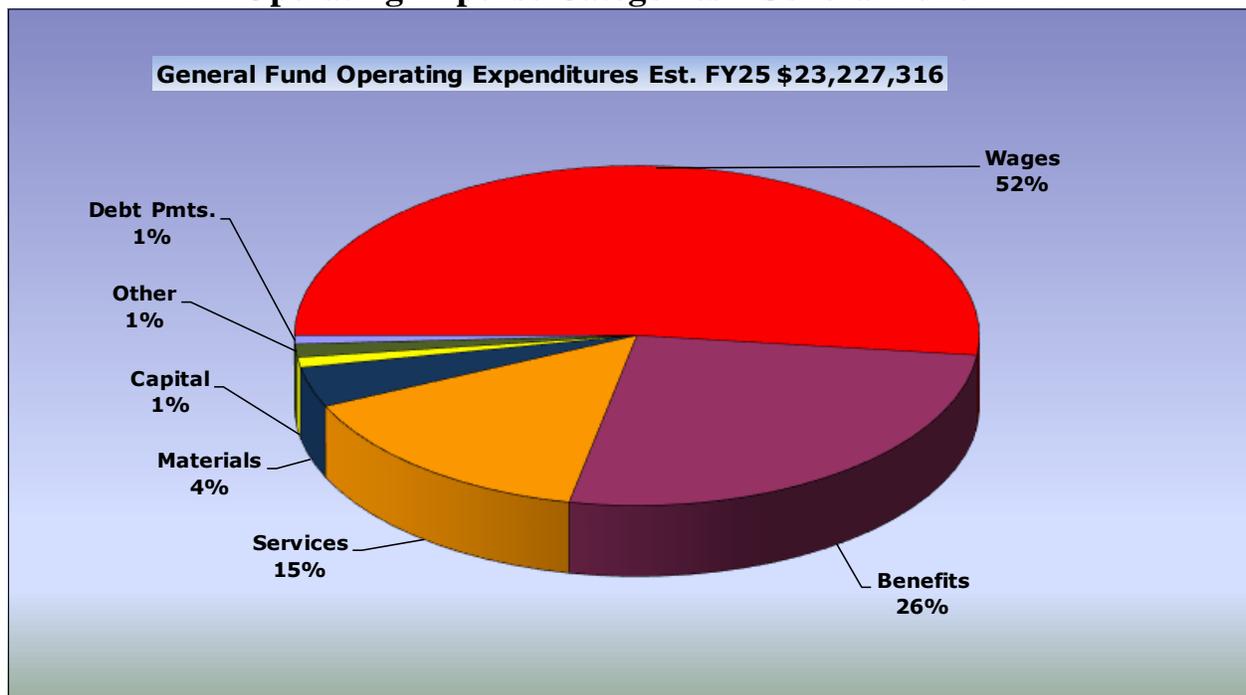
All Other Financial Sources – Line #2.060

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 FY24. These revenues are inconsistent year to year and we will not project that occurring in the remainder of the forecast.

Expenditures Assumptions (Forecast Line #4.50)

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.

All Operating Expense Categories - General Fund FY25



Wages – Line #3.010

FY25-FY26 includes a 3% and FY27-FY29 includes a 1% base increase. The calculation below assumes an equal rate increase for all staff. All OAPSE and CCEA employees received a one-time \$1,000 wage payout in FY24.

Summary of Personal Services – Line #3.010

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Base Wages	\$10,527,897	\$10,960,868	\$11,293,595	\$11,783,995	\$12,373,195
Wage adjustments	315,837	328,826	112,936	117,840	123,732
Steps & Training	421,116	438,435	451,744	471,360	494,928
Growth/Replacement staff-retirement inc	469,873	-	-	-	-
Science of Reading Stipends - one-time	145,791	-	-	-	-
Substitutes	100,000	103,000	104,030	105,070	106,121
Supplemental	246,338	253,728	256,265	258,828	261,416
Severance	122,534	75,000	25,000	25,000	25,000
Staff Reductions (Retire/Resignation)	(303,982)	(434,534)	(74,281)	0	0
Total Wages Line #3.010	<u>\$12,045,404</u>	<u>\$11,725,323</u>	<u>\$12,169,290</u>	<u>\$12,762,093</u>	<u>\$13,384,392</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. The amount included for SERS surcharge is \$35,000 per year based on historical trends.

B) Insurance

As the graph above notes health care is a significant cost for the district and continues to be a real challenge as costs rise. The district has an insurance committee made up of members of both classified, certificated and administrative staff. The committee will determine rate increases. FY25-FY29 includes an 8% increase each year. This increase is a blend of the districts history of claims increases and the industry standards of annual premium increases.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to be approximately .038% of wages FY25- FY29. Unemployment is expected to remain at a very low level FY25-FY29. 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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
STRS/SERS	\$1,980,487	\$1,859,882	\$1,935,215	\$2,027,379	\$2,125,549
Insurance's	3,887,431	4,094,137	4,403,840	4,756,148	5,136,640
Workers Comp/Unemployment	45,773	44,556	46,243	48,496	50,861
Medicare	162,925	157,857	164,211	172,288	180,689
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>\$6,111,615</u>	<u>\$6,191,432</u>	<u>\$6,584,510</u>	<u>\$7,039,311</u>	<u>\$7,528,738</u>

Purchased Services – Line #3.030

HB110, the previous state budget, impacted Purchased Services beginning in FY22 as the Ohio Department of Education will directly pay these costs to the educating districts for open enrollment, community, and STEM schools and for scholarships granted to students to be educated elsewhere, as opposed to deducting these amounts from our state foundation funding. College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on historical trends. In FY26 there will be a new electric Capacity Charge that will be assessed on all electric bills to help expand Ohio’s electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for just that twelve (12) month period.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Insurance, Leases, Postage, & Other	\$169,749	\$173,144	\$176,606	\$180,139	\$183,741
Professional Services, Legal Fees & ESC	1,180,984	1,204,603	1,228,695	1,253,269	1,278,335
Other Tuition	1,225,488	1,249,998	1,274,998	1,300,498	1,326,508
Utilities	462,166	476,031	490,312	505,021	520,172
Building Repairs & Services	439,861	448,658	457,631	466,784	476,119
Total Purchased Services Line #3.030	<u>\$3,478,247</u>	<u>\$3,552,434</u>	<u>\$3,628,243</u>	<u>\$3,705,711</u>	<u>\$3,784,875</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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Supplies, Textbooks, and other	\$584,338	\$596,024	\$607,945	\$620,104	\$632,506
Maintenance & Transportation Supplies	303,231	312,328	321,698	331,349	341,289
Total Supplies Line #3.040	<u>\$887,569</u>	<u>\$908,352</u>	<u>\$929,643</u>	<u>\$951,452</u>	<u>\$973,795</u>

Equipment – Line # 3.050

Equipment includes items that cost \$1,000 and have a useful life of five years or longer and typically include items such as buses, roof repair, asphalt, computers, and furniture. ESSER funds were used to offset some of the district’s Capital Outlay, Technology and a bus purchase in FY25.

<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Capital Outlay	\$123,225	\$125,689	\$128,203	\$130,767	\$133,382
Curriculum/Sport Facility	100,000	400,000	-	-	-
Replacement Bus Purchases	0	150,000	0	0	0
Total Equipment Line #3.050	<u>\$223,225</u>	<u>\$675,689</u>	<u>\$128,203</u>	<u>\$130,767</u>	<u>\$133,382</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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Principal - Other Line 4.055	76,701	41,000	42,000	43,000	44,000
Total Principal Payments	<u>\$76,701</u>	<u>\$41,000</u>	<u>\$42,000</u>	<u>\$43,000</u>	<u>\$44,000</u>
<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
HB 264 Principal Line 4.050	<u>\$87,000</u>	<u>\$91,000</u>	<u>\$94,000</u>	<u>\$96,000</u>	<u>\$30,000</u>
<u>Source</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Interest Total Line 4.060	<u>\$24,933</u>	<u>\$20,801</u>	<u>\$16,486</u>	<u>\$12,041</u>	<u>\$8,067</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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Auditor & Treasurer Fees	\$183,256	\$186,921	\$190,660	\$194,473	\$198,362
County Board of Education	12,259	12,505	12,755	13,010	13,270
Other expenses	<u>97,107</u>	<u>90,889</u>	<u>92,707</u>	<u>94,561</u>	<u>96,452</u>
Total Other Expenses Line #4.300	<u>\$292,623</u>	<u>\$290,315</u>	<u>\$296,122</u>	<u>\$302,044</u>	<u>\$308,085</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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Operating Transfers Out Line #5.010	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
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>\$125,000</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>\$125,000</u>

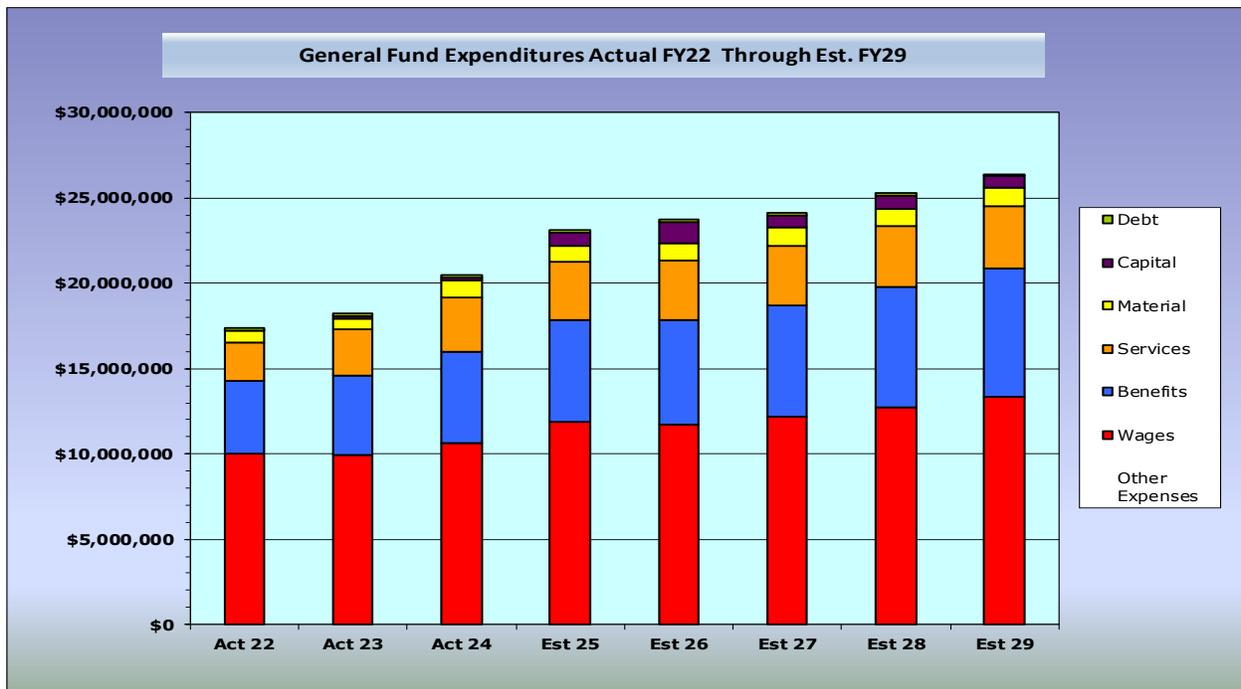
Encumbrances – Line #8.010

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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Estimated Encumbrances	<u>\$475,199</u>	<u>\$484,703</u>	<u>\$494,397</u>	<u>\$504,285</u>	<u>\$514,370</u>

Operating Expenditures Actual FY22 through FY24 and Estimated FY25 through FY29.

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 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
Ending Cash Balance	<u>\$4,320,820</u>	<u>\$3,320,645</u>	<u>\$1,957,199</u>	<u>-\$474,311</u>	<u>-\$3,989,093</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 will drop below the sixty (60) day balance at the end of FY25.

