WILLIAMSBURG LOCAL SCHOOL DISTRICT- CLERMONT COUNTY

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2021, 2022, and 2023 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2024, THROUGH JUNE 30, 2028

Forecast Provided By
Williamsburg Local School District
Treasurer's Office
Greg Wells, Treasurer/CFO
May 13, 2024

Williamsburg Local School District

Clermont County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2021, 2022, and 2023 Actual;
Forecasted Fiscal Years Ending June 30, 2024 through 2028

		Actual				Forecasted				
		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Average Change	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
	Revenues									
1.010	General Property Tax (Real Estate)	3,408,747	3,434,890	3,456,188	0.7%	3,680,995	3,988,197	4,016,711	4,121,779	4,209,675
1.020	Public Utility Personal Property Tax	281,722	415,744	366,420	17.9%	450,930	541,724	557,003	575,770	595,353
1.030	Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	5,323,721	5,874,749	5,989,552	6.2%	6,681,362	6,817,904	6,886,372	6,955,535	7,025,390
1.040	Restricted State Grants-in-Aid	91,212	360,307	359,455	147.4%	444,159	393,131	396,131	399,234	399,234
1.045	Restricted Federal Grants In Aid	0	0	0	0.0%	0	0	0	0	0
1.050	State Share of Local Property Taxes	472,370	477,560	478,689	0.7%	508,174	540,440	543,480	557,502	571,484
1.060	All Other Revenues	1,325,239	600,539	739,951	-15.7%	1,451,975	1,893,415	2,235,254	2,213,022	2,193,374
1.070	*Total Revenues*	10,903,011	11,163,789	11,390,255	2.2%	13,217,595	14,174,811	14,634,951	14,822,842	14,994,510
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020	State Emergency Loans and Advancements (Approved)	0	0	0	0.0%	0	0	0	0	0
2.040	Operating Transfers-In	0	0	0	0.0%	461,777	241,964	248,473	255,177	262,083
2.050	Advances-In	0	0	0	0.0%	790,277	0	0	0	0
2.060	All Other Financing Sources	269,657	81,442	89,806	-29.8%	240,446	180,230	182,032	183,852	185,691
2.070	*Total Other Financing Sources*	269,657	81,442	89,806	-29.8%	1,492,500	422,194	430,505	439,029	447,774
2.080	*Total Revenues and Other Financing Sources*	11,172,668	11,245,231	11,480,061	1.4%	14,710,095	14,597,005	15,065,456	15,261,871	15,442,284
	Expenditures									
3.010	Personnel Services	5,135,319	5,627,727	6,181,278	9.7%	6,141,577	6,766,392	7,004,447	7,251,225	7,507,044
3.020	Employees' Retirement/Insurance Benefits	1,987,682	2,127,018	2,315,284	7.9%	2,329,420	2,523,726	2,671,282	2,828,966	2,997,516
3.030	Purchased Services	2,152,239	1,441,390	1,576,955	-11.8%	1,434,899	1,656,240	1,676,276	1,696,635	1,717,324
3.040	Supplies and Materials	303,737	343,765	398,212	14.5%	390,628	442,091	444,604	447,167	449,781
3.050	Capital Outlay	214,371	79,502	296,248	104.9%	161,091	265,200	306,820	308,657	310,512
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	35,000	40,000	40,000	7.1%	40,000	0	0	0	0
4.055	Principal-Other	0	170,000	170,000	0.0%	0	0	0	0	0
4.060	Interest and Fiscal Charges	7,219	42,485	39,272	240.5%	3,988	0	0	0	0
4.300	Other Objects	129,875	114,005	130,547	1.1%	136,415	137,779	139,157	140,549	141,954
4.500	*Total Expenditures*	9,965,442	9,985,892	11,147,796	5.9%	10,638,018	11,791,428	12,242,586	12,673,199	13,124,131
	Other Financing Uses									
5.010	Operating Transfers-Out	292,000	308,000	723,438	70.2%	3,505,720	2,259,631	2,337,589	2,452,086	2,366,939
5.020	Advances-Out	0	0	790,277	0.0%	0	0	0	0	0
5.030	All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040	*Total Other Financing Uses*	292,000	308,000	1,513,715	198.5%	3,505,720	2,259,631	2,337,589	2,452,086	2,366,939
5.050	*Total Expenditures and Other Financing Uses*	10,257,442	10,293,892	12,661,511	11.7%	14,143,738	14,051,059	14,580,175	15,125,285	15,491,070
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	915,226	951,339	(1,181,450)	-110.1%	566,357	545,946	485,281	136,586	(48,786)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	3,210,081	4,125,307	5,076,646	25.8%	3,895,196	4,461,553	5,007,499	5,492,780	5,629,366
7.020	*Cash Balance June 30*	4,125,307	5,076,646	3,895,196	-0.1%	4,461,553	5,007,499	5,492,780	5,629,366	5,580,580
8.010	*Estimated Encumbrances June 30*	62,843	243,043	152,616	124.8%	75,000	75,000	75,000	75,000	75,000
	Reservation of Fund Balance									
9.010	Legal Assistance	10,000	10,000	27,240	86.2%	8,159	8,159	8,159	8,159	8,159
9.020	Capital Improvements	300,000	300,000	250,722	-8.2%	228,781	228,781	228,781	228,781	228,781
9.030	Budget Reserve	80,000	80,000	337,425	160.9%	0	0	0	0	0
9.040	DPIA	0	0	0	0.0%	0	0	0	0	0
9.045	Fiscal Stabilization	80,000	80,000	0	-50.0%	0	0	0	0	0
9.050	Debt Service	0	0	0	0.0%	0	0	0	0	0
9.060	Property Tax Advances	0	0	0	0.0%	0	0	0	0	0
9.070	Bus Purchases	0	0	0	0.0%	0	0	0	0	0
9.080	*Subtotal*	470,000	470,000	615,387	15.5%	236,940	236,940	236,940	236,940	236,940
10.010	*Fund Balance June 30 for Certification of Appropriations*	3,592,464	4,363,603	3,127,193	-3.4%	4,149,613	4,695,559	5,180,840	5,317,426	5,268,640
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	0	0
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	0	0	0
11.300	Cumulative Balance of Replacement/Renewal Levies	0	0	0	0.0%	0	0	0	0	0
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	3,592,464	4,363,603	3,127,193	-3.4%	4,149,613	4,695,559	5,180,840	5,317,426	5,268,640
	Revenue from New Levies									
13.010	Income Tax - New	0	0	0	0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	0	0	0	0.0%	0	0	0	0	0
14.010	Revenue from Future State Advancements	0	0	0	0.0%	0	0	0	0	0
15.010	*Unreserved Fund Balance June 30*	3,592,464	4,363,603	3,127,193	-3.4%	4,149,613	4,695,559	5,180,840	5,317,426	5,268,640

Williamsburg Local School District –Clermont County
Notes to the Five-Year Forecast
General Fund Only
May 13, 2024

Introduction to the Five-Year Forecast

A forecast is like a future painting based on a snapshot of today. 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, 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 then helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with ODE when events significantly 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 of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental 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 of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

Here are three essential 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 Department of Education and 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, 2023, and May 31, 2024, for the fiscal year 2024 (July 1, 2023, to June 30, 2024). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The fiscal year 2024 (July 1, 2023-June 30, 2024) is the first year of the five-year forecast and is considered the baseline year. Our forecast is updated to reflect the most current economic data and assumptions available for the May 2024 filing.

May 2024 Updates

<u>Revenues FY24</u>

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 $31 thousand, or 0.2%, lower than the November forecasted amount of $13.25 million. This indicates that the November forecast was 99.8% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our second largest source of revenues at 31.3% and are estimated to be $4.1 million, which is $43 thousand lower for FY24 than the original November estimate. Our estimates are 99% accurate for FY24 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 $7.1 million, which is $54 thousand higher than the original estimate for FY24. We are pleased that we were able to be 99.2% accurate for FY24. We are currently on the formula and are expected to remain as a formula district for FY25 through FY28.

Line 1.06 - Other revenues are on target with original estimates.

All areas of revenue are tracking as anticipated for FY24 based on our best information at this time.

Expenditures FY24

Total General Fund expenditures (line 4.5) are estimated to be $10.6 million for FY24, which is on target with the original estimate in the November forecast.

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

Unreserved Ending Cash Balance

With revenues ending mostly on target from estimates and expenditures also ending primarily on target, our ending unreserved cash balance June 30, 2024, is anticipated to be roughly $4.15 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2028 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 the affect that may occur in the forecast in the long term:

1) Property tax collections are the second largest revenue source for the school system. The housing market in our district is stable and growing. We project growth in appraised values every three (3) years and new construction growth with modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Total local revenues, which are predominately local taxes, equate to 42.2% of the district's resources. We believe there is a low risk that local collections will fall below projections throughout the forecast.

The legislature has formed a "Joint Committee on Property Tax Review and Reform" which is pending as of this forecast. We are watching these deliberations closely and they could impact future reappraisals and possibly the impact of the 20 mill floor currently in law. Our district is currently on the 20 mill floor for Class I values. We are watching the Joint Committee carefully and will adjust the forecast pending their outcome.

2) Clermont County experienced a triennial update in the 2023 tax year to be collected in FY24. The 2023 update increased Class I and Class II assessed values by $28 million or an increase of 19.6%. A sexennial reappraisal will occur in the tax year 2026 for collection in 2027. We anticipate value increases for Class I and II property by $9.4 million for an overall increase of 5.3%. However, there is always a slight risk that the district could sustain a reduction in values in the next reappraisal, but we do not anticipate that now.

3) The state budget represents 58% 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 the high inflation or the Fair School Funding Plan is not funded in future state budgets due to an economic recession. In this forecast, two forthcoming State Biennium Budgets cover FY26-27 and FY28-29. Future uncertainty in the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long-range through FY28. We have projected our state funding in FY24 and FY25 based on the additional phase-in of HB33 (the Fair School Funding Plan). This forecast reflects state revenue to grow with modest inflationary increases in FY26 through FY28, which we feel is conservative and should be close to what-the state approves for the FY26-FY28 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

4) 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. FY24 reflects 50% of the implementation cost at year three of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.66% funding of (FSFP), however, the final two years of the phase-in are not guaranteed. The FSFP has made many significant changes to how 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. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY25.

5) 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.

6) 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. Both Certified (teaching staff) and Classified (non-teaching) contracts expire at the end of FY25 and are slated for collective bargaining in spring 2025. The District is committed to providing competitive wages and benefits to attract and retain our most valuable resource—our staff. We believe that as we move forward our positive working relationship will continue and will only grow stronger.

The significant 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 assist the reader in reviewing the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please contact Greg Wells, Treasurer/CFO.

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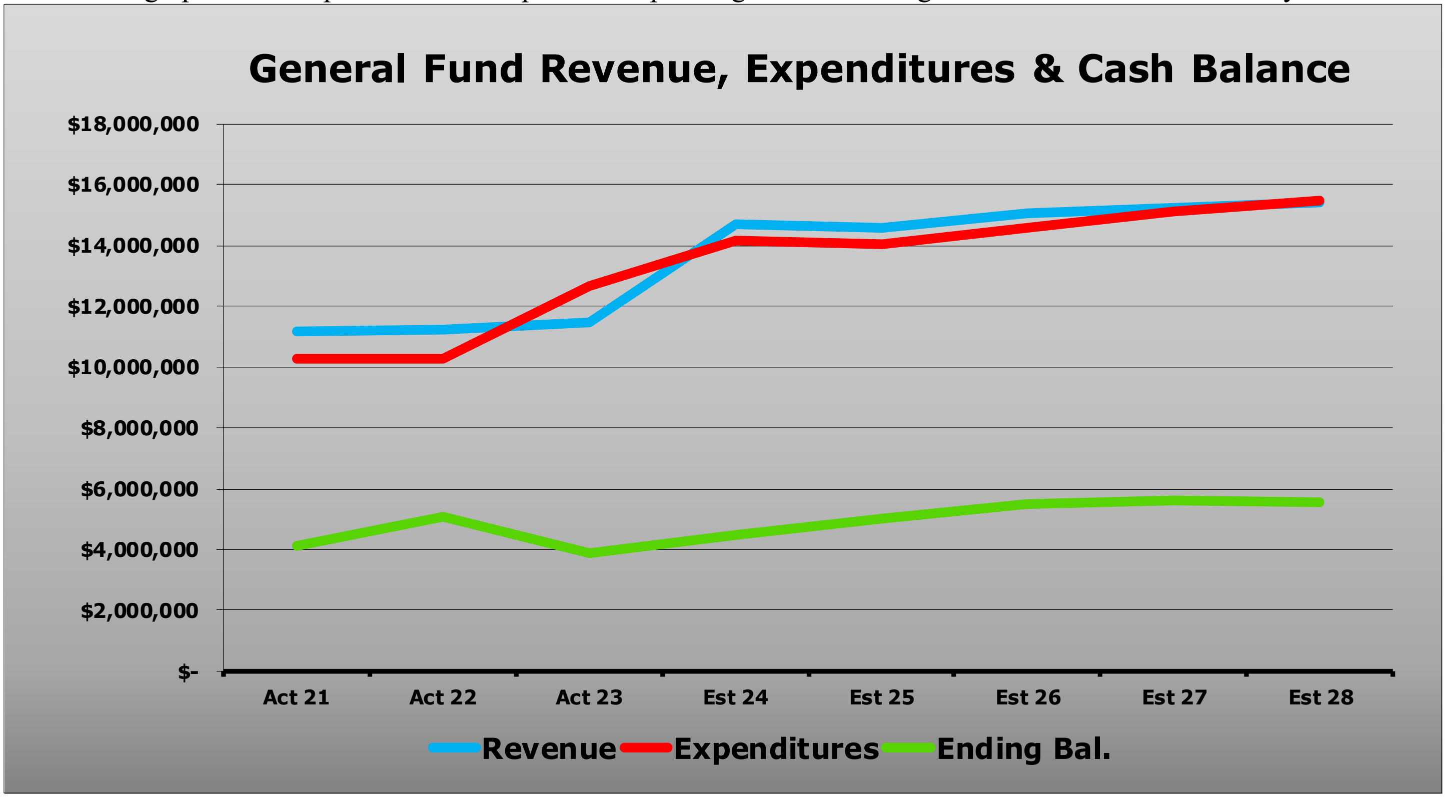
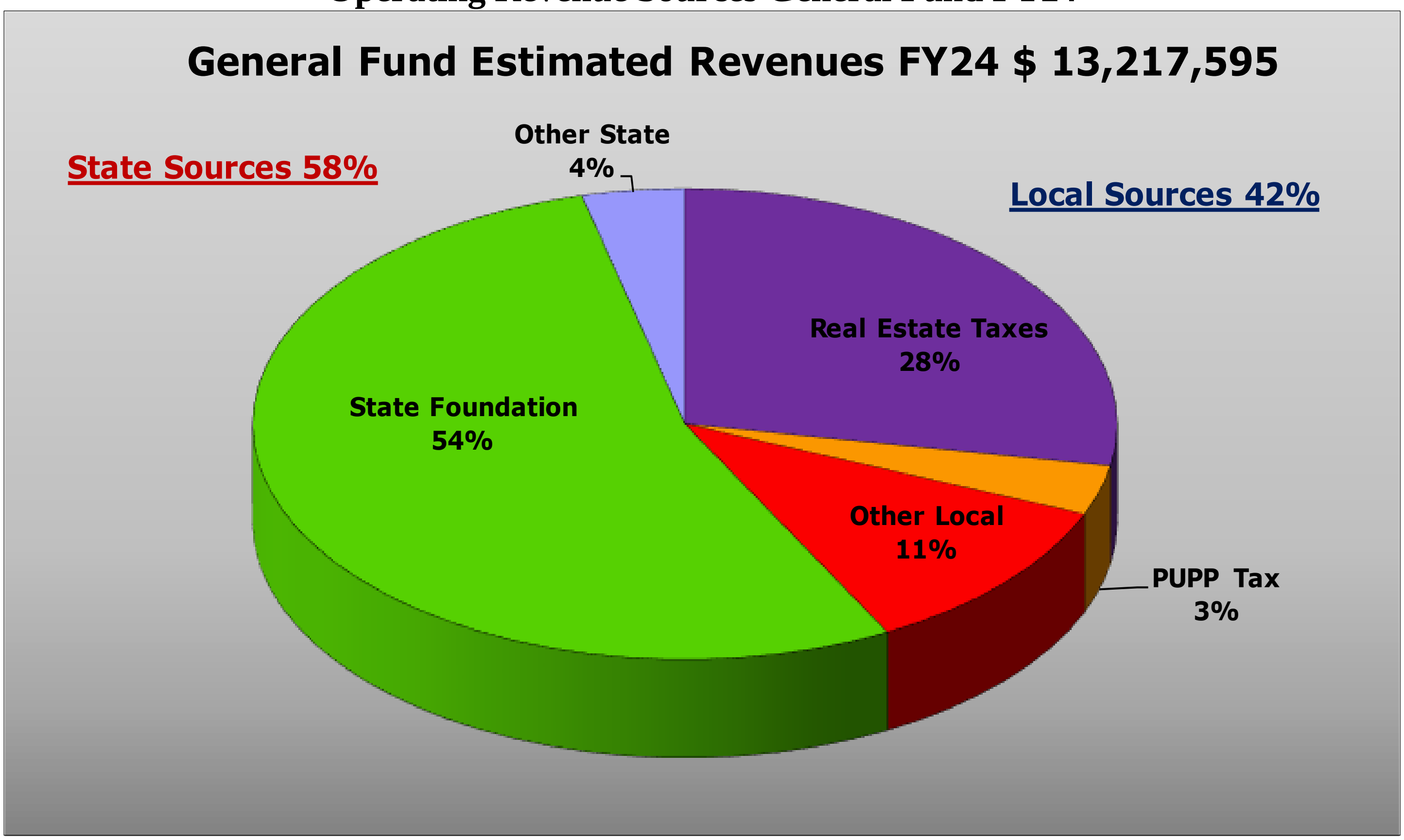
General Fund Revenue, Expenditures and Ending Cash Balance Actual FY21-23 and Estimated FY24-28

The graph below captures in one snapshot the operating scenario facing the district over the next few years.



Revenue Assumptions
Operating Revenue Sources General Fund FY24



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. Clermont County experienced a triennial update for the 2023 tax year to be collected in FY24. Residential/agricultural values increased 21.7%, or $27 million, due to the update, led by an improving housing market.

For tax year 2023, new construction in residential property was up 0.8% or $1 million in assessed value, and commercial/industrial values increased $361 thousand. Overall values increased $30.2 million, or 21.1%, which includes new construction for all classes of property.

A sexennial reappraisal will occur in 2026 for collection in FY27, for which we are estimating a 5% increase in residential and anticipate for commercial/industrial property values to remain stable. We anticipate overall residential/agricultural and commercial/industrial values to increase $9.4 million, or 5.3%.

Public Utility Personal Property (PUPP) values increased by $3.3 million in tax year 2023. This significant increase is primarily due to South Afton Commerce Park values coming online in tax year 2023. We expect our values to continue to grow by $500 thousand for the remainder of the forecasted period.

Estimated Assessed Value (AV) by Collection Years

Classification	Actual TAX YEAR 2023 COLLECT 2024	Estimated TAX YEAR 2024 COLLECT 2025	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027	Estimated TAX YEAR 2027 COLLECT 2028
Res./Ag.	$152,899,810	$154,025,857	$155,159,141	$164,064,824	$165,178,716
Comm./Ind.	20,252,260	20,621,360	21,060,630	21,555,439	22,075,916
Public Utility (PUPP)	12,189,510	12,689,510	13,189,510	13,689,510	14,189,510
Total Assessed Value	$185,341,580	$187,336,727	$189,409,281	$199,309,773	$201,444,142

Tax Rate Assumptions

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law (HB920) provides for "reduction factors" of all voted property tax levies to adjust the millage rates lower for the levy collections not to increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II), resulting in different effective millage rates. The district-voted rate for all levies is 44.08 mills while the Class I effective millage rate is 20.00 mills and the Class II effective millage rate is 24.62 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the "20-Mill Floor". Currently, our district is on the floor for Class I current millage, plus 6.58 mills due to the emergency levy. Any emergency levy that is voted on is not included in the 20-mill floor, the district has one emergency levy of 5.35 mills that was voted on for an annual amount of $997 thousand of taxes, as the values increase the millage rate will decrease to only collect the annual amount that was approved by the voters.

Estimated Real Estate Tax - Line #1.010

Source	FY24	FY25	FY26	FY27	FY28
Est. Property Taxes Line #1.010	$3,680,995	$3,988,197	$4,016,711	$4,121,779	$4,209,675

Estimated Real Estate Tax Collection

Property tax levies are estimated to be collected at 97% of the annual amount. This allows for a 3% delinquency factor. In general, 56% of the Residential/Agricultural and Commercial/Industrial property taxes are expected to be collected in the March tax settlement and 44% collected in the August tax settlement.

Estimated Public Utility Personal Tax – Line#1.020

Amounts noted below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted on the table above under Public Utility (PUPP), which were $12.1 million in assessed values in 2023 and are collected at the district's gross voted millage rate. Collections are typically 66% in March and 34% in August along with the real estate settlements from the county auditor. The values in 2022 rose by 37.5% or $3.3 million. This significant increase is primarily due to South Afton Commerce Park values coming online in tax year 2023. We expect our values to continue to grow by $500 thousand for the remainder of the forecasted period.

Source	FY24	FY25	FY26	FY27	FY28
Public Utility Personal Property Taxes	$450,930	$541,724	$557,003	$575,770	$595,353
Est. PUPP Taxes Line 1.020	$450,930	$541,724	$557,003	$575,770	$595,353

New Tax Levies – Line #13.030

No new levies are modeled in this forecast.

Renewal Tax Levies – Line #11.020

The $996,826 Emergency Levy in this forecast was set to expire in FY25. The district wants to thank the community for their support and trust by voting to renew this vital levy on March 19, 2024.

State law requires that renewal levies be removed from revenues on Line 1.01, 1.02 and 1.05 and shown on line 11.02 of the forecast. Please note that renewal levies do not bring in additional tax revenues to the district. The district will not see a renewal come to the forecast until fiscal year 2030.

School District Income Tax – Line#1.030

No school district income taxes are modeled in this forecast.

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045
Current State Funding Model per HB33 through June 30, 2025

Unrestricted State Foundation Revenue – Line #1.035

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25. We have projected the funding in FY24 based on the April 2024 foundation settlement and funding factors for FY25 from the simulations provided by the Department of Education and Workforce.

Our district is currently a formula district in FY24 and is expected to continue on the formula in FY25-FY28 on the new Fair School Funding Plan (FSFP). The state foundation funding formula has gone through many changes in recent years. The previous funding formula began in FY14. It was dropped in FY19 after six (6) years, followed by no foundation formula for two (2) years in FY20 and FY21, then HB110, as amended by HB583 for FY22 and FY23, with continuation of this formula in HB33 for FY24 and FY25. The current formula introduced many changes to how state foundation is calculated and expenses deducted from state funding, which will potentially make the actual five-year forecast look different with estimates FY24 through FY28 compared to real data in FY21 through FY23 on Lines 1.035, 1.04, 1.06, and 3.03 of the forecasts.

Overview of Key Factors that Influence State Basic Aid in the Fair School Funding Plan

A. Student Population and Demographics
B. Property Valuation Per Pupil
C. Personal Income of District Residents Per Pupil
D. Historical Funding - CAPS and Guarantees from prior funding formulas "Funding Bases" for guarantees.

Base Cost Approach - Unrestricted Basic Aid Foundation Funding

The current funding formula uses FY22 statewide average district costs and develops a base cost approach that includes minimum service levels and student-teacher ratios to calculate a unique base cost for each district. Newer, more up-to-date statewide average prices will not update for FY24 and FY25 and remain frozen at FY22 levels; while other factors impacting a district's local capacity will update for FY24. Base costs per pupil include funding for five (5) areas:

1. Teacher Base Cost (4 subcomponents)
2. Student Support (7 subcomponents-including a restricted Student Wellness component)
3. District Leadership & Accountability (7 subcomponents)
4. Building Leadership & Operations (3 subcomponents)
5. Athletic Co-curricular (contingent on participation)

State Share Percentage – Unrestricted Basic Aid Foundation Funding

Once the base cost is calculated, which is currently at a state-wide average of $8,242.19 per pupil in FY24, the FSFP calculates a state share percentage (SSP) calculation. The state share percentage, in concept, will be higher for districts with less capacity (lower local wealth) and be a lower state share percentage for districts with more capacity (higher local wealth). The higher the district's ability to raise taxes based on local wealth, the lower the state share percentage. HB33 increased the minimum state share from 5% in FY23 to 10% for FY24 and FY25. The state share percentage will be based on 60% property valuation of the district, 20% on federally adjusted gross income, and 20% on federal median income, as follows:

1. 60% based on the most recent three (3) year average assessed values or the most recent year, whichever is lower, divided by base students enrolled.
2. 20% based on the most recent three-year average federal adjusted gross income of district residents or the most recent year, whichever is lower, divided by base students enrolled.
3. 20% based on the most recent year's federal median income of district residents multiplied by the number of returns in that year divided by base students enrolled.
4. When the weighted values are calculated, and items 1 through 3 above are added together, the total is multiplied by a Local Share Multiplier Index from 0% for low-wealth districts to a maximum of 2.5% for wealthy districts.

When the unrestricted base cost is determined and multiplied by the state share percentage, the resulting amount is multiplied by the current year enrolled students (including open-enrolled students being educated in each district) and multiplied by the local share multiplier index for each district. The result is the local per pupil capacity of the base per pupil funding amount.

Categorical State Aid

In addition to the base state foundation funding calculated above, the FSFP also has unrestricted categorical funding and new restricted funding beginning in FY22, some of which will have the state share percentage applied to these calculations as noted below:

Unrestricted Categorical State Aid

1. Targeted Assistance/Capacity Aid – Provides additional funding based on a wealth measure using 60% weighted on property value and 40% on income. Uses current year enrolled average daily membership (ADM). It also will provide supplemental targeted assistance to lower wealth districts whose enrolled ADM is less than 88% of their total FY19 ADM.
2. Special Education Additional Aid – Based on six (6) weighted funding categories of disability and moved to a weighted funding amount, not a specific amount. 10% will be reduced from all districts' calculations to be used toward the state appropriation for Catastrophic Cost reimbursement.
3. Transportation Aid – Funding is based on all resident students who ride, including preschool students and those living within 1 mile of school. Provides supplemental transportation for low-density districts. Increases state minimum share to 37.5% in FY24 and 41.67% in FY25.

Restricted Categorical State Aid

1. Disadvantage Pupil Impact Aid (DPIA) - Formerly Economically Disadvantaged Funding is based on the number and concentration of economically disadvantaged students compared to the state average and multiplied by $422 per pupil. Phase-in increases are limited 50% in FY24 and 66.67% in FY25.

2. English Learners – Based on funded categories based on the time students enrolled in schools and multiplied by a weighted amount per pupil.
3. Gifted Funds – Based on average daily membership multiplied by a weighted amount per pupil.
4. Career-Technical Education Funds – Based on career technical average daily membership and five (5) weighted funding categories students enrolled in.
5. Student Wellness and Success Funds – These funds are based on initiatives similar to those for DPIA. They are restricted funds for school climate, attendance, discipline, and academic achievement programs.

State Funding Phase-In FY24 and FY25 and Guarantees

While the FSFP 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, which was amended by HB583 in June 2022 and has now extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it will consist of a general phase-in percentage for most components of 50% in FY24 and 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 FY25

Our funding status for FY26-28 will depend on unknown (2) new state budgets. There is no guarantee that the current Fair School Funding Plan in HB33 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 forecasted to grow with modest inflationary increases in FY26 through FY28.

Threshold Cost Reimbursement

Threshold Cost (formerly Catastrophic Cost) reimbursement nearly doubled in FY22 due to increased appropriations, which are funded at the state level by a reduction in special education funding at the local level. These revenues are inconsistent year-to-year, and we are not projecting any growth over the remainder of the forecast.

Casino Revenue

On November 3, 2009, Ohio voters passed the Ohio casino ballot issue. This issue allowed four (4) casinos to open 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% of 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, beginning 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 FY22, was $109.39 million for schools or $62.86 per pupil, in FY23, the funding totaled $113.1 million or $64.90 per pupil, and in FY24 the funding totaled $113.11 million or $65.02 average per pupil. We expect the casino revenues to have resumed their historical growth rate and are assuming a 1.5% annual growth rate for the remainder of the forecast.

Source	FY24	FY25	FY26	FY27	FY28
Basic Aid-Unrestricted	$6,461,365	$6,746,840	$6,814,308	$6,882,451	$6,951,276
Additional Aid Items	144,007	153,530	153,530	153,530	153,530
Basic Aid-Unrestricted Subtotal	$6,605,372	$6,900,370	$6,967,838	$7,035,981	$7,104,806
Threshold Cost Reimbursement	$10,247	$10,247	$10,247	$10,247	$10,247
CTC Program Students	0	(159,443)	(159,443)	(159,443)	(159,443)
Ohio Casino Commission ODT	65,743	66,730	67,730	68,750	69,780
Total Unrestricted State Aid Line #1.035	$6,681,362	$6,817,904	$6,886,372	$6,955,535	$7,025,390

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 April funding factors and using the simulations from the Department of Education and Workforce for FY25. The amount of DPIA is limited to a 50% phase in growth for FY24 and 66.67% in FY25. We have flat-lined funding at FY25 levels for FY26-FY28 due to uncertainty on continued funding of the current funding formula.

HB33 set aside $64 million state-wide to subsidize the cost of high-quality instructional materials purchased by schools and districts aligned to the Science of Reading. The funds are provided to support both high-quality core curriculum and instructional materials in English language areas and evidenced-based reading intervention programs. The district received just under $51 thousand from this one-time subsidy and is required to maintain documentation as to how the funds were leveraged along with expenses incurred beyond the subsidy.

Source	FY24	FY25	FY26	FY27	FY28
DPIA	$76,228	$75,543	$76,543	$77,841	$77,841
ESL	1,376	1,464	1,964	2,196	2,196
Gifted	64,611	66,118	69,118	72,182	72,182
Career Tech - Restricted	4,486	2,991	1,491	0	0
Other Restricted State Funds	50,715	0	0	0	0
Student Wellness and Success	246,743	247,015	247,015	247,015	247,015
Total Restricted State Revenues Line #1.040	$444,159	$393,131	$396,131	$399,234	$399,234

Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

Summary of State Foundation Revenues

Source	FY24	FY25	FY26	FY27	FY28
Unrestricted Line # 1.035	$6,681,362	$6,817,904	$6,886,372	$6,955,535	$7,025,390
Restricted Line # 1.040	444,159	393,131	396,131	399,234	399,234
Restricted Fed. Grants - Line #1.045	0	0	0	0	0
Total State Foundation Revenue	$7,125,521	$7,211,035	$7,282,503	$7,354,769	$7,424,624

State Share of Local Property Taxes – Line #1.050
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 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 65 years or older or disabled, regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who still need to get their Homestead Exemption approved or those who did not get a new application approved for the tax year 2013 and who become eligible after that will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013, will not lose it and will 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.

Source	FY24	FY25	FY26	FY27	FY28
Rollback and Homestead	$508,174	$540,440	$543,480	$557,502	$571,484
TPP Reimbursement - Fixed Sum	0	0	0	0	0
Total State Share of Local Property Taxes #1.050	$508,174	$540,440	$543,480	$557,502	$571,484

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 open enrollment, interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, and general rental fees.

HB110, the previous state budget, stopped paying open enrollment as an increase to other revenue for the district. This is projected below as zeros to help show the difference between projected FY24-FY28 Line 1.06 revenues and historical FY21 through FY23 revenues on the five-year forecast. Open-enrolled students are now counted in the enrolled student base at the school district where they are being educated, and state aid will follow the students. Thus, open-enrolled student revenues are included in Line 1.035 as basic state aid.

Interest income is based on the district cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. Once the economy stabilizes, there will be pressure on the Federal Reserve to lower interest rates, which we believe will begin sometime in 2024, decreasing the opportunity for more significant interest income for the district. We will continue to monitor the investments for the district.

Rentals are expected to return to pre-pandemic levels over time. All other revenues are expected to continue on historical trends.

In FY21, we began receiving TIF payments for the South Afton Industrial Park. This space is designed to expand industrial space in Clermont County. The district anticipates this TIF to collect $189,000 in the forecasted period. The Nestle Purina PILOT payment will begin collecting an estimated $655,234 in FY24 and $1,105,234 FY24 then increasing to $1,269,043 per year FY26-28.

The district did see an increase to this line in FY24 due to the insurance claims on a lightning strike to our building and will return to normal collections FY25-28.

Source	FY24	FY25	FY26	FY27	FY28
Tuition - SF-14, SF-14H, SF-6	$149,933	$151,432	$152,947	$154,476	$156,021
Local Tuition Payments & Transportation	60,120	161,773	366,727	368,561	370,403
Open Enrollment	0	0	0	0	0
Interest	315,985	284,387	255,948	230,353	207,318
PILOT & TIF Payments	778,799	1,210,685	1,374,494	1,374,494	1,374,494
Other Miscellaneous Receipts	147,138	85,138	85,138	85,138	85,138
Total Other Local Revenue Line #1.060	$1,451,975	$1,893,415	$2,235,254	$2,213,022	$2,193,374

Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short-term borrowing projected in this forecast.

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. Currently, the forecast does not anticipate activity on this line. The district experienced a one-time transfer out in FY23, which creates a transfer in for FY24.

Source	FY24	FY25	FY26	FY27	FY28
Legal Reserve (001-9213)	$25,000	$25,000	$25,000	$25,000	$25,000
Base Student Wellness (001-9639)	226,132	0	0	0	0
HB 412 Set-Aside (001-9640)	210,645	216,964	223,473	230,177	237,083
Transfers In - Line 2.040	$461,777	$241,964	$248,473	$255,177	$262,083
Advance Returns - Line 2.050	$790,277	$0	$0	$0	$0
Total Transfer & Advances In	$1,252,054	$241,964	$248,473	$255,177	$262,083

All Other Financial Sources – Line #2.060

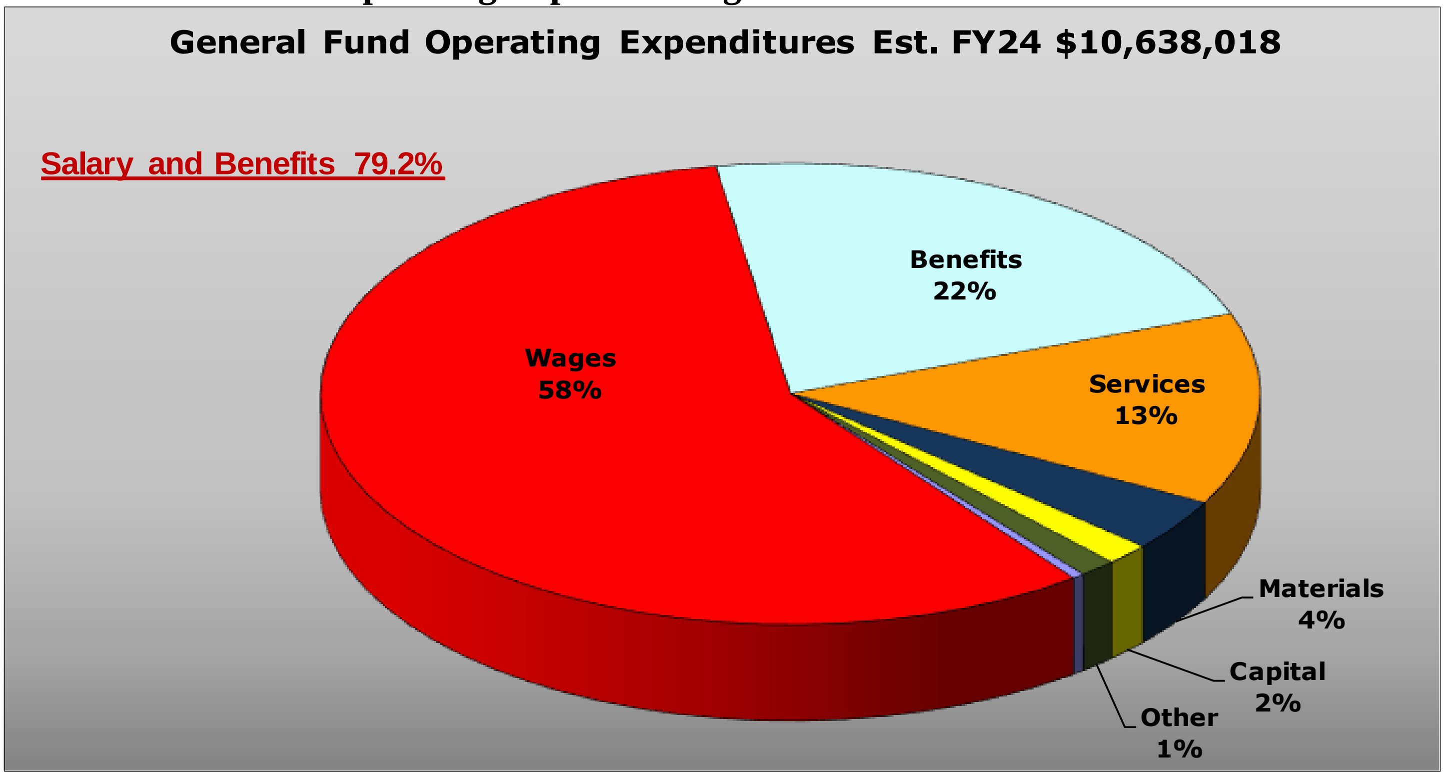
This funding source is typically a refund of prior year expenditures that is very unpredictable. For future years, we are estimating refunds to be in line with historical collections. Medicaid reimbursement payments, SERS or STRS refunds, and E-rate can be found here.

Source	FY24	FY25	FY26	FY27	FY28
All Other Sources	$240,446	$180,230	$182,032	$183,852	$185,691

Expenditure Assumptions

The district's leadership team is always looking at ways to improve the education of the students, whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

All Operating Expense Categories - General Fund FY24



Wages – Line #3.010

This line of the forecast is made up primarily of wages or salaries paid to staff. Substitutes and supplemental extracurricular contracts, as well as payments for the Board of Education can also be found here. Certified and Classified contracts are typically negotiated for three-year periods. For the Certified staff, we are estimating increases of 1% in FY24 and 1% in FY25. As of the filing of this forecast, we are estimating 3% in FY26, 2% in FY27, and 1% in FY28, for planning purposes only currently. For the Classified staff, we are estimating increases of 3% in FY24 and 1% in FY25. For planning purposes, we are estimating 3% in FY26, 2% in FY27, and 1% in FY28 currently. Admin and non-represented staff will typically see a similar increase to the collective bargaining units. However, these are reviewed on a yearly basis. In FY23 and FY24, we will be using ESSER funds to support several K-3 positions and are expecting those to return to the general fund in FY25. The district is bringing a psychologist position back in house in FY24, previously contracted through the ESC.

Source	FY24	FY25	FY26	FY27	FY28
Base Wages	$5,862,591	$5,847,292	$6,471,563	$6,709,069	$6,955,292
Increases	145,527	78,473	161,789	167,727	173,882
All Staff - Steps and Training	68,592	68,413	75,717	78,496	81,377
Staff Changes & Retire/Replace	(7,927)	0	0	0	0
Overtime/Bonus/Stipend	14,275	14,275	14,275	14,275	14,275
Substitutes	146,235	146,235	146,235	146,235	146,235
Supplemental	54,391	54,935	55,484	56,039	56,599
Board Pay	9,384	9,384	9,384	9,384	9,384
ESSER Supplant	(221,491)	477,385	0	0	0
Contracted Bonus	70,000	70,000	70,000	70,000	70,000
Total Wages Line 3.010	$6,141,577	$6,766,392	$7,004,447	$7,251,225	$7,507,044

Fringe Benefits Estimates – Line #3.020

This area of the forecast captures all costs associated with benefits and retirement costs. These payments and HSA costs are included in the table below.

A) STRS/SERS will increase as Wages Increase

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. The district is required to pay SERS Surcharge, which is an additional employer charge based on the salaries of lower-paid members.

B) Insurance

The district saw an increase of 6.5% for FY24, and we are estimating a 7.25% increase for FY25 and an 8% increase for FY26-28, which reflects the district's trend and the likely increase in health care costs as a result of actual claims incurred. This is based on our current employee census and claims data.

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 healthcare costs in the forecast.

C) Workers Compensation & Unemployment Compensation

Workers' Compensation is expected to be approximately 0.27% of wages FY24-28. Unemployment is expected to remain at a shallow level for FY24-28. The district is a direct reimbursement employer, meaning 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.

E) Other/Tuition

The district reimburses employees for the tuition to further their education to maintain licensure for teaching. The district anticipates this line to decrease over the forecasted period.

Summary of Fringe Benefits – Line #3.020

Source	FY24	FY25	FY26	FY27	FY28
STRS/SERS	$913,240	$1,005,506	$1,040,656	$1,077,094	$1,114,868
Insurance's	1,264,006	1,355,646	1,464,098	1,581,226	1,707,724
Workers Comp/Unemployment	16,451	18,037	18,634	19,271	19,941
Medicare	85,723	94,537	97,894	101,375	104,983
Tuition and Other Benefits	50,000	50,000	50,000	50,000	50,000
Total Fringe Benefits Line #3.020	$2,329,420	$2,523,726	$2,671,282	$2,828,966	$2,997,516

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 education 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 and shown below as expenses. We have continued to offer these amounts below as zeros to help reflect the difference between projected FY24-FY28 Line 3.03 costs and historical FY21 through FY23 costs in the five-year forecast. 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.

The district currently has a school psychologist paid out of Student Wellness and Success Funds that will be returning to the General Fund in FY25 for the remaining forecasted period. The district did see an increase to this section for repairs caused by the lightning strike to our building. This will not be assumed to happen in future years.

Source	FY24	FY25	FY26	FY27	FY28
Special Services and Preschool	$301,706	$306,232	$310,825	$315,487	$320,219
Open Enrollment	0	0	0	0	0
Professional Services, Legal Fees & ESC	45,416	141,097	143,213	145,361	147,541
Property Service, Rentals & Insurance	393,960	492,870	500,263	507,767	515,384
Utilities	258,088	263,250	268,515	273,885	279,363
Other tuition	66,200	66,862	67,531	68,206	68,888
PD, Internet, Telephone, Postage & Other	156,553	172,953	172,953	172,953	172,953
SF 14, SF 14H & SF 6	136,648	136,648	136,648	136,648	136,648
College Credit Plus	76,328	76,328	76,328	76,328	76,328
Total Purchased Services Line #3.030	$1,434,899	$1,656,240	$1,676,276	$1,696,635	$1,717,324

Supplies and Materials – Line #3.040

Expenses, which are characterized by curricular supplies, testing supplies, copy paper, maintenance and custodial supplies, and materials. This line also contains maintenance supplies for transportation and fuel.

Source	FY24	FY25	FY26	FY27	FY28
Supplies and Software	$132,252	$142,252	$142,252	$142,252	$142,252
Textbooks	63,392	63,392	63,392	63,392	63,392
Buildings and Other	71,816	110,816	110,816	110,816	110,816
Transportation Supplies and Fuel	123,168	125,631	128,144	130,707	133,321
Total Supplies Line #3.040	$390,628	$442,091	$444,604	$447,167	$449,781

Equipment – Line # 3.050

The district does not anticipate costs increasing significantly in this line due to the rotation of maintenance and replacement parking lots, technology and educational equipment make up the majority of this line. Chromebook replacements were scheduled to be purchased from this section of the forecast in FY22 and FY23; however, those replacements were purchased with ESSER funds. Chromebook expenses will be returned to the General Fund starting in FY24. Parking lot repairs in the summer of 2022, or FY23, increased this line. However, we are assuming the estimates return to the previous years' trend for the remaining years of this forecast. Bus purchases are made by the PI fund, and therefore, are not reflected in this forecast.

Source	FY24	FY25	FY26	FY27	FY28
Buildings and Parking	$30,000	$30,000	$30,000	$30,000	$30,000
Technology	110,926	162,035	183,655	185,492	187,347
Equipment	20,165	73,165	93,165	93,165	93,165
Total Equipment Line #3.050	$161,091	$265,200	$306,820	$308,657	$310,512

Principal and Interest Payment – Lines # 4.02, 4.05 and 4.06

These lines are for General Fund debt payments the district makes annually. Previously, this line reflected payments for HB264 and the M/H roof financing. This forecast no longer reflects the financing payments for the district's roof project, which began in FY22 due to these payments coming from the Permanent Improvement Fund. In FY24 the district opted for an early pay-off of HB264 in order to reduce debt and improve their bond rating for financing new elementary school and middle school gymnasium. The pay-off was funded from Permanent Improvement, thus not reflected in this forecast.

Source	FY24	FY25	FY26	FY27	FY28
HB264 Principal Line 4.050	$40,000	$0	$0	$0	$0

Source	FY24	FY25	FY26	FY27	FY28
Interest Total Line 4.060	$3,988	$0	$0	$0	$0

Other Expenses – Line #4.300

This category of expenses is primarily fees to the county auditors and treasurers for collecting property taxes and the Ohio Department of Taxation to collect and manage the districts income tax collection and settlement. The other expense category is several small expenses with the largest being district liability insurance and dues and fees to organizations such as OSBA.

Source	FY24	FY25	FY26	FY27	FY28
Auditor & Treasurer Fees	$63,264	$63,897	$64,536	$65,181	$65,833
Other Dues and Fees	42,230	42,652	43,079	43,510	43,945
Audit Charges	24,772	25,020	25,270	25,523	25,778
ESC Charges	6,149	6,210	6,272	6,335	6,398
Total Other Expenses Line #4.300	$136,415	$137,779	$139,157	$140,549	$141,954

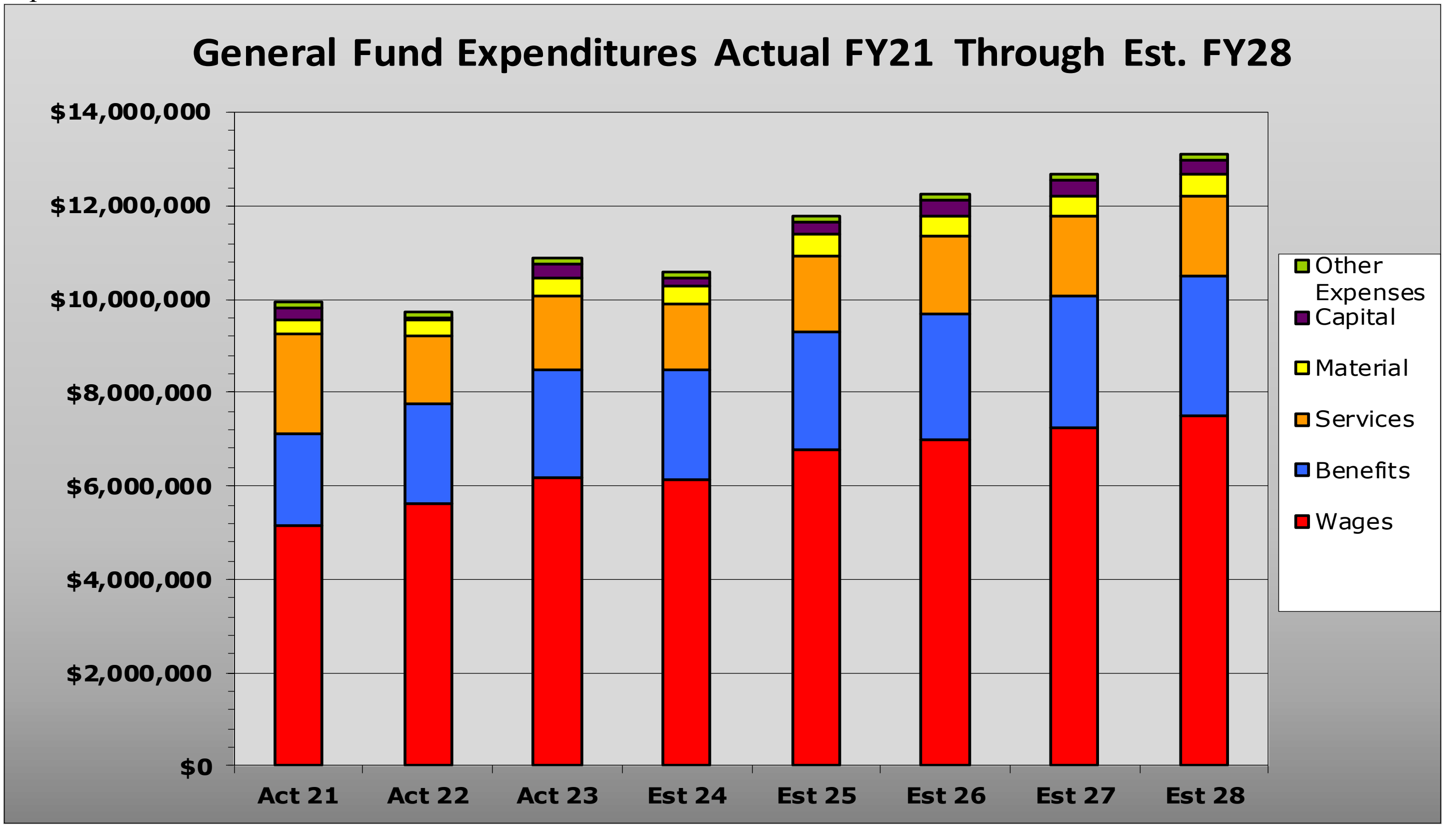
Transfers Out/Advances Out – Line# 5.010 and 5.020

This account group covers fund-to-fund transfer and end of year short-term loans or advances from the General Fund to other funds until they have received reimbursements and can repay the General Fund. Advanced funds are anticipated to be paid back in full in the next fiscal year. The district currently transfers to the following funds: Athletics, Termination Benefits, and Student Activities. Bus purchases are anticipated in FY25 and FY27 which is reflected by the increased transfer in these years to the PI fund. The district also plans to utilize the PI fund for the Capital and Technology set-aside. This will remove the set-aside from the forecast and result in an increased transfer in FY24 to move these monies.

Source	FY24	FY25	FY26	FY27	FY28
Legal Reserve (001-9213)	$25,000	$25,000	$25,000	$25,000	$25,000
Base Student Wellness (001-9639)	226,132	0	0	0	0
HB 412 Set-Aside (001-9640)	210,645	216,964	223,473	230,177	237,083
Permanent Improvement (003-0000)	1,359,360	225,000	125,000	225,000	125,000
Tech Reserve (003-9218)	337,395	100,000	100,000	100,000	100,000
Special Projects Reserve (003-9644)	874,705	1,210,685	1,374,494	1,374,494	1,374,494
Tech Protection Plan (009-9219)	2,482	0	0	0	0
Severance Reserve (035-0000)	100,000	100,000	100,000	100,000	100,000
Student Activity Payroll & Benefits (200-9004)	50,000	50,500	51,510	52,540	53,591
Athletic Payroll & Benefits (300-9004)	320,000	331,482	338,112	344,874	351,771
Operating Transfers Out Line #5.010	$3,505,720	$2,259,631	$2,337,589	$2,452,086	$2,366,939
Advances Out Line #5.020	$0	$0	$0	$0	$0
Total Transfer & Advances Out	$3,505,720	$2,259,631	$2,337,589	$2,452,086	$2,366,939

Operating Expenditures Actual FY21 through FY23 and Estimated FY24-FY28

The graph below shows a quick overview of actual and estimated expenses by proportion to the total for the General Fund expenditures.



Encumbrances –Line#8.010

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments, which have been performed, are awaiting invoicing and payment. Encumbrances, on a budget basis of accounting, are treated as the equivalent of expenditure at the time authorization is made to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance.

Source	FY24	FY25	FY26	FY27	FY28
Estimated Encumbrances	$75,000	$75,000	$75,000	$75,000	$75,000

Ending Unencumbered Cash Balance – Line#15.010

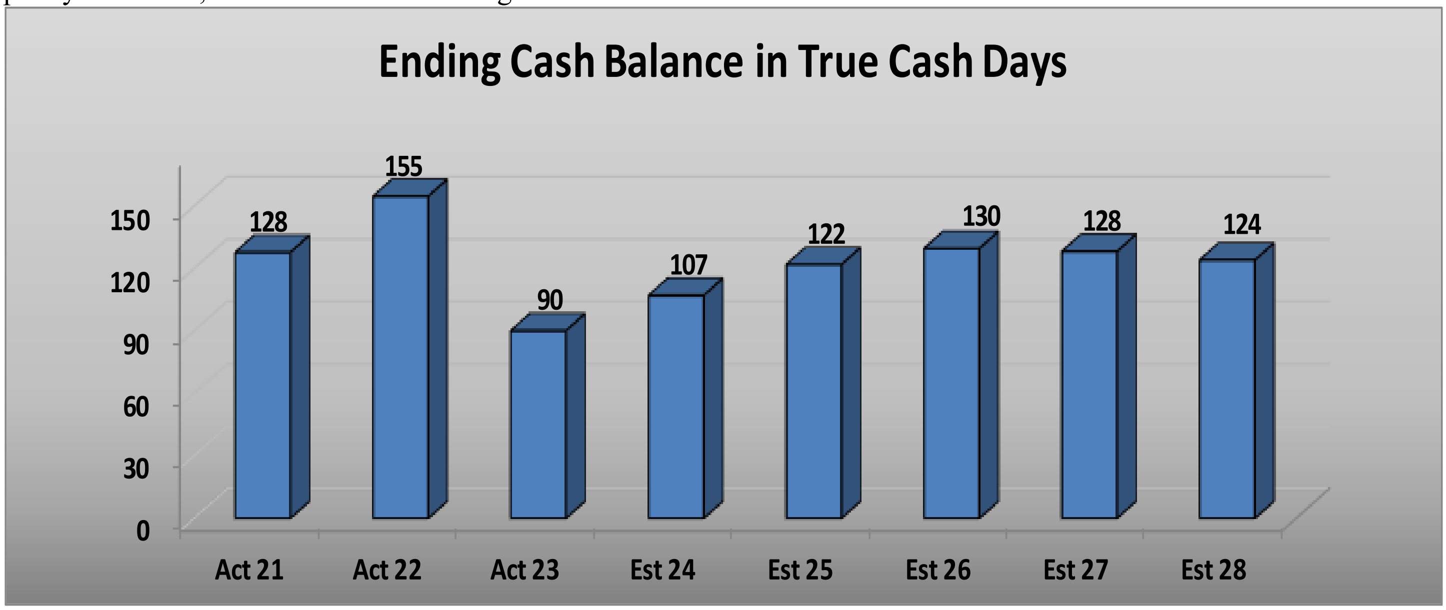
This amount must not go below $-0- or the district general fund will violate all Ohio Budgetary Laws. Any multi-year contract, which is knowingly signed, and which results in a negative unencumbered cash balance, is a violation of O.R.C. §5705.412, which is punishable by personal liability of $10,000; unless an alternative 412 certificate, as permitted by HB153, effective September 30, 2011, could be issued. It is recommended by the Government Finance Officers Association (GFOA) and other authoritative sources that a district maintains a minimum of thirty (30) day cash balance, which is approximately $819 thousand for our district.

Source	FY24	FY25	FY26	FY27	FY28
Ending Cash Balance	$4,149,613	$4,695,559	$5,180,840	$5,317,426	$5,268,640

True Cash Days Ending Balance

Operating capital is the true lifeblood of any organization, including schools. Another way to look at ending cash is to state it in ‘True Cash Days”. In other words, how many days could the district operate at year-end if no additional revenues were received? This is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = the number of days the district could operate without additional resources or a severe resource interruption. This is calculated including transfers, as this is a predictable funding source for other funds such as capital, athletics, and severance reserves.

The Government Finance Officers Association (GFOA) recommends that no fewer than two (2) months or 60 days of cash is on hand at year-end. The actual amount needed for each district could be more, depending on their complexity and risk factors for revenue collection. In FY24 there has been a major emphasis by the Ohio Auditor of State to encourage all government agencies to adopt a Cash Balance policy. Williamsburg Schools recognized this need years ago, adopting their Cash Balance policy (PO6234) in May 2018, requiring a minimum 60 days. The district is forecasted to carry more than the policy minimum, which is an indicator of good financial health.



Conclusion

Williamsburg Local School District receives 58% of its funding for the district from state dollars which is very beneficial to the overall operations for the education of our students.

The district administration is grateful for the changes in the current state budget HB33 as it has reduced the amount that was deducted for programs that were not within the district's control. However, future state budgets funding will need to be watched since the full amount of the Fair School Funding Plan was not totally implemented with this budget and there is no guarantee for future increases in state budgets for FY26-FY28.

The district wants to thank the community for their support and trust by voting to renew this vital levy on March 19, 2024. The $996,826 Emergency Levy is now set to expire in FY30 with this renewal. Due to many factors that play into the story of our revenue and expenditures, we must continue working together for the quality education the district provides. We want to thank all our community members that have taken the time to share their thoughts at the community conversations. We also want to encourage everyone in our community to collaborate with us to align the needs of our students with valuable tax revenue. This levy, and continued support of our expiring levies will be key in keeping the district on a stable financial footing.

As the administration plans for the future, they will need to make sure that the district is able to maintain a positive cash balance throughout the forecast. The expenditures will need to be reviewed based on the current revenues in order to obtain this.

As you read through the notes and review the forecast, remember that the forecast is based on the best information that is available to us at the time the forecast is prepared.