GREENON LOCAL SCHOOL DISTRICT-CLARK COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2020, 2021 and 2022 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2023 THROUGH JUNE 30, 2027

Forecast Provided By
Greenon Local School District
Treasurer's Office
Garth Whitaker, Treasurer/CFO

May 18, 2023

Greenon Local School District

Clark County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;
Forecasted Fiscal Years Ending June 30, 2023 Through 2027

		Actual				Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Average Change	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
	Revenues									
1.010	General Property Tax (Real Estate)	7,851,543	8,153,449	8,782,231	5.8%	$7,949,031	$9,258,343	$9,222,241	$9,383,490	$9,456,073
1.020	Public Utility Personal Property Tax	479,429	502,217	539,545	6.1%	$562,999	$569,459	$582,391	$597,966	$611,268
1.030	Income Tax	-	-	-	0.0%	$0	$0	$0	$0	$0
1.035	Unrestricted State Grants-in-Aid	6,041,791	6,273,099	4,957,074	-8.6%	$5,251,215	$5,250,279	$5,252,485	$5,254,736	$5,257,031
1.040	Restricted State Grants-in-Aid	207,378	199,411	340,147	33.4%	$369,493	$369,493	$369,493	$369,493	$369,493
1.045	Restricted Federal Grants In Aid	-	-	-	0.0%	$0	$0	$0	$0	$0
1.050	Property Tax Allocation	1,128,996	1,142,828	1,131,440	0.1%	$1,197,663	$1,201,447	$1,198,327	$1,218,168	$1,233,687
1.060	All Other Revenues	985,469	730,654	675,629	-16.7%	$606,071	$571,678	$578,995	$597,021	$615,788
1.070	*Total Revenues*	16,694,606	17,001,658	16,426,066	-0.8%	15,936,472	17,220,699	17,203,932	17,420,874	17,543,340
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	$0	$0	$0	$0	$0
2.020	State Emergency Loans and Advancements (Approve	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	155,749	-	-	0.0%	106,469	-	-	-	-
2.050	Advances-In	157,961	246,569	581,934	96.1%	457,074	400,000	50,000	50,000	50,000
2.060	All Other Financing Sources	201,543	279,080	139,897	-5.7%	$102,656	$102,656	$102,656	$102,656	$102,656
2.070	*Total Other Financing Sources*	515,253	525,649	721,831	19.7%	666,199	502,656	152,656	152,656	152,656
2.080	*Total Revenues and Other Financing Sources*	17,209,859	17,527,307	17,147,897	-0.2%	16,602,671	17,723,355	17,356,588	17,573,530	17,695,996
	Expenditures									
3.010	Personal Services	8,900,151	8,053,824	8,831,138	0.1%	$9,380,554	$9,799,163	$10,111,135	$10,388,273	$10,673,085
3.020	Employees' Retirement/Insurance Benefits	3,475,060	3,503,802	3,630,633	2.2%	$3,805,417	$4,164,418	$4,432,768	$4,736,065	$5,064,634
3.030	Purchased Services	4,072,542	4,354,183	2,513,290	-17.7%	$2,973,244	$2,942,906	$3,011,498	$3,081,939	$3,154,289
3.040	Supplies and Materials	361,307	358,982	546,294	25.8%	703,417	812,808	675,121	795,375	719,237
3.050	Capital Outlay	941	-	12,089	0.0%	2,780	-	-	-	-
3.060	Intergovernmental	-	-	-	0.0%	-	-	-	-	-
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	0.0%	$0	$0	$0	$0	$0
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	-	-	-	0.0%	$0	$0	$0	$0	$0
4.300	Other Objects	284,102	289,165	285,488	0.3%	$260,662	$266,642	$272,765	$279,034	$285,454
4.500	*Total Expenditures*	17,094,103	16,559,956	15,818,932	-3.8%	17,126,074	17,985,938	18,503,287	19,280,687	19,896,699
	Other Financing Uses									
5.010	Operating Transfers-Out	-	-	-	0.0%	126,184	-	-	-	-
5.020	Advances-Out	246,569	581,934	457,074	57.3%	400,000	50,000	50,000	50,000	50,000
5.030	All Other Financing Uses	-	-	-	0.0%	$0	$0	$0	$0	$0
5.040	*Total Other Financing Uses*	246,569	581,934	457,074	57.3%	526,184	50,000	50,000	50,000	50,000
5.050	*Total Expenditures and Other Financing Uses*	17,340,672	17,141,890	16,276,006	-3.1%	17,652,258	18,035,938	18,553,287	19,330,687	19,946,699
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing*	(130,813)	385,417	871,891	-134.2%	(1,049,587)	(312,583)	(1,196,699)	(1,757,157)	(2,250,703)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	7,237,399	7,106,586	7,492,003	1.8%	8,363,894	7,314,307	7,001,724	5,805,025	4,047,868
7.020	*Cash Balance June 30*	7,106,586	7,492,003	8,363,894	8.5%	7,314,307	7,001,724	5,805,025	4,047,868	1,797,165
8.010	*Estimated Encumbrances June 30*	227,921	191,921	14,806	-54.0%	50,000	50,000	50,000	50,000	50,000
`	**Reservation of Fund Balance**									
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030	Budget Reserve	-	-	-	0.0%	-	-	-	-	-
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	*Subtotal*	-	-	-	0.0%	-	-	-	-	-
10.010	*Fund Balance June 30 for Certification of Appropriations*	6,878,665	7,300,082	8,349,088	10.2%	7,264,307	6,951,724	5,755,025	3,997,868	1,747,165
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement				0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies				0.0%	-	-	-	-	-

Greenon Local School District

Clark County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;
Forecasted Fiscal Years Ending June 30, 2023 Through 2027

		Actual				Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Average Change	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	6,878,665	7,300,082	8,349,088	10.2%	7,264,307	6,951,724	5,755,025	3,997,868	1,747,165
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	-	-	-	-	-
13.020	Property Tax - New				0.0%	-	$0	$0	$0	$0
13.030	Cumulative Balance of New Levies	-	-		0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	6,878,665	7,300,082	8,349,088	10.2%	7,264,307	6,951,724	5,755,025	3,997,868	1,747,165

Greenon Local School District – Clark County
Notes to the Five-Year Forecast
General Fund Only
May 18, 2023

Introduction to the Five-Year Forecast
The five-year forecast is viewed as a key management tool and must be updated periodically. In Ohio, most school districts understand how they will manage their finances in the current year. The five-year forecast encourages 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 the Ohio Department of Education when events take place that will significantly change their forecast or, at a minimum, when required under 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.

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 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 (5) year financial forecast by November 30, 2022, and May 31, 2023, for the fiscal year 2023 (July 1, 2022, to June 30, 2023). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The fiscal year 2023 (July 1, 2022-June 30, 2023) is the first year of the five-year forecast and is considered the baseline year. The data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

May 2023 Updates:

Revenues FY23
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 $15.94 million or 1.91% higher than the November forecasted amount of $15.64 million. This indicates the November forecast was 98.09% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our largest source of revenues at 49.88% and are estimated to be $7.95 million, which is $187 thousand higher for FY23 than the original November estimate of $7.76 million. Our estimates are 97.58% accurate for FY23 and should mean future projections are on target as well.

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 $5.25 million, which is $28.8 thousand higher than the original estimate for FY23. We are pleased that we were able to be 99.45% accurate for FY23. We are currently a formula district and are expected to remain as a formula district for FY24 through FY27.

Line 1.06 - Other revenues are up $60.6 thousand over original estimates, primarily due to interest and excess costs payments received by the district, which are somewhat unpredictable year to year.

All areas of revenue are tracking as anticipated for FY23 based on our best information at this time.

Expenditures FY23

Total General Fund expenditures (line 4.5) are estimated to be $17.13 million for FY23, which is $68.1 thousand higher than the original estimate of $17.06 million in the November forecast, which is 99.6% on target of the original estimates. The expenditure line most significantly over projection is Purchased Services (line 3.030) due to mowing services costs, and Supplies and Materials (line 3.040) due to rising fuel costs.
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 increasing, our ending unreserved cash balance June 30, 2023, is anticipated to be roughly $7.26 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 uncertainties noted above but also due to state legislative changes that will occur in the spring of 2023 and 2025 due to deliberation of the next two (2) state biennium budgets for FY24-25 and FY26-27, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available to us and the laws in effect at this time. The items below give a brief description of the current issues and how they may affect our forecast long term:

I. Clark County experienced a reappraisal in the 2022 tax year to be collected in 2023. The 2022 reappraisal increased overall assessed values by $67.29 million or an increase of 27.02%. A reappraisal update will occur in tax year 2025 for collection in 2026. We anticipate value increases for Class I and II property by $11.26 million for an overall increase of 3.11%. There is however always a minor risk that the district could sustain a reduction in values in the next appraisal update, but we do not anticipate that at this time.

II. Property tax collections are the largest single revenue source for the school system. The housing market in our district is stable and growing. We project continued growth in appraised values every three (3) years and new construction growth with continued modest increases in local taxes. Total local revenues, which are predominately local taxes equate to 57.22% of the district's resources.

III. The state budget represented 42.78% of district revenues, which means it is a significant area of risk to revenue. The future risk comes in FY24 and beyond if the state economy stalls or worsens and the fair school funding plan is not funded in future state budgets or if an economic downturn results in a reduction in state aid. There are two future State Biennium Budgets covering the period from FY24-25 and FY26-27 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long range through FY27. We have projected our state funding to be in line with the FY23 funding levels through which we feel is conservative and should be close to whatever the state approves for the FY24-FY27 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

IV. HB110 the current state budget implements what has been referred to as the Fair School Funding Plan (FSFP) for FY22 and FY23. The full release of the new Fair School Funding Plan formula calculations was delayed until March 2022. The FSFP has many significant changes to the way foundation revenues are calculated for school districts and how expenses are charged off. State foundation basic aid will be calculated on a base cost methodology with funding paid to the district where a student is enrolled to be educated. Beginning in FY22, open enrollment payments will no longer be paid separately to a district as those payments are included with basic aid. A change in expenditures beginning in FY22 also occurred, in that there will no longer be deductions for students that attend elsewhere for open enrollment, community schools, STEM schools and scholarship recipients as these payments will be paid directly to those districts from the state. The initial impact of these changes on the forecast will be noticed in that the historic actual costs for FY20 through FY21 which potentially reflect different trends on Lines 1.035, 1.04, 1.06 and 3.03 beginning in FY22. In June 2022, the legislature passed HB583 to resolve issues and possible unintended consequences in the new funding formula. Some of these changes impacted FY22 and future years funding. Our state aid projections have been based on the best information on the new HB110 formula as amended by HB583 that are available as of this forecast.

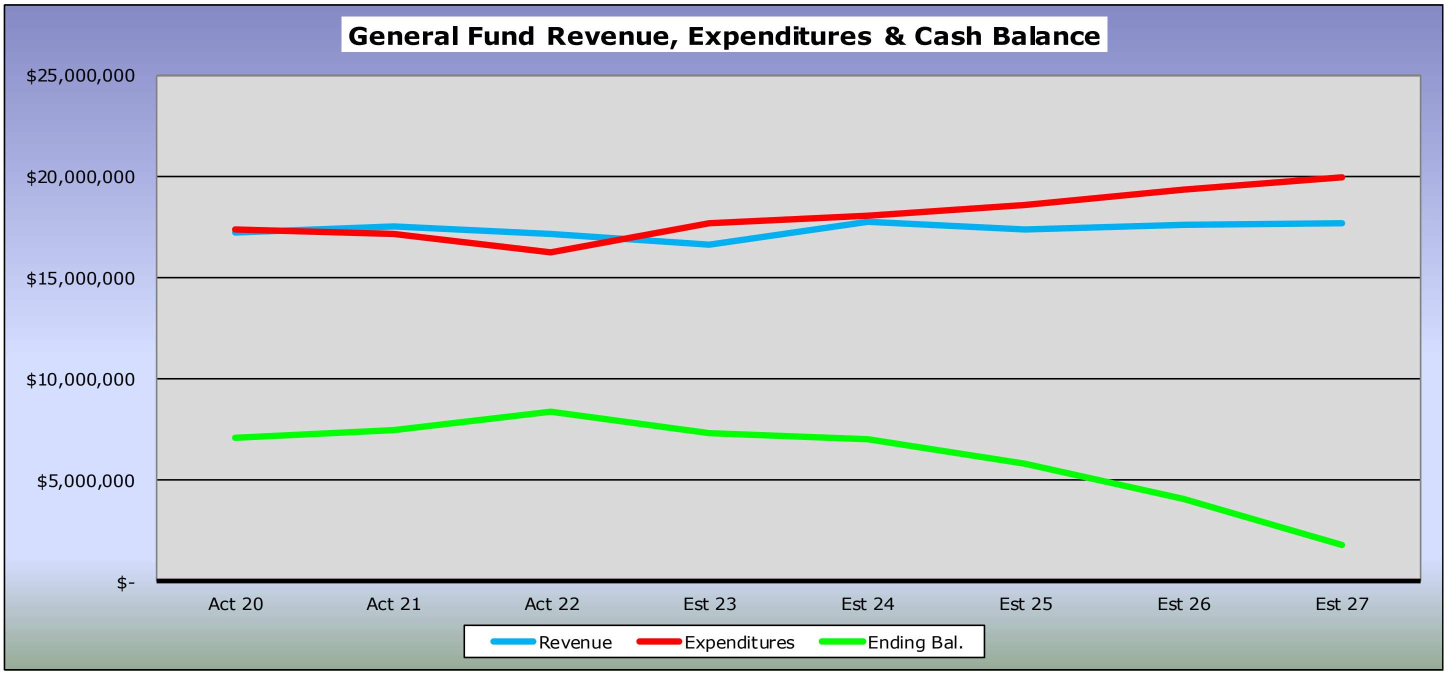
V. HB110 direct pays costs associated with open enrollment, community, and STEM schools, and for all scholarships including Ed Choice Scholarships. These costs will no longer be deducted from our state aid. However, there still are education option programs such as College Credit Plus which continue to be deducted from state aid which will increase costs to the district. Expansion or creation of programs that are not directly paid for by the state of Ohio can expose the district to new expenditures that are not currently in the forecast. We are monitoring closely any new threats to our state aid and increased costs as any new proposed laws are introduced in the legislature.

VI. The legislature has introduced House Bill 1 (HB1), which proposes to modify the law regarding property taxation and Ohio income tax rates. Proposed changes to existing law include applying a single income tax rate of 2.75%, eliminating the 10% property tax rollback reimbursement, revising the 2.5% owner-occupied property tax rollback to be a flat $125 credit, indexing the homestead exemption amounts to inflation, and reducing the property tax assessment percentage for Class I and II property from 35% to 31.5% to offset the 10% rollback which would be paid by local taxpayers. HB1 as currently written would increase the effective rates for local property owners through HB920 due to the reduction in the assessed valuation for Class I and II property. HB920, enacted in 1976, states that voted school district levies collect the amount of tax revenues stated on the ballot at the time of passage and no more. As property values grow, the “effective” millage rate on voted levies will decrease. If HB1 causes the assessed property values to decrease by changing the taxable values from 35% to 31.5%, this would cause “effective” millage rates to increase and would increase local taxpayers’ property tax liability in nearly all cases. Taxpayers would, however, see a reduction in their tax liability on inside millage, which local governments are granted by the Ohio Constitution, and would also be a direct loss of revenue for our district. The House Ways and Means Committee had its fifth hearing in regarding HB1 on Mar. 28, 2023. As this bill is facing opposition from various entities due to the significant implications to the taxable valuation of property statewide, it will remain an area of increased risk and uncertainty and will be closely monitored to determine what the outcome will be.

VII. Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the extreme resource challenges today. We believe as we move forward our positive working relationship will continue and will only grow stronger.

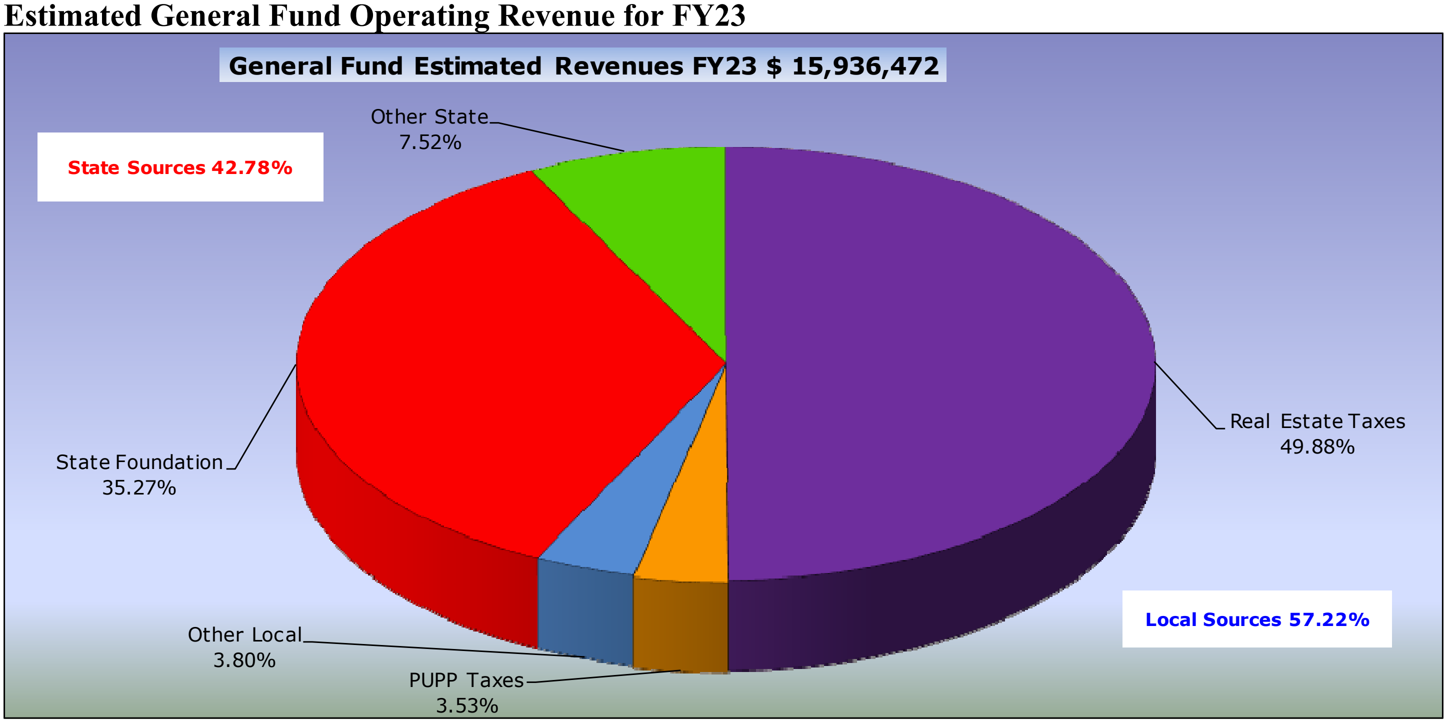
The major Line numbers used as references to the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Garth Whitaker, Treasurer/CFO.

General Fund Revenue, Expenditure and Ending Cash Balance
The graph on the following page shows in summary the forecasted revenue, expenses and ending balance of the district's General Fund for the period FY20-27, with actual data provided for FY20-22.



Revenue Assumptions

Estimated General Fund Operating Revenue for FY23



Real Estate Value Assumptions – Line # 1.010
Property Values are established each year by the Clark County Auditor based on new construction and complete reappraisal or triennial update values. There was a reappraisal completed in 2022 for the collection in 2023. Class I the residential/agricultural values increased 27.02% or $67.29 million for the reappraisal led by an

improving housing market. There was an increase in the Class II commercial/industrial values of 6.73% or $2.53 million. The county will be conducting a reappraisal update in 2025 for collection in 2026. We are anticipating a 3% increase in values or $9.57 million for Class I and a 2% increase or $860 thousand for Class II. The increase in values for Class I and Class II in 2022 lowered the effective millage rate to very close to the 20 mill floor. Being on the 20 mill floor the district would experience some growth in taxes as the millage rate can no longer be decreased when the valuation increases. The district should be on 20 mill floor within the forecast unless there is a large decrease in values in a future year; the district does not expect that to happen.

CAUV values represented 38% of Class I residential agricultural values in 2015 which has decreased to 10% in 2020 due to the changes from HB49 authorizing reductions in CAUV computations. This caused a shift in taxes from agricultural taxpayers to residential taxpayers. However, it did not result in lower taxes to our district due to HB920 rolling tax rates up and removing the district from the 20 mill floor.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

Classification	Actual TAX YEAR2022 COLLECT 2023	Estimated TAX YEAR2023 COLLECT 2024	Estimated TAX YEAR2024 COLLECT 2025	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027
Res./Ag.	$317,677,160	$318,402,160	$319,152,160	$329,476,725	$330,226,725
Comm./Ind.	$43,135,410	$42,960,410	$43,035,410	$43,971,118	$44,046,118
Public Utility Personal Property (PUPP)	$15,650,280	$16,100,280	$16,550,280	$17,000,280	$17,450,280
Total Assessed Value	$376,462,850	$377,462,850	$378,737,850	$390,448,123	$391,723,123

Estimated Real Estate Tax Collection

Property tax levies are estimated to be collected at 94% of the annual amount. Technically 100% of taxes will be settled on property due to Ohio's property tax laws but due to delinquencies we are calculating the taxes at a lower collection rate. Property taxes are estimated to be collected at 56.51% of the Res/Ag and Comm/Ind in the February tax settlements and 43.49% collected in the August tax settlements. The district received an advance in late June of $719,600 for the August tax collection that was deposited in FY22, therefore the amount received in FY23 is less by the amount of the advance.

Estimated Real Estate Tax (Line #1.010)

Source	FY23	FY24	FY25	FY26	FY27
General Property Taxes	$7,949,031	$9,258,343	$9,222,241	$9,383,490	$9,456,073

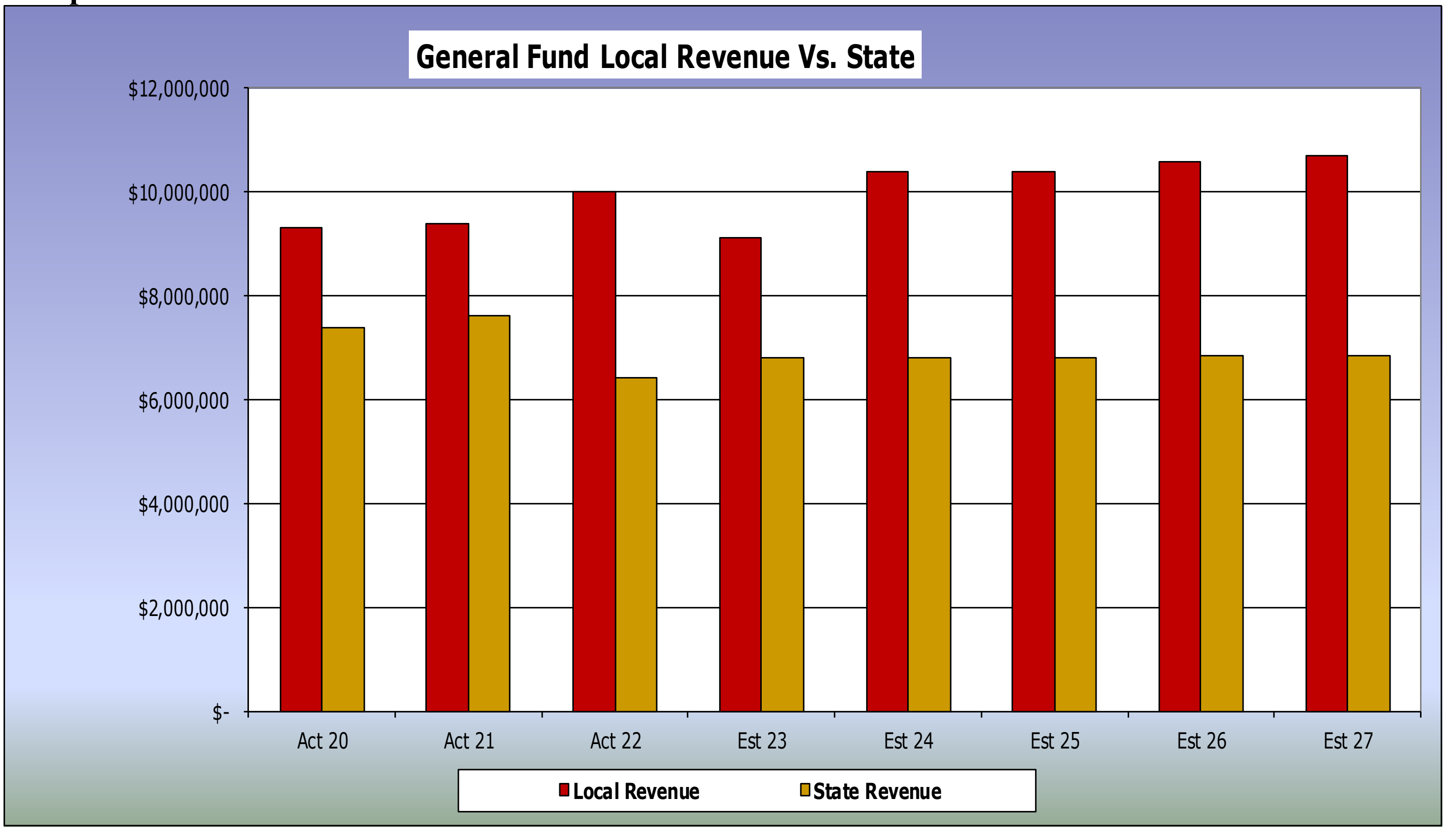
Estimated Public Utility Personal Tax – Line#1.020

The phase out of TPP taxes began in FY06 which was also included with this line. HB66 was adopted in June 2005 and the provisions of the legislation have estimated the general tangible personal property tax would be eliminated after FY11. Any TPP revenues received FY12 and beyond are delinquent TPP taxes.

The amounts received below are generally all Public Utility Personal Property (PUPP) taxes which are an ongoing property tax collection, that have annual changes in values. The district received an increase in values of $962 thousand in 2022 collect 2023 and have projected an annual increase of $450,000 each year for the remainder of the forecast. Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in the February and 50% in the August settlements.

Source	FY23	FY24	FY25	FY26	FY27
Public Utility Personal Property	$562,999	$569,459	$582,391	$597,966	$611,268
Total Line # 1.020	$562,999	$569,459	$582,391	$597,966	$611,268

Comparison of Local and State Revenue



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– Line #1.035

The full release of the new Fair School Funding Plan formula occurred in March 2022 and was amended in HB583 passed in June 2022. Full calculations of the new formula were not available for nearly all of last fiscal year. We have projected FY23 funding based on the April #1 foundation settlement with adjustments from FY22.

Our district is currently a formula district in FY23 and is expected to continue on the formula in FY24-FY27 on the new Fair School Funding Plan (FSFP). The state foundation funding formula has gone through many changes in recent years. The most recent funding formula began in FY14 and was dropped in FY19 after six (6) years, followed by no foundation formula for two (2) years in FY20 and FY21, and now HB110, as amended by HB583, implements the newest and possibly the most complicated funding formula in recent years for FY22 and FY23. The current formula introduces 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 FY23 through FY27 compared to actual data FY20 through FY21 on Lines 1.035, 1.04, 1.06 and 3.03 of the forecast.

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

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

Base Cost Approach- Unrestricted Basic Aid Foundation Funding

The new funding formula uses FY18 statewide average district costs and developed a base cost approach that includes minimum service levels and student teacher ratios to calculate a unique base cost for each district that includes base 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 estimated to be as high as $7,202 per pupil when fully phased in, the FSFP calculates a state share percentage (SSP). 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. 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 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 most recent three (3) year average federal adjusted gross income of districts residents or the most recent year, whichever is lower divided by base students enrolled
3. 20% based on most recent year federal median income of district residents multiplied by number of returns in that year divided by base students enrolled
4. When the weighted values are calculated and Items 1 through 3 above added together, the total is then multiplied by a Local Share Multiplier Index ranging 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 finally multiplied by the local share multiplier index for each district. The result is the local per pupil capacity amount of the base per pupil funding amount. The balance of this amount is the state share to pay.

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). 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 and not a specific amount. An amount of 10% will be reduced from all district's calculation to be used toward the state appropriation for Catastrophic Cost reimbursement.
3. Transportation Aid – Funding 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 29.17% in FY22 and 33.33% in FY23.

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 state average and multiplied by $422 per pupil. The phase-in increases are limited to 0% for FY22 and 14% in FY23. There is no legislation indicating what the percentage increase may be for FY24 and beyond for DPIA.
2. English Learners – based on funded categories based on time student 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 & Success Funding – moved into DPIA funding, is restricted funding and will be spent on same initiatives and requirements that were previously designated under the stand-alone fund.

State Funding Phase-In FY22 and FY23 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 in HB583 in June 2022. The FSFP does not include caps on funding, rather it will include a general phase-in percentage for most components in the amount of 16.67% in FY22 and 33.33% in FY23. DPIA funding will be phased in 0% in FY22 and 14% in FY23. Transportation categorical funds will not be subject to a phase in.

HB110 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 less funds in FY22 and FY23 than they received in FY21. The guaranteed level of funding for FY22 is a calculated funding guarantee level based on full state funding cuts from May 2020 restored, net of transfers and deductions, plus Student Wellness and Success funds (based on FY21 SWSF amounts), enrollment growth supplement funds paid in FY21 and special education preschool and special education transportation additional aid items. It is estimated that nearly 420 districts are on one form of a guarantee in FY22 and in general the same number will occur in FY23, since state average costs were frozen at FY18 in the Base Cost calculations, while property values and Federal Adjusted Gross Income will be allowed to update and increase for FY23, which should push districts toward one of the three (3) guarantees.

Future State Budget Projections

Our funding status for FY24-27 will depend on two new state budgets. The current proposed state budget for FY24-25, HB33, was introduced on February 15, 2023, and continues the implementation of the FSFP, with the following changes.

Unrestricted Basic Aid Foundation Funding

a) The statewide average base cost per pupil will remain at FY18 levels in FY24-25.
b) Increases the general phase-in percentage from 33.33% in FY23 to 50% in FY24 and 67% in FY25.
c) Extends payment of the temporary transitional aid and the formula transition supplement to ensure districts are guaranteed to be funded at FY21 levels, at a minimum through FY25.

Unrestricted Categorical State Aid

a) Transportation Aid - Increases the minimum state share percentage from 33.33% in FY23 to 37.5% in FY24 and 41.67% in FY25.

Restricted Categorical State Aid

a) Disadvantage Pupil Impact Aid (DPIA) - Increases phase-in percentage from 33.33% in FY23 to 50% in FY24 and 67% in FY25.

b) Gifted Funds - Increases per pupil funding for the gifted professional development component from $14 in FY23 to $21 in FY24 and $28 in FY25.

c) Student Wellness and Success Funds

   a. Expenditures for either physical or mental health-based initiatives, or a combination of both, must comprise at least 50% of these funds.
   b. Any SWSF funds received between FY20-23 must be expended by June 30, 2025, or the funds must be returned to the ODE.
   c. School resource officer funding will be allocated on a per building basis. Funds are able to support existing SROs.

Additionally, there are two other funding components in HB33 which provide additional support for districts. The first is the sports gaming profits education fund, which is projected to appropriate $30 million in each year of the biennium, of which $15 million is targeted toward eliminating or reducing pay to participate fees. The second component is information technology support for schools and districts, which is projected to appropriate $14.3 million over the course of the biennium for cybersecurity and building connectivity. We are still awaiting concrete information on how the funds will be allocated to schools.

With these still unknown changes to the state funding for FY24-25, we will continue to project our unrestricted and Categorical state funding to be in line with the FY23 funding levels through the remainder of the forecast. The state budget for FY26-27 is unknown; however, we believe that our state funding estimates are reasonable, and we will adjust the forecast in the future when we have authoritative data to work with.

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% GCR 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.

Casino revenue fell slightly in FY21 due to COVID-19 and Casinos closing for a little over two months. We have increased the amount in FY22 back to pre-pandemic FY20 levels as Casino revenues appear to have dipped largely due to their closure and not in response to the economic downturn. Prior to COVID-19 closure, casino revenues were growing modestly as the economy improved. Original projections for FY23-27 estimated a .4% decline in pupils to 1,778,441 and GCR increasing to $106.35 million or $59.80 per pupil, actual payments in FY22 were $64.86 per pupil. FY23 Casino revenues are based on the August payment with a 2% annual growth rate for the remainder of the forecast.

Source	FY23	FY24	FY25	FY26	FY27
Basic Aid-Unrestricted	$4,805,714	$4,802,612	$4,802,612	$4,802,612	$4,802,612
Additional Aid Items	$337,350	$337,350	$337,350	$337,350	$337,350
Basic Aid-Unrestricted Subtotal	$5,143,064	$5,139,962	$5,139,962	$5,139,962	$5,139,962
Ohio Casino Commission ODT	$108,151	$110,317	$112,523	$114,774	$117,069
Total Unrestricted State Aid Line # 1.035	$5,251,215	$5,250,279	$5,252,485	$5,254,736	$5,257,031

B) Restricted State Revenues – Line #1.040

HB110 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged Funding) and Career Technical funding. In addition, there have been new restricted funds added as noted above under "Restricted Categorical Aid" for Gifted, English Learners (ESL) and Student Wellness. Using current April funding factors, we have estimated revenues for these new restricted funding lines. The amount of DPIA is limited to 0% phase-in growth for FY22, 33.33% in FY23. We have flat lined funding at FY23 levels for FY24-27 due to uncertainty on continued funding of the current funding formula.

Source	FY23	FY24	FY25	FY26	FY27
DPIA	$120,729	$120,729	$120,729	$120,729	$120,729
Career Tech & CTE Credentials	$8,420	$8,420	$8,420	$8,420	$8,420
Gifted	$67,596	$67,596	$67,596	$67,596	$67,596
English Learners	$2,034	$2,034	$2,034	$2,034	$2,034
Student Wellness	$170,714	$170,714	$170,714	$170,714	$170,714
Total Restricted State Revenues Line #1.040	$369,493	$369,493	$369,493	$369,493	$369,493

C) Restricted Federal Grants in Aid – Line #1.045
There are no federal restricted grants projected during this forecast.

Summary of State Foundation Revenues	FY23	FY24	FY25	FY26	FY27
Unrestricted Line # 1.035	$5,251,215	$5,250,279	$5,252,485	$5,254,736	$5,257,031
Restricted Line # 1.040	$369,493	$369,493	$369,493	$369,493	$369,493
Rest. Fed. Grants - SFSF & Ed Jobs Line #1.04	$0	$0	$0	$0	$0
Total State Foundation Revenue	$5,620,708	$5,619,772	$5,621,978	$5,624,229	$5,626,524

State Taxes Reimbursement/Property Tax Allocation – Line #1.050
Rollback and Homestead Reimbursement
Rollback funds are reimbursements paid to the district from Ohio for tax credits given to owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013, which is the effective date of HB59. HB66 the FY06-07 budget bill previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are also credits paid to the district from the State of Ohio for qualified elderly and disabled. In 2007 HB119 expanded the Homestead Exemption for all seniors over age 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013, HB59 changes the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who currently have their Homestead Exemption as of September 29, 2013, will not lose it going forward and will not have to meet the new income qualification. This will slow the growth of homestead reimbursements to the district, and as with the rollback reimbursements above, increase the taxes collected locally on taxpayers.

Summary of State Tax Reimbursement – Line #1.050

Source	FY23	FY24	FY25	FY26	FY27
Rollback and Homestead	$1,197,663	$1,201,447	$1,198,327	$1,218,168	$1,233,687
Total Tax Reimb./Prop. Tax Allocations #1.050	$1,197,663	$1,201,447	$1,198,327	$1,218,168	$1,233,687

Other Local Revenues – Line #1.060
All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area have been tuition for court placed students, student fees, Manufactured home taxes and general rental fees.

HB110 the biennium budget for FY23 and FY24 will no longer pay open enrollment as an increase to other revenue for the district. Open enrolled students will be counted as students that attend the district within the Enrolled ADM and will be included in the state basic funding. This change is projected below as zeros to help show the difference between projected FY23-FY27 Line 1.06 revenues and historical FY20 and FY22 large in revenues on the five-year forecast.

In FY21 and FY22 interest income fell due to the pandemic; however, in FY23, rates have begun to rise quickly due to the Federal Reserve's strategy to combat inflation. We will closely monitor our investments to capitalize on these increased rates while they continue. Although increasing interest rates place risk on our local economy, we are able to benefit from the interest rates revenue due to our strong cash reserves.

The district experienced a significant increase of delinquent fees at the beginning of FY23 which is not expected in future years of the forecast. The district does expect a 3% increase in fees for FY23-FY27. The district is expecting a 2% increase for Other Income and rentals for FY23-FY27.

The district received a Medicaid settlement reimbursement in FY22 for $163,648 that is not expected in future years, which was deducted from Other Income in FY23.

Source	FY23	FY24	FY25	FY26	FY27
Open Enrollment Gross	$0	$0	$0	$0	$0
Interest	$112,000	$87,000	$77,000	$77,000	$77,000
Student Fees	$95,000	$91,204	$93,940	$96,758	$99,661
Tuition from other districts	$232,643	$223,717	$234,903	$246,648	$258,980
Other Income and rentals	$166,428	$169,757	$173,152	$176,615	$180,147
Total Line # 1.060	$606,071	$571,678	$578,995	$597,021	$615,788

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. Each year the district has end of year advances out which will then be returned to the following year to the general fund, the amount of advances out in FY22 was larger than the previous years, and therefore the district is estimating the annual amount to be $50,000 for FY24-FY27. The transfer in for FY23 is an accounting modification within the different cost centers of the general fund.

Source	FY23	FY24	FY25	FY26	FY27
Transfers In - Line 2.040	$106,469	$0	$0	$0	$0
Advance Returns - Line 2.050	$457,074	$400,000	$50,000	$50,000	$50,000
Total Transfer & Advances In	$563,543	$400,000	$50,000	$50,000	$50,000

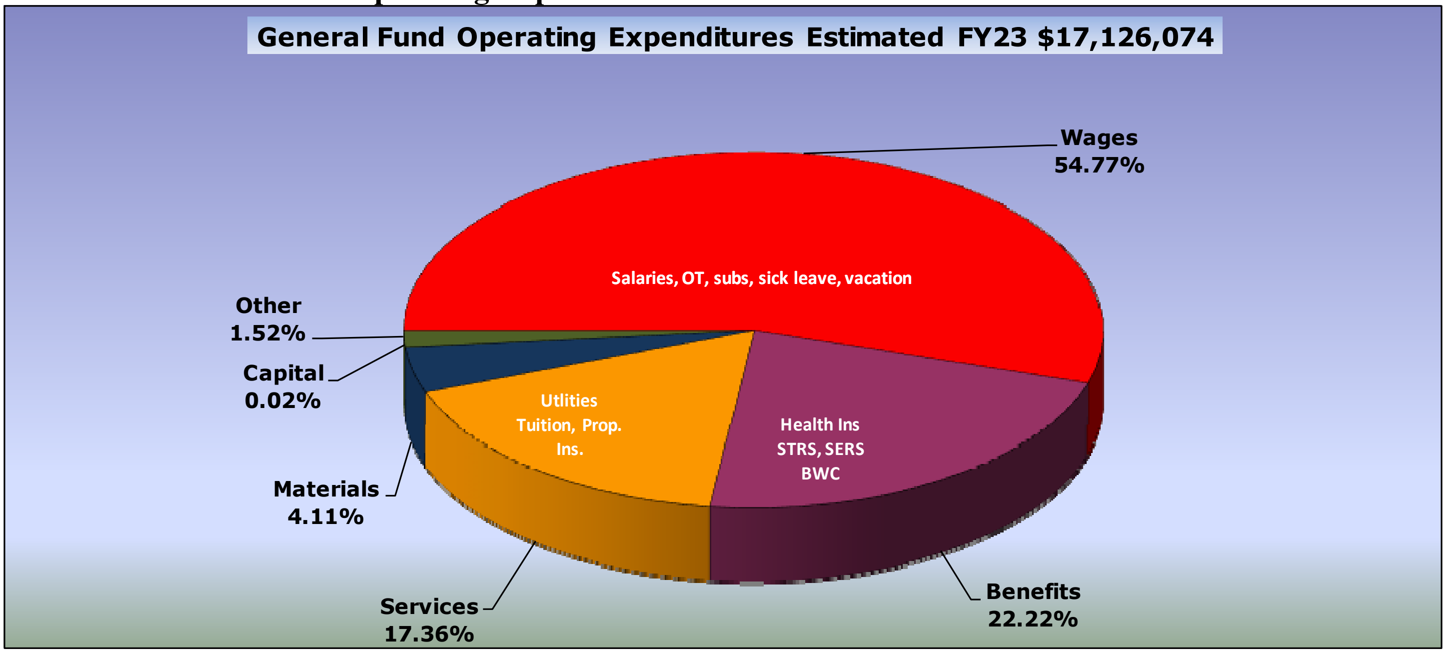
All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable. We did receive payments for SERS refund of $57,656 and are expecting Catastrophic Costs of $45,000 for FY23. Since the district has received these types of payments in previous years, we will continue to forecast these amounts in FY24-FY27 with no increases.

	FY23	FY24	FY25	FY26	FY27
Refund of prior years expenditures	$102,656	$102,656	$102,656	$102,656	$102,656

Expenditures Assumptions

Estimated General Fund Operating Expenditures for FY23



Wages – Line #3.010

The district has a base increase of 3% increase in FY22 and 1.5% in FY23 with 1% in FY24-FY27. Steps and training increases for all staff are 1.8% each year.

FY23 will have staffing changes of an additional administrator, retirement of two teachers with replacements, the replacement of H.S. Principal to the new position, increase of a teacher from part-time to full-time, reduction of Special Education Director to her new role as Elementary Principal and the reduction of one aide for a net increase of $33,425. The district will also pay a one-time stipend for staff for a total of $163,400 and severance payments of $70,153 and projects that severance will be $60,000 in FY24-FY27.

Staffing costs were reduced as the district utilized ESSER funds in FY22 for 3 teachers and 4 classified staff members and then changed the reduction to 4 teachers and 3 classified staff members in FY23. These costs will be returned to the forecast in FY24.

The district is reviewing the staffing needs for FY24 with plans of an additional Elementary Assistant Principal, changing the Special Education Director from being a service from the ESC to being an employee of the district, the reductions of one teaching position and three teacher aids.

Source	FY23	FY24	FY25	FY26	FY27
Base Wages	$8,352,406	$8,794,472	$9,212,109	$9,514,362	$9,780,765
Base Wage Increases	$125,286	$87,945	$92,121	$95,144	$97,808
All Staff - Steps and Training	$150,343	$158,300	$165,818	$171,259	$176,054
Staff Growth	$313,227	$502,156	$62,442	$0	$0
Staff Reductions	($310,191)	($167,364)	($18,128)	$0	$0
Substitutes	$290,296	$296,102	$302,024	$308,065	$314,226
Supplementals	$225,633	$230,146	$234,749	$239,444	$244,233
One-Time Payments	$163,400	($163,400)	$0	$0	$0
Severance	$70,153	$60,806	$60,000	$60,000	$60,000
Total Wages Line 3.010	$9,380,554	$9,799,163	$10,111,135	$10,388,273	$10,673,085

Fringe Benefits Estimates Line 3.02

This area of the forecast captures all costs associated with benefits and retirement costs, with all except health insurance being directly related to the wages paid.

A) STRS/SERS

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. It is exclusively used to fund health care.

B) Insurance

The district insurance is on a calendar year premium, therefore we adjust the annual premium change by using a blend of the previous year's rate plus the current year rate. The blended rate change for FY23 is 7.8% increase, the district is expecting a 9% rate increase in FY24 and 10% increase for FY25-FY27. Rate increases are based on claims and insurance trends that are affected by the Affordable Care Act.

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

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to remain at about .59% of wages FY23-FY27 which is in line with historic growth recently. However, the district has been depositing the BWC refunds and rebates into the 027 fund which allows them to pay the premiums from this fund, the total balance of this fund will be used until it has been completely depleted which is expected to be FY27, therefore premiums will not be paid from the general fund until FY28. Unemployment Compensation has been negligible, other than the year of the pandemic, we are forecasting $500 for FY23-FY27which is more in line with previous years.

D) Medicare

Medicare will continue to increase at the rate of increase of wages. 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

There is an increase of $15,000 in FY23 over what was spent in FY22 for tuition reimbursements, which will bring the total to be more in line with previous years.

Estimated Fringe Benefits – Line #3.020

Source	FY23	FY24	FY25	FY26	FY27
A) STRS/SERS	$1,457,947	$1,619,264	$1,650,881	$1,697,505	$1,744,313
B) Insurance's	$2,104,481	$2,293,889	$2,523,922	$2,776,314	$3,053,945
C) Workers Comp/Unemployment	$500	$500	$500	$500	$500
D) Medicare	$135,503	$143,779	$150,479	$154,760	$158,890
E) Other/Tuition	$106,986	$106,986	$106,986	$106,986	$106,986
Total Line 3.020	$3,805,417	$4,164,418	$4,432,768	$4,736,065	$5,064,634

Purchased Services – Line #3.030

HB110 the current state budget will impact Purchased Services 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 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 show these amounts below as zeros to help reflect the difference between projected FY23-FY27 Line 3.03 costs and historical FY20 through FY21 costs on the five-year forecast. We have also decreased $215,752 from other tuition which was the amount that the district had deducted from the foundation payments for Scholarship funding in FY21 that will no longer be deducted due to the direct funding in HB110. College Credit Plus, excess costs and other tuition costs will continue to draw funds away from the district, which will continue in this area and have been adjusted based on historical trend.

Bases services which include but not limited too are meeting expenses, travel and communication services are receiving a 3% increase each year of the forecast.

Also included in purchase services are the repairs and maintenance for the district and the utility costs. The district is forecasting a 2% increase for Building and Maintenance Operations in FY23-FY27. The Utilities are increased by 5% in FY23-FY27.

The amount of property and fleet insurance along with building repair costs have increased more than expected in FY22, therefore we have added an additional $20,000 for the year and will include this increase for future years. The district is increasing the Building & Maintenance Operations for mowing services beginning in FY23.

Professional Support is increasing in FY23 by the amount of ESC services that had been posted to tuition in previous year but should have been coded as a service instead. This will be a one-time correction so that the district recognizes the services and they are shown properly on the financial position for the district report card. In FY23 there will be an additional cost of $65,000 for a School Resource Officer, insurance deductible payment of $25,000 in FY23 only and in FY24 the mental health services that had been paid through ESSER for $97,520 will be returning those costs to the forecast. In FY24 the district is decreasing support from the ESC of Curriculum and the Special Education Supervisor of $145,689.

Source	FY23	FY24	FY25	FY26	FY27
Base Services	$43,268	$44,566	$45,903	$47,280	$48,699
Excess Cost Tuition	$97,554	$99,505	$101,495	$103,525	$105,596
Open Enrollment Deduction	$0	$0	$0	$0	$0
Community & STEM School Deductions	$0	$0	$0	$0	$0
Other Tuition	$194,940	$198,839	$202,816	$206,872	$211,009
Professional Support	$2,183,926	$2,108,084	$2,150,246	$2,193,251	$2,237,116
Building & Maintenance Operations	$158,721	$182,335	$185,982	$189,702	$193,496
Utilities	$294,835	$309,577	$325,056	$341,309	$358,374
Total Line 3.030	$2,973,244	$2,942,906	$3,011,498	$3,081,939	$3,154,289

Supplies and Materials – Line #3.040
An overall inflation of 3% is being estimated for this category of expenses which are characterized by copy paper, maintenance supplies and materials, bus fuel, etc. Additional costs for new curriculum will occur in FY24 for the 4-6 ELA of $138,015 and Math consumable supplies of $51,005 and in FY26 for additional High School Social Studies and Science for $100,000. I-Ready program supplies were paid from ESSER funds through FY24, the cost of these supplies will be included in FY25 for $26,950 and continue throughout the forecast.

Transportation costs are increasing due to the rising fuel costs, an additional $40,000 is being included in the FY23 amount with 3% increases each year for the remainder of the forecast.

Source	FY23	FY24	FY25	FY26	FY27
Supplies	$325,260	$423,306	$273,934	$382,152	$293,617
Building Maintenance	$127,159	$130,974	$134,903	$138,950	$143,119
Transportation	$250,998	$258,528	$266,284	$274,273	$282,501
Total Line 3.040	$703,417	$812,808	$675,121	$795,375	$719,237

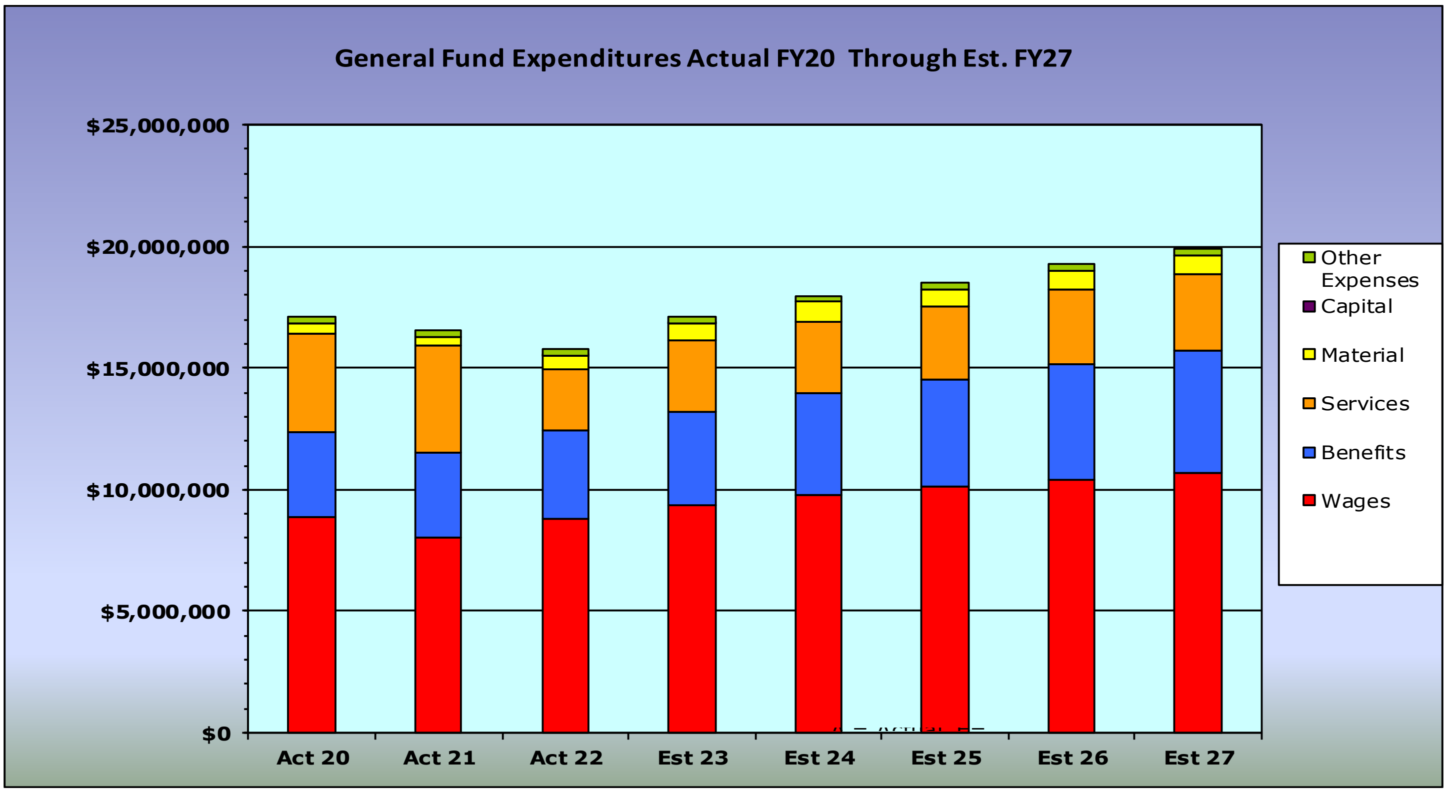
Capital Outlay – Line # 3.050
Most capital outlay is paid through the Permanent Improvement fund. We are not expecting any expenditures from the General Fund at this time during FY23-FY27. The district purchased bus replacement radios in FY23.

Source	FY23	FY24	FY25	FY26	FY27
Capital Outlay	$2,780	$0	$0	$0	$0
Replacement Bus Purchases	$0	$0	$0	$0	$0
Total Line 3.050	$2,780	$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 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 which we are forecasting a 3% increase for FY23-FY27. The county auditor and treasurer fees and the ESC costs we anticipate a 2% increase in FY23-FY27, additionally the County Auditor and Treasurer fees include an increase of $12,000 for FY23.

Source	FY23	FY24	FY25	FY26	FY27
County Auditor & Treasurer Fees	$173,773	$177,248	$180,793	$184,409	$188,097
County ESC	$10,153	$10,356	$10,563	$10,774	$10,990
Other expenses	$76,736	$79,038	$81,409	$83,851	$86,367
Total Line 4.300	$260,662	$266,642	$272,765	$279,034	$285,454

Operating Expenditures Actual FY20 through FY22 and Estimated FY23 through FY27
The graph below shows a quick overview of actual and estimated expenses by proportion to total in the General Fund.



Transfers/Advances out – Line# 5.010
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. The district made a one-time transfer to the principals' fund in the amount of $19,715 and an accounting transfer within the general fund of $106,469 in FY23. The district does not expect to make any transfers to other funds in FY24-FY27. The district expects to annually have $50,000 in advances for grant funds that have not received all the funding at the end of the fiscal year.

Source	FY23	FY24	FY25	FY26	FY27
Operating Transfers Out Line #5.010	$126,184	$0	$0	$0	$0
Advances Out Line #5.020	$400,000	$50,000	$50,000	$50,000	$50,000
Total	$526,184	$50,000	$50,000	$50,000	$50,000

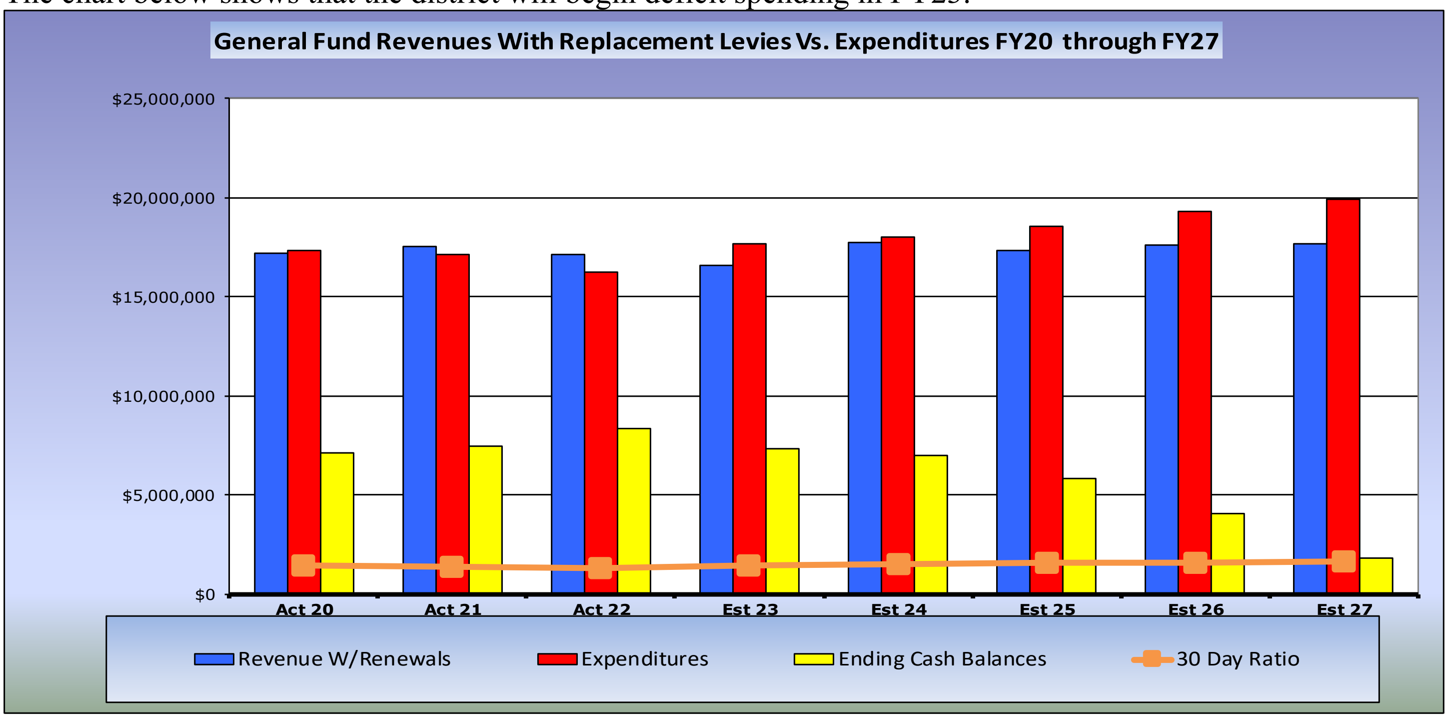
Encumbrances –Line#8.010
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

	FY23	FY24	FY25	FY26	FY27
Estimated Encumbrances	$50,000	$50,000	$50,000	$50,000	$50,000

Ending Unreserved Cash Balance "The Bottom-line"– 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, unless the new alternative 412 certificate can be issued pursuant to HB153 effective after September 30, 2011.

	FY23	FY24	FY25	FY26	FY27
Ending Unreserved Cash Balance	$7,264,307	$6,951,724	$5,755,025	$3,997,868	$1,747,165

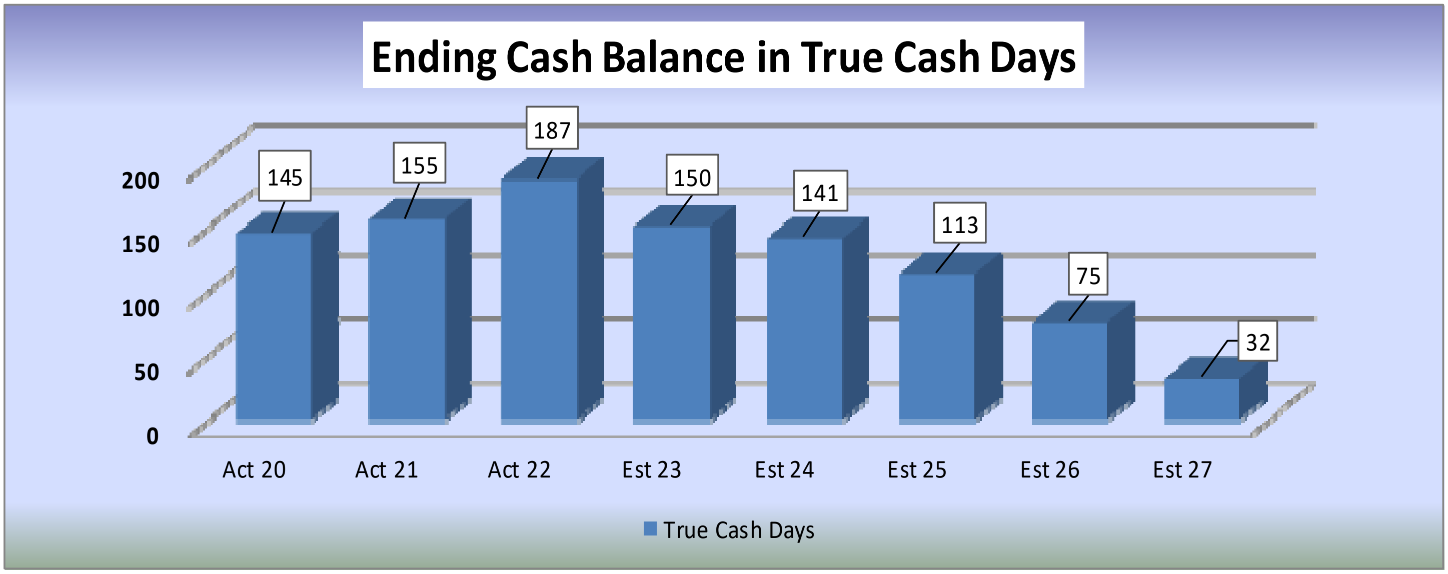
Revenue vs. Expenditures
The chart below shows that the district will begin deficit spending in FY23.



Deficit spending affects the amount of carryover that the district has to plan for the future. When reviewing for the needs of the district we review the amount of spending and what would be needed to remove any deficit spending in order to have positive cash balances on the forecast. The chart below shows the millage for each year that would be needed in order to erase the deficit spending.

	FY23	FY24	FY25	FY26	FY27
Excess Revenue over/(under) Expenditures	(1,049,587)	(312,583)	(1,196,699)	(1,757,157)	(2,250,703)
Millage equivalent for deficit spending	3.49	1.04	3.18	4.66	5.94

True Cash Days Ending Balance
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. The Government Finance Officers Association (GFOA) recommends no less than two (2) months or 60 days cash to be on hand at year end but could be more depending on each district's complexity and risk factors for revenue collection.



Conclusion

Greenon Local School District receives 42.78% of it's funding for the district from state dollars which is very beneficial to the overall operations for the education of our students.

The current state budget, HB110, has now been updated for the May forecast using the Fair School Funding Plan. However, future state funding will be closely monitored as HB33 moves through the legislative process for FY24-25 and the need to watch for changes in future state budgets through FY27.

As the administration plans for the future, they will need to make sure that the district is able to obtain positive cash balance throughout the forecast. They will need to review the expenditures based on the current revenues in able 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.