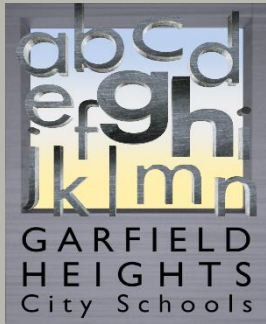


Forecast Overview

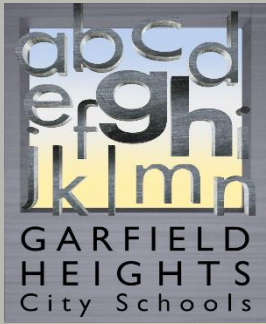
November 2019

NOVEMBER 2019

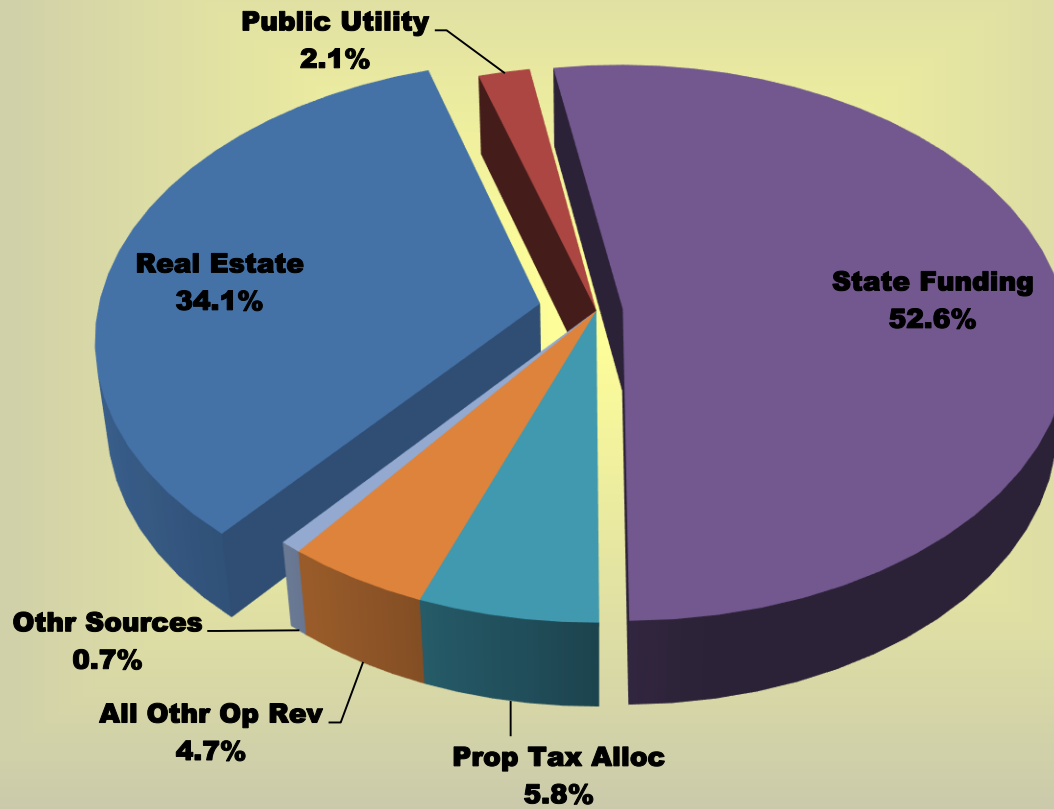


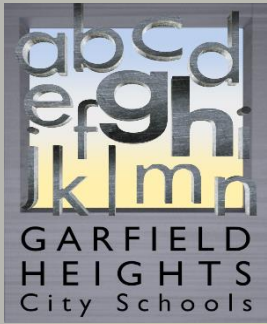
Income and Expense Simplified Statement Projected Fiscal Years

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning Balance	3,016,053	3,442,632	3,121,016	1,035,458	(1,469,885)
+ Revenue	46,166,311	46,116,081	46,942,382	47,770,386	48,331,359
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(45,739,732)	(46,437,698)	(49,027,940)	(50,275,729)	(51,011,176)
= Revenue Surplus or Deficit	426,579	(321,617)	(2,085,558)	(2,505,343)	(2,679,817)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	3,442,632	3,121,016	1,035,458	(1,469,885)	(4,149,703)

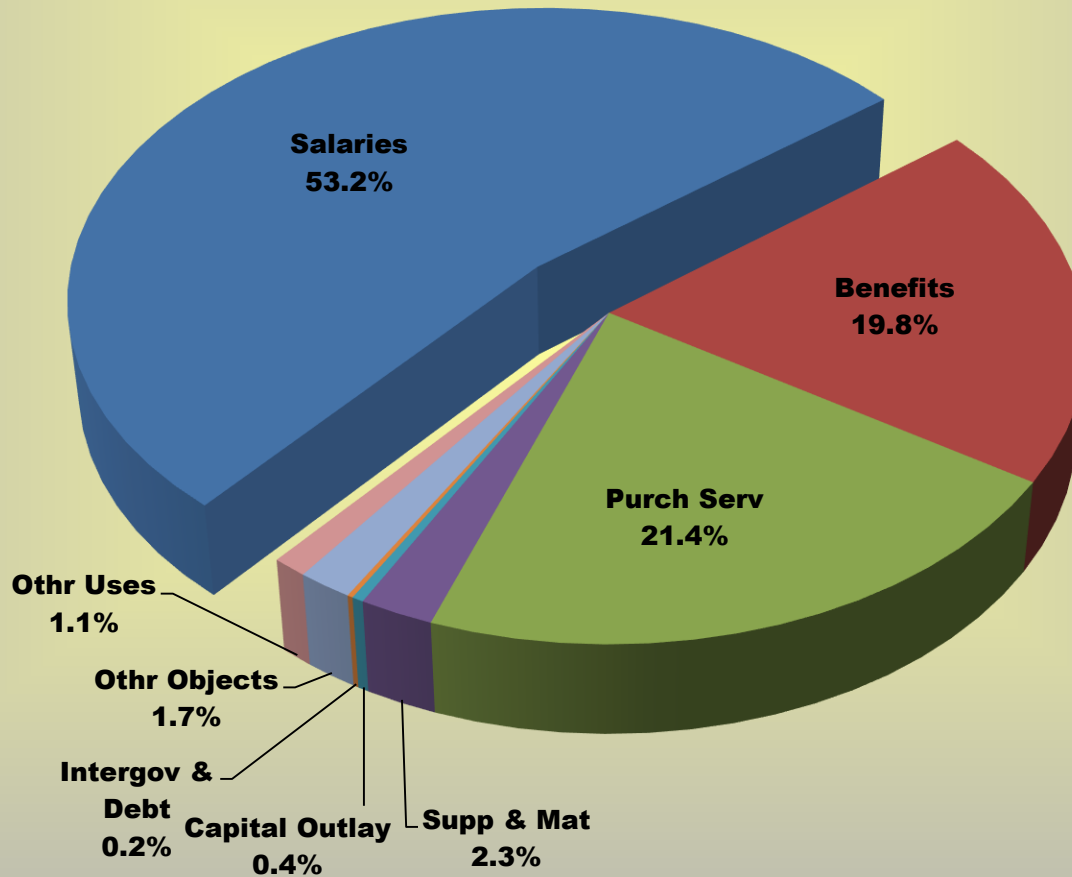


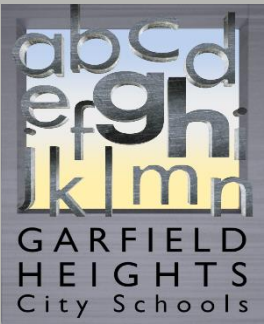
Revenue Summary



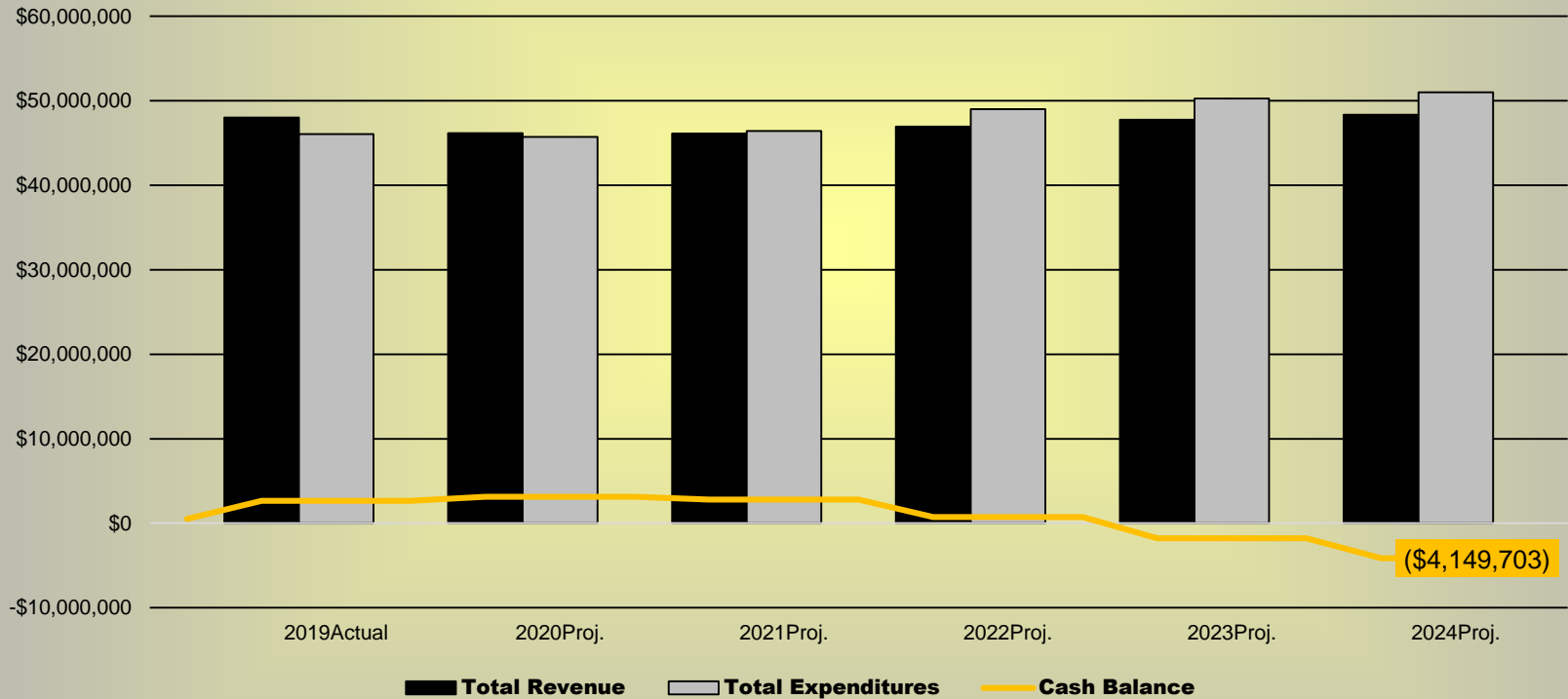


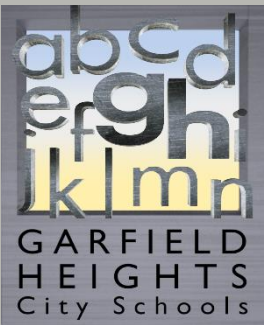
Expenditure Summary





Financial Forecast - Revenue, Expenditures, And Year End Cash Balance

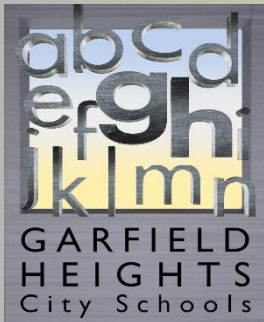




State Funding Base Aid/Wellness

Forecasted Fiscal Years 2020 through 2024

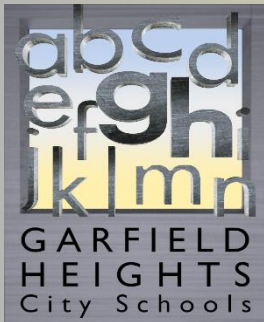
	FORECASTED					
	2019	2020	2021	2022	2023	2024
Total	23,891,889	24,016,898	24,014,836	25,373,887	26,173,849	27,023,863
YOY \$ Change	802,363	125,009	(2,062)	1,359,051	799,962	850,014
YOY % Change	3.5%	0.5%	0.0%	5.7%	3.2%	3.2%
Percentage of Total Revenue	49.7%	52.0%	52.1%	54.1%	54.8%	55.9%
Base Aid	24,029,971	24,029,971	24,029,971	24,029,971	24,029,971	24,029,971
Student Wellness Aid		874,715	1,259,325	1,259,421	1,259,157	1,259,252
Supplemental Aid - Wellness & Growing		-	-	-	-	-
Enrollment	3,422	3,499	3,498	3,498	3,498	3,498



Key Revenue Assumption Changes

Key revenue assumption include the following:

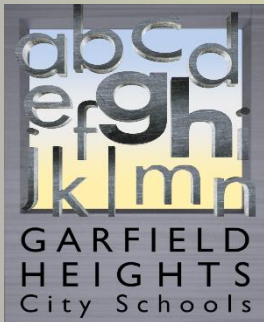
1. Property tax revenue will decrease in Fiscal Year 2020 based a projected reduction in delinquency collections.
2. With over 56% of the district's funding coming from the State of Ohio (State Funding, Restricted Aid and Property Tax Allocation), the state's biennial budget and economic outlook is a major factor in projecting future revenues. The state's current biennial budget for 2020 and 2021 has the district receiving no increase in base funding amount from 2019. We are projecting a 3% increase in base funding for forecasted fiscal years 2022 through 2024 for a 2.5% average over the forecasted fiscal years as compared to an average of 7.3% over the past five years.
3. The district saw a significant one time payment of shared income tax revenue (\$933,000) from the City. This revenue area is projected to decrease significantly in fiscal year 2020.



Key Expenditure Assumptions

Key expenditure assumption include the following:

1. Health Care benefits makes up 52% of the employee benefits which provides Medical, Drug, Dental, Vision and Life insurance coverage to full time employees. Insurance benefit rate projections include not only forecasted increases but any negotiated employee contribution amounts. For forecasted fiscal year 2020, the district saw a 4.39% aggregate increase in health care premiums. For forecasted fiscal years 2021 through 2024, premium increases of 8% in the aggregate is being projected
2. Out of district tuition projected costs represents 65% of the purchase service expenditures. The most significant is Community Schools, Ed-Choice, and Post Secondary. Enrollment in community schools decrease slightly while the other two areas saw have enrollment numbers remaining flatlined. For forecasted fiscal years 2021 through 2024, the district projecting inflationary increases of 3%.
3. Utility costs are projected to be flatlined based on 2019 amounts and cost saving measurers being taken by the district. For forecasted years 2021 through 2024, we are projecting costs to be flatlined.
4. Instructional Software - Instructional software costs increased significantly (203%). These costs are projected at a 2.5% annual inflationary rate for the forecasted years.



Overall Outlook

- For projected fiscal year 2020, the forecast shows a Revenue Surplus and then moving forward in projected fiscal years 2021 through 2024, the forecast shows Revenue Deficits. Carryover balances remains positive in Fiscal Years 2020 through 2022 due to the State's Wellness and Student Success grant funding. At the direction of the State Auditor's Office, the district is not required to show this wellness funding in forecast and has established a separate state fund this. The district will receive \$875,000 in fiscal year 2020 and \$1,259,000 in fiscal year 2021. By establishing a separate fund, we shifted some of our programming expenses to this fund and that expenditure shift is reflected in the current forecast in only fiscal years 2020 and 2021. This district will need to address the revenue deficit in 2022 and the negative fund balance in 2023.
- ADM estimates are included in the forecast and assumes no significant change in enrollment. The District continues to closely monitor enrollment numbers to assess the academic needs of our students and the impact on state funding to the district. Enrollment numbers have remained constant over the previous years.
- The current state biennium budget was passed on June 2019 which covers fiscal years 2020 and 2021 of the forecast. The future of state funding for public schools is unknown beyond 2021. The state legislature has again changed the funding to schools. The net affect of the new state funding has a significant impact on this forecast. State funding is addressed in more detail in the assumptions on Unrestricted and Restricted state funding revenue (1.035 and 1.040).
- The Notes & Assumptions explained in more detail by revenue and expenditure areas in forecast are key variables to the projections and the decisions necessary to balance the budget. The assumptions are those that management believes are significant to the forecast. However, because circumstances and conditions assumed in projections frequently do not occur as expected, and are based on information existing at the time projections are prepared, there will usually be differences between projected and actual results.