

**NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY  
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES  
IN FUND BALANCES FOR THE FISCAL YEARS ENDED  
ACTUAL JUNE 30, 2017, 2018, 2019  
FORECASTED FISCAL YEARS ENDING  
JUNE 30, 2020 THROUGH 2024**



**Forecast Provided By  
NEW ALBANY-PLAIN LOCAL SCHOOL DISTRICT  
Treasurer's Office  
Rebecca Jenkins, Treasurer/CFO  
May 18, 2020**

# New Albany-Plain Local Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2017, 2018 and 2019 Actual;  
Forecasted Fiscal Years Ending June 30, 2020 Through 2024

|  | Actual   |                     |                     |                     | Average<br>Change | Forecasted          |                     |                     |                     |                      |
|--|--|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|  | Fiscal Year<br>2017  | Fiscal Year<br>2018 | Fiscal Year<br>2019 |                     |                   | Fiscal Year<br>2020 | Fiscal Year<br>2021 | Fiscal Year<br>2022 | Fiscal Year<br>2023 | Fiscal Year<br>2024  |
| <b>Revenues</b>                                |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 1.010  | General Property Tax (Real Estate)   | \$47,371,921        | \$50,317,249        | \$49,312,013        | 2.1%              | \$51,375,423        | \$52,074,930        | \$54,138,746        | \$55,200,583        | \$56,040,743         |
| 1.020  | Tangible Personal Property   | \$0                 | -                   | -                   | 0.0%              | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  |
| 1.035  | Unrestricted State Grants-in-Aid   | \$3,875,635         | 4,147,128           | 3,934,584           | 0.9%              | 3,401,937           | 3,344,069           | 3,393,433           | 3,447,762           | 3,452,953            |
| 1.040  | Restricted State Grants-in-Aid   | \$117,194           | 101,335             | 106,318             | -4.3%             | 105,947             | 105,947             | 105,947             | 105,947             | 105,947              |
| 1.045  | Restricted Federal Grants-in-Aid - SFSF/EdJobs   | -                   | -                   | -                   | 0.0%              | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  |
| 1.050  | Property Tax Allocation  | \$5,282,332         | 5,386,914           | 5,438,567           | 1.5%              | 5,436,528           | 5,524,582           | 4,894,968           | 4,913,010           | 4,946,623            |
| 1.060  | All Other Revenues   | 5,017,953           | 5,032,577           | 6,597,615           | 15.7%             | 5,748,007           | 4,882,506           | 4,689,218           | 4,818,216           | 4,923,917            |
| 1.070  | <b>Total Revenues</b>  | <b>\$61,665,034</b> | <b>\$64,985,204</b> | <b>\$65,389,096</b> | <b>3.0%</b>       | <b>\$66,067,842</b> | <b>\$65,932,034</b> | <b>\$67,222,312</b> | <b>\$68,485,518</b> | <b>\$69,470,183</b>  |
| <b>Other Financing Sources</b>                 |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 2.010  | Proceeds from Sale of Notes  | -                   | -                   | -                   | 0.0%              | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  |
| 2.020  | State Emergency Loans and Advancements (Approved)  | -                   | -                   | -                   | 0.0%              | \$0                 | \$0                 | \$0                 | \$0                 | \$0                  |
| 2.040  | Operating Transfers-In   | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                    |
| 2.050  | Advances-In  | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                    |
| 2.060  | All Other Financing Sources  | 30,485              | 219,782             | 355,099             | 341.3%            | 299,423             | 45,000              | 45,000              | 45,000              | 45,000               |
| 2.070  | <b>Total Other Financing Sources</b>   | <b>30,485</b>       | <b>219,782</b>      | <b>355,099</b>      | <b>341.3%</b>     | <b>299,423</b>      | <b>45,000</b>       | <b>45,000</b>       | <b>45,000</b>       | <b>45,000</b>        |
| 2.080  | <b>Total Revenues and Other Financing Sources</b>  | <b>\$61,695,519</b> | <b>\$65,204,986</b> | <b>\$65,744,195</b> | <b>3.3%</b>       | <b>\$66,367,265</b> | <b>\$65,977,034</b> | <b>\$67,267,312</b> | <b>\$68,530,518</b> | <b>\$69,515,183</b>  |
| <b>Expenditures</b>                            |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 3.010  | Personal Services  | 32,266,046          | \$34,906,989        | \$37,030,927        | 7.1%              | \$39,101,479        | \$43,041,231        | \$45,152,124        | \$46,959,591        | \$48,597,476         |
| 3.020  | Employees' Retirement/Insurance Benefits   | 11,019,706          | 11,003,412          | 11,104,180          | 0.4%              | 11,739,780          | 12,719,106          | 13,479,784          | 14,209,337          | 14,921,785           |
| 3.030  | Purchased Services   | 6,403,519           | 6,360,831           | 6,299,834           | -0.8%             | 7,154,634           | 7,429,371           | 7,614,981           | 7,806,942           | 8,005,506            |
| 3.040  | Supplies and Materials   | 1,592,730           | 1,707,613           | 2,559,389           | 28.5%             | 1,899,385           | 2,057,373           | 2,098,520           | 2,140,490           | 2,183,300            |
| 3.050  | Capital Outlay   | 800,143             | 704,842             | 718,597             | -5.0%             | 1,192,846           | 1,602,431           | 1,622,604           | 1,643,382           | 1,664,784            |
| 3.060  | Intergovernmental  | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                    |
| Debt Service:                                  |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 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   | 205,000             | 215,000             | 225,000             | 4.8%              | 235,000             | 0                   | 0                   | 0                   | 0                    |
| 4.055  | Principal-Other  | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | 0                    |
| 4.060  | Interest and Fiscal Charges  | 31,100              | 22,700              | 13,900              | -32.9%            | 4,700               | 0                   | 0                   | 0                   | 0                    |
| 4.300  | Other Objects  | 963,602             | 940,179             | 993,070             | 1.6%              | 1,287,085           | 1,297,956           | 1,308,935           | 1,320,024           | 1,331,224            |
| 4.500  | <b>Total Expenditures</b>  | <b>\$53,281,845</b> | <b>\$55,861,566</b> | <b>\$58,944,898</b> | <b>5.2%</b>       | <b>\$62,614,909</b> | <b>\$68,147,468</b> | <b>\$71,276,948</b> | <b>\$74,079,766</b> | <b>\$76,704,075</b>  |
| <b>Other Financing Uses</b>                    |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 5.010  | Operating Transfers-Out  | 920,000             | 6,012,650           | 3,440,000           | 255.4%            | \$4,400,000         | \$2,500,000         | \$2,500,000         | \$2,500,000         | \$2,500,000          |
| 5.020  | Advances-Out   | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                    |
| 5.030  | All Other Financing Uses   | 506,309             | 593,629             | 642,286             | 12.7%             | \$660,000           | \$700,000           | \$725,000           | \$750,000           | \$775,000            |
| 5.040  | <b>Total Other Financing Uses</b>  | <b>1,426,309</b>    | <b>6,606,279</b>    | <b>4,082,286</b>    | <b>162.5%</b>     | <b>5,060,000</b>    | <b>3,200,000</b>    | <b>3,225,000</b>    | <b>3,250,000</b>    | <b>3,275,000</b>     |
| 5.050  | <b>Total Expenditures and Other Financing Uses</b>   | <b>\$54,708,154</b> | <b>\$62,467,845</b> | <b>\$63,027,184</b> | <b>7.5%</b>       | <b>\$67,674,909</b> | <b>\$71,347,468</b> | <b>\$74,501,948</b> | <b>\$77,329,766</b> | <b>\$79,979,075</b>  |
| 6.010  | <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b> | <b>6,987,365</b>    | <b>2,737,141</b>    | <b>2,717,011</b>    | <b>-30.8%</b>     | <b>(1,307,644)</b>  | <b>(5,370,434)</b>  | <b>(7,234,636)</b>  | <b>(8,799,249)</b>  | <b>(10,463,893)</b>  |
| 7.010  | Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies                              | 16,747,887          | 23,735,252          | 26,472,394          | 26.6%             | 29,189,404          | 27,881,760          | 22,511,325          | 15,276,689          | 6,477,440            |
| 7.020  | <b>Cash Balance June 30</b>  | <b>23,735,252</b>   | <b>26,472,394</b>   | <b>29,189,404</b>   | <b>10.9%</b>      | <b>27,881,760</b>   | <b>22,511,325</b>   | <b>15,276,689</b>   | <b>6,477,440</b>    | <b>(3,986,452)</b>   |
| 8.010  | <b>Estimated Encumbrances June 30</b>  | <b>625,768</b>      | <b>507,416</b>      | <b>600,263</b>      | <b>-0.3%</b>      | <b>618,271</b>      | <b>636,819</b>      | <b>655,924</b>      | <b>675,601</b>      | <b>695,869</b>       |
| <b>Reservation of Fund Balance</b>             |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 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  | <b>Subtotal</b>  | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>0.0%</b>       | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>           |
| 10.010   | <b>Fund Balance June 30 for Certification of Appropriations</b>  | <b>\$23,109,484</b> | <b>\$25,964,978</b> | <b>\$28,589,141</b> | <b>11.2%</b>      | <b>\$27,263,489</b> | <b>\$21,874,506</b> | <b>\$14,620,765</b> | <b>\$5,801,839</b>  | <b>(\$4,682,322)</b> |
| <b>Revenue from Replacement/Renewal Levies</b> |  |                     |                     |                     |                   |                     |                     |                     |                     |                      |
| 11.010   | Income Tax - Renewal   | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                    |
| 11.020   | Property Tax - Renewal or Replacement  | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                    |
| 11.300   | <b>Cumulative Balance of Replacement/Renewal Levies</b>  | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>0.0%</b>       | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>             |
| 12.010   | <b>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</b>       | <b>\$23,109,484</b> | <b>\$25,964,978</b> | <b>\$28,589,141</b> | <b>11.2%</b>      | <b>\$27,263,489</b> | <b>\$21,874,506</b> | <b>\$14,620,765</b> | <b>\$5,801,839</b>  | <b>(\$4,682,322)</b> |

## New Albany-Plain Local Schools

Franklin County

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2017, 2018 and 2019 Actual;  
Forecasted Fiscal Years Ending June 30, 2020 Through 2024

|   | Actual              |                     |                     | Average<br>Change | Forecasted          |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Fiscal Year<br>2017 | Fiscal Year<br>2018 | Fiscal Year<br>2019 |                   | Fiscal Year<br>2020 | Fiscal Year<br>2021 | Fiscal Year<br>2022 | Fiscal Year<br>2023 | Fiscal Year<br>2024 |
| <b>Revenue from New Levies</b>                |                     |                     |                     |                   |                     |                     |                     |                     |                     |
| 13.010 Income Tax - New                       | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                   |
| 13.020 Property Tax - New                     | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                   |
| 13.030 Cumulative Balance of New Levies       | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                   |
| 14.010 Revenue from Future State Advancements | -                   | -                   | -                   | 0.0%              | -                   | -                   | -                   | -                   | -                   |
| 15.010 <i>Unreserved Fund Balance June 30</i> | \$23,109,484        | \$25,964,978        | \$28,589,141        | 11.2%             | \$27,263,489        | \$21,874,506        | \$14,620,765        | \$5,801,839         | (\$4,682,322)       |
| 20.010 Kindergarten -ADM count                | 159                 | 228                 | 242                 |                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| 20.015 Grades -ADM count                      | 4519                | 4493                | 4553                |                   | 0                   | 0                   | 0                   | 0                   | 0                   |

See accompanying forecast notes and assumptions for more detailed information concerning estimates.  
Includes: General Fund and portions of Debt Service Fund related to General Fund HB264 debt.

**New Albany-Plain Local School District – Franklin County**  
**Notes to the Five Year Forecast**  
**General Fund Only**  
**May 18, 2020**

**DISTRICT MISSION:**

*To ensure the development of high-achieving, ethical, self-directed, and intellectually curious citizens of the world.*

**STATEMENT OF PURPOSE:**

*To create a culture of accountability that achieves the best academic and developmental outcomes for each student.*

**2019-2020 CONTINUOUS IMPROVEMENT PLAN**

**Commitment to Excellence**

The New Albany-Plain Local School District is committed to creating a culture of accountability that achieves the best academic and developmental outcomes for each student. The District aspires, by September 2023, to be ranked in the top 10 or higher of all public school districts for student achievement in the State of Ohio as reported by the Ohio Department of Education (ODE) Performance Index Ranking. As our long term commitment, we aspire to become and remain the best rated school district in the State of Ohio.

**Focus**

All employees will be accountable for implementing research-based practices including a rigorous and aligned curriculum, common assessments, focused instruction and data-driven decisions to achieve the best academic and developmental outcomes for every student within a fiscally sustainable budget.

**Benchmarks and Indicators**

**Benchmark 1: Increase achievement**

- Increase the district performance index rank as compared to all Ohio school districts on the Local Report Card from #17 to #16 or better.

**Benchmark 2: Facilitate a year or more of growth for every year of instruction**

- Earn a Progress Component Grade of B or better on the Local Report Card.

**Benchmark 3: Meet or exceed State's achievement gap closing standards for identified subgroups**

- Earn a Gap Closing Component Grade of A on the Local Report Card.

**Benchmark 4: Graduate students who are college and career ready**

- Continue to earn a grade of A for the graduation rate component on the Local Report Card.
- Students in the Class of 2020 taking the ACT or SAT will earn a mean score that is at least 20% higher than the state average as reported by the ACT College Readiness Report or the SAT Cohort Annual Report
- Administer the PSAT to all eighth graders and the SAT to all juniors during the 2019-20 school year.

**Benchmark 5: Enhance school culture and social-emotional well-being**

- Administer age-appropriate student climate surveys to measure the percentage of students who feel safe at school, supported, and have at least one staff member to approach with problems, and the effectiveness of specific programs offered in grade-levels.
- Implement age-appropriate student programs, including the R-Factor, to enhance school and district climate, culture, and well-being.

**Benchmark 6: Demonstrate sustainable fiscal management**

- Reduce FY20 Five Year Forecast Line Item 4.500 (Total Expenditures) by at least \$605,000 resulting in a 1% reduction in total expenditures, to positively increase the District's Five Year Forecast.

**Benchmark 7: Ensure community engagement and stakeholder satisfaction**

- Administer parent and staff surveys to measure the level of satisfaction with educational quality, school culture, communications, student services, climate and/or fiscal management.
- Implement at least three strategies during the 2019-20 school year to increase school district awareness and engagement of senior citizens, adults without children enrolled, and Plain Township residents based upon community survey results received.

**Board adopted – September 23, 2019**

The 2019-20 year will be known as the COVID-19 year. During this unprecedented time we saw school buildings closed to students, the general population under a state and national stay at home order, remote learning for students and all testing eliminated. Our students' world would be turned upside down. Due to the measures put in place during the COVID-19 outbreak many of our district's CIP goals listed above will not be attainable. Though learning has continued, albeit not in an ideal setting, the district will not have the data necessary to measure these goals which will likely impact some performance related personnel expenses.

### **Introduction to the Five Year Forecast**

For fiscal year 2020 (July 1, 2019 – June 30, 2020) school districts in Ohio are required to file a five (5) year financial forecast by November 30 or 31 2019, and May 31, 2020. HB87, effective November 1, 2018, changed the filing date from October 31 to November 30 beginning with the November filing in 2019. The May 31 filing date remains unchanged. The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. HB166, the new state biennium budget provided new restricted state funding to school districts in Fiscal Years 20 and 21 specifically for Student Wellness and Success. These revenues are restricted and are required to be accounted for in a Special Revenue Fund (Fund 467) and are NOT included in this forecast.

This forecast does not include increased or decreased costs consistent with how schools will be permitted to open in August. We will monitor revenue variables and actions taken by the State with regard to education delivery and include those changes in the October forecast filing.

### **Economic Outlook During The COVID-19 Global Pandemic**

This five-year forecast is filed in the midst of a health and financial struggle that encompasses our state, country and global economy. School districts play a vital role in their communities and we believe it is important to maintain continuity of services to our students and staff. The district is following events and conducting video conferences daily to plan, what we believe, is the best course of action during a time of unprecedented uncertainty. State and local resources are going to be under extreme stress as we continue through and eventually recover from the pandemic. We have reviewed historical data from the Great Recession of 2008, but there is no historic data or situation to compare to what the district is facing now. The current pandemic situation makes it extremely challenging to project where our finances will be through fiscal year 2024. Data and assumptions noted in this forecast were based on the best and most reliable data available to us as of the date of this forecast.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information please feel free to contact Rebecca Jenkins, Treasurer/CFO at 614-855-2040.

### **May 2020 Updates:**

#### **Revenues FY20:**

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 \$66,932,972 or 2.05% lower than the November forecasted amount of \$68,336,327 due to known and anticipated reductions due to affects from COVID-19. This indicates the November forecast was 97.95% accurate.

#### **Expenditures FY20:**

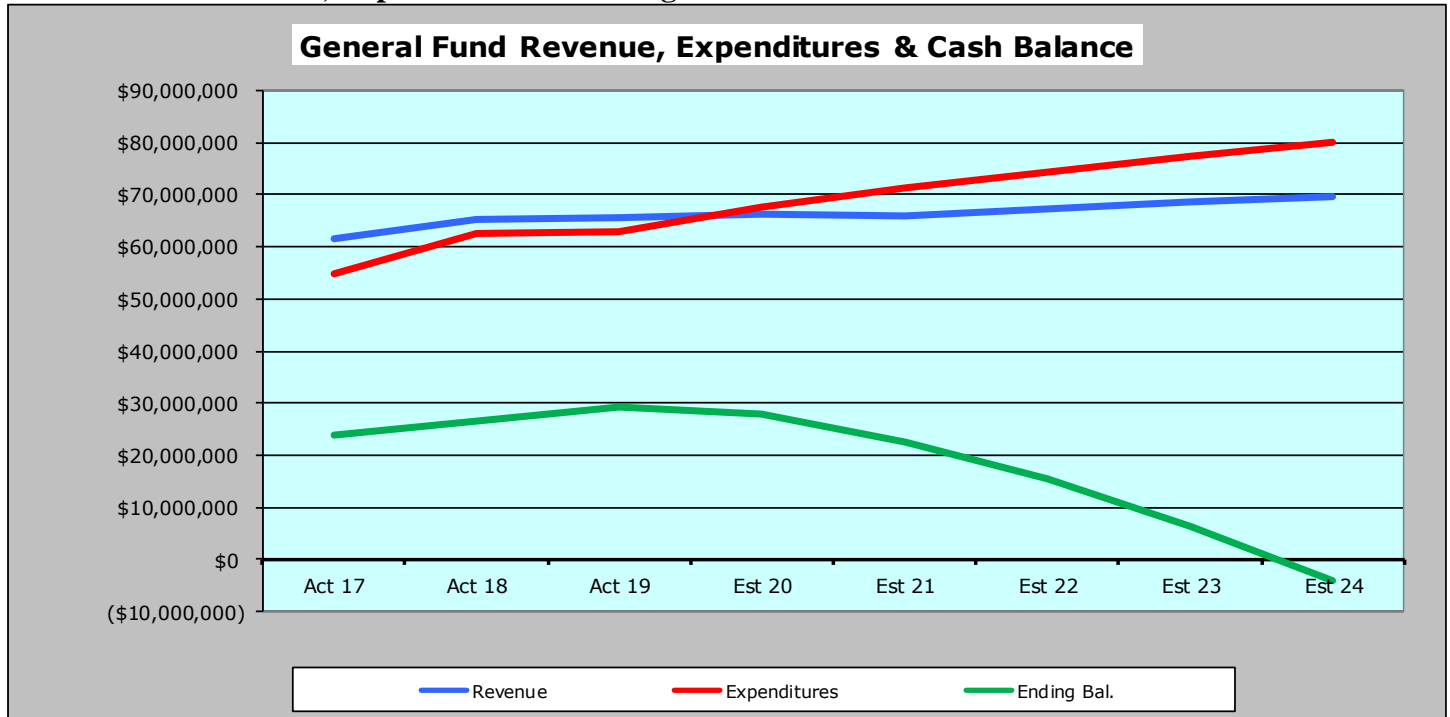
Total General Fund expenditures (line 4.5) are estimated to be \$62,614,909 for FY20 which is below the original estimate of \$63,346,073 in the November forecast. The expenditure lines most significantly below projections are Personnel Services due to attrition and new hire savings, Retirement/Benefits due to lower premium increase, Purchased Services due to utility savings and state foundation deductions coming in under

budget and Capital Outlay due to a transfer to the permanent improvement fund. This will have a positive effect on the long term forecast.

**Unreserved Ending Cash Balance:**

With decreased revenues and expenditures ending below estimates, our ending unreserved cash balance June 30, 2020 is anticipated to be roughly \$28.1 million which is lower than originally projected, again, due to the financial impact of COVID-19. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be decrease more rapidly than expected through 2024 if assumptions we have made due to the current economic situation hold true. We will continue to monitor and update our financial projections as we obtain more data.

**General Fund Revenue, Expenditure and Ending Cash Balance:**

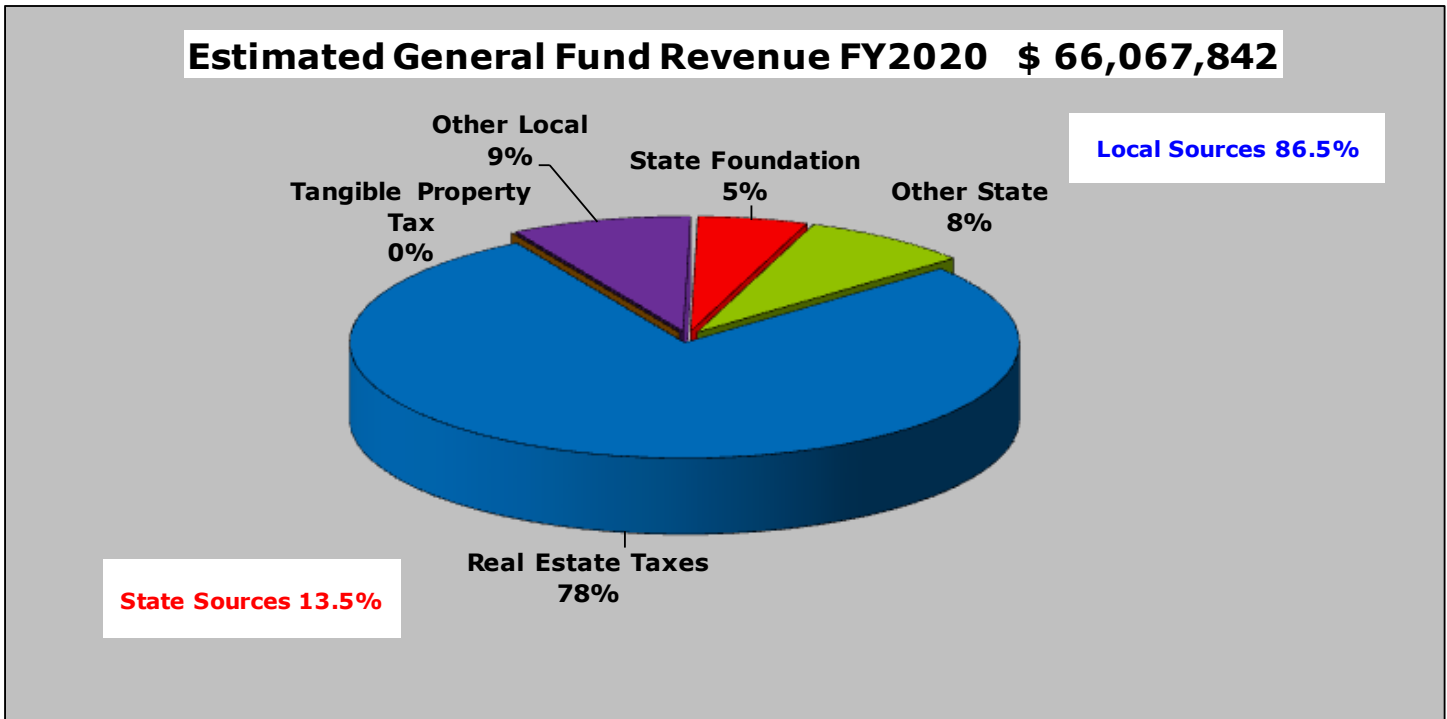


**Enrollment Growth**

Enrollment growth is a key driver of District expenditures. Below is a snapshot of both actual historical and future projected growth. The 2018 Future Think enrollment projection report is the source of the actual and projected numbers below. The District began using the “Low” projection due to the lower to flat enrollment experienced in FY16. We will monitor this growth and revise accordingly.

| Grade        | FY09         | FY10         | FY11         | FY12         | FY13         | FY14         | FY15         | FY16         | FY17         | FY18         | FY19         | FY20         | FY21         | FY22         | FY23         |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Pre-K-K      | 310          | 309          | 319          | 282          | 327          | 294          | 268          | 307          | 253          | 433          | 432          | 433          | 448          | 440          | 437          |
| 1-3          | 990          | 1,012        | 1,087        | 1,112        | 1,130        | 1,134        | 1,122        | 1,087        | 1,073        | 1,051        | 1,088        | 1,099        | 1,153        | 1,167        | 1,175        |
| 4-6          | 949          | 998          | 1,118        | 1,138        | 1,162        | 1,166        | 1,206        | 1,208        | 1,178        | 1,115        | 1,105        | 1,079        | 1,054        | 1,094        | 1,103        |
| 7-8          | 620          | 624          | 607          | 690          | 765          | 801          | 817          | 768          | 790          | 824          | 769          | 752          | 750          | 697          | 715          |
| 9-12         | 1,131        | 1,148        | 1,197        | 1,210        | 1,264        | 1,337        | 1,410        | 1,484        | 1,553        | 1,536        | 1,543        | 1,544        | 1,507        | 1,518        | 1,465        |
| <b>Total</b> | <b>4,000</b> | <b>4,091</b> | <b>4,328</b> | <b>4,432</b> | <b>4,648</b> | <b>4,732</b> | <b>4,823</b> | <b>4,854</b> | <b>4,847</b> | <b>4,959</b> | <b>4,937</b> | <b>4,907</b> | <b>4,912</b> | <b>4,916</b> | <b>4,895</b> |

**Revenue Assumptions**  
**Estimated General Fund Revenue for FY20**



**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. A reappraisal update will occur in 2020 for collection in 2021 for which we are estimating a 12.5% increase in residential and a 2% increase for commercial/industrial property. These estimates are based on communication from the Franklin County Auditor regarding the Franklin County sales to market ratio.

New construction growth is projected at 1% of total tax values as a base amount then known material new construction is added to the base amount in all future years. This forecast also includes the abated real estate values rolling onto the tax duplicate as the associated abatements expire. As explained in the “All Other Financial Sources” section below there is an offsetting reduction in the associated income tax sharing agreements which was included in those agreements and expected by the District. In most instances the real estate tax gain is greater than the reduction in income tax sharing. An additional increase in new construction is added to the projection in the years where the abatement expires. Outside of the impact of a new levy, tax collections are anticipated to grow at a rate consistent with new construction and any other value adjustments considered new construction made by the Franklin County Auditor.

It is important to note that Real Estate Collections have been at 99% collection for several years. This is due to the increased collection of delinquent taxes. We have increased delinquent taxes for FY21 based on the current financial crises. It is anticipated that delinquent taxes will return to a more normal rate in future years. This will have to be monitored to determine whether to extend the increased delinquent tax rate into future years.

As mentioned earlier and as noted on Line 1.01, the December 2017 Federal Tax law changes to the deductibility of State and Local Tax (SALT) caused the first half 2018 tax collections to be and estimated \$1,075,000 higher and resulted in the second half 2018 (affects FY19) being lower by this amount. This resulted in FY18 tax collections being higher and FY19 will be lower. This was an event that caused onetime

cash flow acceleration only and is not additional new taxes. Tax collections are expected to return to normal collections for FY20.

**ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS**

| <u>Classification</u>    | Estimated                     | Estimated                     | Estimated                     | Estimated                     | Estimated                     |
|--------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                          | TAX YEAR 2019<br>COLLECT 2020 | TAX YEAR 2020<br>COLLECT 2021 | TAX YEAR 2021<br>COLLECT 2022 | TAX YEAR 2022<br>COLLECT 2023 | TAX YEAR 2023<br>COLLECT 2024 |
| Res./Ag.                 | \$799,260,780                 | \$900,418,378                 | \$901,668,378                 | \$902,918,378                 | \$960,600,776                 |
| Comm./Ind.               | \$174,549,980                 | \$184,540,980                 | \$194,040,980                 | \$204,540,980                 | \$211,131,799                 |
| Public Utility (PUPP)    | \$55,440,580                  | \$56,190,580                  | \$56,940,580                  | \$57,690,580                  | \$58,440,580                  |
| Tangible Prop.(TPP)      | \$0                           | \$0                           | \$0                           | \$0                           | \$0                           |
| Total Assessed Valuation | <u>\$1,029,251,340</u>        | <u>\$1,141,149,938</u>        | <u>\$1,152,649,938</u>        | <u>\$1,165,149,938</u>        | <u>\$1,230,173,155</u>        |

**ESTIMATED REAL ESTATE TAX (Line #1.010)**

| <u>Source</u>                   | FY20         | FY21         | FY22         | FY23         | FY24         |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| Est. Prop. Taxes Including PUPP | \$51,375,423 | \$52,074,930 | \$54,138,746 | \$55,200,583 | \$56,040,743 |

In general, 53.5% of the new Res/Ag and Comm/Ind. is expected to be collected annually in February tax settlements and 46.5% is collected in August tax settlements. Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in February and 50% in August settlement from the Franklin County Auditor.

**State Foundation Revenue Estimates**

**Unrestricted State Foundation Revenue– Line #1.035**

The amounts estimated for state funding are based on HB166 funding simulations which essentially guarantee all school districts the same amount of state aid they received in FY19. Essentially funding for all 610 traditional school districts and 49 Joint Vocational and Career Centers is frozen for FY20 and 21 at the FY19 funding level for state basic aid. The State Foundation Funding Formula used since FY14 has now been abandoned after six (6) years. HB305 is currently being considered by the legislature and may produce a successor funding formula for the FY22-23 biennium budget but there is nothing to base future projections on. For this reason we have projected state aid flat through FY24 as we have nothing authoritative to rely on at this time. **Note: state funding could be cut for FY20 and/or FY21, and future revenues reduced as a result of COVID-19 Pandemic. We have projected a 10% reduction in state foundation payments beginning in FY21 and remaining at that level throughout the forecast.**

At this time our district is planning on adding new initiatives to service student needs per our plan as identified in 3317.26 (B) which will be funded in the new Fund 467. We anticipate that these funds will be discontinued in FY22-24. Should this funding cease to exist after FY22 the district will either eliminate the program(s) or use exiting new full-time equivalents (FTE or new hires) to continue the program(s) without a negative impact to the five-year forecast.

**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 31<sup>st</sup> of January and August each year which began for the first time on January 31, 2013.

The state continues to report that revenues from casinos are not growing robustly as originally predicted but are still growing as the economy has improved. Actual numbers generated for FY19 statewide were 1,785,583 students at \$52.59 per pupil. That is a decline of .36% students from the prior year. For FY20-24 we estimated



a .4% decline in pupils to 1,778,441 and GCR increasing to \$95.5 million or \$53.75 per pupil. We will increase estimates for out years when actual casino revenues show signs of stronger increases.

**A) Unrestricted State Foundation Revenue BRIDGE Form – Line #1.035**

| <u>Source</u>                             | <u>FY20</u>        | <u>FY21</u>        | <u>FY22</u>        | <u>FY23</u>        | <u>FY24</u>        |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Basic Aid-Unrestricted                    | \$2,762,847        | \$2,762,847        | \$2,762,847        | \$2,762,847        | \$2,762,847        |
| Additional Aid Items                      | <u>\$378,793</u>   | <u>\$423,474</u>   | <u>\$423,474</u>   | <u>\$423,474</u>   | <u>\$423,474</u>   |
| Basic Aid-Unrestricted Subtotal           | \$3,141,640        | \$3,186,321        | \$3,186,321        | \$3,186,321        | \$3,186,321        |
| Ohio Casino Commission ODT                | <u>\$260,297</u>   | <u>\$157,748</u>   | <u>\$207,112</u>   | <u>\$261,441</u>   | <u>\$266,632</u>   |
| Total Unrestricted State Aid Line # 1.035 | <u>\$3,401,937</u> | <u>\$3,344,069</u> | <u>\$3,393,433</u> | <u>\$3,447,762</u> | <u>\$3,452,953</u> |

**B) Restricted State Revenues – Line # 1.040**

HB166 continues funding two restricted sources of revenues to school districts which are Economic Disadvantaged Funding and Career Technical Education Funding. The district has elected to also post Catastrophic Aid for special education as restricted revenues. The funding sources are estimated to remain stable each remaining year of the forecast.

| <u>Source</u>                               | <u>FY20</u>      | <u>FY21</u>      | <u>FY22</u>      | <u>FY23</u>      | <u>FY24</u>      |
|---|------------------|------------------|------------------|------------------|------------------|
| Economically Disadvantage Aid               | \$237            | \$237            | \$237            | \$237            | \$237            |
| Catastrophic Aid                            | \$105,000        | \$105,000        | \$105,000        | \$105,000        | \$105,000        |
| Career Tech - Restricted                    | <u>\$710</u>     | <u>\$710</u>     | <u>\$710</u>     | <u>\$710</u>     | <u>\$710</u>     |
| Total Restricted State Revenues Line #1.040 | <u>\$105,947</u> | <u>\$105,947</u> | <u>\$105,947</u> | <u>\$105,947</u> | <u>\$105,947</u> |

**C) Restricted Federal Grants in Aid – line #1.045**

There are no restricted federal funds projected for the forecast period.

| <u>SUMMARY</u>                      | <u>FY20</u>        | <u>FY21</u>        | <u>FY22</u>        | <u>FY23</u>        | <u>FY24</u>        |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Unrestricted Line # 1.035           | \$3,401,937        | \$3,344,069        | \$3,393,433        | \$3,447,762        | \$3,452,953        |
| Restricted Line # 1.040             | \$105,947          | \$105,947          | \$105,947          | \$105,947          | \$105,947          |
| Restricted Fed. SFSF /EdJobs #1.045 | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         |
| Total State Foundation Revenue      | <u>\$3,507,884</u> | <u>\$3,450,016</u> | <u>\$3,499,380</u> | <u>\$3,553,709</u> | <u>\$3,558,900</u> |

**Property Tax Allocation Line 1.050**

**Rollback and Homestead Reimbursement**

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

Homestead Exemptions are also credits paid to the district from the state of Ohio for qualified elderly and disabled tax payers. In 2007 HB119 expanded the Homestead Exemption for all seniors 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013 HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who 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 from taxpayers.

### Summary of State Tax Reimbursement – Line #1.050

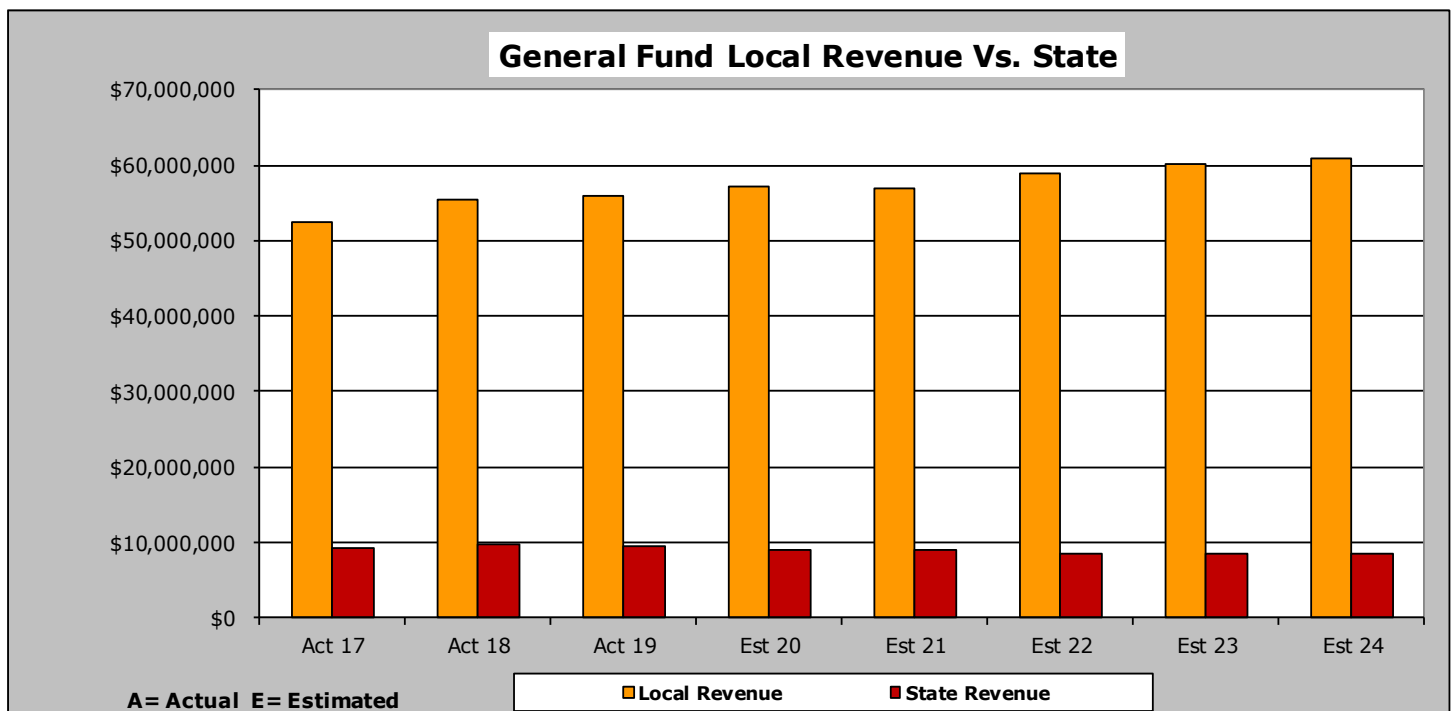
| <u>Source</u>                                 | <b>FY20</b>        | <b>FY21</b>        | <b>FY22</b>        | <b>FY23</b>        | <b>FY24</b>        |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Rollback and Homestead                        | \$5,436,528        | \$5,524,582        | \$4,894,968        | \$4,913,010        | \$4,946,623        |
| TPP Reimbursement - Fixed Rate                | \$0                | \$0                | \$0                | \$0                | \$0                |
| TPP Reimbursement - Fixed Sum                 | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         |
| Total Tax Reimb./Prop Allocations Line #1.050 | <u>\$5,436,528</u> | <u>\$5,524,582</u> | <u>\$4,894,968</u> | <u>\$4,913,010</u> | <u>\$4,946,623</u> |

### Other Local Revenues – Line #1.060

Revenues from all other sources are based on historical growth patterns. This revenue largely consists of income tax sharing revenue and pay-to-participate fees as well as some rental income, tuition payments, and investment income. The income tax sharing portion is projected to decrease based on conversations with the City of New Albany. As abatements begin to expire real estate tax collections will increase as explained in the “Real Estate Value Assumption” section above. This also causes income tax sharing to decrease in accordance with the abatement agreements in place. Due to the COVID-19 economic crisis the district expects interest income to decline substantially beginning in FY21-FY24. Income tax sharing with the City of New Albany is also expected to decline beginning in FY21 and continue into FY21 with slight increases beginning in FY22. The district has also decided to waive/refund spring pay to participate fees, program tuition and other fees which reduced those revenue sources by \$350,000 in FY20 and continuing with some increase in FY21-FY24.

| <u>Source</u>            | <b>FY20</b>        | <b>FY21</b>        | <b>FY22</b>        | <b>FY23</b>        | <b>FY24</b>        |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Tuition                  | \$892,129          | \$914,432          | \$937,293          | \$960,725          | \$984,743          |
| Interest                 | \$908,003          | \$454,002          | \$113,501          | \$141,876          | \$144,714          |
| Income Tax Sharing       | \$3,300,000        | \$2,700,000        | \$2,754,000        | \$2,809,080        | \$2,865,262        |
| Other Income and rentals | <u>\$647,875</u>   | <u>\$814,072</u>   | <u>\$884,424</u>   | <u>\$906,535</u>   | <u>\$929,198</u>   |
| Total Line # 1.060       | <u>\$5,748,007</u> | <u>\$4,882,506</u> | <u>\$4,689,218</u> | <u>\$4,818,216</u> | <u>\$4,923,917</u> |

### Comparison of Local Revenue and State Revenue:



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

There is no short term borrowing planned in this forecast at this time from any sources.

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

Returns of advances to other funds from the previous year comprise most of the historical revenue in this category.

**All Other Financial Sources – Line #2.060**

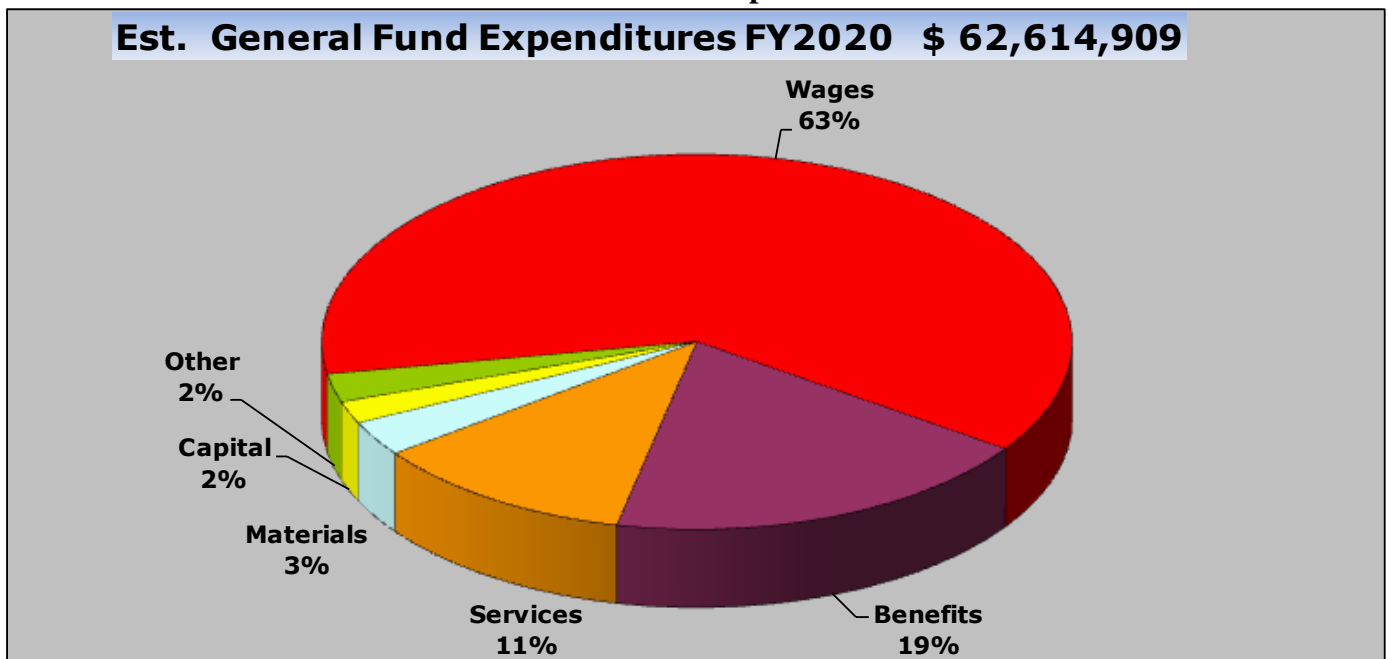
The district receives income tax sharing revenue from agreements with the City of New Albany. As those agreements expire the property value will roll onto the tax duplicate and the income tax sharing will cease. In most instances the commercial real estate collected is slightly higher than the revenue from the income tax sharing agreements.

The district has also expanded its All-Day Kindergarten program which is a tuition based program.

| <u>Source</u>            | <u>FY20</u>        | <u>FY21</u>        | <u>FY22</u>        | <u>FY23</u>        | <u>FY24</u>        |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Tuition                  | \$892,129          | \$914,432          | \$937,293          | \$960,725          | \$984,743          |
| Interest                 | \$908,003          | \$454,002          | \$113,501          | \$141,876          | \$144,714          |
| Income Tax Sharing       | \$3,300,000        | \$2,700,000        | \$2,754,000        | \$2,809,080        | \$2,865,262        |
| Other Income and rentals | \$647,875          | \$814,072          | \$884,424          | \$906,535          | \$929,198          |
| Total Line # 1.060       | <u>\$5,748,007</u> | <u>\$4,882,506</u> | <u>\$4,689,218</u> | <u>\$4,818,216</u> | <u>\$4,923,917</u> |

**Expenditures Assumptions**

**Estimated General Fund Expenditures for FY20**



**Wages – Line #3.010**

The model reflects 1% base increase in FY19-FY20 as negotiated and 1% in base salary increases in FY21-FY24 for planning purposes. This negotiated agreement also reflects a standardized 2.5% step increase due to a complete change to the PLEA salary schedule where all steps are 2.5% over a 26 year period. This change ensures the district will not see a “boom and bust” salary cycle. The district included an average step increase

of 1.73% for classified bargaining unit members in FY20-FY24. Future negotiations can effect these assumptions. The current negotiated agreements expire on June 30, 2020.

New hires have been included in FY20-FY24 for growth and critical need areas as determined by the Superintendent.

The Board of Education also implemented a financial goal of reducing current year (FY20) expenditures (Line 4.50) by \$605,000. This is expected to be accomplished in reduced spending in several lines of the forecast with the major reductions taking place in Personnel Services and Fringe Benefits.

| <u>Source</u>                                    | <u>FY20</u>         | <u>FY21</u>         | <u>FY22</u>         | <u>FY23</u>         | <u>FY24</u>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Base Wages                                       | \$34,888,390        | \$38,684,853        | \$40,725,664        | \$42,487,805        | \$44,096,714        |
| Increases  | \$348,884           | \$386,849           | \$407,257           | \$424,878           | \$440,967           |
| Steps  | \$754,965           | \$855,541           | \$890,150           | \$912,650           | \$971,100           |
| Performance Compensation                         | \$950,000           | \$950,000           | \$950,000           | \$950,000           | \$950,000           |
| Supplemental                                     | \$1,081,626         | \$1,092,442         | \$1,103,366         | \$1,114,400         | \$1,125,544         |
| Temporary/Extended Days/Student/Extra            | \$200,000           | \$188,125           | \$175,953           | \$163,477           | \$150,689           |
| New Hires/Adjustments                            | \$642,614           | \$648,421           | \$664,734           | \$671,381           | \$627,462           |
| Severance  | \$100,000           | \$100,000           | \$100,000           | \$100,000           | \$100,000           |
| Professional Development and Innovation Stipends | \$135,000           | \$135,000           | \$135,000           | \$135,000           | \$135,000           |
| Total Wages Line 3.010                           | <u>\$39,101,479</u> | <u>\$43,041,231</u> | <u>\$45,152,124</u> | <u>\$46,959,591</u> | <u>\$48,597,476</u> |

### **Fringe Benefits Estimates Line 3.02**

This area of the forecast captures all costs associated with benefits and retirement costs, which all except medical insurance being directly related to the wages paid. The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System (STRS) or the School Employees Retirement System (SERS) as required by Ohio law.

#### **A) STRS/SERS**

As required by law the BOE pays 14% of all employee wages to STRS or SERS.

#### **B) Insurance**

The District's insurance increase for FY20 has been set at 1%. Years FY20-24 include a 5% premium increase based on current trends and for planning purposes.

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.

#### **C) Workers Compensation & Unemployment Compensation**

Workers Compensation is expected to be about .04% of wages FY20– FY24. Unemployment is expected to remain at a very low level FY20-FY24. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

#### **D) Medicare**

Medicare will continue to increase at the rate of increases in wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

**Summary of Fringe Benefits – Line #3.020**

| <u>Source</u>                              | <u>FY20</u>         | <u>FY21</u>         | <u>FY22</u>         | <u>FY23</u>         | <u>FY24</u>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| STRS/SERS                                  | \$5,983,533         | \$6,592,046         | \$6,918,182         | \$7,197,660         | \$7,451,097         |
| Health Insurances                          | \$4,976,145         | \$5,255,113         | \$5,650,816         | \$6,067,633         | \$6,496,507         |
| Workers Compensation and Unemployment Comp | \$145,000           | \$185,506           | \$194,160           | \$201,571           | \$208,286           |
| Medicare                                   | \$549,136           | \$600,475           | \$630,660           | \$656,507           | \$679,929           |
| Other                                      | \$85,966            | \$85,966            | \$85,966            | \$85,966            | \$85,966            |
| Total Line 3.020                           | <u>\$11,739,780</u> | <u>\$12,719,106</u> | <u>\$13,479,784</u> | <u>\$14,209,337</u> | <u>\$14,921,785</u> |

**Purchased Services – Line #3.030**

Open enrollment, community schools and other tuition costs continue to draw funds away from the district, which are major expenditures in this area and have been adjusted based on historical trend. In FY20, community school deductions are expected to grow moderately due to slower growth of students leaving our district and smaller increases in per pupil scholarship from the state which will flow through our funding formula to these schools.

| <u>Source</u>                                  | <u>FY20</u>        | <u>FY21</u>        | <u>FY22</u>        | <u>FY23</u>        | <u>FY24</u>        |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Base Services                                  | \$1,691,264        | \$1,742,002        | \$1,794,262        | \$1,848,090        | \$1,903,533        |
| ESCCO, Spec Ed, Legal, ITC-Data Processing     | \$2,672,661        | \$2,699,388        | \$2,726,382        | \$2,753,646        | \$2,781,182        |
| Community School Deductions                    | \$600,000          | \$618,000          | \$636,540          | \$655,636          | \$675,305          |
| Other Tuition, Autism Schol, Excess Costs, CCP | \$700,645          | \$721,664          | \$743,314          | \$765,613          | \$788,581          |
| Utilities                                      | \$1,165,064        | \$1,323,317        | \$1,389,483        | \$1,458,957        | \$1,531,905        |
| Innovation and Professional Development        | \$325,000          | \$325,000          | \$325,000          | \$325,000          | \$325,000          |
| Budget Modifications                           | \$0                | \$0                | \$0                | \$0                | \$0                |
| Total Line 3.030                               | <u>\$7,154,634</u> | <u>\$7,429,371</u> | <u>\$7,614,981</u> | <u>\$7,806,942</u> | <u>\$8,005,506</u> |

**Supplies and Materials – Line #3.040**

An overall increase of 2% is being estimated for this category of expenses which include all consumable supplies that are purchased to operate the school district, such as textbooks, paper, cleaning supplies, tires and bus fuel. The increase in FY20 is based on submitted budgets. We are currently going through open purchase orders to cancel those that will not be needed in FY20 due to mandatory remote learning.

| <u>Source</u>        | <u>FY20</u>        | <u>FY21</u>        | <u>FY22</u>        | <u>FY23</u>        | <u>FY24</u>        |
|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Supplies             | \$1,899,385        | \$2,057,373        | \$2,098,520        | \$2,140,490        | \$2,183,300        |
| Budget Modifications | \$0                | \$0                | \$0                | \$0                | \$0                |
| Total Line 3.040     | <u>\$1,899,385</u> | <u>\$2,057,373</u> | <u>\$2,098,520</u> | <u>\$2,140,490</u> | <u>\$2,183,300</u> |

**Equipment – Line #3.050**

Capital outlay is estimated based on historical trends. The district passed a permanent improvement levy in FY18 which collects approximately \$1.1 million each year. The Board of Education committed to continuing to spend the \$1.3 million it was spending prior to the levy so the levy ask could be as low as possible. The District prepared a long-range capital improvement plan which identifies \$2.4 million in capital maintenance/repairs each year. Focused capital expenses are included in this forecast. A \$300,000 transfer to the permanent improvement fund is the basis for the reduction in FY20 from the October forecast.

| <u>Source</u>                       | <u>FY20</u>        | <u>FY21</u>        | <u>FY22</u>        | <u>FY23</u>        | <u>FY24</u>        |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Capital Outlay                      | \$652,846          | \$672,431          | \$692,604          | \$713,382          | \$734,784          |
| Bus Purchases/ Capital Repairs      | \$90,000           | \$180,000          | \$180,000          | \$180,000          | \$180,000          |
| Capital Improvements and Technology | \$450,000          | \$750,000          | \$750,000          | \$750,000          | \$750,000          |
| Capital Plan Increase               | \$0                | \$0                | \$0                | \$0                | \$0                |
| Total Line 3.050                    | <u>\$1,192,846</u> | <u>\$1,602,431</u> | <u>\$1,622,604</u> | <u>\$1,643,382</u> | <u>\$1,664,784</u> |

**HB264 Note Repayment/Interest and Fiscal Charges – Lines 4.050 and 4.060**

The District completed an energy conservation project in 2005 under HB264 legislation. HB264 allows districts to use the energy savings from replacing inefficient HVAC and mechanical systems with energy efficient systems to repay un-voted debt needed to finance the replacements. The District financed these improvements over a 15-year period and will make its final HB264 debt payment in FY20.

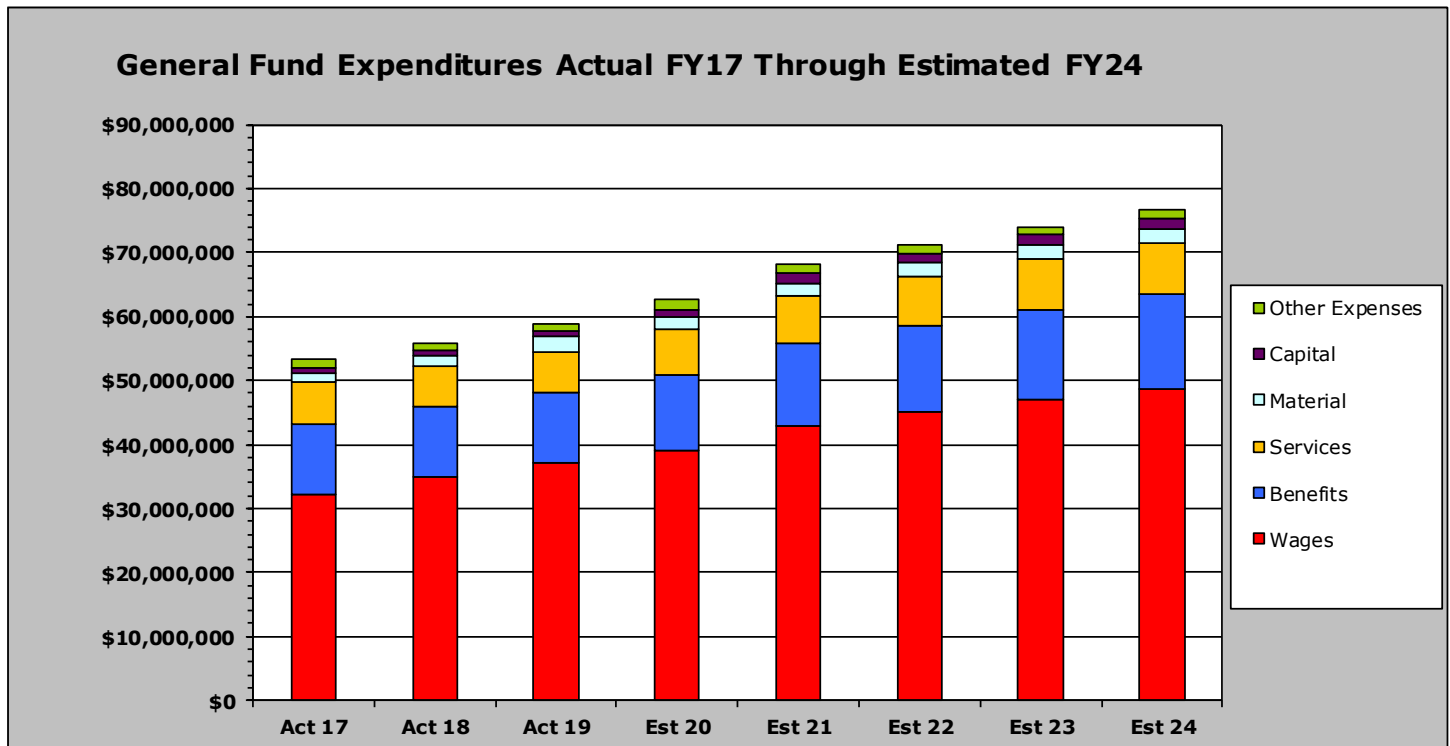
| Source                                     | FY20             | FY21       | FY22       | FY23       | FY24       |
|--|------------------|------------|------------|------------|------------|
| HB 264 Principal Total Line 4.050          | <u>\$235,000</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Source                                     | FY20             | FY21       | FY22       | FY23       | FY24       |
| Interest on TANS,Loans & HB 264 Line 4.060 | <u>\$4,700</u>   | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

**Other Expenses – Line #4.300**

The category of Other Expenses consists primarily of Auditor & Treasurer fees. Auditor and Treasurer Fees will increase anytime a new operating levy is collected. All other expenditures in this line assume a 3% inflation rate.

| Source                             | FY20               | FY21               | FY22               | FY23               | FY24               |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| County Tax Fees & Election Costs   | \$833,652          | \$841,989          | \$850,409          | \$858,913          | \$867,502          |
| County Board of Education          | \$31,906           | \$32,225           | \$32,547           | \$32,872           | \$33,201           |
| Liability Ins, & Other Misc. Costs | \$221,527          | \$223,742          | \$225,979          | \$228,239          | \$230,521          |
| Increased A&T Fees for New Levies  | \$0                | \$0                | \$0                | \$0                | \$0                |
| Contingency                        | <u>\$200,000</u>   | <u>\$200,000</u>   | <u>\$200,000</u>   | <u>\$200,000</u>   | <u>\$200,000</u>   |
| Total Line 4.300                   | <u>\$1,287,085</u> | <u>\$1,297,956</u> | <u>\$1,308,935</u> | <u>\$1,320,024</u> | <u>\$1,331,224</u> |

**Total Expenditure Categories Actual FY17 through FY19 and Estimated FY20 through FY24**



**Transfers Out/Advances Out – Line #5.010**

This account group covers fund to fund transfers 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. Advances are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund.

Transfers are not repaid to the general fund. Transfers to the Permanent Improvement Fund are projected in this line as well as transfers to fund McCoy operating costs and Win Win payments.

| <u>Source</u>              | <u>FY20</u> | <u>FY21</u> | <u>FY22</u> | <u>FY23</u> | <u>FY24</u> |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| Transfer Line 5.010        | \$4,400,000 | \$2,500,000 | \$2,500,000 | \$2,500,000 | \$2,500,000 |
| Advances Line 5.020        | \$0         | \$0         | \$0         | \$0         | \$0         |
| Total Transfers & Advances | \$4,400,000 | \$2,500,000 | \$2,500,000 | \$2,500,000 | \$2,500,000 |

| <u>Source</u>                                  | <u>FY20</u> | <u>FY21</u> | <u>FY22</u> | <u>FY23</u> | <u>FY24</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| All Other Financing Uses (Win Win)- Line 5.030 | \$660,000   | \$700,000   | \$725,000   | \$750,000   | \$775,000   |

**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. Estimates are based on historic trends.

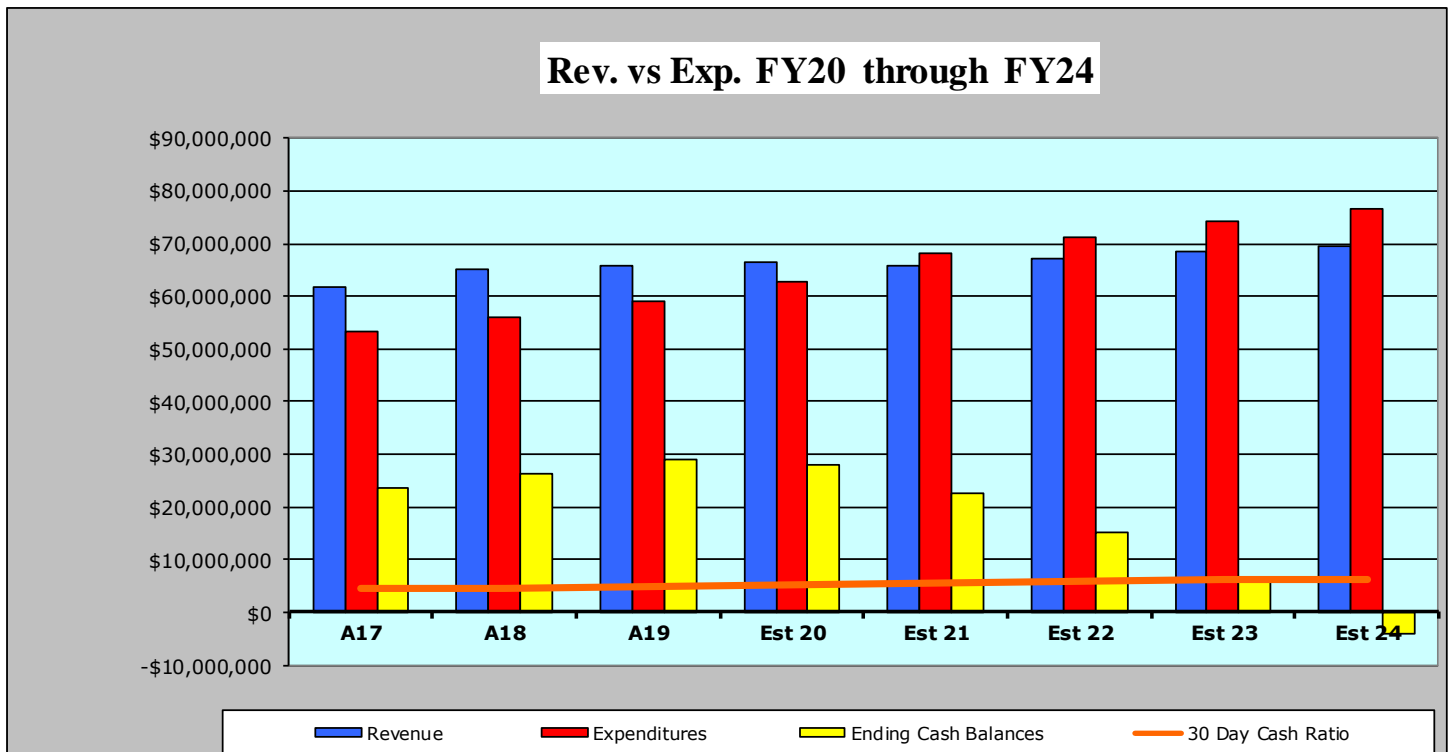
|                        | <u>FY20</u> | <u>FY21</u> | <u>FY22</u> | <u>FY23</u> | <u>FY24</u> |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Estimated Encumbrances | \$618,271   | \$636,819   | \$655,924   | \$675,601   | \$695,869   |

**Ending Unencumbered 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 negotiated contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of ORC5705.412, punishable by personal liability of \$10,000, unless an alternative “412” certificate can be issued pursuant to HB153 effective September 30, 2011.

|                     | <u>FY20</u>  | <u>FY21</u>  | <u>FY22</u>  | <u>FY23</u> | <u>FY24</u>  |
|---------------------|--------------|--------------|--------------|-------------|--------------|
| Ending Cash Balance | \$27,263,489 | \$21,874,506 | \$14,620,765 | \$5,801,839 | -\$4,682,322 |

**General Fund Ending Cash Balance**



## RISK ASSESSMENT

- Revenue does not grow with inflation or enrollment growth due to HB920 and the state funding formula, respectively. This means current programming may not be sustainable without new revenue. Revenue is largely voter approved in an 85% locally funded school district such as New Albany.
- HB166, the current state budget for FY20-21, has frozen funding for all school districts in Ohio at their FY19 level with the only exception being the addition of Enrollment Growth Supplement money for a small number of growing districts. NAPLS expects to receive a small amount (\$89,364 and \$134,045 in FY20 and FY21 respectively). Due to the COVID-19 economic crisis the district expects state funding to be reduced by 10% beginning in FY21 and continuing at that level throughout future years.
- Due to the high reliance on local property tax revenue property valuations continue to be a major area of risk given the current economic climate. Franklin County went through a reappraisal in calendar year 2017 and collected in calendar year 2018. The district realized an 11% increase in residential and a 2 % increase in commercial property values. The next update will occur in calendar year 2020. The Franklin County Auditor is beginning to discuss their anticipated increase at levels similar to the 2017 reappraisal. We will continue to monitor this discussion and adjust the forecast accordingly.
- The district has seen an increase in collected delinquent property taxes. This revenue source must also be closely monitored for future fluctuations. The district expects to return to a more normal 95% collection rate from the current FY19 collection rate of 100% at a future date. The district expects FY21 to see an increase in delinquent taxes thus starting a reduction in real estate tax collections due to COVID-19 and the extremely high unemployment rate and commercial/industrial economic pressures.
- Utility costs are also a risk factor depending on weather conditions and cost increases from year to year. The district expects this expenditure area to actually benefit from remote learning as utilities are not used to the same level when buildings are empty.
- HB166 continues the many provisions contained in prior state biennium budgets that will continue to draw funds away from our district through continuing school choice programs such as College Credit Plus, Community Schools and increases in per pupil scholarship amounts deducted from our state aid in the 2019-21 school years, even though funding for our students was not increased to our district for this biennium budget. College Credit Plus costs continue to increase as this program becomes more understood. These are examples of new choice programs that increase with each biennium budget cost the district money. Expansion or creation of programs such as these exposes the district to new expenditures that are not currently in the forecast. We are monitoring any new threats to our state aid and increased costs very closely.
- Revenue from the income tax sharing agreement with the City of New Albany is also a potential major risk. The district saw a decrease in this income due to the great recession. The district continues a regular dialogue with the City of New Albany leadership for guidance on projecting this revenue source. This revenue source is equal to approximately \$3.0 million to New Albany-Plain Local Schools in FY20. This revenue has begun to decrease as abatements expire as planned. The unabated property value will then transition into real estate values and the related tax collections will be added to the real estate revenue line. The abatement expiration schedule as reported to the district by the City of New Albany has been included in the real estate and other income lines. The COVID-19 impact to income tax sharing has been included in this forecast based on information and projections received from the City of New Albany.



- State reimbursements continue to be a risk especially at the beginning of any biennial budget process. Reimbursements such as Homestead and Rollback could be legislated away just as the TPP reimbursement has been. This revenue source is equal to approximately \$4.9 million on existing levies to New Albany-Plain Local Schools.
- The district prepared a campus-wide capital improvement plan. The plan estimates \$2.4 million each year for potential permanent improvement needs. The community approved a 5-year 1.25 mill permanent improvement levy in November 2018. The permanent improvement levy generates approximately \$1.1 million and the general fund will continue to spend \$1.3 million annually.
- Enrollment growth is a risk to the five-year forecast. As noted on page five (5) of these assumptions, we expect to gain an additional 300 students from FY20 to FY24. Due to a slowing of the enrollment increase from FY17 to FY19 the district has begun using the “Low” enrollment growth estimate for planning purposes. A sharp increase or decrease could have a substantial effect on the ending cash balance and must be monitored closely.

A change in residential development is always a risk. The district is closely monitoring multi-family development around the Little Turtle Golf Course. If the expected number of condos are constructed the District’s enrollment projections will be greatly impacted causing added costs in personnel and retirement/benefits for staffing in both the classroom and transportation as well as increased capital outlay costs for the purchase of additional buses to transport the students as they are outside the 2-mile radius.

- HB59 eliminated the Rollback exemption on any future new or replacement levy after 2013. This means that taxpayers will no longer receive the 12.5% reduction on any new levies. This could make passing any new levy more difficult. This will not effect the total collection for the school district but will shift the tax burden from the State of Ohio onto local taxpayers. The Franklin County Auditor has asked the Ohio Tax Commissioner to push the triennial update to 2021. This could have a negative impact to the forecast if property values are not increased to the sales to market ratio as anticipated.
- The district has included increases in purchased services as a result of College Credit Plus that mandates that district’s pay 100% of the tuition for current students attending up to 15 credit hours of higher education per semester as well as all course fees and textbooks. This legislation also prohibits districts from charging any type of fee associated with public colleges. We will continue to monitor this expense.
- This forecast does not consider the potential that schools may not be permitted to be open or, if so, in a limited capacity. As we obtain additional guidance from the Governor we will plan accordingly and update the forecast for the October filing.
- Negotiated agreements expire June 30, 2020.