

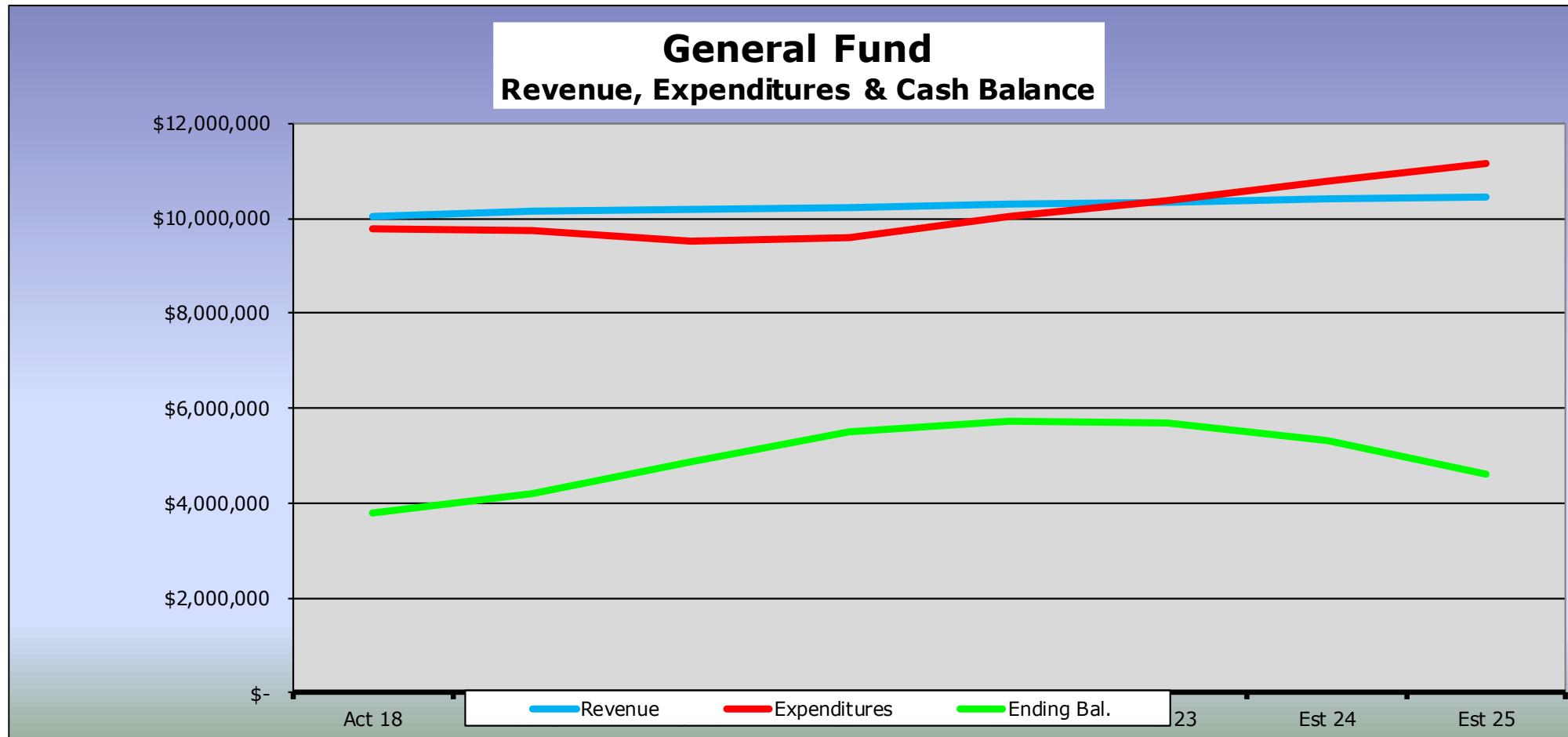
SOUTH CENTRAL LOCAL SCHOOL DISTRICT



General Fund
Five Year Forecast
November 16, 2020

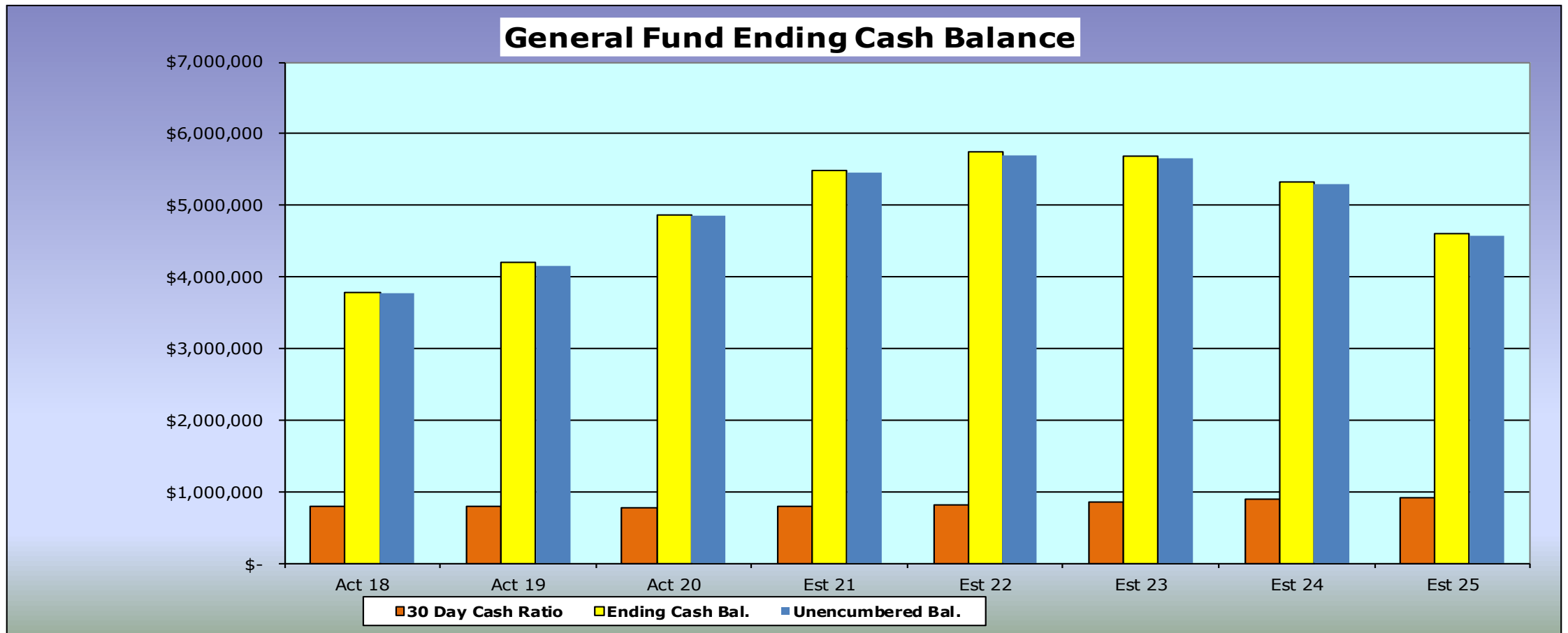
Christina Warrick, Treasurer/CFO

Revenue vs Expenditures



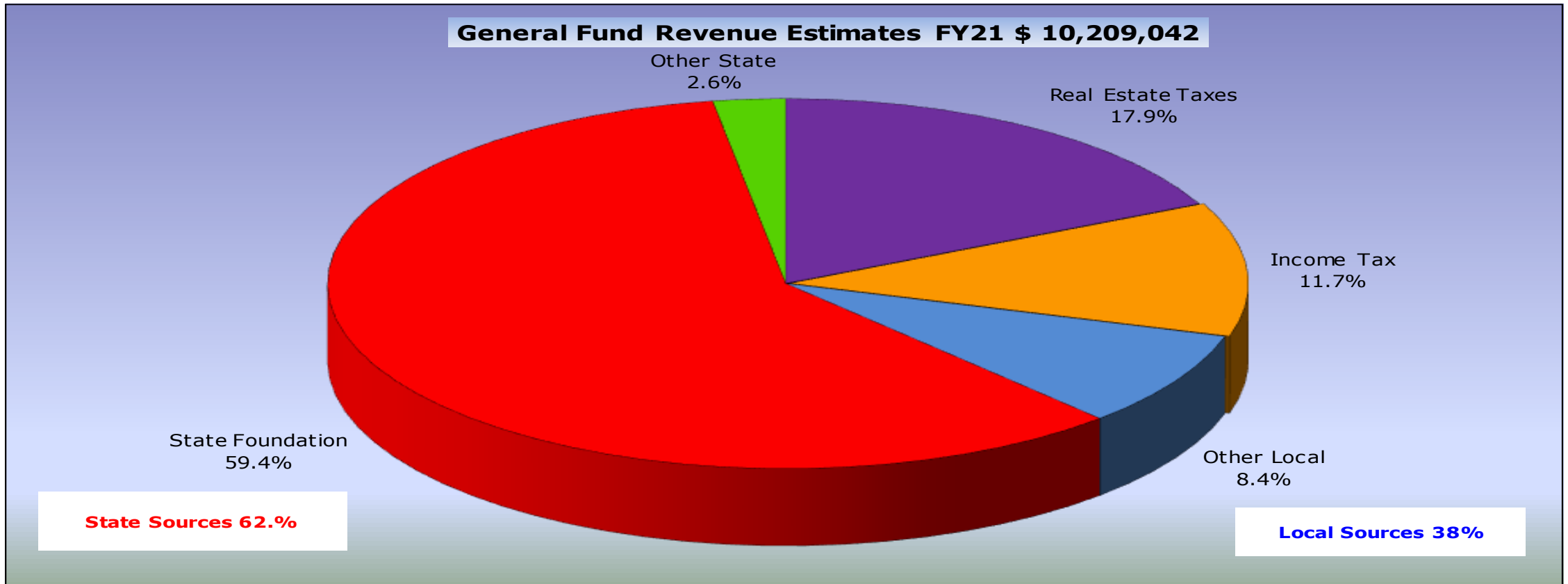
- Cash balance is positive throughout the life of this forecast.
- Planning should begin soon to offset FY23 - FY25 deficit spending.

Ending Cash Balance



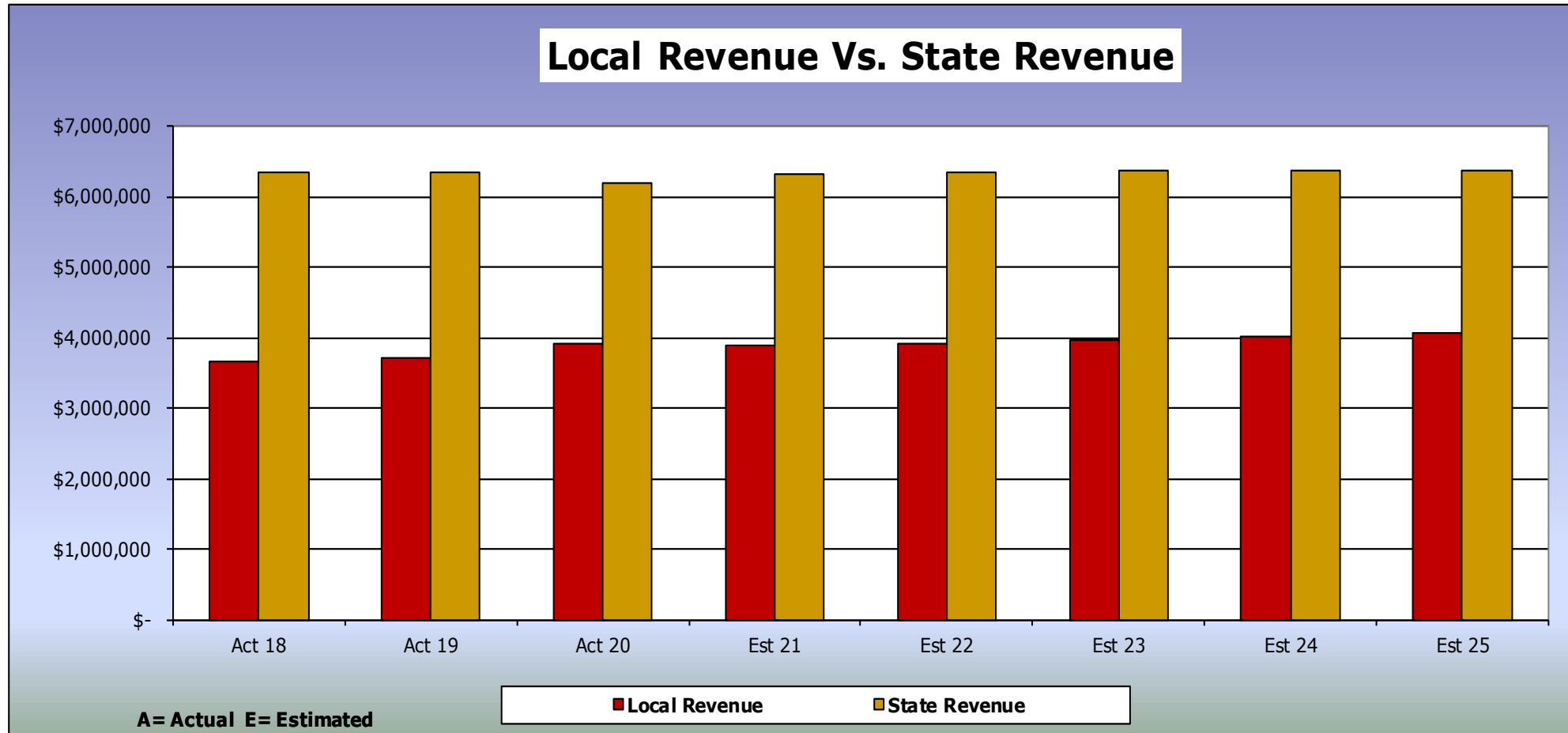
- **30 Day Cash Balance is a responsible target to end year**
- **No less than \$-0- required by Ohio law**

2020-21 Estimated Revenue



- Real Estate Taxes account for 17.9% of the district's revenue.
- State Foundation represents 59.4% of the district's income.
- Income Tax Collections account for 11.7% of the district's revenue.

Revenues State vs Local



Challenges to Operating Revenues

- **Real Estate Property Tax** - Growth has been limited in the last three years.
 - 2016-17 to 2019-20 – Average Rate of Growth – **-.19%**
 - 2013-14 to 2015-16 – Average Rate of Growth – 3.59%
- **Public Utility Personal Property Taxes** – Consistent but Slowing Growth.
 - 2016-17 to 2019-20 – Average Rate of Growth – 6.74%
 - 2013-14 to 2015-16 – Average Rate of Growth – 10.99%
- **Income Tax**
 - 2016-17 to 2019-20 – Average Rate of Growth – 5.20%
 - 2013-14 to 2015-16 – Average Rate of Growth – 3.03%

Challenges to Operating Revenues

- **State Foundation**

- 2016-17 to 2019-20 – Average Rate of Growth – **-.98%**
- 2013-14 to 2015-16 – Average Rate of Growth – 2.81%

We face TWO biennium budgets in FY22/23 and FY24/25 during this forecast period. **What will the Funding Formula look like ????**

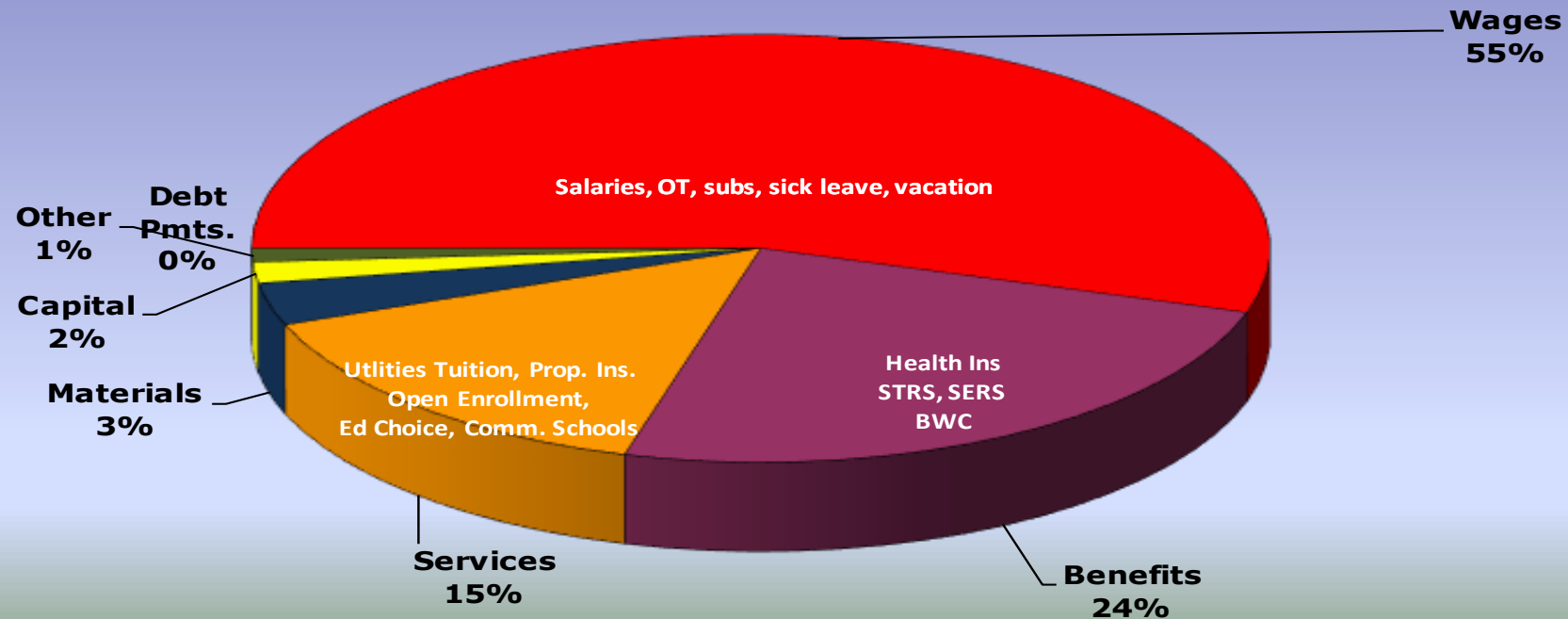
- **Bureau of Worker's Compensation**

- 2019-20 – \$ 16,659.82
- Current Year - \$ 74,251.76 (\$15,715.76 in Oct. 2020 & \$ 58,536.00 in Dec. 2020)

ANY QUESTIONS ON THE REVENUES ?

2020-21 Estimated Expenditures

General Fund Operating Expenditures Estimated FY21 \$9,508,662



- Salary & Benefits - 79% of budget is NOT out of line.
- Health Insurance - 60% of Fringes.
- Tuition & Open Enrollment - \$ 769,886 or 55% of the \$ 1,412,079 budgeted for purchased services is our students attending elsewhere.

Challenges to Operating Expenses

- **Salaries & Wages**

- 2016-17 to 2019-20 – Average Rate of Growth – 3.28%
- 2013-14 to 2015-16 – Average Rate of Growth – 4.80%

- **Fringe Benefits**

- 2016-17 to 2019-20 – Average Rate of Growth – 2.73%
- 2013-14 to 2015-16 – Average Rate of Growth – 5.73%

- **Purchased Services**

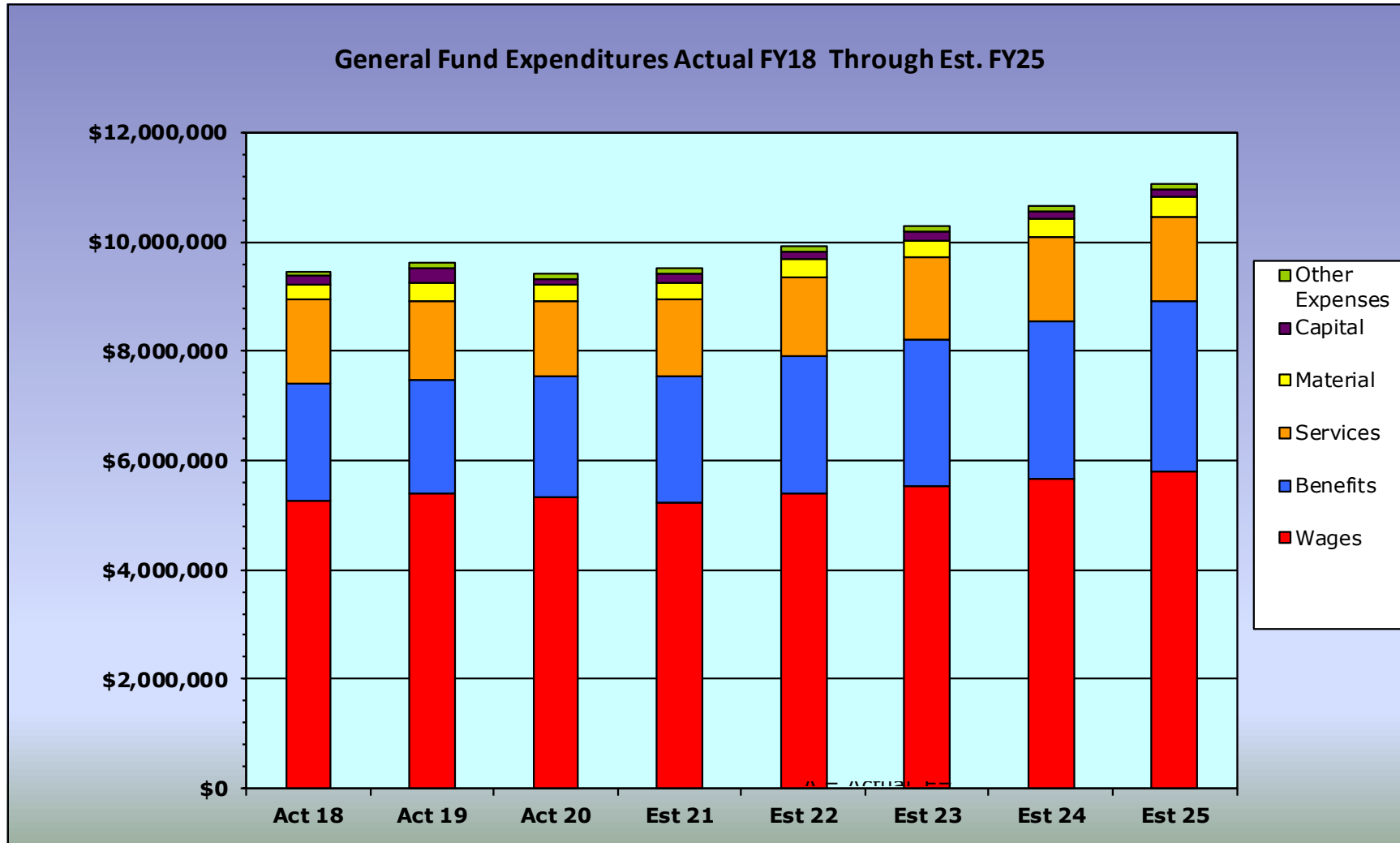
- 2016-17 to 2019-20 – Average Rate of Growth – **-5.71%**
- 2013-14 to 2015-16 – Average Rate of Growth – 1.30%

Challenges to Operating Expenses

- **Supplies & Materials**
 - 2016-17 to 2019-20 – Average Rate of Growth – **-.40%**
 - 2013-14 to 2015-16 – Average Rate of Growth – 1.63%
- **Capital Outlay**
 - 2016-17 to 2019-20 – Average Rate of Growth – **-2.18%**
 - 2013-14 to 2015-16 – Average Rate of Growth – 78.13%
- **Other Objects**
 - 2016-17 to 2019-20 – Average Rate of Growth – 4.02%
 - 2013-14 to 2015-16 – Average Rate of Growth – 1.07%

ANY QUESTIONS ON THE EXPENSES ?

Expenditures



SUMMARY OF REVENUE & EXPENDITURES

REVENUE HISTORY

2016-17 to 2019-20 – Average Rate of Growth – 1.10%

2013-14 to 2015-16 – Average Rate of Growth – 3.33%

2020-21 PROJECTED REVENUE - .92%

EXPENDITURE HISTORY

2016-17 to 2019-20 – Average Rate of Growth – 1.28%

2013-14 to 2015-16 – Average Rate of Growth – 4.31%

2020-21 PROJECTED EXPENDITURES - 1.02%

Summary of Where We are Now

Revenue are projected VERY CONSERVATIVELY.

Real Estate is projected at a 1.00% average growth rate.

Income Tax is projected at a 1.25% average growth rate.

State Foundation is projected at a .91% average growth rate.

Expenditures are projected more aggressively.

Salaries & Wages are projected at 1.54% average growth rate.

Fringe Benefits are projected at 4.48% average growth rate.

Conclusion

The forecast presented includes assumptions and facts that can be altered by external and internal issues. For the entire forecast period through June 30, 2025, the district forecast has adequate reserves to continue the instructions and programs as provided currently.

No growth in state funding, limited growth in local property tax and income tax will require a continued control on the expenditures.

The 1.25% Traditional Income Tax has become a valuable resource of the district finances.

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.

Questions?

