

### Celina City School District

Mercer

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 Change	Forecasted				
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	
<b>Revenues</b>										
1.010 General Property Tax (Real Estate)	12,096,252	11,993,366	11,789,709	-1.3%	\$12,233,392	\$12,118,437	\$10,133,469	\$8,115,708	\$8,171,453	
1.020 Tangible Personal Property Tax	227,259	454,570	505,587	55.6%	484,435	\$521,332	\$453,491	\$373,986	\$377,481	
1.030 Income Tax	2,692,280	2,800,360	2,823,342	2.4%	3,752,602	\$3,744,304	\$3,914,177	\$3,983,531	\$3,566,855	
1.035 Unrestricted State Grants-in-Aid	12,751,819	12,579,482	12,750,236	0.0%	11,991,546	\$11,949,847	\$12,548,219	\$12,564,029	\$12,562,989	
1.040 Restricted State Grants-in-Aid	398,250	357,800	360,239	-4.7%	362,733	\$361,996	\$361,996	\$361,996	\$361,996	
1.045 Restricted Federal Grants-in-Aid - SFSF										
1.050 Property Tax Allocation	1,726,247	1,711,635	1,694,584	-0.9%	1,687,975	\$1,680,701	\$1,394,799	\$1,106,545	\$1,109,420	
1.060 All Other Revenues	1,436,105	1,533,707	1,530,085	3.3%	2,797,148	\$2,557,316	\$2,677,316	\$2,679,316	\$2,681,316	
1.070 <b>Total Revenues</b>	<b>31,328,212</b>	<b>31,430,920</b>	<b>31,453,782</b>	<b>0.2%</b>	<b>33,309,831</b>	<b>32,933,933</b>	<b>31,483,467</b>	<b>29,185,111</b>	<b>28,831,510</b>	
<b>Other Financing Sources</b>										
2.010 Proceeds from Sale of Notes										
2.020 State Emergency Loans and Advancements (Approved)										
2.040 Operating Transfers-In										
2.050 Advances-In	106,000									
2.060 All Other Financing Sources	155,626	57,109	73,819	-17.0%	138,416	139,800	141,198	142,610	144,036	
2.070 <b>Total Other Financing Sources</b>	<b>261,626</b>	<b>57,109</b>	<b>73,819</b>	<b>-24.5%</b>	<b>138,416</b>	<b>139,800</b>	<b>141,198</b>	<b>142,610</b>	<b>144,036</b>	
2.080 <b>Total Revenues and Other Financing Sources</b>	<b>31,589,838</b>	<b>31,488,029</b>	<b>31,527,601</b>	<b>-0.1%</b>	<b>33,448,247</b>	<b>33,073,733</b>	<b>31,624,665</b>	<b>29,327,721</b>	<b>28,975,546</b>	
<b>Expenditures</b>										
3.010 Personal Services	\$16,445,578	\$16,761,851	\$17,264,266	2.5%	\$17,465,579	\$18,044,488	\$18,431,341	\$18,791,941	\$19,159,791	
3.020 Employees' Retirement/Insurance Benefits	\$7,234,488	\$7,663,991	\$7,718,391	3.3%	\$7,670,441	\$7,433,235	\$8,274,770	\$8,817,601	\$9,409,183	
3.030 Purchased Services	\$6,054,161	\$6,454,180	\$6,417,194	3.0%	\$6,279,850	\$6,427,719	\$6,419,909	\$6,493,242	\$6,532,416	
3.040 Supplies and Materials	\$949,214	\$923,827	\$1,045,193	5.2%	\$1,230,007	\$1,138,015	\$1,086,103	\$1,094,272	\$903,103	
3.050 Capital Outlay	\$147,274	\$370,974	\$340,871	71.9%	\$347,085	\$350,556	\$354,061	\$364,581	\$361,178	
3.060 Intergovernmental										
Debt Service:										
4.010 Principal-All (Historical Only)										
4.020 Principal-Notes										
4.030 Principal-State Loans										
4.040 Principal-State Advancements										
4.050 Principal-HB 264 Loans										
4.055 Principal-Other										
4.060 Interest and Fiscal Charges										
4.300 Other Objects	\$575,977	\$555,208	\$590,348	1.4%	\$615,287	\$615,953	\$616,631	\$617,324	\$618,030	
4.500 <b>Total Expenditures</b>	<b>31,406,692</b>	<b>32,730,031</b>	<b>33,376,263</b>	<b>3.1%</b>	<b>33,608,249</b>	<b>34,009,966</b>	<b>35,182,815</b>	<b>36,178,961</b>	<b>36,983,701</b>	
<b>Other Financing Uses</b>										
5.010 Operating Transfers-Out	\$143,000	\$96,000	\$101,500	-13.6%	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000	
5.020 Advances-Out										
5.030 All Other Financing Uses	1,858									
5.040 <b>Total Other Financing Uses</b>	<b>144,858</b>	<b>96,000</b>	<b>101,500</b>	<b>-14.0%</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	
5.050 <b>Total Expenditures and Other Financing Uses</b>	<b>31,551,550</b>	<b>32,826,031</b>	<b>33,477,763</b>	<b>3.0%</b>	<b>33,713,249</b>	<b>34,114,966</b>	<b>35,287,815</b>	<b>36,283,961</b>	<b>37,088,701</b>	
6.010 <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b>	<b>38,288</b>	<b>1,338,002-</b>	<b>1,950,162-</b>	<b>-1774.4%</b>	<b>265,002-</b>	<b>1,041,233-</b>	<b>3,663,150-</b>	<b>6,956,240-</b>	<b>8,113,155-</b>	
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	9,011,396	9,049,684	7,711,682	-7.2%	5,761,520	5,496,518	4,455,285	792,135	6,164,105-	
7.020 <b>Cash Balance June 30</b>	<b>9,049,684</b>	<b>7,711,682</b>	<b>5,761,520</b>	<b>-20.0%</b>	<b>5,496,518</b>	<b>4,455,285</b>	<b>792,135</b>	<b>6,164,105-</b>	<b>14,277,260-</b>	
8.010 <b>Estimated Encumbrances June 30</b>	<b>\$940,511</b>	<b>\$777,764</b>	<b>\$720,703</b>	<b>-12.3%</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>\$750,000</b>	<b>\$750,000</b>	
<b>Reservation of Fund Balance</b>										
9.010 Textbooks and Instructional Materials										
9.020 Capital Improvements										
9.030 Budget Reserve										
9.040 DPIA										
9.045 Fiscal Stabilization										
9.050 Debt Service										
9.060 Property Tax Advances										
9.070 Bus Purchases										
9.080 <b>Subtotal</b>										
10.010 <b>Fund Balance June 30 for Certification of</b>	<b>8,109,173</b>	<b>6,933,918</b>	<b>5,040,817</b>	<b>-20.9%</b>	<b>4,746,518</b>	<b>3,705,285</b>	<b>42,135</b>	<b>6,914,105-</b>	<b>15,027,260-</b>	
<b>Revenue from Replacement/Renewal Levies</b>										
11.010 Income Tax - Renewal									\$451,442	
11.020 Property Tax - Renewal or Replacement							\$2,411,018	\$4,822,051	\$4,822,101	
11.300 <b>Cumulative Balance of Replacement/Renewal Levies</b>							<b>2,411,018</b>	<b>7,233,069</b>	<b>12,506,612</b>	
12.010 <b>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</b>	<b>8,109,173</b>	<b>6,933,918</b>	<b>5,040,817</b>	<b>-20.9%</b>	<b>4,746,518</b>	<b>3,705,285</b>	<b>2,453,153</b>	<b>318,964</b>	<b>2,520,648-</b>	
<b>Revenue from New Levies</b>										
13.010 Income Tax - New										
13.020 Property Tax - New										
13.030 <b>Cumulative Balance of New Levies</b>										
14.010 Revenue from Future State Advancements										
15.010 <b>Unreserved Fund Balance June 30</b>	<b>8,109,173</b>	<b>6,933,918</b>	<b>5,040,817</b>	<b>-20.9%</b>	<b>4,746,518</b>	<b>3,705,285</b>	<b>2,453,153</b>	<b>318,964</b>	<b>2,520,648-</b>	

See accompanying summary of significant forecast assumptions and accounting policies

Includes: General fund, Emergency Levy fund, DPIA fund, Textbook fund and any portion of Debt Service fund related to General fund debt

**Celina City School District**  
**Five-Year Forecast**  
**Fiscal Years Ending June 30, 2020 Through 2024**

**Forecast Methodology** - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

This forecast is submitted to the Ohio Department of Education to fulfill the May 31, 2020 deadline.

**REVENUE ASSUMPTIONS**

**Property Taxes – Line 1.01**

Real estate property tax revenue accounts for 37.39% of total revenue. Class I or residential/agricultural taxes make up approximately 86.22% of the real estate property tax revenue. The Class I tax rate is 31.84 mills in tax year 2019. The district is modeling the renewal of real estate property taxes levies through 2024. The projections reflect an average gross collection rate of 100.9% annually through tax year 2023. The revenue changed at an average annual historical rate of 0.04% and is projected to change at an average annual rate of 0.78% through FY 2024. General Property Taxes comprise just about 38% of the District's total general fund revenue. Estimates are based upon county auditor projections, historic valuation data and scheduled updates and reappraisals.

The emergency property tax levy was renewed in May of 2015 (collection to begin in 2017), and will expire on December 31, 2021. It is very important that this levy be reviewed very carefully to determine exactly what the District needs to help eliminate future deficits forecasted.

**Public Utility Property Tax – Line 1.02**

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. This category currently makes up 1.60% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2019 is 34.85 mills. The forecast is modeling an average gross collection rate of 99.98%. The revenue changed historically at an average annual dollar amount of \$79,344 and is projected to change at an average annual dollar amount of \$7,974 through FY 2024.

**Income Tax – Line 1.03**

The district maintained one income tax levy in FY 2019. The average annual dollar change in total income tax revenue is forecasted to be \$148,703 through FY 2024. The district is projecting income tax renewal activity through FY 2024. Income tax revenue is projected to account for 10.6% of total district revenue in FY 2024. Income taxes were trending very positively until the COVID 19 pandemic hit. It is a revenue sources that will need to be carefully monitored over the next six months. FY 2020 was a solid year, but expectations are for income tax revenues to decrease in FY 2021, and hopefully rebound in future years on the forecast.

This income tax levy will expire at December 31, 2023, and that is reflected in the forecast in the FY 2024 column.

**Celina City School District  
Five-Year Forecast  
Fiscal Years Ending June 30, 2019 Through 2024**

**REVENUE ASSUMPTIONS (Continued)**

**Unrestricted Grants-in-Aid (state foundation) – Line 1.035**

The FY 2019 per pupil and foundation revenue amount is the base aid amount used in FY 2020. In addition to its FY 2020 base funding amount of \$11,944,830 the district is projected to receive FY 2020 categorical funding of \$474,602. Wellness dollars included in this amount are recorded in a special revenue fund and not included in this forecast. The district has the option to move some expenditures from the general fund to the special revenue fund receiving these dollars. For fiscal year 2022 - 2024, the district is projecting an average annual increase of 1.7%

In addition to state funding, this line item contains Medicaid payments and casino tax revenue. Casino tax revenue is expected to decrease due to the COVID 19 pandemic. Medicaid reimbursements are undergoing a shift to increasing regulations which may place additional costs and administrative burden on the District.

**Restricted Grants-in-Aid (Career Tech & Economically Disadvantaged) – Line 1.04**

Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$13,107 and is projected to change annually on average by \$351. Restricted funds represent 1.14% of total revenue.

**Property Tax Allocation (Homestead & Rollback) – Line 1.05**

Property tax allocation primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2020, approximately 11.3% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.8% will be reimbursed in the form of qualifying homestead exemption credits.

As a note, rollback funding has been eliminated for all newly voted levies, meaning all new levies will be fully funded with local dollars. Existing levies which are renewed will continue to receive rollback funding from the state. At December 31, 2021 (FY 2022) the current Emergency levy will expire.

**All Other Revenues – Line 1.06 / Other Financing Sources – Line 2.070**

Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$73,715. The projected average annual change is \$230,246 through FY 2024.

These revenues are primarily from vocational tuition, class materials and fees, open enrollment and interest income. Investment rates have dropped, coupled with a declining fund balance will result in a decline of interest income. A significant increase was realized in FY 2020, mainly due to the consolidation of all Tri Star programming under Celina City Schools as the fiscal agent, which resulted in an influx of open enrollment students.



**Celina City School District  
Five-Year Forecast  
Fiscal Years Ending June 30, 2019 Through 2024**

**REVENUE ASSUMPTIONS (Continued)**

**All Other Revenues – Line 1.06 / Other Financing Sources – Line 2.070**

Other sources include revenue that is generally classified as non-operating. It is typically in the form of advances-in which is the repayment of temporary loans made from the general fund to other district funds. In FY 2019 the district received \$0 as advances-in and is projecting advances of \$0 in FY 2020. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$138,416 in FY 2020 and average \$141,911 annually through FY 2024.

**EXPENDITURE ASSUMPTIONS**

**Personnel Services– Lines 3.01**

Salaries represent 51.57% of total expenditures and increased at a historical average annual rate of 3.56% or \$571,951. This category of expenditure is projected to grow at an average annual rate of 2.11% or \$379,105 through FY 2024. The projected average annual rate of change is -1.46% less than the five year historical annual average. This is the result of budget cuts and reductions that have been made by the District.

Negotiations settled with the OAPSE groups resulted in the following base increases in wages - 2.25% in FY 2019, and 2% in both FY 2020 and FY 2021. Negotiations settled with the CEA group resulted in the following base increases in wages - 1% in FY 2019, and 2% in FY 2020 and 2.6% in FY 2021. Additional increases were also forecasted for educational and step advancement. Going forward, the forecast allows for a 1% increase in base wages, along with an allowance for steps and educational advancements for FY 2022 thru FY 2024.

**Employees' Benefits – Line 3.02**

Benefits represent 23.06% of total expenditures and increased at a historical average annual rate of 3.04% This category of expenditure is projected to grow at an annual average rate of 4.18% through FY 2024. The projected average annual rate of change is 1.14% more than the five year historical annual average.

Effective 1/1/2020, the insurance consortium saw a 12% increase in medical premiums and a no increase in dental premiums. We are anticipating a 7.5% increase in medical premiums on 1-1-2021, along with a 2% increase in dental premiums. 10% increases have been forecasted in calendar years 2022 through 2024.

The MABT did vote to have a premium holiday in November of 2020, meaning that the monthly premium for the District and all employees will be paid by the MABT trust. The impact of this premium holiday will save the District @ \$420,000 in FY 2021.

**Celina City School District  
Five-Year Forecast  
Fiscal Years Ending June 30, 2019 Through 2024**

**EXPENDITURE ASSUMPTIONS (Continued)**

**Purchased Services – Line 3.03**

Purchased Services represent 19.17% of total expenditures and increased at a historical average annual rate of 6.77%. This category of expenditure is projected to grow at an annual average rate of 0.37% through FY 2024. The projected average annual rate of change is -6.40% less than the five year historical annual average.

The District is significantly impacted by open enrollment out of the District. In FY 2016, there were @ 250 students who open-enrolled out of the District; in 2017, there were @ 270; in FY 2018 there were @ 286; in FY 2019 there were @ 316; and currently there are @ 325 students open-enrolling out to other school districts.

In FY 2020, the District absorbed the psychology and speech therapy services for handicapped pre-school program run by the Mercer County ESC. By taking over these services, the District will reduce the amount of purchased services paid to the Mercer County ESC.

**Supplies – Line 3.04**

Supplies & Materials represent 3.12% of total expenditures and increased at a historical average annual rate of 3.64%. This category of expenditure is projected to decrease at an annual average rate of -2.22% through FY 2024. The projected average annual rate of change is -5.86% less than the five year historical annual average.

**Capital Outlay – Line 3.05**

Capital Outlay represents 1.02% of total expenditures and decreased at a historical average annual amount of - \$95,252. This category of expenditure is projected to grow at an annual average amount of \$4,061 through FY 2024. The projected average annual change is less than the five year historical annual average.

**Other Objects – Line 4.300**

Other Objects represent 1.76% of total expenditures and increased at a historical average annual rate of 6.29%. This category of expenditure is projected to grow at an annual average rate of 0.93% through FY 2024. The projected average annual rate of change is -5.35% less than the five year historical annual average.

**5.040 - Total Other Financing Uses**

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In FY 2019 the district had no advances-out and has no advances-out forecasted through FY 2024. The district can also move general funds permanently to other funds and as the schedule above presents, the district has transfers forecasted through FY 2024. We are forecasting food service deficit each of the next five years.

**Celina City School District  
Five-Year Forecast  
Fiscal Years Ending June 30, 2019 Through 2024**

**EXPENDITURE ASSUMPTIONS (Continued)**

**Encumbrances – Line 8.01**

Encumbrances are budgeted to be expended in the year they occur and therefore the goal each school year would be to deplete the encumbrances as much as possible at year end.

**Revenue Over/Under Expenditures – Line 6.01**

Line 6.010 Excess of Revenue Over (Under) Expenditures

This line is the true gauge of a school district’s financial health. When this line is negative it means expenses are outpacing revenue and depleting a district’s carry-over balance. The five years of this forecast all reflect deficit spending.

**True-Days Cash = Ending Cash Balance (Line 7.020) / (Total Expenditures (Line 5.050) / 365)**

2020 = @	59 Days	\$ 5,496,518 / (\$33,713,249 / 365)	
2021 = @	47 Days	\$ 4,455,285 / (\$34,114,966 / 365)	
2022 = @	8 Days	\$ 792,135 / (\$35,287,815 / 365)	Without renewal of Emergency Levy
2022 = @	33 Days	\$ 3,203,153 / (\$35,287,815 / 365)	With renewal of Emergency Levy
2023 = @	-62 Days	\$-6,164,105 / (\$36,283,961 / 365)	Without renewal of Emergency Levy
2023 = @	-13 Days	\$-1,342,054 / (\$36,283,961 / 365)	With renewal of Emergency Levy