

Celina City School District

Mercer

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

	Actual				Forecasted				
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
Revenues									
1.010 General Property Tax (Real Estate)	11,993,366	11,789,709	12,233,392	1.0%	\$12,324,009	\$12,547,316	\$12,561,382	\$12,786,720	\$12,942,261
1.020 Tangible Personal Property Tax	454,570	505,587	484,435	3.5%	516,201	\$542,338	\$575,253	\$604,276	\$633,747
1.030 Income Tax	2,800,360	2,823,342	3,752,602	16.9%	3,822,244	\$3,942,585	\$4,055,511	\$3,622,963	\$338,022
1.035 Unrestricted State Grants-in-Aid	12,579,482	12,750,236	12,013,442	-2.2%	12,164,355	\$12,399,058	\$12,415,494	\$12,414,794	\$12,413,992
1.040 Restricted State Grants-in-Aid	357,800	360,239	362,003	0.6%	361,996	\$361,996	\$361,996	\$361,996	\$361,996
1.045 Restricted Federal Grants-in-Aid - SFSF									
1.050 Property Tax Allocation	1,711,635	1,694,584	1,687,974	-0.7%	1,693,606	\$1,733,551	\$1,734,672	\$1,759,562	\$1,784,416
1.060 All Other Revenues	1,533,707	1,530,085	2,774,786	40.6%	3,014,316	\$2,805,053	\$2,835,450	\$2,866,297	\$2,897,598
1.070 Total Revenues	31,430,920	31,453,782	33,308,634	3.0%	33,896,727	34,331,897	34,539,758	34,416,608	31,372,032
Other Financing Sources									
2.010 Proceeds from Sale of Notes									
2.020 State Emergency Loans and Advancements (Approved)									
2.040 Operating Transfers-In									
2.050 Advances-In									
2.060 All Other Financing Sources	57,109	73,819	135,681	56.5%	199,800	143,796	146,672	149,606	152,598
2.070 Total Other Financing Sources	57,109	73,819	135,681	56.5%	199,800	143,796	146,672	149,606	152,598
2.080 Total Revenues and Other Financing Sources	31,488,029	31,527,601	33,444,315	3.1%	34,096,527	34,475,693	34,686,430	34,566,214	31,524,630
Expenditures									
3.010 Personal Services	\$16,761,851	\$17,264,266	\$17,526,554	2.3%	\$18,012,275	\$18,402,635	\$18,768,271	\$19,141,925	\$19,509,058
3.020 Employees' Retirement/Insurance Benefits	\$7,663,991	\$7,718,391	\$7,687,165	0.2%	\$7,919,179	\$8,683,210	\$9,139,400	\$9,627,509	\$10,146,820
3.030 Purchased Services	\$6,454,180	\$6,417,194	\$6,369,507	-0.7%	\$6,547,016	\$6,649,271	\$6,753,461	\$6,920,725	\$7,066,533
3.040 Supplies and Materials	\$923,827	\$1,045,193	\$1,224,741	15.2%	\$1,213,015	\$1,244,344	\$1,276,511	\$1,309,541	\$1,343,455
3.050 Capital Outlay	\$370,974	\$340,871	\$328,260	-5.9%	\$335,542	\$338,897	\$342,266	\$345,709	\$349,166
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	\$555,208	\$590,348	\$590,407	3.2%	\$596,407	\$602,371	\$606,394	\$614,476	\$620,623
4.500 Total Expenditures	32,730,031	33,376,263	33,726,634	1.5%	34,623,434	35,920,728	36,888,323	37,959,887	39,035,655
Other Financing Uses									
5.010 Operating Transfers-Out	\$96,000	\$101,500	\$160,000	31.7%	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000
5.020 Advances-Out									
5.030 All Other Financing Uses									
5.040 Total Other Financing Uses	96,000	101,500	160,000	31.7%	160,000	160,000	160,000	160,000	160,000
5.050 Total Expenditures and Other Financing Uses	32,826,031	33,477,763	33,886,634	1.6%	34,783,434	36,080,728	37,048,323	38,119,887	39,195,655
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	1,338,002	1,950,162	442,319	-15.8%	686,907	1,605,035	2,351,895	3,553,679	7,871,026
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	9,049,686	7,711,684	5,761,522	-20.0%	5,319,203	4,632,296	3,027,261	665,368	2,888,305
7.020 Cash Balance June 30	7,711,684	5,761,522	5,319,203	-16.5%	4,632,296	3,027,261	665,368	2,888,305	10,559,330
8.010 Estimated Encumbrances June 30	777,744	720,703	987,908		750,000	750,000	750,000	750,000	750,000
10.010 Fund Balance June 30 for Certification of Appropriations	7,711,684	5,761,522	5,319,203	-16.5%	3,882,296	2,277,261	84,632	3,638,305	11,309,330
Revenue from Replacement/Renewal Levies									
11.010 Income Tax - Renewal								\$648,903	\$4,166,886
11.020 Property Tax - Renewal or Replacement									
11.300 Cumulative Balance of Replacement/Renewal Levies								648,903	4,815,789
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	7,711,684	5,761,522	5,319,203	-16.5%	3,882,296	2,277,261	84,632	2,989,402	6,493,541
Revenue from New Levies									
13.010 Income Tax - New									
13.020 Property Tax - New									
13.030 Cumulative Balance of New Levies									
14.010 Revenue from Future State Advancements									
15.010 Unreserved Fund Balance June 30	7,711,684	5,761,522	5,319,203	-16.5%	3,882,296	2,277,261	84,632	2,989,402	6,493,541

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, 2021 Through 2025**

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 November 30, 2020 deadline.

REVENUE ASSUMPTIONS

Property Taxes – Line 1.01

Real estate property tax revenue accounts comprise 36.58% of total revenue. Class I or residential/agricultural taxes make up @ 82.92% of real estate property tax revenue. The Class I tax rate is 30.03 mills in tax year 2020. Estimates are based upon county auditor projections, historic valuation data and scheduled updates and reappraisals.

The forecast assumes growth in residential property, as well as new construction during the five-year period of the forecast. In FY 2014, the County experienced a large valuation increase due to CAUV; in FY 2017 and we saw a significant decrease of approximately 30% in CAUV values. It is anticipated that we will see another significant decrease in CAUV values in the 2020 revaluation; however residential values appear to be increasing based upon information provided by the County Auditor, which could help offset those decreases experienced in CAUV values.

The emergency property tax levy was successfully renewed in November of 2020 (collection to begin in calendar 2022) and will expire on December 31, 2026.

Public Utility Property Tax – Line 1.02

Public utility personal property taxes comprise 1.45% of the District's total revenue. The property is taxed at the full voted rate which in tax year 2020 is 33.78 mills. Estimates are based upon county auditor projections, historic valuation data and are projected to increase over the five-year period of the forecast.

Income Tax – Line 1.03

Income taxes comprise about 12.6% of the District's revenues. Estimates are based upon historic data and trends. Voters on November 7, 2017 approved to replace the expiring 3/4% earned income tax with a 1% earned income tax effective January 1, 2019. In FY 2018, the income tax revenue increased @ \$108,000 over FY 2017. In FY 2019 the income tax revenue increased only @ \$23,000. In FY 2020 income tax revenue increased @ \$930,00, and this was hampered by the COVID 19 shutdown experienced starting in March 2020. Unemployment rates in Mercer County have been historically low so there should be no major jumps in income tax revenue but may continue to be hampered due to the COVID 19 pandemic.

This income tax levy will expire 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, 2021 Through 2025**

REVENUE ASSUMPTIONS (Continued)

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

Unrestricted Grants-In -Aid comprise @ 36% of the District total revenue. The FY 2019 per pupil and foundation revenue amount is the base aid used in FY 2019. In addition to its FY 2021 base funding amount of \$11,944,830 the district calculated FY 2021 categorical funding such as special education, preschool and casino of \$430,370. Projected amounts less than the FY 2019 amount indicate state budget cuts and COVID 19 impacts. For FY years 2022 – 2025 the district is projecting an annual average increase of 0.51%. Note: Student Wellness funding is not included in these calculations.

It should be noted that there is a current bill in the House and the Senate which addresses school funding and tries to correct the inadequacies in State funding. Only time will tell if this Bill moves forward through the House and Senate.

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

Restricted Grants-in-Aid represent about 1% of total revenue. The district expects this revenue to remain stable during the forecast.

Property Tax Allocation (Homestead & Rollback) – Line 1.05

Property Tax Allocation revenue comprise about 5% of total revenue. It 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 a 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2021, approximately 11.3% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.7% 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.

All Other Revenues – Line 1.06

All Other Operating Revenue make up about 8% of total revenue. It includes tuition received by the district for non-resident student educated in the district, which increased significantly in FY 2020 with the opening of the Tri Star Career Compact facility. It also includes class materials and fees, interest income and miscellaneous revenue. In FY 2021, the Ohio BWC is issuing a dividend and Celina City Schools is expected to receive @ \$244,000. This is anticipated to be a one-time dividend, and is reflected as such within.

Investment rates have dropped significantly over the past year, which is resulting in less interest income. This coupled with a declining fund balance, also results in a decline in interest income.

Other Financing Sources – Line 2.070

Total Other Financing Sources is a very small percentage of revenue. The District is only forecasting very limited activity within this source. It includes refunds of prior year expenditures and the district is projecting a stable base through the forecast. FY 2021 includes a BWC rebate/refund of @ \$60,000 and it is considered a one-time occurrence.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2021 Through 2025**

EXPENDITURE ASSUMPTIONS

Personnel Services– Lines 3.01

Personnel Services represent about 51.7% of our general fund expenditures. Negotiations recently 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 recently 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. A 1% increase is include in FY's 2022 through 2025.

Personnel services have increased at a historical annual rate of 2.15% or @ \$360,000. It is expected to grow at an average annual rate of 2.17% through FY 2025

Employees' Benefits – Line 3.02

Benefits represent @ 22.7 of total expenditures and increased at a historical average annual rate of 2.08% (this included a year with no premium increase). This category of expenditure is expected to grow at an annual rate of 5.73 through FY 2025 (forecasted premium increases are 8% going forward)

Effective 1/1/2019, the insurance consortium moved to a new carrier (SWOEP) for medical and dental insurance and saw an 8% increase in medical premiums and a 1% increase in dental premiums. Effective 1/1/2020, the insurance consortium saw a 12% increase in medical premiums and a no increase in dental premiums. Effective 1/1/2021, the insurance consortium will see a 7.5% increase in medical premiums and a 2% increase in dental premiums.

The MABT approved a premium holiday for medical insurance in November of 2020, meaning that the monthly medical premium for the District and all employees will be paid by the MABT. The impact of this premium holiday will save the District @ \$367,000 in FY 2021 only.

Purchased Services – Line 3.03

Purchased Services comprise approximately 18.8% of total general fund expenditures and include such things as tuition costs, open-enrollment, community schools, post-secondary costs, utilities and shared costs with the ESC. This category of expenditures increased at a historical average annual rate of 1.76%, and is forecasted to increase at an average annual rate of 2.1%

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; in FY 2020 there were @ 345, and currently there are @ 345 students open-enrolling out to other school districts.

**Celina City School District
Five-Year Forecast
Fiscal Years Ending June 30, 2021 Through 2025**

EXPENDITURE ASSUMPTIONS

Supplies – Line 3.04

Supplies and Materials make up @ 3.6% of total expenditures and increased at a historical average annual rate of 9.31%, and is forecasted to grow at an annual average rate of 1.88% through FY 2025.

Capital Outlay – Line 3.05

Capital Outlay expenditures make up less than @ 1% of total expenditures. The goal is to limit the capital outlay expenditures as much as possible from the general fund.

Other Objects – Line 4.300

Other Objects make up less than 2% of the District's general fund expenditures. It is projected that this category will remain fairly stable.

5.040 - Total Other Financing Uses

Total Other Financing Uses makes up about ½ % of total general fund expenditures. It is based upon transfers and advances made by the District mostly at fiscal year-end. Advances are made at year end to eliminate deficit fund balances and are repaid after the beginning of the next fiscal year when the advances can be returned. Transfers are a permanent shift in funds and are not expected to be repaid. The transfers represent the subsidy to the food service funds which has been operating at a deficit for a number of years and will likely continue that trend.

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 cash balance. The five years of this forecast all reflect deficit spending.

Repairs to the District's capital environment remain a variable as well. This line will need to be monitored closely.

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

2021 = @ 49 Days	\$ 4,632,296 / (\$34,783,433 / 365)
2022 = @ 31 Days	\$ 3,027,261 / (\$36,080,729 / 365)
2023 = @ 7 Days	\$ 665,368 / (\$37,048,324 / 365)
2024 = @ (28) Days	\$ (2,888,305) / (\$38,119,887 / 365)

Without renewal of Income Tax Levv