Five Year Forecast

Yellow Springs Exempted Village School District
FY 2020-2021
November 12, 2020
How is Yellow Springs Schools funded?

- Property Taxes (50%)
- Income Taxes (17%)
- State Foundation Formula (15%)
- Other Local (18%)
Real Estate Tax

- Real Estate Tax increased by $129,727 in FY 2018 (3.2%)
- Real Estate Tax increased by $23,740 in FY 2019 (.57%)
- Real Estate Tax increased by $169,196 in FY 2020 (4.07%)
- This category is projected to increase by $36,462 in FY 21 and by $168,992 in FY 22 due to revaluation in FY 20.
- Due to the pandemic tax collections are currently running 3.76% behind projections.
Income Tax

- Income Tax increased by $230,159 in FY 2018 (16.36%)
- Income Tax increased by $75,423 in FY 2019 (4.60%)
- Income Tax decreased by $77,302 in FY 2020 (4.50%)
- This category is projected to decrease by $156,651 in FY 2021 and remain flat in future years.
- The income tax filing deadline was pushed back to July 2020 so we experienced timing differences.
State funding increased by $48,102 (3.54%) in FY 2018.

State funding increased by $13,287 in FY 2019 (.94%)

State funding in FY 20 was reduced by $140,115. To keep it in perspective this reduction is 1.46% of our annual revenues.

The reduction in FY 20 remains for FY 21 so state funding for FY 21 remains flat.
Types of Levies

- Operating Levies – 20 mil floor
- Emergency Levies
- Substitute Emergency Levies
- Income tax Levies (Traditional or Earned income)
- Permanent Improvement Levy
- Combination levy (bond issue and operating levy)
• Emergency levy of 10 years for $1,060,000 expires on December 31, 2024. Will need to determine if renewal for the same time period or longer and if to convert to a substitute emergency levy.

• Emergency levy of 8 years for $915,000 expires on December 31, 2024. Will need to determine if renewal for the same time period or longer and if to convert to a substitute emergency levy.

• Permanent Improvement levy of 2.10 mills expires on December 31, 2022. This levy currently generates $142,000. Will need to determine if renewal for the same time period or longer.

• Bond levy of 2.10 mills which expires in 2026. Currently we are looking at an opportunity for refunding.
# Levies

<table>
<thead>
<tr>
<th>Fund (Purpose)</th>
<th>Number of Years</th>
<th>Ends</th>
<th>Maximum Rate Authorized (Mills)</th>
<th>Estimated Yield (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General (Emergency)</td>
<td>10</td>
<td>2024</td>
<td>7.33</td>
<td>1,060,000</td>
</tr>
<tr>
<td>General (Emergency)</td>
<td>8</td>
<td>2024</td>
<td>6.32</td>
<td>915,000</td>
</tr>
<tr>
<td>Permanent Improvement (Special)</td>
<td>5</td>
<td>2022</td>
<td>1.20</td>
<td>142,000</td>
</tr>
<tr>
<td>Bond Retirement (Special)</td>
<td>27</td>
<td>2026</td>
<td>2.10</td>
<td>292,000</td>
</tr>
</tbody>
</table>
Other Local

- Includes Tuition, Open Enrollment, and Investment Earnings as well as miscellaneous revenues.
- We receive tuition from other districts for educating their students. Most of these students are foster children.
- We are restricted as to what we can invest in per Chapter 135 (UNIFORM DEPOSITORY ACT) of the Ohio Revised code.
- We receive $6,020 for each open enrollment student.
Where does the money come from?

- Real Estate Tax: 44%
- Personal Property Tax: 1%
- Income Tax: 17%
- Other Local: 16%
- State Foundation: 13%
- Career Tech/Restricted: 0%
- State Tax Allocation: 6%
- Other Financing: 3%
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Major Expenditure Assumptions

- Step increases are built into this forecast for each year.
- In FY 2021 and FY 2022 a 1% base salary increase was given to all staff and as such is built into this forecast. Future years include a 1% salary increase on base salary for all staff which is a placeholder since base salary increases have not yet been negotiated.
- Future years assumes the level of staffing remains stable.
- Benefits include a 3% in medical insurance premiums for FY 2021 and a 7.5% increase in future years. All other categories have inflationary increases.
- Staff made changes to the medical insurance so that the premium increase in FY 21 would decrease from 7.5% to 3%.
Where does the money go?

- Salaries: 56%
- Fringe Benefits: 22%
- Purchased Services: 15%
- Supplies: 2%
- Capital Outlay: 1%
- Miscellaneous: 2%
- Other Financing: 2%
How do revenues compare to expenditures?

- Total Revenues
- Total Expenditures
How do revenues compare to expenditures?

Excess of Revenue Over(Under) Expenditures
What is the effect on the cash balance?

End of Year Cash Balance

- 2016
- 2017
- 2018
- 2019
- 2020
- 2021
- 2022
- 2023
- 2024

30 days of operating cash
Conclusion

- At the end of FY 2024 we end the year with a negative $74,301. This deficit coincides with the levy renewals in December 2024.
- Planning will need to be done in the next several years to avoid the FY 2024 negative cash balance.