

# Five Year Forecast



Yellow Springs Exempted Village School District  
FY 2020-2021  
November 12, 2020

# How is Yellow Springs Schools funded?

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

# Real Estate Tax

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- 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.

# IncomeTax

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- 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

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- 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

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- 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)

# Levies

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- 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

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

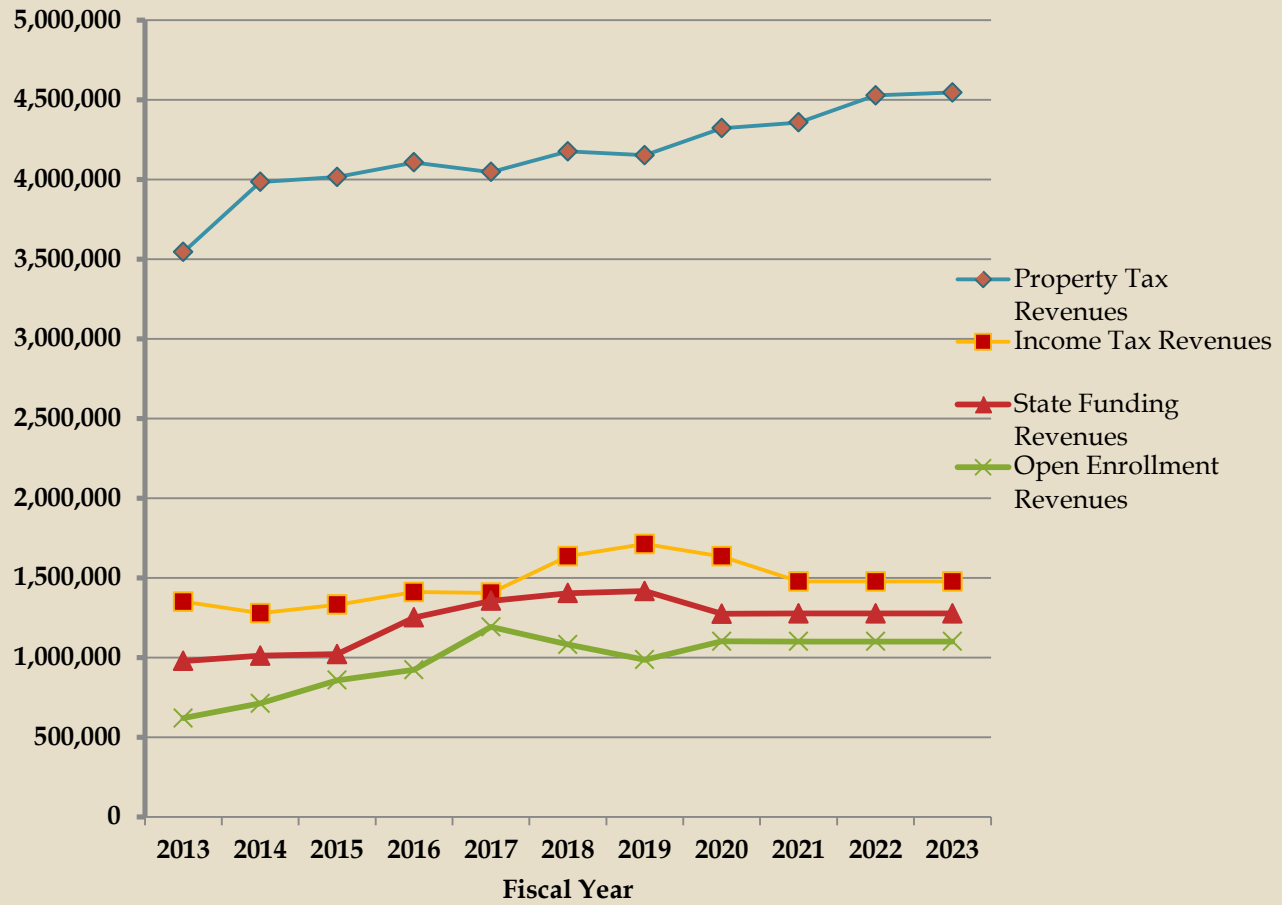


# Other Local

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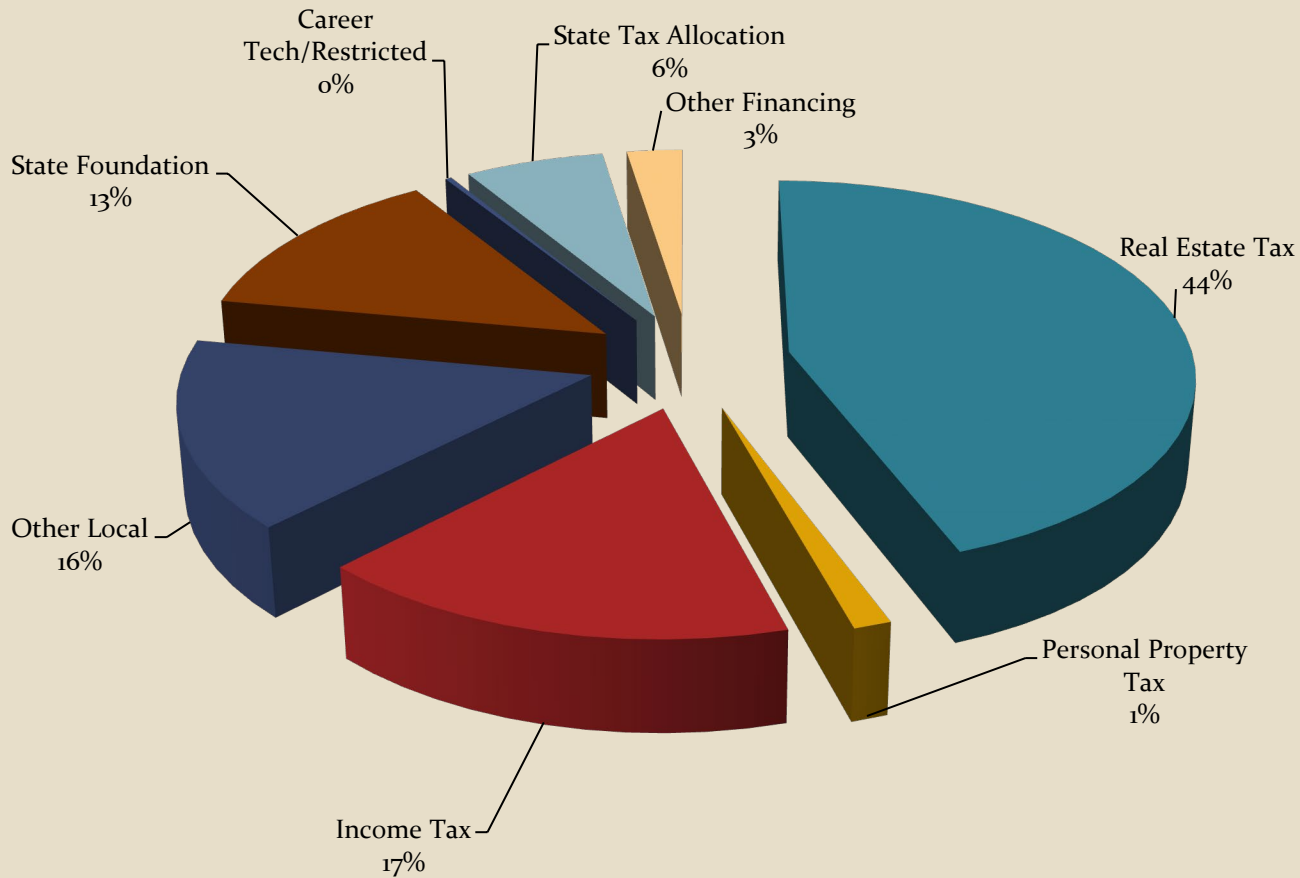
- Includes Tuition, Open Enrollment, and Investment Earnings as well as miscellaneous revenues.
- We receive tuition from other districts for educating their students. Most of these students are foster children.
- We are restricted as to what we can invest in per Chapter 135 (UNIFORM DEPOSITORY ACT)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

# Selected Revenues



# Where does the money come from ?

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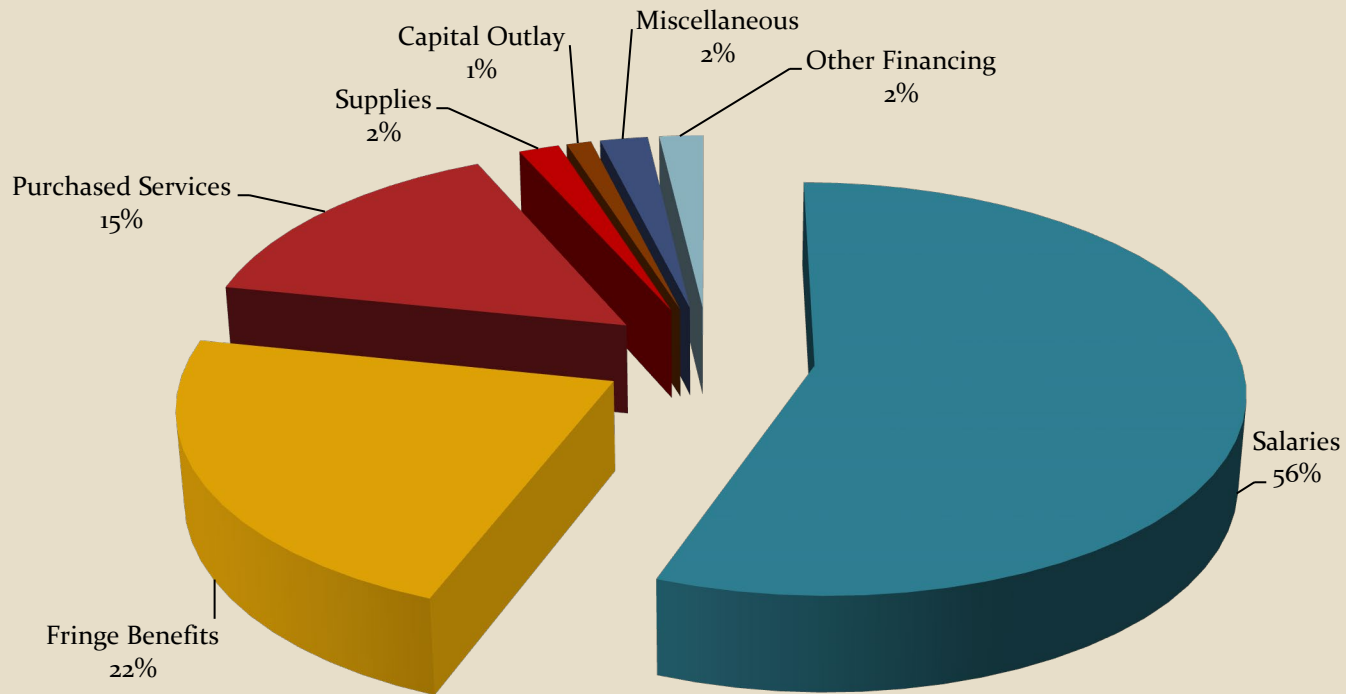
# Major Expenditure Assumptions

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- 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%.

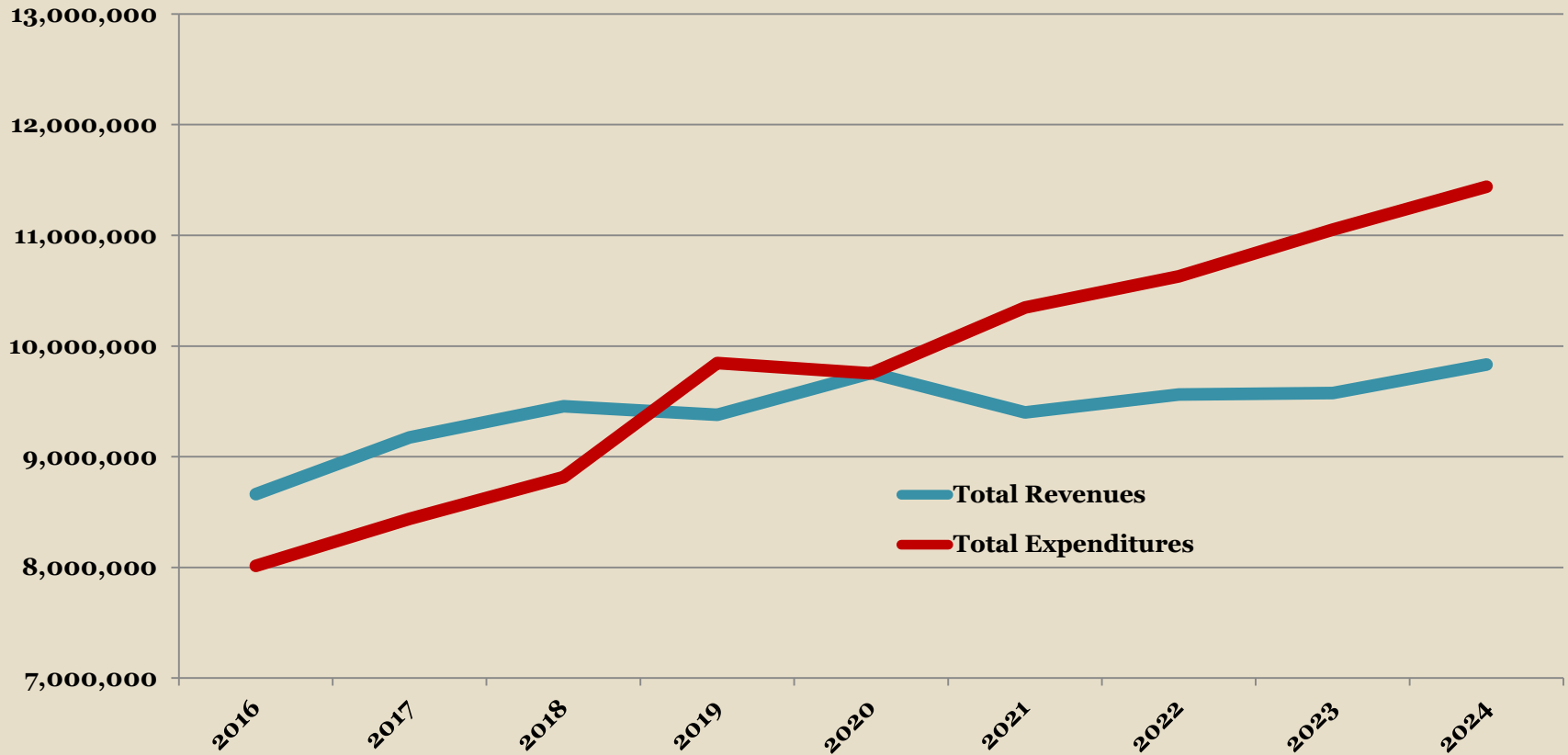
# Where does the money go ?

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# How do revenues compare to expenditures?

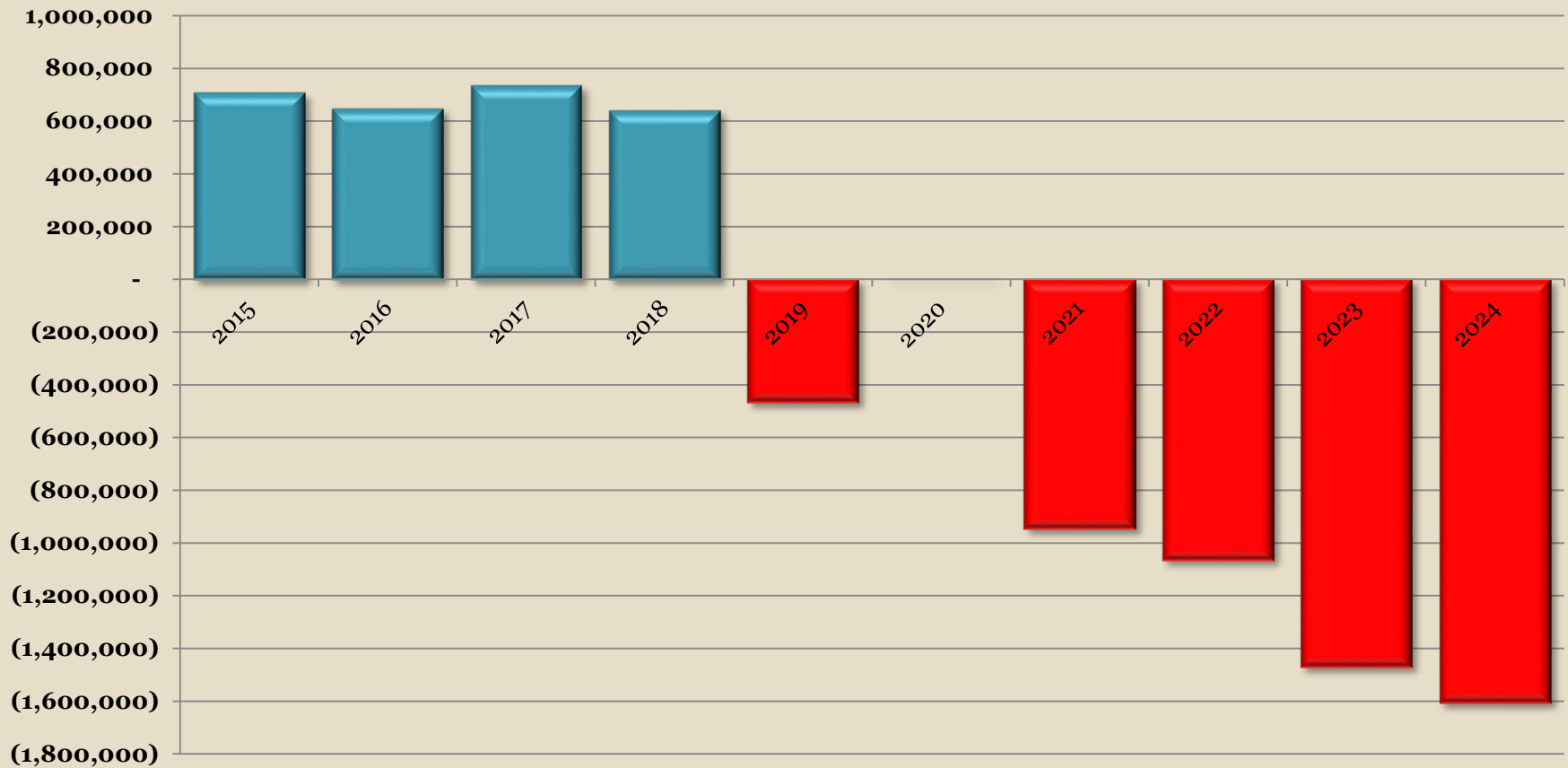
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# How do revenues compare to expenditures?

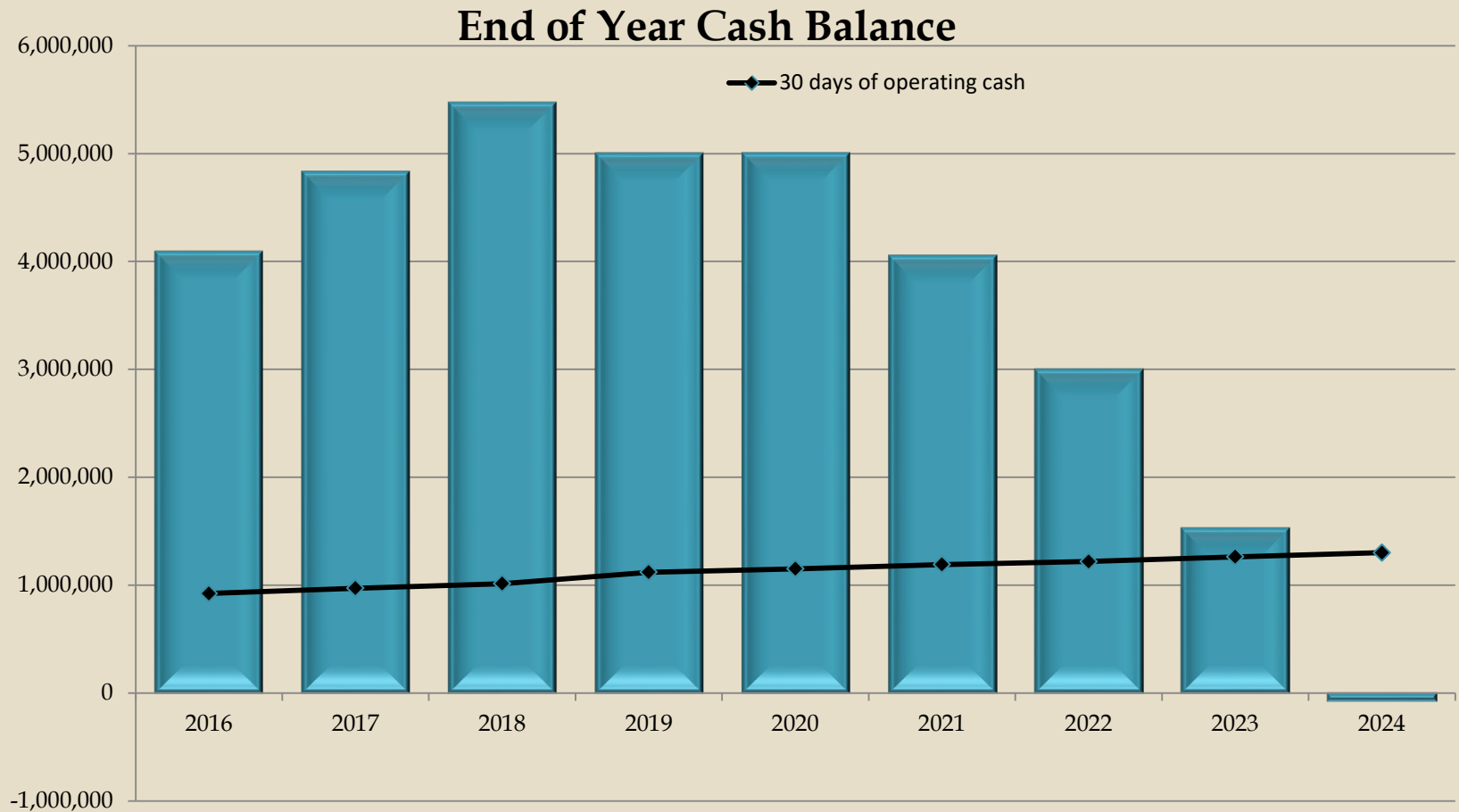
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## Excess of Revenue Over(Under) Expenditures



# What is the effect on the cash balance ?

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# Conclusion

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- 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.