

ONTARIO LOCAL SCHOOL DISTRICT
RICHLAND COUNTY

**Summary of Significant Forecast Assumptions and Accounting Policies
For the Fiscal Years Ending June 30, 2019 through 2023**

Note 1 - Nature and Limitations of the Forecast

This financial forecast presents, to the best of the Ontario Local School District Board of Education's knowledge and belief, the expected revenues, expenditures and operating balance of the general fund. Accordingly, the forecast reflects the Board of Education's judgment of the expected conditions and its expected course of action as of October 9, 2018, the date of this forecast. The assumptions disclosed herein are those that management believes are significant to the forecast. Differences between the forecasted and actual results will usually arise because events and circumstances frequently do not occur as expected, and those differences may be material.

Note 2 - Nature of the Presentation

The forecast presents the revenues, expenditures, and changes in fund balance of the general fund. Under State law, certain general fund resources received from the State must be spent on specific programs. These resources and the related expenditures have been segregated in the accounting records of the School District to demonstrate compliance. State laws also require general fund resources pledged for the repayment of debt to be recorded directly in the debt service fund.

Note 3 - Summary of Significant Accounting Policies

A. Basis of Accounting

This financial forecast has been prepared on a basis of cash receipts, disbursements, and encumbrances which are consistent with the required budget (non-GAAP) basis of accounting used to prepare the historical financial statements. Under this basis of accounting, certain revenue and related assets are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the obligation is incurred. However, by virtue of Ohio law, the School District is required to maintain the encumbrance method of accounting. This method requires purchase orders, contracts, and other commitments for the expenditure of monies to be recorded as the equivalent of expenditure in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

B. Fund Accounting

The School District maintains its accounting in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other constraints require the segregation of specific receipts and disbursements. The transactions of each fund are reflected in a self-balancing group of accounts; an accounting entity which stands separate from the activities reported in other funds. The restrictions associated with each class of funds are as follows:

Governmental Funds

General Fund - The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is disbursed or transferred in accordance with Ohio law.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or those for major capital projects) that are legally restricted to disbursements for specified purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term and short-term debt principal and interest.

Capital Projects Funds - Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds

Enterprise Funds - Enterprise funds account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Funds

Trust and Agency Funds - Trust and agency funds account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units; and/or other funds. These include (a) non-expendable trust funds, and (b) agency funds.

C. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificated of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificated of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the object level within each function. Any budgetary modifications at the fund level may only be made by resolution of the Board of Education.

Tax Budget - A tax budget of estimated cash receipts and fund balances is submitted to the Richland County Auditor, as secretary of the County Budget Commission, by January 20 of each year, for the succeeding fiscal year.

Estimated Resources - The County Budget Commission certifies its actions to the School District by March 1. As part of this certification, the School District receives the official certificate of estimated resources which

states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing fiscal year will not exceed that amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure.

Appropriations - A temporary appropriation measure to control cash disbursements may be passed on or about July 1 of each year. The temporary appropriation measure remains in place until the annual appropriation measure is adopted for the entire year. The appropriation measure may be amended or supplemented during the year as new information becomes available.

Encumbrances - The School District uses the encumbrance method of accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve a portion of the applicable appropriation.

Note 4 - General Operating Assumptions

The Ontario Local School District will continue to operate its instructional program in accordance with its adopted or to be adopted school calendar, and pay all obligations. The forecast contains those expenditures the Board of Education has determined to be necessary to provide for an adequate educational program.

Note 5 - Significant General Assumptions for Revenues and Other Financing Sources

A. General and Personal Property Taxes

Property taxes consist of real estate, public utility real and personal property. Advances may be requested from the Richland County Auditor as the tax is collected. When settlements are made, any amounts remaining to be distributed to the School District are paid. Deductions for auditor and treasurer fees, advertising delinquent taxes, election expenses, and other fees are made at these settlement times.

Property taxes are levied and collected on a calendar year bases. Settlements that occur in the second half of the calendar year are recorded as revenue in next fiscal year. New and/or expiring levies result in approximately one-half of the annual revenue being recorded in the first and/or last year of collection.

The general fund property tax revenues for the School District are generated from several levies. The type of levies, the year approved, last year of collection, and the full tax rate are as follows:

		Last Year of Collection	Full Tax Rate (Mill)
Tax Levies	Year Approved		
Inside Millage	n/a	n/a	5.40
Continuing Operating	1969	n/a	2.46

Continuing Operating	1972	n/a	14.26
Continuing Operating	1974	n/a	3.28
Continuing Operating	1976	n/a	5.00
Continuing Operating	1989	n/a	4.00
Continuing Substitute	2009	n/a	6.30
5 Year Emergency	2017	2022	4.80
Total Tax Rate			45.50

The School District also has levies for bonded debt and for permanent improvement totaling 5.50 mills.

Ohio law provides for a reduction in the rates of voted levies to offset increased values resulting from a reappraisal of real property. Reduction factors are applied to authorized voted levies so that each levy yields the same amount of property taxes as in the year in which the levy was approved. Increases to voted levy revenues are restricted to assessments for new construction. The reduction factors are computed annually and applied separately for residential/agricultural property and commercial/industrial property. The general fund effective residential and agricultural rate is 32.72 mills, and the commercial and industrial rate is 38.25 mills. State law prevents reduction factors from reducing effective mileage below 20. Ontario School District is not at the 20 mill floor for residential and agricultural property even though the 4.80 mill 5 Year Emergency Levy and the 6.30 mill Substitute Levy are not included in the 20 mill floor calculation.

General Property Tax (Real Estate) - General property tax (real estate) revenue includes real estate taxes, public utility property taxes, and manufactured home taxes. The amount shown in the revenue section of the forecast schedule represents gross property tax revenue. The general property tax revenue estimate is based upon actual receipts and information provided by the Richland county Auditor. The next triennial revaluation for Richland County property will be in tax year 2020 collectible in 2021 and the last sexennial revaluation was in tax year 2017 collectible in 2018.

HB 66 authorized the phase out of all types of personal property over four years ending in 2009. The State will hold schools harmless for the loss of revenue for the first seven years, net of any additional revenue received through the State foundation formula due to the reduction in the tax base. The hold harmless payment was to begin to be phased out beginning in 2013. The hold harmless payments from the State are included in the Property Tax Allocation revenue line on the forecast. In June 2011, HB 153 amended the hold harmless phase out process. The phase out reduction will occur in 2012 and 2013, but thereafter the hold harmless payments will be frozen at the 2013 amount until 2015. In 2016 the State began to phase out the hold harmless payments again. The short term effect of this phase-out of tangible personal property tax is shown in the table on page 6.

B. Income Tax

Ontario School District does not have an income tax levy. The reason the district does not attempt an income tax levy is due to the fact that

businesses are exempt from the school district income tax by law. Businesses in Ontario would currently pay 30% of all new property taxes while residents would pay only 70%. If Ontario Schools passed an income tax levy, residents would pay 100% of the new tax.

C. Unrestricted Grants-in-Aid

State foundation payments, established by Chapter 3317 of the Ohio Revised Code, are calculated by the State Department of Education, Division of School Finance. The funds are distributed on a semi-monthly basis. Deductions from the monthly payments for contribution to the two school retirement systems are included in the expenditure section. Unrestricted grants-in-aid include opportunity grant aid, targeted assistance, special education aid, limited English funding, K3 literacy funding, gifted identification, transportation, graduation bonus, 3rd grade reading bonus, and catastrophic cost reimbursement.

In 2017 the State continued the funding formula from 2014 with some minor adjustments. The formula is primarily based upon a per student amount coupled with a district wealth factor. The formula generates a potential \$5,822,493 in State funds but the State capped the increase that a school may receive. The State will only fund \$3,278,397 for FY 2018. This means that the State will not fund \$2,544,096 annually that the district should have received.

D. Restricted Grants-in-Aid

Restricted grants-in-aid consist of Career Tech Weighted Amount and Economically Disadvantaged Aide.

E. Property Tax Allocation

State law grants tax relief in the form of a ten percent rollback reduction in real property tax bills. In addition, a two and one-half percent rollback is granted on residential property taxes. Effective with tax collection year 2008, additional tax relief was expanded to include all senior citizen homeowners and all permanently and totally disabled homeowners, regardless of income, to be able to shield \$25,000 of the market value of their home from property taxes. The state reimburses the School District for the loss of real property taxes as a result of the rollback and homestead tax relief programs. Effective with any future tax levies, the State of Ohio will not pay the ten percent rollback on the new levy.

Also included in the Property Tax Allocation is the Tangible Personal Property Hold Harmless Payments from the State. The table below shows the estimated amounts of state reimbursement payments affected by HB 66 phase out of tangible personal property tax.

**Tangible Personal Property Hold Harmless State Reimbursement
Calculation**

Gross Amount of Hold Harmless Reimbursement

	TY 2018	TY 2019	TY 2020	TY 2021	TY 2022
Fixed Rate Levy Loss (General Fund)	\$2,522,399	\$2,522,399	\$2,522,399	\$2,522,399	\$2,522,399
Fixed Rate Levy Loss (Permanent Improve.)	\$73,267	\$73,267	\$73,267	\$73,267	\$73,267
Fixed Sum Levy Loss (General Fund)	\$231,810	\$231,810	\$231,810	\$231,810	\$231,810
Fixed Sum Levy Loss (Bond Fund)	\$277,377	\$277,377	\$277,377	\$277,377	\$277,377
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
General Fund	\$2,754,209	\$2,754,209	\$2,754,209	\$2,754,209	\$2,754,209
Bond Fund	\$272,377	\$272,377	\$272,377	\$272,377	\$272,377
Permanent Improve. Fund	\$73,326	\$73,326	\$73,326	\$73,326	\$73,326

**State Charge-off Reduction Due to Loss of Valuation from Tangible Personal
Property & Telephone**

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Valuation Reduction	\$31,085,696				
State Charge-Off Rate	.023				

General Fund (State Revenue Reduction)	\$714,971	\$714,971	\$714,971	\$714,971	\$714,971

Hold Harmless Phase-Out Amount

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund Phase- Out	\$1,469,767	\$1,693,054	\$1,916,342	\$2,039,238	\$2,039,238
Bond Fund Phase-Out	\$0	\$0	\$0	\$0	\$0
Permanent Improve. Fund Phase-Out	\$73,326	\$73,326	\$73,326	\$73,326	\$73,326

Net Amount of Hold Harmless Reimbursement (Including Phase-Out Reduction)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
General Fund	\$569,471	\$346,184	\$122,896	\$0	\$0
Bond Fund	\$272,377	\$272,377	\$272,377	\$272,377	\$272,377
Permanent Improve. Fund	\$0	\$0	\$0	\$0	\$0

F. All Other Revenues

All other revenues include open enrollment, tuition from other districts, classroom materials and fees, earnings on investments, payments in lieu of taxes, miscellaneous receipts from local sources, Medicaid reimbursements, and refunds of prior year expenditures.

Interest is based on historical investment practices and anticipated rates during the forecast period. The School District pools cash from all funds for investment purposes. Investments are restricted by provisions of the Ohio Revised Code and are valued at cost. Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings with the largest allocation going to the general fund.

Note 6 - Significant General Assumptions for Expenditures and Other Financing Uses

A. Personal Services

Personal service expenditures represent the salaries and wages paid to certified employees, classified and administrative staff, classified substitutes, student workers and board members. In addition to regular salaries, it includes payment for supplemental contracts, and payments in lieu of benefits.

Certified and classified staff salaries are based on contracts with their respective bargaining units. The contracts cover the period July 1, 2017 through June 30, 2020 for certified employees and July 1, 2017 through June 30, 2020 for classified employees. Administrative salaries are set by the Board of Education. Management estimates that step increases amount to 1.1% annually.

B. Employees' Retirement/Insurance Benefits

Employees' retirement and insurance benefits include employer contributions to the State pension systems, health care, Medicare, workers' compensation, and other benefits arising from the negotiated agreements.

Retirement costs are based on the employer's contribution rate of fourteen percent for STRS and SERS. Payments are withheld from the semi-monthly state foundation settlements based upon estimated salary and wages for each fiscal year.

Health care costs are based on the coverage terms of the existing health insurance contracts, the anticipated number of employees participating in the program, and the monthly premiums. The School District participates in a self-insured consortium, Ohio School Benefits Cooperative, for a comprehensive major medical plan with Medical Mutual of Ohio. Effective January 2016, an HSA plan was added as an option in addition to the PPO plan. All full time employees pay approximately 14-17% of the total premium.

For Workers Compensation, the School District participates in a Group Retrospective Rating Program instead of a Group Rating Plan.

Medicare benefits are based on the employer's rate of 1.45 percent of the payroll costs for contributing staff. Contributing staff, by law, are all

employees hired after January 1, 1986. All except two employees are subject to Medicare.

Upon retirement, the School District offers severance pay to its employees based upon their unused accumulated sick leave days. The maximum accrual of sick leave days is 450 days of which 22.22% would be paid as severance. Severance is paid at the employee's current per diem rate. Beginning in FY 2018 this payment will be made under a HRA/Special 403B Program as an Employees' Retirement/Insurance Benefits expense instead of a Personal Service expense.

C. Purchase Services

Purchase service expenditures include professional services, property services, travel and meeting expenses, communication, utilities, tuition for community school and open enrollment students, contracted special education costs, contract transportation costs, school resource officer services, teacher substitute services, contracted nurse services, equipment leases and on-line school services.

D. Supplies and Materials

Expenditures for supplies and materials include general and office supplies, teaching aids, custodial and maintenance supplies, software materials, textbooks, and supplemental textbooks. The District has a rotating five year cycle for major curriculum purchases.

E. Capital Outlay

Property, plant and equipment acquired or constructed for general governmental services are recorded as expenditures. Depreciation is not recorded for these general fixed assets as the purpose of the financial statements for the general governmental services is to report the expenditure of resources, not costs.

F. Debt Service

The District completed a \$1,235,600 Energy Conservation Project in FY 2012. The project scope included new light fixtures and controls, new boilers, new building controls, solar heating for the pool, new football field lights and other miscellaneous energy saving projects. The project is expected to save the district approximately \$24,000 annually in energy costs net of the debt service costs. The note is for fifteen years at a fixed rate of 3.55%. Principle is paid annually on December 1st and interest is paid semi-annually on June 1st and December 1st.

In FY 2014 the District completed a \$590,747 Energy Conservation Project. This project will include lighting retrofits, replacing existing temperature controls, and install variable frequency drives on air handlers and water pumps. The note is for fifteen years at a fixed rate of 1.0%. Principle is paid annually on December 1st and interest is paid semi-annually on June 1st and December 1st.

G. Other Objects

This account includes dues, fees, liability insurance, other miscellaneous goods and services not otherwise classified in another account, and refund of prior years' receipts. The two major expenditures in this category are County Auditor and Treasurer Fees for the collection of property taxes and Mid-Ohio Educational Service Center Fees for talented and gifted coordinator, and truancy officer.

H. Operating Transfers and Advances Out

In FY 2015 the School District changed to a self-insurance funding for their medical insurance coverage. The first year required an advance from the General Fund to the Self-Insurance Fund for insufficient reserve funds. These funds were advanced back in FY 2016. The same advance was required in FY 2016 but in a smaller amount. No advance was required in FY 2017. It is anticipated that no advances will be required in the future years.

Note 7 - Encumbrances

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments which have been performed, invoiced, and are awaiting payment. Encumbrances on a budget basis of accounting are treated as the equivalent of expenditure at the time authorization is made in order to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance.

Historically, the School District has very limited encumbrances at the end of a fiscal year and anticipates only a few encumbrances for the forecast period. Management authorizes only a few purchases in June each year and will delay the purchase of materials and supplies for the new school year until the start of the new fiscal year.

Note 8 - Reservations of Fund Balance

The School District is required by State statute to annually set aside in the general fund three percent of the State base cost formula amount for the current fiscal year multiplied by the school district's student population for that fiscal year for the purchase of and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in the future years.

A. Textbooks and Instructional Materials

HB 153 rescinded the requirement to set aside an amount for textbooks and instructional materials effective with fiscal year 2012.

B. Capital Acquisition and Improvements

The set aside amount for fiscal year 2019 is \$362,453. The School District anticipates off-sets and qualifying expenditures in the area of capital outlay and other objects, as permitted, to completely offset the set aside requirement for the forecast period. Therefore, no reserve is anticipated during the forecast period.

C. Budget Reserve

The School District was required to establish a budget reserve and set aside one percent of certain revenues each year whenever there was annual growth of three percent or more in these revenues. Effective April 10, 2001, Amended Senate Bill 345 deleted the requirement for further budget reserves. The School Board has determined not to establish a budget reserve.

Note 9 - Levies

The district will need to renew a \$1,320,000 Emergency Levy in calendar year 2022. This levy was first passed in 1992 and renewed every five years since.

The district is also planning for an additional levy in 2021. The plan is to offset the new levy by reducing the bond levy collection rate by 4.4 mills leaving only .1 mills being collected on the bond levy. The need for this levy is due to the State's refusal to fully fund their formula. (See note 5 C)

Note 10 - Pending Litigation

The Board has no issues that would have a material effect on the financial forecast.

Note 11 - Detailed Revenue and Expenditure Assumptions by Fiscal year

REVENUE:

Real Estate Taxes

FY 2019 PROJECTED

1. 7 new homes at \$200,000 each (\$16,000 in taxes in calendar year 2020).
2. New commercial growth is offset by Board of Revision reductions which nets to no increase.
3. Dollar levy tax rates remain the same.
4. Reduced collections by \$50,000 due to early payments in FY 2018 due to federal income tax changes.
5. Reduced collections by \$100,000 due to large delinquent commercial taxes.

FY 2020 PROJECTED

1. 7 new homes at \$200,000 each (\$16,000 in taxes in calendar year 2020).
2. New commercial growth in tax revenue \$19,000 in calendar year 2020.
3. Dollar levy tax rates remain the same.
4. Assuming same delinquents for commercial tax collections.

FY 2021 PROJECTED

1. 7 new homes at \$200,000 each (\$16,000 in taxes in calendar year 2021).
2. New commercial growth in tax revenue \$19,000 in calendar year

2021.

3. Dollar levy tax rates remain the same.
4. Estimate little change in tax revenue due to reappraisal.
5. Assuming same delinquents for commercial tax collections.

FY 2022 PROJECTED

1. 7 new homes at \$200,000 each (\$16,000 in taxes in calendar year 2022).
2. New commercial growth in tax revenue \$19,000 in calendar year 2022.
3. Dollar levy tax rates remain the same.
4. Assuming same delinquents for commercial tax collections.

FY 2023 PROJECTED

1. 7 new homes at \$200,000 each (\$16,000 in taxes in calendar year 2023).
2. New commercial growth in tax revenue \$19,000 in calendar year 2023.
3. Dollar levy tax rates remain the same.
4. Assuming same delinquents for commercial tax collections.

Personal Property Taxes

FY 2019 PROJECTED

1. Personal Property Tax fully phased out.

FY 2020 PROJECTED

1. Personal Property Tax fully phased out.

FY 2021 PROJECTED

1. Personal Property Tax fully phased out.

FY 2022 PROJECTED

1. Personal Property Tax fully phased out.

FY 2023 PROJECTED

1. Personal Property Tax fully phased out.

Unrestricted Grants-in-aid

FY 2019 PROJECTED

1. Using increases from H.B. 64 less previous year's adjustment and increase in preschool funding. (Est. net increase of \$67,000)
2. One-time collection of \$57,000 for FY 2018 adjustment from Community Schools
3. Estimate Casino Revenue Payments in August & January - \$102,000.
4. Estimate \$25,000 catastrophic special ed. reimbursement.

FY 2020 PROJECTED

1. Using similar increases as H.B. 64. (Est. increase of \$172,300)
2. Estimate Casino Revenue Payments in August & January - \$102,000.
3. Estimate \$25,000 catastrophic special ed. reimbursement.

FY 2021 PROJECTED

1. Using similar increases as H.B. 64. (Est. increase of \$167,300)
2. Estimate Casino Revenue Payments in August & January - \$102,000.
3. Estimate \$25,000 catastrophic special ed. reimbursement.

FY 2022 PROJECTED

1. Using similar increases as H.B. 64. (Est. increase of \$167,300)
2. Estimate Casino Revenue Payments in August & January - \$102,000.
3. Estimate \$25,000 catastrophic special ed. reimbursement.

FY 2023 PROJECTED

1. Using similar increases as H.B. 64. (Est. increase of \$167,300)
2. Estimate Casino Revenue Payments in August & January - \$102,000.
3. Estimate \$2,000 catastrophic special ed. reimbursement.

Restricted Grants-in-aid

- FY 2019 PROJECTED
1. Career Tech Weighted Amount \$26,762.
 2. Economically Disadvantage Amount \$47,553.
- FY 2020 PROJECTED
1. Career Tech Weighted Amount \$26,762.
 2. Economically Disadvantage Amount \$47,553.
- FY 2021 PROJECTED
1. Career Tech Weighted Amount \$26,762.
 2. Economically Disadvantage Amount \$47,553.
- FY 2022 PROJECTED
1. Career Tech Weighted Amount \$26,762.
 2. Economically Disadvantage Amount \$47,553.
- FY 2023 PROJECTED
1. Career Tech Weighted Amount \$14,000.
 2. Economically Disadvantage Amount \$47,553.

Property Tax Allocation

- FY 2019 PROJECTED
1. Increases due to new growth and new applications in real estate property taxes.
 2. Includes the hold harmless payment for the elimination of personal property taxes in the amount of \$569,471 (\$222,928 reduction from 2018)
- FY 2020 PROJECTED
1. Increases due to new growth and new applications in real estate property taxes.
 2. Includes the hold harmless payment for the elimination of personal property taxes in the amount of \$346,184 (\$223,287 reduction from 2019).
- FY 2021 PROJECTED
1. Increases due to new growth and new applications in real estate property taxes.
 2. Includes the hold harmless payment for the elimination of personal property taxes in the amount of \$122,896 (\$223,288 reduction from 2020).
- FY 2022 PROJECTED
1. Increases due to new growth and new applications in real estate property taxes.
 2. Includes the hold harmless payment for the elimination of personal property taxes in the amount of \$0 (\$122,896 reduction from 2021).
- FY 2023 PROJECTED
1. Increases due to new growth and new applications in real estate property taxes.

All Other Revenues

- FY 2019 PROJECTED
1. Tuition from other districts - foster children and special ed. students decreases \$136,000.
 2. Student fees increase by \$14,500 due to on-to-one fees.
 3. Preschool tuition is now receipted in the General Fund \$60,000.
 4. Rental income remains constant.
 5. Interest increases \$60,000 due to increased rates.
 6. Collect \$85,000 in Medicare Reimbursement Fees.
 7. Open Enrollment - 395 students (FTE) - \$2,377,900.
 8. Furniture Row/Menards TIF payment - \$76,307.
 9. Beer Road/Campus/Ferguson Road TIF payment - \$77,875.

10. City continues their contribution for Substance Abuse Prevention Program.

FY 2020 PROJECTED

1. Tuition from other districts - foster children and special ed. students decrease \$10,000.
2. Student fees remain constant.
3. Preschool tuition remains constant.
4. Rental income remains constant.
5. Interest decreases \$25,000.
6. Collect \$90,000 in Medicare Reimbursement Fees.
7. Open Enrollment - 405 students (FTE) - \$2,438,100.
8. Furniture Row/Menards TIF payment - \$77,000.
9. Beer Road/Campus/Ferguson Road TIF payment - \$78,000.
10. City continues their contribution for Substance Abuse Prevention Program.

FY 2021 PROJECTED

1. Tuition from other districts - foster children and special ed. students remain constant.
2. Student fees increase \$1,000.
3. Preschool tuition remains constant.
4. Rental income remains constant.
5. Interest decreases \$25,000.
6. Collect \$90,000 in Medicare Reimbursement Fees.
7. Open Enrollment - 415 students (FTE) - \$2,498,300.
8. Furniture Row/Menards TIF payment - \$77,000.
9. Beer Road/Campus/Ferguson Road TIF payment - \$78,000.
10. City continues their contribution for Substance Abuse Prevention Program.

FY 2022 PROJECTED

1. Tuition from other districts - foster children and special ed. students decrease \$5,000.
2. Student fees increase \$1,000.
3. Preschool tuition remains constant.
4. Rental income remains constant.
5. Interest decreases \$40,000.
6. Collect \$90,000 in Medicare Reimbursement Fees.
7. Open Enrollment - 425 students (FTE) - \$2,558,500.
8. Furniture Row/Menards TIF payment - \$77,000.
9. Beer Road/Campus/Ferguson Road TIF payment - \$78,000.
10. City continues their contribution for Substance Abuse Prevention Program.

FY 2023 PROJECTED

1. Tuition from other districts - foster children and special ed. students decrease \$15,000.
2. Student fees increase \$1,000.
3. Preschool tuition remains constant.
4. Rental income remains constant.
5. Interest decreases \$10,000.
6. Collect \$90,000 in Medicare Reimbursement Fees.
7. Open Enrollment - 435 students (FTE) - \$2,618,700.
8. Furniture Row/Menards TIF payment - \$77,000.
9. Beer Road/Campus/Ferguson Road TIF payment - \$78,000.
10. City continues their contribution for Substance Abuse Prevention Program.

Advances-In

FY 2019 PROJECTED

1. None

FY 2020 PROJECTED
 1. None
 FY 2021 PROJECTED
 1. None
 FY 2022 PROJECTED
 1. None
 FY 2023 PROJECTED
 1. None

Other Financing Sources

FY 2019 PROJECTED
 1. Sale of personal property.
 FY 2020 PROJECTED
 1. Sale of personal property.
 FY 2021 PROJECTED
 1. Sale of personal property.
 FY 2022 PROJECTED
 1. Sale of personal property.
 FY 2023 PROJECTED
 1. Sale of personal property.

EXPENDITURES:

Personal Services

FY 2019 PROJECTED
 1. Reduce two teachers through attrition.
 2. Add Athletic Director, Preschool Director, Psychologist Assistant, Speech Therapist, Special Ed. Preschool Teacher, TRC Program Teacher, Increase COTA services.
 3. Normal salary schedule step increases have been included.
 4. Includes \$17,000 increase for teacher education increases.
 5. Title I & IDEA grants remain constant.
 6. Title II-A grant remains constant.
 7. One percent base wage increase for all staff.
 FY 2020 PROJECTED
 1. No additional staff.
 2. Normal salary schedule step increases have been included.
 3. Includes \$19,000 increase for teacher education increases.
 4. Title I & IDEA grants remain constant.
 5. Title II-A grant remains constant.
 6. Three percent base wage increase for all staff.
 FY 2021 PROJECTED
 1. No additional staff.
 2. Normal salary schedule step increases have been included.
 3. Includes \$20,000 increase for teacher education increases.
 4. Title I & IDEA grants remain constant.
 5. Title II-A grant remains constant.
 6. No base wage increase for any staff.
 FY 2022 PROJECTED
 1. No additional staff.
 2. Normal salary schedule step increases have been included.
 3. Includes \$20,000 increase for teacher education increases.
 4. Title I & IDEA grants remain constant.
 5. Title II-A grant remains constant.
 6. No base wage increase for any staff.
 FY 2023 PROJECTED
 1. No additional staff.

2. Normal salary schedule step increases have been included.
3. Includes \$20,000 increase for teacher education increases.
4. Title I & IDEA grants remain constant.
5. Title II-A grant remains constant.
6. No base wage increase for any staff.

Employee Retirement & Benefits

FY 2019 PROJECTED

1. Retirement is a function of salaries. Average percentage is 15%.
2. SERS surcharge remains constant.
3. Estimate 0% increase in health premiums.
4. Life insurance rate remains constant.
5. Medicare increases 11% due to new staff and increase in salaries.
6. Workers Comp. rate increases 2%, with a total of a \$15,000 reimbursement from 2016, 2017, & 2018 Retrospective Rating program and a rebate of \$39,000. (\$4,200 increase)
7. Tuition reimbursement increases \$2,000.
8. Severance (HRA/Special 403(b) - \$45,628
9. Estimate \$3,000 unemployment.

FY 2020 PROJECTED

1. Retirement is a function of salaries. Average percentage is 15%.
2. SERS surcharge remains constant.
3. Estimate 4% increase in health premiums. Board pays 88% of increase.
4. Life insurance rate remains constant.
5. Medicare increases 4% due to increase in salaries.
6. Workers Comp. rate increases 2%, with a total of a \$15,000 reimbursement from 2017, 2018, & 2019 Retrospective Rating program and no rebate. (\$40,000 increase)
7. Tuition reimbursement decreases \$8,000.
8. Severance (HRA/Special 403(b) - \$17,385

FY 2021 PROJECTED

1. Retirement is a function of salaries. Average percentage is 15%.
2. SERS surcharge remains constant.
3. Estimate 11% increase in health premiums. Board pays 86% of increase.
4. Life insurance rate remains constant.
5. Medicare increases 2% due to increase in salaries.
6. Workers Comp. rate remains constant, with a total of a \$15,000 reimbursement from 2018, 2019, & 2020 Retrospective Rating program. (\$3,000 increase)
7. Tuition reimbursement remains constant.
8. Severance (HRA/Special 403(b) - \$0

FY 2022 PROJECTED

1. Retirement is a function of salaries. Average percentage is 15%.
2. SERS surcharge remains constant.
3. Estimate 11% increase in health premiums. Board pays 86% of increase.
4. Life insurance rate remains constant.
5. Medicare increases 1% due to increase in salaries.
6. Workers Comp. rate remains constant, with a total of a \$15,000 reimbursement from 2019, 2020, & 2021 Retrospective Rating program. (\$2,000 increase)
7. Severance (HRA/Special 403(b) - \$25,221

FY 2023 PROJECTED

1. Retirement is a function of salaries. Average percentage is 15%.
2. SERS surcharge remains constant.

3. Estimate 11% increase in health premiums. Board pays 86% of increase.
4. Life insurance rate remains constant.
5. Medicare increases 1% due to increase in salaries.
6. Workers Comp. rate remains constant, with a total of a \$15,000 reimbursement from 2019, 2020, & 2021 Retrospective Rating program. (\$2,000 increase)
7. Severance (HRA/Special 403(b) - \$70,686

Purchased Services

FY 2019 PROJECTED

1. Increase of 1.0% for most services.
2. Reduction of building & maintenance \$82,000.
3. Special Ed. & Tuition costs decrease \$260,000 due to creating our own in-house special ed. preschool and TRC programs.
4. Online School and ECOT closing saves approximately \$7,000.
5. Equipment lease increases a net \$87,900 for the design build project.

FY 2020 PROJECTED

1. Increase of 1.0% for most services
2. Special Ed. & Tuition costs increase \$53,000.
3. Equipment lease increases \$52,700 for full year payment on design build project.

FY 2021 PROJECTED

1. Increase of 1.0% for most services
2. Special Ed. & Tuition costs increase \$11,700.

FY 2022 PROJECTED

1. Increase of 1.0% for most services
2. Special Ed. & Tuition costs decrease \$155,000 due to contracted special ed. student leaving program.

FY 2023 PROJECTED

1. Increase of 1.0% for most services
2. Special Ed. & Tuition costs increase \$10,700.

Supplies & Materials

FY 2019 PROJECTED

1. Increase of 1.0% for most supplies.
2. Increase in instructional supplies due to new Stem Classes. \$19,000
3. Curriculum/technology study budget is \$72,500 (\$21,500 increase from FY 2018)

FY 2020 PROJECTED

1. Increase of 1.0% for most supplies.
2. Curriculum/technology study budget is \$161,000 (\$88,500 increase from FY 2019)
3. Reduction in instructional supplies \$13,000

FY 2021 PROJECTED

1. Increase of 1.0% for most supplies.
2. Curriculum/technology study budget is \$50,000 (\$111,000 decrease from FY 2020)

FY 2022 PROJECTED

1. Increase of 1.0% for most supplies.
2. Curriculum/technology study budget is \$10,000 (\$40,000 decrease from FY 2021)

FY 2023 PROJECTED

1. Increase of 1.0% for most supplies.
2. Curriculum/technology study budget is \$71,000 (\$61,000 increase from FY 2022)

Capital Outlay

FY 2019 PROJECTED

1. \$171,000 technology/one-to-one for all grades
2. \$ 41,900 instructional (STEM) & administrative equipment
3. \$ 13,500 maintenance & transportation equipment
4. \$ 61,000 capital projects

FY 2020 PROJECTED

1. \$ 61,000 technology
2. \$ 19,000 instructional & administrative equipment
3. \$ 12,000 maintenance & transportation equipment
4. \$ 30,000 capital projects

FY 2021 PROJECTED

1. \$106,000 technology
2. \$ 19,000 instructional & administrative equipment
3. \$ 12,000 maintenance & transportation equipment
4. \$ 30,000 capital projects

FY 2022 PROJECTED

1. \$137,000 technology
2. \$ 19,000 instructional & administrative equipment
3. \$ 12,000 maintenance & transportation equipment
4. \$ 30,000 capital projects

FY 2023 PROJECTED

1. \$ 90,000 technology
2. \$ 19,000 instructional & administrative equipment
3. \$ 12,000 maintenance & transportation equipment
4. \$ 30,000 capital projects

Debt Service - HB 264 Loan

FY 2019 PROJECTED

1. Annual principal and interest payments on \$1,235,600 Energy Conservation Note & \$590,747 Energy Conservation Note.

FY 2020 PROJECTED

1. Annual principal and interest payments on \$1,235,600 Energy Conservation Note & \$590,747 Energy Conservation Note.

FY 2021 PROJECTED

1. Annual principal and interest payments on \$1,235,600 Energy Conservation Note & \$590,747 Energy Conservation Note.

FY 2022 PROJECTED

1. Annual principal and interest payments on \$1,235,600 Energy Conservation Note & \$590,747 Energy Conservation Note.

FY 2023 PROJECTED

1. Annual principal and interest payments on \$1,235,600 Energy Conservation Note & \$590,747 Energy Conservation Note.

Other Objects

FY 2019 PROJECTED

1. Increase of 2.9% for County Office & County Auditor fees due to normal increases.
2. A \$9,500 reduction in election fees.

FY 2020 PROJECTED

1. Increase of 1.1% for County Office & County Auditor fees due to normal increases.

FY 2021 PROJECTED

1. Increase of .8% for County Office & County Auditor fees due to normal increases.

- 2. Election fees - \$9,000
- FY 2022 PROJECTED
 - 1. Increase of .8% for County Office & County Auditor fees due to normal increases.
 - 2. Election Fees - \$10,000
- FY 2023 PROJECTED
 - 1. Increase of .8% for County Office & County Auditor fees due to normal increases.

Transfers-Out

None

Estimated Encumbrances

- FY 2019 PROJECTED
 - 1. Natural Gas - \$1,100
- FY 2020 PROJECTED
 - 1. Natural Gas - \$1,100
- FY 2021 PROJECTED
 - 1. Natural Gas - \$1,100
- FY 2022 PROJECTED
 - 1. Natural Gas - \$1,100
- FY 2023 PROJECTION
 - 1. Natural Gas - \$1,100

Reservations of Funds

- FY 2019 - 2023 PROJECTED
 - All required reserves will be spent.