

Ashland City School District
Ashland County, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2020, 2021 And 2022 Actual
Forecasted Fiscal Years Ending June 30, 2023 Through 2027

	Actual			Forecasted					
	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	
	Revenues								
1.010	General Property Tax (Real Estate)	\$ 14,377,714	\$ 14,545,271	\$ 14,792,699	\$ 14,692,085	\$ 14,765,546	\$ 14,839,373	\$ 14,913,570	\$ 14,988,138
1.020	Tangible Personal Property Tax	4,056,108	4,391,775	3,970,066	4,216,865	4,016,865	3,816,865	3,616,865	3,416,865
1.035	Unrestricted State Grants-in-Aid	12,704,274	12,897,697	12,164,702	12,413,943	12,407,077	12,407,077	12,407,077	12,407,077
1.040	Restricted State Grants-in-Aid	243,885	253,380	942,459	825,746	825,746	825,746	825,746	825,746
1.050	Property Tax Allocation	2,061,466	1,790,272	1,771,767	1,761,347	1,764,105	1,766,825	1,773,646	1,780,501
1.060	All Other Revenues	1,839,682	2,087,283	997,367	1,127,968	847,500	847,500	847,500	847,500
1.070	Total Revenues	35,283,129	35,965,677	34,639,060	35,037,954	34,626,838	34,503,386	34,384,404	34,265,827
	Other Financing Sources								
2.040	Operating Transfers-In	-	-	15,446	2,261	-	-	-	-
2.050	Advances-In	525,000	-	-	800,000	1,000,000	1,000,000	1,000,000	1,000,000
2.060	All Other Financing Sources	215,469	213,090	25,044	10,000	10,000	10,000	10,000	10,000
2.070	Total Other Financing Sources	740,469	213,090	40,490	812,261	1,010,000	1,010,000	1,010,000	1,010,000
2.080	Total Revenues and Other Financing Sources	36,023,598	36,178,767	34,679,549	35,850,215	35,636,838	35,513,386	35,394,404	35,275,827
	Expenditures								
3.010	Personal Services	16,381,282	16,681,558	16,826,530	17,486,881	17,883,377	18,593,480	18,670,533	18,819,897
3.020	Employees' Retirement/Insurance Benefits	7,059,468	6,649,422	6,749,799	7,672,814	8,453,507	9,017,706	9,361,369	9,595,618
3.030	Purchased Services	6,128,232	6,114,877	4,131,060	4,213,681	4,382,228	4,513,695	4,649,106	4,788,579
3.040	Supplies and Materials	755,166	648,921	1,079,115	1,133,070	1,189,724	1,249,210	1,311,671	1,377,254
3.050	Capital Outlay	818,970	654,871	477,481	750,000	525,000	525,000	525,000	525,000
	Debt Service:								
4.050	Principal-HB 264 Loans	280,000	285,000	295,000	300,000	300,000	-	-	-
4.060	Interest and Fiscal Charges	37,888	17,369	23,556	15,000	5,250	-	-	-
4.300	Other Objects	532,467	479,780	483,420	500,000	500,000	500,000	500,000	500,000
4.500	Total Expenditures	31,993,473	31,531,798	30,065,960	32,071,446	33,239,086	34,399,091	35,017,678	35,606,348
	Other Financing Uses								
5.010	Operating Transfers-Out	11,600,000	2,000,000	303,329	504,989	150,000	150,000	150,000	150,000
5.020	Advances-Out	-	-	-	800,000	1,000,000	1,000,000	1,000,000	1,000,000
5.040	Total Other Financing Uses	11,600,000	2,000,000	303,329	1,304,989	1,150,000	1,150,000	1,150,000	1,150,000
5.050	Total Expenditures and Other Financing Uses	43,593,473	33,531,798	30,369,289	33,376,435	34,389,086	35,549,091	36,167,678	36,756,348
6.010	Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(7,569,875)	2,646,969	4,310,260	2,473,781	1,247,752	(35,705)	(773,275)	(1,480,522)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	10,992,295	3,422,420	6,069,389	10,379,650	12,853,431	14,101,183	14,065,477	13,292,202
7.020	Cash Balance June 30	3,422,420	6,069,389	10,379,650	12,853,431	14,101,183	14,065,477	13,292,202	11,811,681
8.010	Estimated Encumbrances June 30	1,638,692	1,175,677	1,797,119	1,250,000	1,000,000	1,000,000	1,000,000	1,000,000



ASHLAND CITY SCHOOL DISTRICT

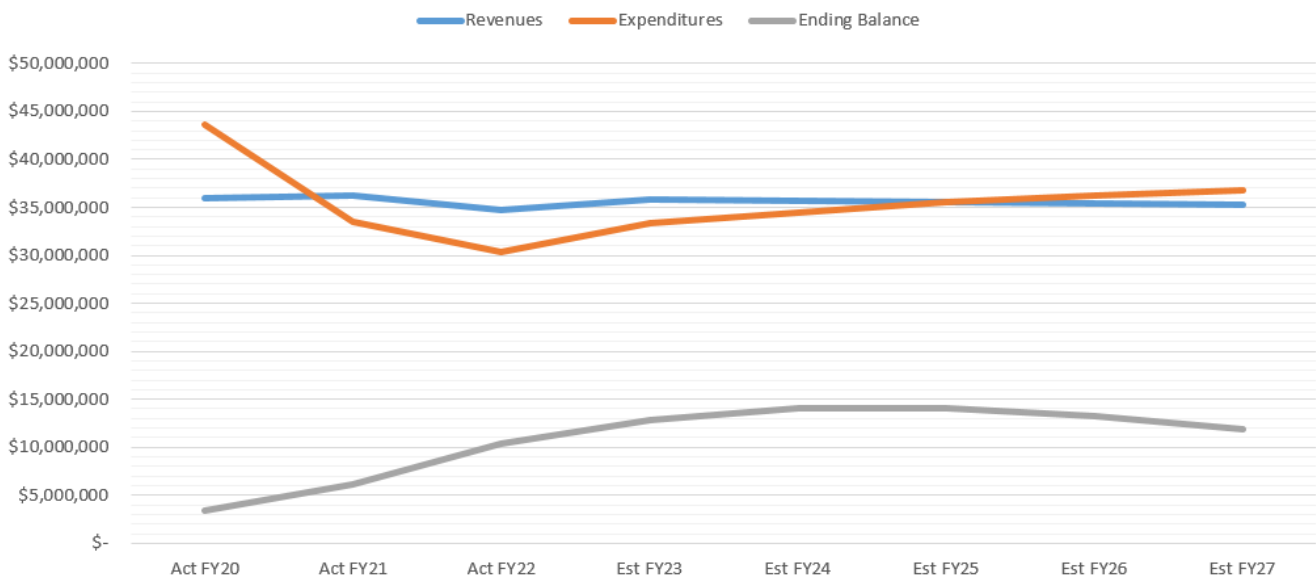
Assumptions Used to Prepare the Five Year Forecast
Forecasted Fiscal Years Ending June 30, 2023 through 2027

The financial forecast presents, to the best of the Ashland City 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 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.

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.

The Ashland City School District Board of Education's five year projection shows that the School District will have a cash balance on June 30, 2023 (Line 7.020) of \$12,853,431 which provides the School District with a 141 day cash operation.

General Fund Revenues, Expenditures, & Cash Balance





ASHLAND CITY SCHOOL DISTRICT

Assumptions Used to Prepare the Five Year Forecast
Forecasted Fiscal Years Ending June 30, 2023 through 2027

REVENUES:

1.010 And 1.020 Property Tax Revenue:

Property tax revenue estimates are based on historical growth patterns, including scheduled updates and reappraisals. Ashland County had a reappraisal for property values in 2021 collecting in 2022. Due to the provision of H.B. 920, the amount collected from our voted levies will remain fairly consistent. New construction will increase property tax revenue, less Community Reinvestment Area and Enterprise Zone tax abatements.

The Rover pipeline (natural gas) came “on-line” in calendar year 2018, payable in 2019. The second line was completed in calendar year 2019, payable in 2020. Rover filed an appeal of the value with the Ohio Department of Taxation. It is anticipated that payment in fiscal year 2023 and beyond will be based on the appealed value, reducing their annual payment by approximately \$1,516,700. The pipeline value is based on the construction of the line and will only gain value if improvements are made. The value will depreciate over 30 years.

Line 1.035 Unrestricted State Grant-in-Aid:

The state legislature recently passed HB110, the Fair School Funding Plan (FSFP). Students will now be funded where they are educated. There will no longer be an expense to the home district to transfer funds to the school of attendance for open enrolled out; community school or scholarship students. The FSFP establishes a base cost of educating a “typical child” in Ohio. Under the FSFP, the state’s cost per pupil is based on actual expenses faced by a district, separated into 5 key areas: Teacher base cost, Student Support, District Leadership & Accountability, Building Leadership & Operations, and Athletic Co-curricular. The FSFP will determine the amount of state assistance a school district gets based on a formula of 60 percent local property taxes and 40 percent household income, along with other factors. The initial plan is to phase the new plan in over 6 years, of which the State legislature has adopted the first 2 years into the biennial budget for the School District’s 2022 and 2023 fiscal years.

Line 1.040 Restricted State Grants-in-Aid:

The revenue source in this line is restricted because it must be spent according to state guidelines. In fiscal years 2020 and 2021, this has included Career-Tech funding and Economic Disadvantaged funding. The Fair School Funding Plan will now add Gifted, EL, and Student Wellness and Success funding here.

Line 1.050 Property Tax Allocation

This line reflects state reimbursements of the 10% Rollback, the Senior Homestead and the 2.5% Reduction, which reduces the property owners’ tax payments. These amounts will grow along with the projected increases to the real estate numbers on Line 1.010.



ASHLAND CITY SCHOOL DISTRICT

Assumptions Used to Prepare the Five Year Forecast
Forecasted Fiscal Years Ending June 30, 2023 through 2027

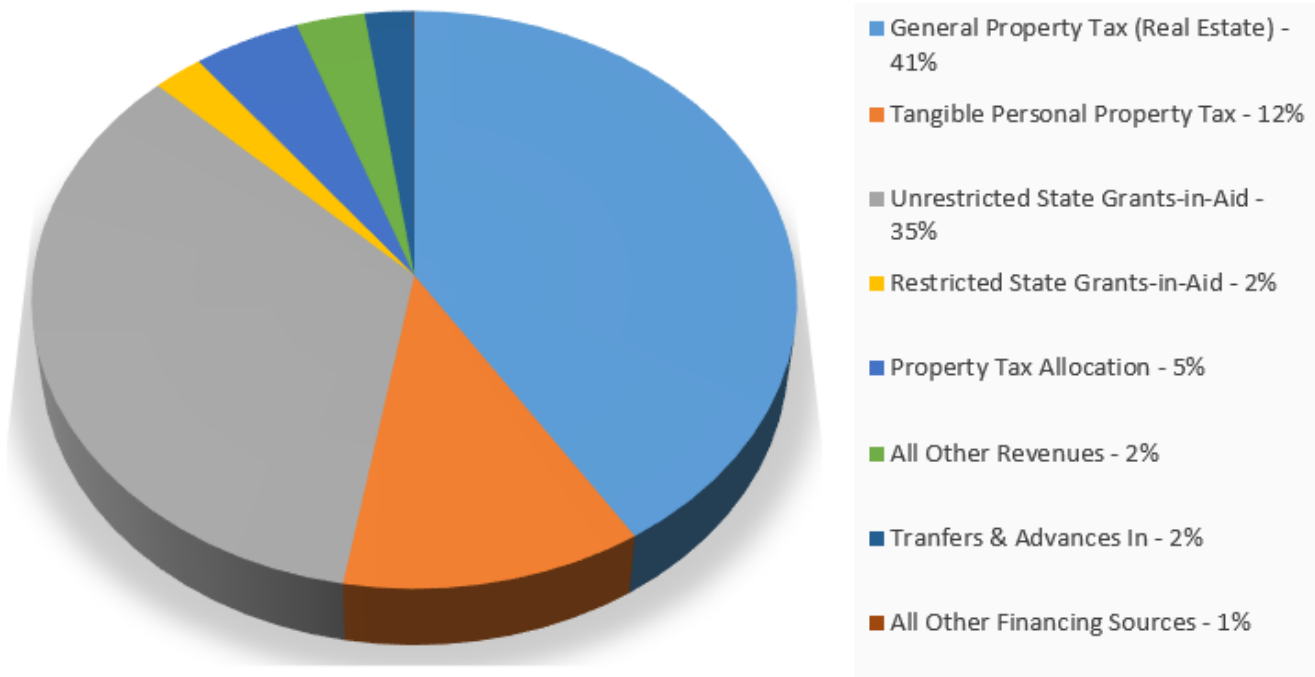
Line 1.060 All Other Revenue:

All other revenue includes tuition, interest earnings, school fees, building rental income and other miscellaneous income. In fiscal years prior to fiscal year 2022, this also included open enrollment-in. With the Fair School Funding Plan, this will not be shown as revenue anymore, which accounted for \$1,184,109 in fiscal year 2021.

Line 2.04 and 2.05 Transfers In and Advances In:

This line represents the return of funds advanced to other funds or to reflect the permanent transfer of funds into the general fund. The advanced funds may be needed to offset negative balances at years end for other funds. Advances are currently projected to cover balances in the Employee Benefits Self-Insurance Fund.

General Fund Estimated Revenues FY23





ASHLAND CITY SCHOOL DISTRICT

Assumptions Used to Prepare the Five Year Forecast
Forecasted Fiscal Years Ending June 30, 2023 through 2027

EXPENDITURES:

Line 3.010 Personal Services:

This line item reflects all salaries, wages, overtime, substitute costs, and supplemental contracts paid to employees. The School District negotiates with two bargaining units, the Ashland City Teachers Association and OAPSE Local #233. The School District's negotiated agreement with the Ashland City Teachers Association goes through fiscal year 2025. The School District's negotiated agreement with OAPSE expires on December 31, 2024. Increases in salaries reflected in the forecast are based on salary and step increases in the negotiated agreements. In addition to bargaining unit employees, the School District also employs personnel exempt from the bargaining units and administrative personnel.

Line 3.020 Employees' Retirement/Insurance Benefits:

Employees' retirement and insurance benefits reflects STRS/SERS employer contributions, Medicare, Worker's Compensation and health insurance premiums paid on behalf of employees. Outside of health insurance premiums, these items are increased/decreased according to the salary notes discussed in 3.010. The School District is self-insured for health benefits and through 2021 has not had increases in premiums since 2016. Claims and expenses in the Employee Benefits Self Insurance fund increased by 26% from 2021 to 2022, and premiums were increased by 20% as a result for 2023. We expect the need to increase premiums for the upcoming fiscal years as well.

Line 3.030 Purchased Services:

Purchased services include items such as utilities, educational service contracts, repairs, maintenance agreements, lease expenses, legal fees, and special education excess costs. In fiscal years prior to fiscal year 2022, this also included open enrollment-out and community school transfers. With the Fair School Funding Plan, these will not be shown as expenses anymore, which accounted for \$2,193,227 in fiscal year 2021. Purchased services continues to grow due to the needs of students for special services. Amounts forecasted beyond fiscal year 2022 are projected to increase due to current increases in inflation and, for the near future, supply chain issues.

Line 3.040 Supplies and Materials:

Supplies and materials includes the cost of fuel, instructional supplies, office supplies, repair parts, and supplies used for the care and upkeep of the buildings and grounds. Material and supply expenditures are based on historical trends. Amounts forecasted beyond fiscal year 2022 are projected to increase due to current increases in inflation and, for the near future, supply chain issues.



ASHLAND CITY SCHOOL DISTRICT

Assumptions Used to Prepare the Five Year Forecast
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Line 3.050 Capital Outlay:

Capital outlay represents major equipment purchases and major repairs/improvements to the School District. Estimates included may be used to purchase technology, security, furniture and equipment, as needed. For future construction projects, the School District plans on using a combination of General Fund, Permanent Improvement Fund, and donations to cover these expenses.

Line 4.050 and Line 4.060 Debt Service

In fiscal year 2013, the School District issued \$3,045,000 in general obligation bonds to finance a HB 264 energy conservation project. The bonds were issued for a ten year period with a final maturity at November 1, 2023. Principle and interest payments on the bond are reflected in this line item.

Line 4.300 Other Objects Expenditures:

This line item includes property and fleet insurance, professional dues, audit fees, county auditor and treasurer fees, and Educational Service Center fees. These costs are projected to remain stable over the five year forecast.

Line 5.010 and 5.020 Other Financing Uses – Operating Transfers-Out and Advances-Out:

This line item includes advances/transfers to other internal accounts. In prior years, transfers were made to pay for large construction projects out of capital improvement funds. No future transfers are currently forecasted. Advances are currently projected to cover balances in the Employee Benefits Self-Insurance Fund.

General Fund Estimated Expenditures FY23

