HARRISON HILLS CITY SCHOOL DISTRICT
HARRISON COUNTY

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2019, 2020 and 2021 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2022 THROUGH JUNE 30, 2026

Harrison Hills City School District

Treasurer's Office
Roxane Harding, Treasurer
May 19, 2022

HARRISON HILLS CITY SCHOOL DISTRICT
Harrison County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2019, 2020, 2021
Forecasted Fiscal Year Ending June 30, 2022 through 2026

		Actual				Forecasted				
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Average Change	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	Revenues									
1.010	General Property Tax (Real Estate)	18,224,657	18,024,699	19,882,105	4.6%	18,598,704	22,831,820	22,591,700	22,762,295	22,920,643
1.020	Public Utility Personal Property Tax	-	-	-	0.0%	-	-	-	-	-
1.030	Income Tax	-	-	-	0.0%	-	-	-	-	-
1.035	Unrestricted State Grants-in-Aid	10,017,246	9,542,937	9,758,385	-1.2%	8,584,176	8,657,384	8,658,687	8,660,002	8,661,330
1.040	Restricted State Grants-in-Aid	326,262	329,703	302,920	-3.5%	535,989	506,496	506,496	506,496	506,496
1.045	Restricted Federal Grants In Aid	-	-	-	0.0%	-	-	-	-	-
1.050	Property Tax Allocation	703,417	702,043	731,865	2.0%	732,762	721,275	724,958	728,641	728,718
1.060	All Other Revenues	1,310,991	1,926,700	1,579,474	14.5%	731,110	606,000	565,000	565,000	550,000
1.070	*Total Revenues*	30,582,573	30,526,082	32,254,749	2.7%	29,182,741	33,322,975	33,046,841	33,222,434	33,367,187
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	-	-	-	-	-
2.020	State Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	276,021	272,009	272,345	-0.7%	272,345	272,345	272,345	272,345	272,345
2.050	Advances-In	60,873	537	671,760	62447.9%	852,919	350,000	350,000	350,000	350,000
2.060	All Other Financing Sources	-	123,943	157,517	0.0%	3,882	0	0	0	0
2.070	*Total Other Financing Sources*	336,894	396,489	1,101,622	97.8%	1,129,146	622,345	622,345	622,345	622,345
2.080	*Total Revenues and Other Financing Sources*	30,919,467	30,922,571	33,356,371	3.9%	30,311,887	33,945,320	33,669,186	33,844,779	33,989,532
	Expenditures									
3.010	Personal Services	8,049,637	8,388,764	9,007,926	5.8%	$9,383,800	$9,964,200	$10,236,700	$11,116,801	$12,032,309
3.020	Employees' Retirement/Insurance Benefits	4,794,523	5,103,837	5,460,100	6.7%	$5,802,500	$6,395,300	$6,873,400	$7,377,235	$8,119,743
3.030	Purchased Services	3,821,242	4,348,799	4,591,702	9.7%	$2,736,000	$2,801,800	$2,901,000	$3,102,535	$3,207,623
3.040	Supplies and Materials	1,226,286	867,541	632,727	-28.2%	893,411	970,724	1,048,943	1,107,322	1,138,587
3.050	Capital Outlay	594,821	767,992	603,226	3.8%	975,000	1,338,665	1,251,375	1,292,131	1,300,629
3.060	Intergovernmental	-	-	-	0.0%	-	-	-	-	-
	Debt Service:									
4.010	Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	35,000	35,000	40,000	7.1%	$40,000	$40,000	$45,000	$45,000	$50,000
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	1,000	7,532	(350)	274.3%	$2,500	$2,500	$2,500	$2,500	$1,000
4.300	Other Objects	576,411	626,332	632,379	4.8%	$728,550	$790,838	$829,529	$854,415	$880,044
4.500	*Total Expenditures*	$19,098,920	20,145,797	20,967,710	4.8%	20,561,761	22,304,027	23,188,447	24,897,938	26,729,934
	Other Financing Uses									
5.010	Operating Transfers-Out	2,867,021	7,784,259	6,833,969	79.7%	$6,645,731	$2,000,000	$2,000,000	$2,000,000	$2,000,000
5.020	Advances-Out	537	2,474	847,161	17251.6%	700,000	350,000	350,000	350,000	350,000
5.030	All Other Financing Uses	-	-	-	0.0%	$0	$0	$0	$0	$0
5.040	*Total Other Financing Uses*	2,867,558	7,786,733	7,681,130	85.1%	7,345,731	2,350,000	2,350,000	2,350,000	2,350,000
5.050	*Total Expenditures and Other Financing Uses*	21,966,478	27,932,530	28,648,840	14.9%	27,907,492	24,654,027	25,538,447	27,247,938	29,079,934
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	8,952,989	2,990,041	4,707,531	-4.6%	2,404,395	9,291,293	8,130,738	6,596,840	4,909,597
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	22,515,733	31,468,722	34,458,763	24.6%	39,166,294	41,570,689	50,861,982	58,992,721	65,589,561
7.020	*Cash Balance June 30*	31,468,722	34,458,763	39,166,294	11.6%	41,570,689	50,861,982	58,992,721	65,589,561	70,499,158
8.010	*Estimated Encumbrances June 30*	847,065	610,640	1,024,099	19.9%	555,000	555,000	555,000	555,000	555,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	452,525	539,099	901,471	43.2%	1,051,471	1,273,815	1,422,096	1,422,096	1,422,096
9.030	Budget Reserve	151,803	151,803	151,803	0.0%	151,803	151,803	151,803	151,803	151,803

HARRISON HILLS CITY SCHOOL DISTRICT
Harrison County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2019, 2020, 2021
Forecasted Fiscal Year Ending June 30, 2022 through 2026

		Actual				Forecasted				
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Average Change	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	*Subtotal*	604,328	690,902	1,053,274	33.4%	1,203,274	1,425,618	1,573,899	1,573,899	1,573,899
10.010	*Fund Balance June 30 for Certification of Appropriations*	30,017,329	33,157,221	37,088,921	11.2%	39,812,415	48,881,364	56,863,822	63,460,662	68,370,259
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	-	-		0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement	-	-		0.0%	-	-	-	-	-
11.300	Cumulative Balance of Renewal Levies	-	-		0.0%	-	-	-	-	-
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	30,017,329	33,157,221	37,088,921	11.2%	39,812,415	48,881,364	56,863,822	63,460,662	68,370,259
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	$0	$0	$0	$0	$0
13.020	Property Tax - New				0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-	-	-	0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements	-			0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	30,017,329	33,157,221	37,088,921	11.2%	39,812,415	48,881,364	56,863,822	63,460,662	68,370,259

Harrison Hills City School District – Harrison County
Notes to the Five Year Forecast
General Fund Only
May 19, 2022

Introduction to the Five Year Forecast

A forecast is somewhat like a painting of the future based upon a snapshot of today. That snapshot, however, will be adjusted and the further into the future the forecast extends, the more likely it is that the projections will deviate from actual experience. A variety of events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal/ replacement), salary increases, or businesses moving in or out of the district. The five-year forecast is viewed as a key management tool and must be updated periodically. In Ohio, most school districts understand how they will manage their finances in the current year. The five-year forecast encourages district management teams to examine future years' projections and identify when challenges will arise. This then helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with ODE when events take place that will significantly change their forecast or, at a minimum, when required under statute.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions to the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are especially important to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact the Treasurer/Chief Fiscal Officer or Board of Education (BOE) of the individual school district with any questions you may have. The Treasurer or CFO submits the forecast, but the BOE is recognized as ultimately responsible for the development of the forecast and the official owner.

Here are at least three purposes or objectives of the five-year forecast:
(1) To engage the local board of education and the community in long range planning and discussions of financial issues facing the school district
(2) To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate"
(3) To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five (5) year financial forecast by November 30, 2021, and May 31, 2022 for fiscal year 2022 (July 1, 2021 to June 30, 2022). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. Fiscal year 2022 (July 1, 2021-June 30, 2022) is the first year of the five-year forecast and is considered the baseline year. Our forecast is being updated to reflect the most current economic data available to us for the May 2022 filing.

Economic Outlook

This five-year forecast is being filed during the recovery from the COVID-19 Pandemic which began in early 2020. The effects of the pandemic continue to impact our state, country and our globalized economy. Inflation during April hit a 40 year high not seen since the early 1980's. While increased inflation impacting district costs are expected to continue in the short term, it remains to be seen if these costs are transitory or will last over the next few years which could have a significant impact on our forecast in addition to negative effects on state and local funding.

While all school districts are being aided by three (3) rounds of federal Elementary and Secondary Schools Emergency Relief Funds (ESSER) which began in fiscal year 2020, the most recent allocation of ESSER funds must be spent or encumbered by September 30, 2024.

Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

May 2022 Updates:

Revenues FY22:

The overview of revenues shows that we are mostly on target with original estimates at this point in the year. Total General Fund revenues (line 1.07) are estimated to be $29,182,741 or 7.79% lower than the November forecasted amount of $31,648,685. This indicates the November forecast was 92.21% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our largest source of revenues at 64% and are estimated to be $18,598,704 which is $2,632,137 lower for FY22 than the original estimate of $21,230,841. Our estimates are 87.6% accurate for FY22. There are two issues that are impacting the March 2022 settlement: 1) Ascent Energy normally pays 100% of their taxes in the first half. They chose this year to pay only the half that was due. We estimate $425,000 of the lower settlement is Ascent. This money will be paid in higher than estimated taxes in the August 2022 settlement, and; 2) Rover pipeline likely paid 50% of what their lower estimate of PUPP value is for TY21. Until Rover Pipeline Case Number 2020-1540, scheduled for hearing May 9, 2022, it decided our PUPP payments will continue to fluctuate based on their determination of a value. However, we believe our future projections of taxes are on target.

Line 1.035 and 1.04 - State Aide began the year with a completely new funding formula with only Legislative Service Commission (LSC) estimates to anticipate our funding for FY22 and FY23. The LSC estimated provided little to no detail on how the funding level was calculated. The November forecast used components of the LSC simulations of HB110 funding in order to project anticipated funding. In January of 2022 the first formula calculations were released in part by the Ohio Department of Education. While there are still details unpublished at this time we can see that through early April our state aid is estimated to be $9,120,165 which is $41,871 higher than the original estimate for FY22. We are pleased that with very little detail we were able to be 99.54% accurate for FY22. We are currently on the formula and are expected to remain on the formula for FY23 through FY26.

Line 1.06 - Other revenues are up $129,843 over original estimates primarily due to added miscellaneous revenue received by the district which is somewhat unpredictable.

All areas of revenue are tracking as anticipated for FY22 based on our best information at this time.

Expenditures FY22:

Total General Fund expenditures (line 4.5) are estimated to be $20,561,761 for FY22 which is $1,093,765 lower than the original estimate of $21,655,526 in the November forecast, which is roughly 94.94% on target with original estimates. The expenditure line most significantly under projection is Supplies and Materials (line 3.04) but all other areas are tracking according to original estimates.

Unreserved Ending Cash Balance:

With revenues decreasing under estimates and expenditures decreasing under estimates, our ending unreserved cash balance June 30, 2022 is anticipated to be roughly $39,812,415. The ending unreserved cash balance on

Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2026 if assumptions we have made for property tax collections, state aid in future state budgets and expenditure assumptions remain close to our estimates.

Forecast Risks and Uncertainty:
A five year financial forecast has risks and uncertainty not only due to economic uncertainties noted above but also due to state legislative changes that will occur in the spring of 2023 and 2025 due to deliberation of the next two (2) state biennium budgets for FY24-25 and FY26-27, both of which affect this five year forecast. We have estimated revenues and expenses based on the best data available to us and the laws in effect at this time. The items below give a short description of the current issues and how they may affect our forecast long term:

1) The State Budget represents 33.8% of district revenues and is an area of risk to revenue. The future risk comes in FY24 and beyond if the state economy stalls due to record high inflation we are witnessing at this time, or the Fair School Funding Plan is not funded in future state budgets due to an economic downturn. There are two future State Biennium Budgets covering the period from FY24-25 and FY26-27 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long range through FY26. We have projected our state funding to be in line with the FY23 funding levels through FY26 which we feel is conservative and should be close to whatever the state approves for the FY24-FY27 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

HB110, the current state budget, implements what has been referred to as the Fair School Funding Plan (FSFP) for FY22 and FY23. The actual release of the new Fair School Funding Plan formula calculations was delayed until January 2022. The FSFP has many significant changes to the way foundation revenues are calculated for school districts and how expenses are charged off. State foundation basic aid will be calculated on a base cost methodology with funding paid to the district where a student is enrolled to be educated. There will be no separate open enrollment revenue payments to school districts beginning in FY22. There will also be direct funding to the district where students are educated for expenses previously deducted from districts state foundation funding for open enrollment, community schools, STEM schools and scholarship recipients. The initial impact on the forecast will be noticed that the historic actual costs for FY19 through FY21 on the forecast will potentially reflect different trends on Lines 1.035, 1.04, 1.06 and 3.03 beginning in FY22. Longer term there may be adjustments to state aid for FY23 as the Ohio Department of Education resolves issues and possible unintended consequences as they create and implement the numerous changes to the complicated new formula. Our state aid projections have been based on the best information on the new HB110 formula available as of this forecast.

2) Property tax collections are 64% of revenues which is the largest single revenue source for the school system. The housing market in our district is stable and growing. We project continued growth in appraised values every three (3) years and new construction growth with continued modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Total local revenues which are predominately local property and public utility taxes equate to 66.2% of the district's resources. Our tax collections in the August 2021 and March 2022 settlements were on target with original estimates, other than the payment issues mentioned about Ascent and Rover Pipeline above in the Update Section on Page 4 earlier. Longer term we believe there is a low risk that local collections would fall below projections throughout the forecast.

Harrison County experienced a reappraisal update in the 2020 tax year to be collected in FY21. The 2020 update increased overall assessed values by $22.25 million or an increase of 14.02%. A full reappraisal will occur in tax year 2023 for collection in FY24. We anticipate value increases for Class I and II property by $2.39 million for an overall increase of 1% including the adjustment for lower Current Agricultural Use Values

(CAUV) authorized by HB49. There is however always a minor risk that the district could sustain a reduction in values in the next appraisal update but we do not anticipate that at this time.

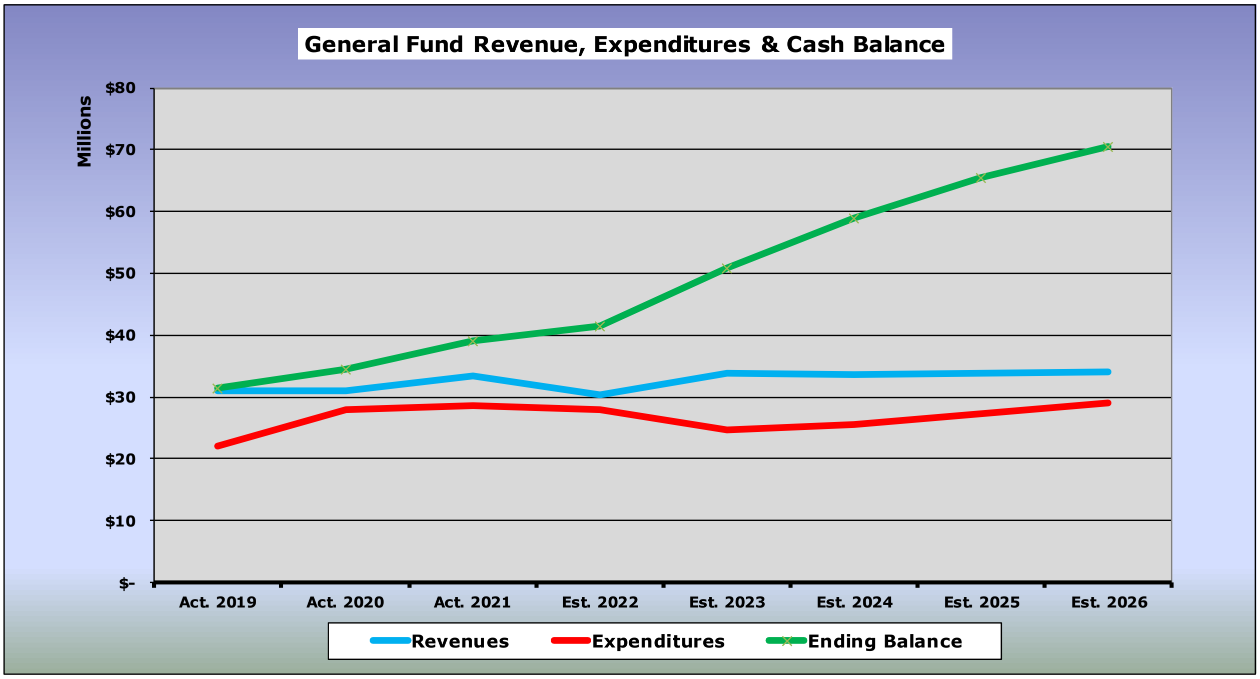
3) We have been notified by the Carrol and Harrison County Auditors that Rover Pipeline has filed a second appeal to lower values by $109,269,580 on their Public Utility Personal Property (PUPP) values. They made payments in CY2021 that would equal the new lower value they seek. In the first half settlement made April 2022 it appears they paid 50% of their estimated new lower value. As a result, if they are successful our district would not face a refund to Rover on taxes paid. If they lose then we would be due additional revenues. To be conservative we have assumed the $109.3M in PUPP value will be removed from our values for future projections. That reduces PUPP taxes by $3.8M per year in the forecast. We are monitoring the Ohio Board of Tax Appeals (BTA) where this case has been rescheduled from November 10, 2021 and is now pending hearing May 9, 2022.The risk that the BTA will approve lower values has been removed from our forecast since the contested value has been reduced as noted above. We will be due additional revenues should the BTA determine the original or a higher than contested value is warranted.

4) HB110 direct pays costs associated with open enrollment, community and STEM schools, and for all scholarships including EdChoice Scholarships. These costs will no longer be deducted from our state aid. However, there still are education option programs such as College Credit Plus which continue to be deducted from state aid which will increase costs to the district. Expansion or creation of programs that are not directly paid by the state of Ohio can exposes the district to new expenditures that are not currently in the forecast. We are monitoring closely any new threats to our state aid and increased costs as any new proposed laws are introduced in the legislature.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information please feel free to contact Roxane Harding, Treasurer at 740.942.7810.

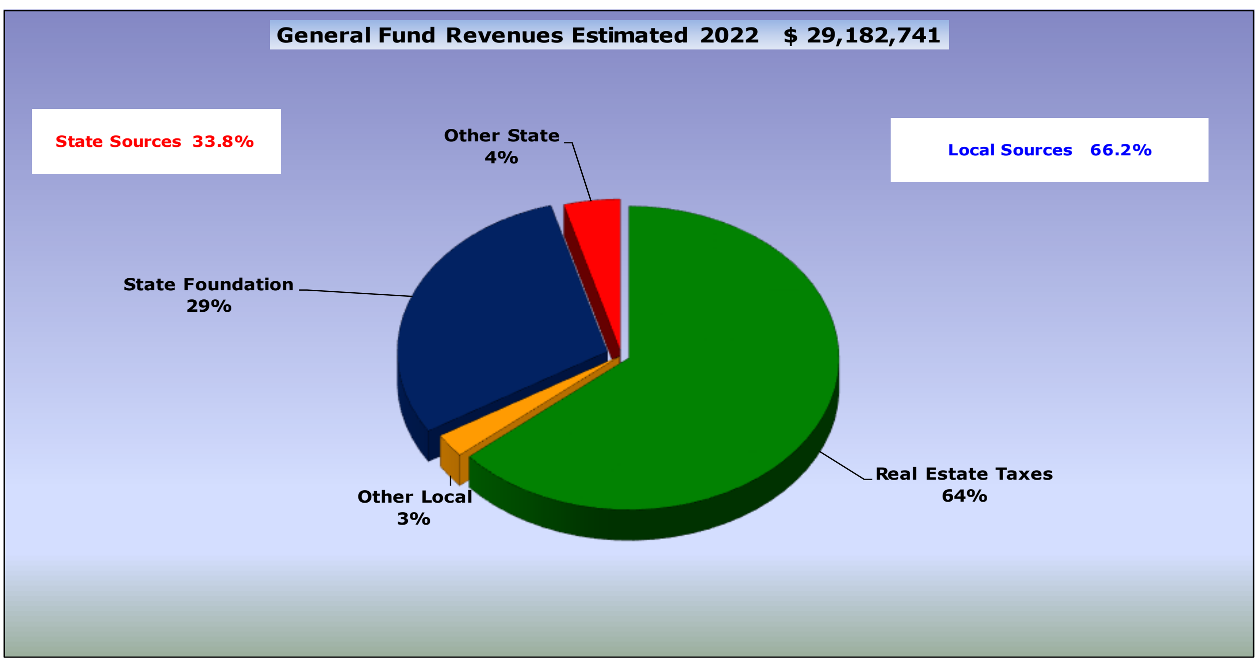
General Fund Revenue, Expenditure and Ending Cash Balance Actual FY19-21 and Estimated FY22-26

The graph captures in one snapshot the operating scenario facing the District over the next few years.



Revenue Assumptions

Estimated General Fund Revenue for FY22



Real Estate Value Assumptions – Line # 1.010

Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Harrison County experienced a reappraisal update for the 2020 tax year to be collected in 2021. Residential/agricultural (Class I values) were increased

9.54% or $20.8 million. Commercial/industrial/mineral (Class II values) increased by $1.4 million overall or a .86% increase as noted below.

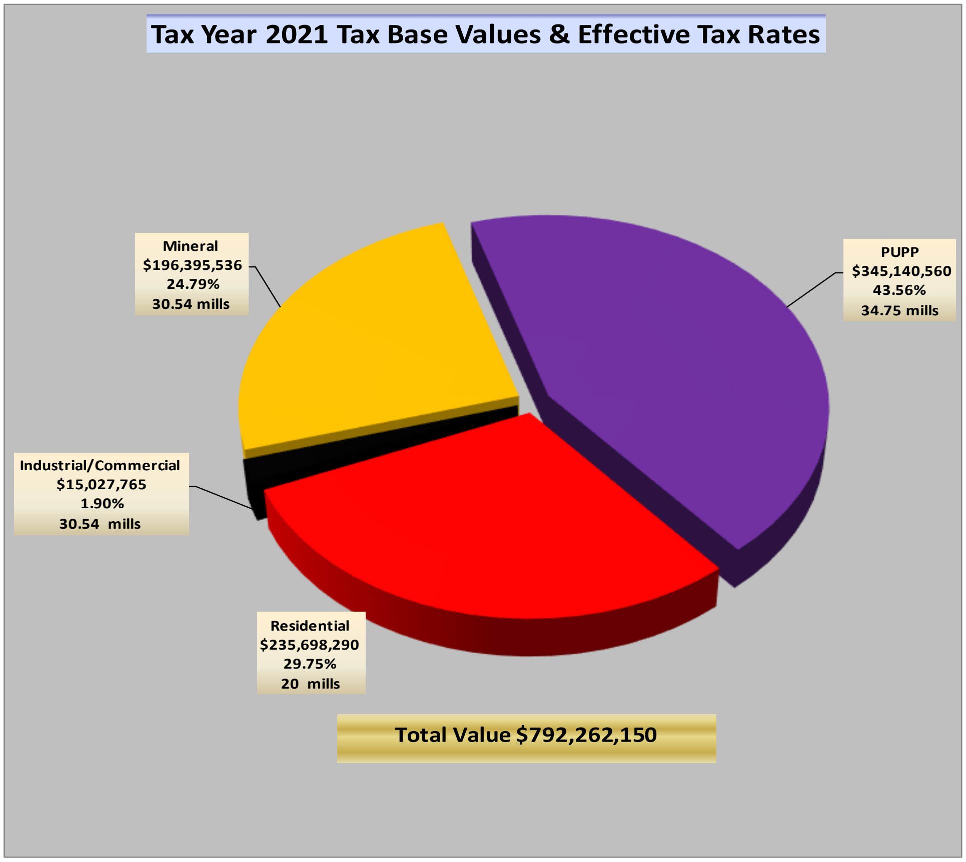
A reappraisal update occurred in 2020 for collection in 2021 for which we saw a 9.54% increase in residential and a .86% increase for commercial/industrial property. CAUV values represent 47.9% of Class I residential/agricultural values HB49 authorized a reduction in CAUV computations. These reductions will occur as districts experience their next reappraisal or update cycle. We experienced this in the Tax Year 2020 reappraisal update. A reduction of value has been weighed in to our average Class I value change in 2019. This caused somewhat of a shift in taxes from agricultural taxpayers to residential taxpayers but should not result in lower taxes to our district. Residential/Agricultural and Commercial/Industrial values increased $1.4 million or .86% overall. A reappraisal update is scheduled to occur in 2023 to be collected FY24. We anticipate a 1% increase in Class I for $2.39M and no increase or decrease occurring in Class II.

Tax Year 2017 we noted our mineral values (which are part of Class II commercial/industrial/mineral values) fell $43.9 million or a 17% drop, in tax year 2018 they fell again $28.9 million at 15% drop, and, again in tax year 2019 they fell $20.9 million or 11% drop. In 2020 mineral values shot up $32.8 million or a 20% increase and in 2021 they increased $12.4 million or 6.2%. This pattern illustrates the boom and bust type cycle for mineral values. We will continue to monitor these values and information we receive closely but the values are not easily predictable. Based on this we are reluctant to speculate on future value increases or decreases with so little information to base these predictions on. We have estimated values to increase conservatively in each future year of the forecast but these values could just as likely continue to fall.

Public Utility Personal Property (PUPP) values rose by $2 million in 2021 which a .58% rise over last years' values. We expect our values to continue to grow by $2 million each year of the forecast. PUPP values are determined at the Ohio Department of Taxation from confidential filings from utilities and then certified to each county auditor late in the calendar year. These values are particularly valuable as they are taxed at our full 34.75 general fund tax rate. We did note that Rover Pipeline has filed an appeal to lower their values by 43% ($109.27 million drop) on the new pipeline. The case was originally scheduled to be heard in May 2021 it was delayed again to November 10, 2021, and delayed a second time until May 9, 2022. This case could take a year or more to settle. We have removed the entire $109.27 million from the districts certified PUPP values as Rover is not paying taxes on the ODT amount. They are "tender paying" on the amount they believe their values should be. We want to be conservative in our estimates of these taxes since there is no way to predict these values ahead with accuracy or as to the outcome of the eventual Board of Tax Appeals outcome.

PUPP values are taxed at our full gross rate; therefore, any increase will have a positive effect on revenues through the entire forecast period.

The chart below shows our tax year 2021 values as reported to us by the County Auditor and our current tax rates for each type of property value.



Tax Year	Residential Agriculture	Commercial Industrial	Mineral	P.U. Personal	TPP	Total Value Per ODT
2000	107,078,450	21,382,490	2,270,880	27,367,290	1,893,140	159,992,250
2001	107,300,860	20,868,180	2,149,920	15,918,080	18,942,170	165,179,210
2002	122,471,490	21,620,110	2,284,990	16,331,890	15,844,980	178,553,460
2003	124,618,210	21,607,490	2,277,140	15,982,620	15,462,424	179,947,884
2004	126,834,060	21,909,710	2,222,460	16,456,650	15,995,181	183,418,061
2005	151,685,100	23,312,520	2,442,430	16,809,190	15,711,322	209,960,562
2006	148,911,080	23,481,720	2,282,770	16,807,600	16,609,385	208,092,555
2007	149,561,300	23,312,980	2,131,290	17,171,880	9,573,205	201,750,655
2008	170,195,390	23,714,630	2,075,290	17,551,500	4,744,460	218,281,270
2009	169,242,380	23,621,210	2,560,120	19,033,780	534,140	214,991,630
2010	169,597,730	23,377,810	2,113,010	22,040,450	285,520	217,414,520
2011	177,763,050	22,774,160	3,319,110	23,028,781	0	226,885,101
2012	177,485,840	22,354,770	37,036,660	25,705,729	0	262,582,999
Adj. 2013	176,838,360	19,781,770	26,271,424	25,705,729	0	248,597,283
2014	199,556,190	23,977,805	27,059,567	50,813,460	0	301,407,022
2015	198,239,160	32,001,450	117,801,920	72,341,180	0	420,383,710
2016	205,255,632	30,862,628	224,123,060	78,674,302	0	538,915,622
2017	217,520,810	46,912,550	175,763,850	139,368,280	0	579,565,490
2018	217,514,490	40,245,421	146,802,520	247,488,520	0	652,050,951
2019	218,443,130	13,001,465	151,206,596	304,173,060	0	686,824,250
2020	238,563,890	13,720,535	184,019,496	343,140,560	0	779,444,480
2021	235,698,290	15,027,765	196,395,536	345,140,560	0	792,262,150

Historic Concerns with Property Valuation and Tax Collections and Growth in Energy Development
The table below shows the property valuation of the district since tax year 2000 for collection in 2001. Property values continued to grow in the district even during the phase out of TPP values by HB66 and reductions in

values for the housing bubble were made in 2009. A major factor in our growth is anticipated to be mineral value as a result of the oil and gas “fracking” boom underway in our county. According to the Ohio Department of Natural Resources our county continues to have the highest number of active “fracking” wells in the state. It was not a surprise that mineral values soared in tax year 2012, 2015 and again in 2016. It was a surprise, however, to find that our tax collections for 2013 actually fell from a year earlier. The tax collections in 2012 were $5,076,221 while in 2013 they were $4,737,901. This is improbable since our values were actually up by 15.7%. Upon further investigation between the County Auditor and Ohio Department of Taxation, we noted various reporting errors in assessed valuations. Those errors in turn resulted in the undulations in tax collections between fiscal years. For this reason, we are very conservative in estimating increases in assessed values and tax revenues.

Our most recent tax base concerns are for the $43.9 million, $28.9 million and $20.9 million drop in mineral values in tax years 2017, 2018, and 2019 respectively, from the previous years. These are large drops in Class II value with no explanation other than this is how mineral values will fluctuate, which is in a boom and bust cycle. This underscores the ongoing concerns we have about large tax base swings and the reason we continue to try work closely with our county auditor’s office. We continue to work with the County Auditor to obtain data in order to make more accurate estimates for FY 22-26.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

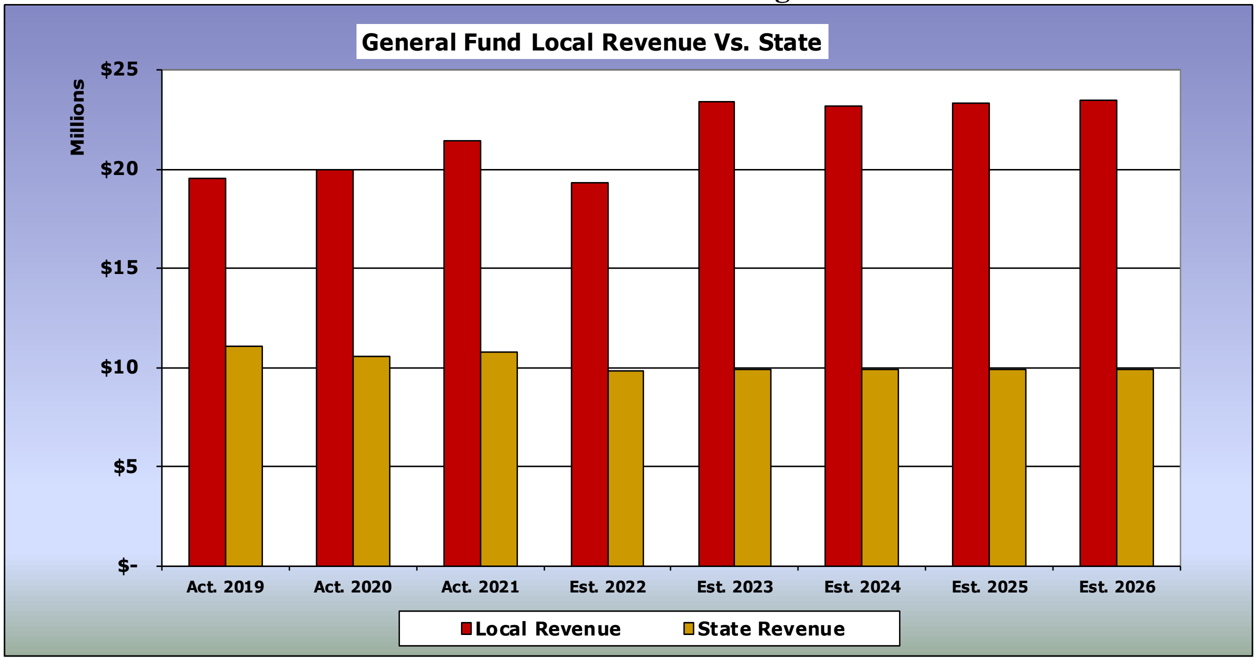
	Actual	Estimated	Estimated	Estimated	Estimated
	TAX YEAR2021	TAX YEAR2022	TAX YEAR2023	TAX YEAR2024	TAX YEAR 2025
Classification	COLLECT 2022	COLLECT 2023	COLLECT 2024	COLLECT 2025	COLLECT 2026
Res./Ag.	$235,698,290	$235,723,290	$238,105,523	$238,130,523	$238,155,523
Commercial/Mineral	211,423,300	214,398,300	217,373,300	220,348,300	223,323,300
Public Utility (PUPP)	345,140,560	347,140,560	349,140,560	351,140,560	353,140,560
Total Assessed Value	$792,262,150	$797,262,150	$804,619,383	$809,619,383	$814,619,383

ESTIMATED REAL ESTATE TAX (Line #1.010)
Property tax levies are estimated to be collected at 95% of the annual amount. This allows 5% delinquency factor. In general, 68% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the February tax settlement and 32% collected in the August tax settlement.

Estimated Tangible Personal Tax & PUPP Taxes – Line#1.020
The phase out of Tangible Personal Property (TPP) taxes as noted earlier began in FY06 with HB66 that was adopted in June 2005. TPP tax assessments ended in FY11. The only amounts received after FY11 are from delinquent TPP taxes outstanding as of 2010.

Amounts noted below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted on the table above under P.U. Personal, which were $345 million in assessed values in 2021 and are collected at the district’s gross voted millage rate. Collections are typically 50% in March and 50% in August along with the real estate settlements from the county auditor. The values in 2021 rose by .58% or $2 million and are expected to grow by $2 million each year of the forecast.

Comparison of Local Revenue and State Revenue Actual FY19 through FY21 and Estimated FY22 through 26



State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045
Current State Funding Model per HB110 through June 30, 2023

A) Unrestricted State Foundation & Casino Revenue – Line #1.035

The partial release of the new Fair School Funding Plan formula occurred in January 2022 half way through FY22, and as of the date of this forecast there are still some detailed calculations not released. We have projected FY22 and FY23 funding based on the April 2022 foundation settlement and funding factors.

Our district is currently a **guarantee** district in FY22 and is **expected to remain a guarantee district** FY23-FY26 on the new Fair School Funding Plan (FSFP). The state foundation funding formula has gone through many changes in recent years. The most recent funding formula began in FY14 and was dropped in FY19 after six (6) years, followed by no foundation formula for two (2) years in FY20 and FY21, and now HB110 implements the newest and possibly the most complicated funding formula in recent years for FY22 and FY23. The current formula introduces many changes to how state foundation is calculated and expenses deducted from state funding which will potentially make the actual five year forecast look different with estimates FY22 through FY26 compared to actual data FY19 through FY21 on Lines 1.035, 1.04, 1.06 and 3.03 of the forecast.

Overview of Key Factors that Influence State Basic Aid in the Fair School Funding Plan

A. Student Population and Demographics
B. Property Valuation Per Pupil
C. Personal Income of District Residents Per Pupil
D. Historical Funding - CAPS and Guarantees from prior funding formulas “Funding Bases” for guarantees.

<u>Base Cost Approach - Unrestricted Basic Aid Foundation Funding</u>

The new funding formula uses FY18 statewide average district costs and developed a base cost approach that includes minimum service levels and student teacher ratios to calculate a unique base cost for each district. Newer more up to date state wide average costs will not update for FY23 and remains frozen at FY18 levels, while other factors impacting a districts local capacity will update for FY23. Base costs per pupil includes funding for five (5) areas:

1. Teacher Base Cost (4 subcomponents)
2. Student Support (7 subcomponents-including a restricted Student Wellness component)
3. District Leadership & Accountability (7 subcomponents)
4. Building Leadership & Operations (3 subcomponents)
5. Athletic Co-curricular (contingent on participation)

State Share Percentage – Unrestricted Basic Aid Foundation Funding
Once the base cost is calculated, which is currently at a state wide average of $7,350.77 per pupil in FY22, the FSFP calculates a state share percentage (SSP) calculation. The state share percentage in concept will be higher for districts will less capacity (lower local wealth) and be a lower state share percentage for districts with more capacity (higher local wealth). The higher the district's ability to raise taxes based on local wealth the lower the state share percentage. The state share percentage will be based on 60% property valuation of the district, 20% on federally adjusted gross income and 20% on federal median income, as follows:

1. 60% based on most recent three (3) year average assessed values or the most recent year, whichever is lower divided by base students enrolled.
2. 20% based on most recent three (3) year average federal adjusted gross income of districts residents or the most recent year, whichever is lower divided by base students enrolled.
3. 20% based on most recent year federal median income of district residents multiplied by number of returns in that year divided by base students enrolled.
4. When the weighted values are calculated and item 1 through 3 above added together the total is then multiplied by a Local Share Multiplier Index from 0% for low wealth districts to a maximum of 2.5% for wealthy districts.

When the unrestricted base cost is determined and multiplied by the state share percentage, the resulting amount is multiplied by the current year enrolled students (including open enrolled students being educated in each district), and finally multiplied by the local share multiplier index for each district. The result is the local per pupil capacity amount of the base per pupil funding amount.

Categorical State Aid
In addition to the base state foundation funding calculated above the FSFP also has unrestricted categorical funding and new restricted funding beginning in FY22, some of which will have the state share percentage applied to these calculations as noted below:

Unrestricted Categorical State Aid
1. Targeted Assistance/Capacity Aid – Provides additional funding based on a wealth measure using 60% weighted on property value and 40% on income. Uses current year enrolled average daily membership (ADM). Also will provide supplemental targeted assistance to lower wealth districts whose enrolled ADM is less than 88% of their total FY19 ADM.
2. Special Education Additional Aid – Based on six (6) weighted funding categories of disability and moved to a weighted funding amount and not a specific amount. An amount of 10% will be reduced from all district's calculation to be used toward the state appropriation for Catastrophic Cost reimbursement.
3. Transportation Aid – Funding based on all resident students who ride including preschool students and those living within 1 mile of school. Provides supplemental transportation for low density districts. Increases state minimum share to 29.17% in FY22 and 33.33% in FY23. In general, districts whose state share percentage is less than 33.33% will see a benefit from the increase to 33.33% funding.

Restricted Categorical State Aid

1. Disadvantage Pupil Impact Aid (DPIA) - Formerly Economically Disadvantaged Funding is based on number and concentration of economically disadvantaged students compared to state average and multiplied by $422 per pupil. Phase in increases are limited to 0% for FY22 and 14% in FY23.
2. English Learners – Based on funded categories based on time student enrolled in schools and multiplied by a weighted amount per pupil.
3. Gifted Funds – Based on average daily membership multiplied by a weighted amount per pupil.
4. Career-Technical Education Funds – Based on career technical average daily membership and five (5) weighted funding categories students enrolled in.

State Funding Phase-In FY22 and FY23 and Guarantees

While the FSFP was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB110. The FSFP does not include caps on funding, rather it will include a general phase-in percentage for most components in the amount of 16.67% in FY22 and 33.33% in FY23. DPIA funding will be phased in 0% in FY22 and 14% in FY23. Transportation categorical funds will not be subject to a phase in.

HB110 includes three (3) guarantees: 1) "Formula Transition Aid"; 2) Supplemental Targeted Assistance, and, 3) Formula Transition Supplement. The three (3) guarantees in both temporary and permanent law ensure that no district will get less funds in FY22 and FY23 than they received in FY21. The guarantee level of funding for FY22 is a calculated funding guarantee level based on full state funding cuts from May 2020 restored, net of transfers and deductions, plus Student Wellness and Success funds (based on FY21 SWSF amounts), enrollment growth supplement funds paid in FY21 and special education preschool and special education transportation additional aid items. It is estimated that nearly 420 districts are on one form of a guarantee in FY22 and in general the same number will occur in FY23, since state average costs were frozen at FY18 in the Base Cost calculations, while property values and Federal Adjusted Gross Income will be allowed to update and increase for FY23, which should push districts toward one of the three (3) guarantees.

Student Wellness and Success Funds (SWSF) - (Restricted Fund 467)

In FY20 and FY21 HB166, provided Student Wellness and Success Funds (SWSF) to be deposited in a Special Revenue Fund 467. HB110 the new state budget essentially eliminated these funds by merging them into state aid and wrapped into the expanded funding and mission of DPIA funds noted above and on Line 1.04 below, with only a smaller portion devoted to SWSF. Any remaining funds in Special Revenue Fund 467 from FY20 and FY21 will be required to be used for the restricted purposes governing these funds until spent fully.

Future State Budget Projections beyond FY23

Our funding status for the FY24-26 will depend on two (2) new state budgets which are unknown. There is no guarantee that the current Fair School Funding Plan in HB110 will be funded or continued beyond FY23. For this reason, funding is held constant in the forecast for FY23 through FY26.

Casino Revenue

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos one each in Cleveland, Toledo, Columbus and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% Gross Casino Revenue that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year which began for the first time on January 31, 2013.

Casino revenue fell slightly in FY21 due to COVID-19 and Casinos closing for a little over two months. We have increased the amount in FY22 back to pre-pandemic FY20 levels as Casino revenues appear to have dipped largely due to their closure and not in response to the economic downturn. Prior to COVID-19 closure, casino revenues were growing modestly as the economy improved. Original projections for FY22-26 estimated a .4% decline in pupils to 1,778,441 and GCR increasing to $106.35 million or $59.80 per pupil, actual payments in FY22 were $62.87per pupil. FY22 Casino revenues have resumed their historical growth rate and assume a 2% annual growth rate for the forecast period.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Basic Aid-Unrestricted	$8,306,810	$8,381,312	$8,381,312	$8,381,312	$8,381,312
Additional Aid Items	179,308	176,688	176,688	176,688	176,688
Basic Aid-Unrestricted Subtotal	8,486,118	8,558,000	8,558,000	8,558,000	8,558,000
Ohio Casino Commission ODT	98,058	99,384	100,687	102,002	103,330
Unrestricted State Aid Line # 1.035	$8,584,176	$8,657,384	$8,658,687	$8,660,002	$8,661,330

B) Restricted State Revenues – Line # 1.040

HB110 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding) and Career Technical funding. In addition, there have been new restricted funds added as noted above under "Restricted Categorical Aid" for Gifted, English Learners (ESL) and Student Wellness. We will need to see the new HB110 funding formula in December in order to determine amounts for the new restricted funds noted below. The district has elected to also post Catastrophic Aid for special education as restricted revenues. The amount of DPIA is limited to 0% phase in growth for FY22 and 14% in FY23.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
DPIA	$205,848	$188,187	$188,187	$188,187	$188,187
Career Tech - Restricted	555	1,110	1,110	1,110	1,110
Gifted	67,749	55,422	55,422	55,422	55,422
ESL	360	304	304	304	304
Student Wellness	246,476	246,473	246,473	246,473	246,473
Catastrophic Aid	15,000	15,000	15,000	15,000	15,000
Restricted Revenues Line #1.040	$535,989	$506,496	$506,496	$506,496	$506,496

C) Restricted Federal Grants in Aid – line #1.045

There are no federal restricted funds projected in this forecast.

Summary	FY 22	FY 23	FY 24	FY 25	FY 26
Unrestricted Line # 1.035	$8,584,176	$8,657,384	$8,658,687	$8,660,002	$8,661,330
Restricted Line # 1.040	$535,989	$506,496	$506,496	$506,496	$506,496
Rest. Fed. Grants #1.045	0	0	0	0	0
Total State Foundation Revenue	$9,120,165	$9,163,880	$9,165,183	$9,166,498	$9,167,826

State Taxes Reimbursement/Property Tax Allocation – Line #1.050

a) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from Ohio for tax credits given owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013 which is the effective date of HB59. HB66 the FY06-07 budget bill previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are also credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007 HB119 expanded the Homestead Exemption for all seniors over age 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013 HB59 changes the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who currently have their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the state is increasing the tax burden on our local taxpayers.

Summary of State Tax Reimbursement – Line #1.050

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Rollback and Homestead	$732,762	$721,275	$724,958	$728,641	$728,718

Other Local Revenues – Line #1.060

All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area has been open enrollment, tuition for court placed students, student fees, and general rental fees. HB110 the new state budget will stop paying open enrollment as an increase to other revenue for the district. This is projected below as zeros to help show the difference between projected FY22-FY26 Line 1.06 revenues and historical FY19 through FY21 revenues on the five year forecast. Open enrolled students will be counted in the enrolled student base at the school district they are being educated at and state aid will follow the students. Open enrolled student revenues will be included in Line 1.035 as state basic aid. In FY21 interest income fell sharply due to fed rate reductions due to the pandemic which will impact our earning capability in this area until rates begin to increase. Rentals are expected to remain somewhat lower due to COVID-19 restrictions and lower participation.

We have suspended the anticipated $1.25 million Payment in Lieu of Taxes (PILOT), originally planned for FY23 for the Harrison Power LLC for the $1 billion Natural Gas Power Plant being built in Cadiz by EmberClear Corporation of Texas until we know exactly when the plant will come online. Currently the district leases out space to a dance studio in the old Westgate Elementary School. This building is being given over to the village. Therefore, the rental proceeds of $15,750 has been eliminated beginning in FY22. All other revenues are expected to continue on historic trends.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
PILOT Payments	$0	$0	$0	$0	$0
Open Enrollment Gross	0	0	0	0	0
Interest	354,509	358,054	361,635	365,251	368,904
Tuition SF-14 & SF-14H	112,645	113,771	114,909	116,058	117,219
CAFS Funding	50,000	50,000	50,000	50,000	50,000
Other Income and adjustments	213,956	84,175	38,456	33,691	13,877
Total Other Local Revenue Line #1.060	$731,110	$606,000	$565,000	$565,000	$550,000

Short-Term Borrowing – Lines #2.010 & Line #2.020

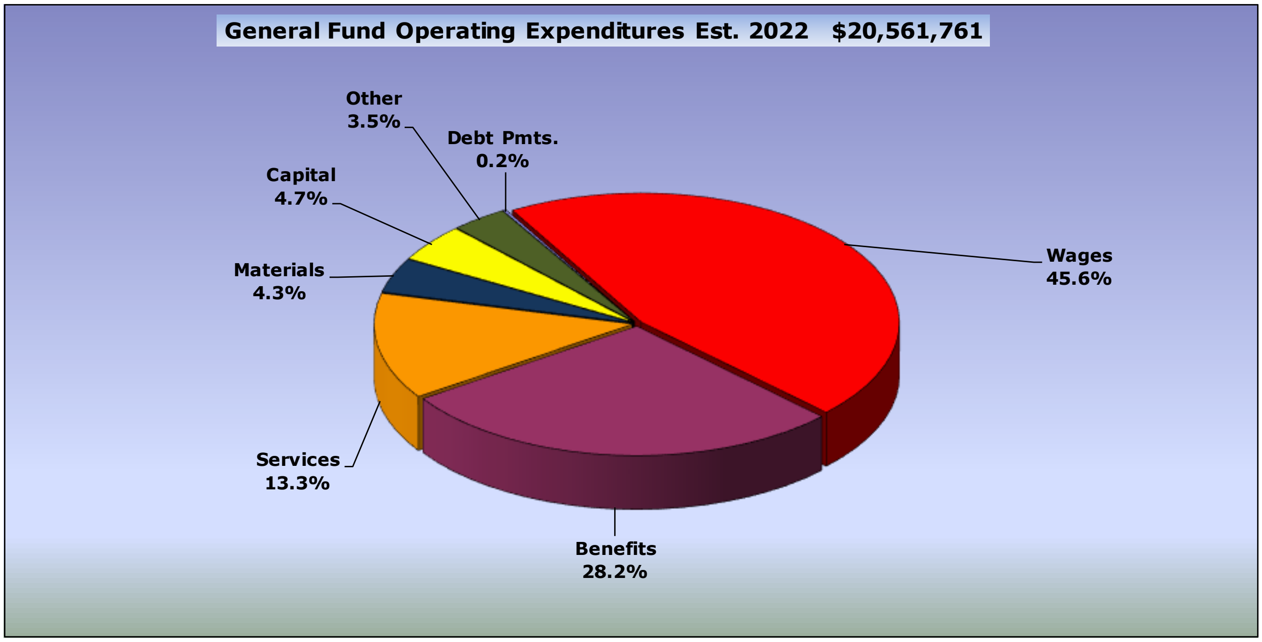
There is no short-term borrowing planned for in this forecast at this time from any sources.

Transfers In / Return of Advances – Line #2.040 & Line #2.050

These are non-operating revenues which are the repayment of short-term loans to other funds over the previous fiscal year and reimbursements for expenses received for a previous fiscal year in the current fiscal year. Repayment of advances from previous years is expected to continue.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Transfers In - Line 2.040	$272,345	$272,345	$272,345	$272,345	$272,345
Advance Returns - Line 2.050	852,919	350,000	350,000	350,000	350,000
Total Transfer & Advances In	$1,125,264	$622,345	$622,345	$622,345	$622,345

Expenditure Assumptions
All Operating Expense Categories – General Fund FY22



Wages – Line #3.010
The amounts for salaries and benefits are based on existing negotiated agreements and estimates for future settlements.

The board of education and classified staff successfully negotiated a 3-year contract beginning FY21 through FY23. There is a 4% increase in each year of the contract. The certified staff's contract is for the period of FY22 through FY24. A 4% increase for each year of the contract was negotiated. As contracts expire a base increase for each year thereafter has been applied. Costs for salaries also includes: extended time, shift differential, overtime, substitute cost, leave incentive, severances and retirements with replacements. For planning purposes, a 4% base amount has been used for FY24-26. In FY25 and FY26 positons paid from ESSER funds have been moved to the General Fund as those dollars will run out, this includes 7 certified and 2 classified positions for summer school instruction and bussing.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Total Wages Line #3.010	$9,383,800	$9,964,200	$10,236,700	$11,116,801	$12,032,309

Fringe Benefits Estimates – Line #3.02
This area of the forecast captures all costs associated with benefits and retirement costs.

A) STRS/SERS Retirement Costs
The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law. In addition, there are negotiated "pick ups" that are paid by the district for certified and administrative staff.

B) Insurance
Due to the district being a self-funded district, their experience and future impact on claims has to be considered. The district has experienced rate increases from 1% to 10%. For FY22, the increase is 10%. Due to the impact of claims on the setting of our rate, we believe our claims were down due to COVID-19 and the related shutdown. Non-emergency procedures were cancelled as well as routine visits. This has also caused a change from in person visits to tele-visits. We are using a rate of 10% FY23 through FY26. The insurance committee will continue to work to shop around for the best benefit at the most reasonable costs.

The Further Consolidated Appropriations Act of 2020, included a full repeal of three taxes originally imposed by the Affordable Care Act (ACA): the 40% Excise Tax on employer-sponsored coverage (a.k.a. "Cadillac Tax"), the Health Insurance Industry Fee (a.k.a. the Health Insurer Tax), and the Medical Device Tax. These added costs are no longer an uncertainty factor for our health care costs in the forecast.

C) Workers Compensation & Unemployment Compensation
Workers Compensation is expected to be approximately .009% of wages FY22– FY26. Unemployment is expected to remain at a very low level FY22-FY26. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

D) Medicare
Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

Summary of Fringe Benefits – Line #3.020

Source	FY 22	FY 23	FY 24	FY 25	FY 26
STRS/SERS	$1,555,424	$1,646,231	$1,694,411	$1,822,457	$1,967,321
Insurances	4,272,910	4,786,761	5,323,488	6,060,606	6,836,717
Workers Comp/Unemployment	89,454	94,678	97,130	105,051	113,291
Medicare	160,175	169,167	173,859	196,969	212,641
Other adjustments/Tuition	(275,463)	(301,537)	(415,488)	(807,848)	(1,010,227)
Total Fringe Benefits Line #3.020	$5,802,500	$6,395,300	$6,873,400	$7,377,235	$8,119,743

Purchased Services – Line #3.030
HB110, the new state budget, will impact Purchased Services beginning in FY22 as the Ohio Department of Education will begin to direct pay these costs to the educating districts for open enrollment, community and STEM schools, and for scholarships granted students to be educated elsewhere, as opposed to deducting these amounts from our state foundation funding and shown below as expenses. We have continued to show these amounts below as zeros to help reflect the difference between projected FY22-FY26 Line 3.03 costs and historical FY19 through FY21 costs on the five year forecast. College Credit Pus, excess costs and other tuition costs will continue to draw funds away from the district, which will continue in this area and have been adjusted based on historical trend. We reduced costs in purchased services for FY20 and 21 for the Fund 467 recoding for our SRO's and then returned these costs to the General Fund in FY22-26.

It is anticipated that the costs incurred by special education and utilities will continue to increase. Therefore, the historical trend was utilized to determine increase trends. The district contracts for physical therapy and resource officers. The permanent appropriations for FY22 were used to determine this line item. Any increase for FY22 through FY26 was based on each individual budget line. We are working hard to control costs as much as possible in the purchased services area. Since the school district was successful in passing its bond issue in November of 2015, additional costs that were not co-fundable, as well as some anticipated increased costs of operating the new facility, have been included. We will continue to monitor the effects of state budget cuts on the potential reductions in costs to tuition payments made to other organizations that are deducted from our foundation payments.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Base Services	$363,142	$374,036	$385,257	$396,815	$408,719
Tuition, CAFS, Scholarship & CC+	824,397	849,129	874,603	900,841	927,866
Open Enrollment Deduction	0	0	0	0	0
Community School Deduction	0	0	0	0	0
Utilities	231,071	244,935	257,182	270,041	283,543
Other	1,317,390	1,333,700	1,383,958	1,534,838	1,587,495
Total Purchased Services Line #3.030	$2,736,000	$2,801,800	$2,901,000	$3,102,535	$3,207,623

Supplies and Materials – Line #3.040

The permanent appropriations were used to determine this line item. In FY25 & FY26 we are bringing back cost to the General Fund from ESSER funds for license fees for online curriculum, as those funds will be running out. Any other increase for FY22 through FY26 is based on each individual budget line.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Supplies	$86,636	$90,968	$95,516	$125,292	$156,557
Items for New School	806,775	879,756	953,427	982,030	982,030
Total Supplies Line #3.040	$893,411	$970,724	$1,048,943	$1,107,322	$1,138,587

Equipment – Line # 3.050

Computers and technological upgrades will be done by using federal and general fund monies when available. General fund monies will be monitored closely. Capital Improvement Set Aside funds will be used as much as possible. In addition, the board of education did not renew the Permanent Improvement Levy at the end of CY 2019. Therefore, we have projected the cost of 3 new busses to this line for FY24-26.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Capital Outlay	$169,875	$541,216	$266,582	$271,914	$277,352
Items for New School	805,125	797,449	681,793	714,187	714,187
School Busses	0	0	303,000	306,030	309,090
Total Equipment Line #3.050	$975,000	$1,338,665	$1,251,375	$1,292,131	$1,300,629

Principal, Interest and Fiscal Charges– HB264 Loans – Lines #4.05 and #4.06

Funding for the HB 264 project was completed using the Federally Taxable Qualified School Construction Bonds – Direct Pay program. The district is responsible for interest payments. However, due to the funding mechanism, the district will complete a Form 8038-CP for a reduction to the credit payment. If funding is available through the federal government, the district will be reimbursed up to the full amount of the interest payment.

This is for the repayment of principal related to the HB 264 project that was done the summer and fall of 2010. This was for a lighting project at Harrison East Elementary and the Jr. /Sr. High School; and replacement of steam traps at the Jr./Sr. High School. The final payment will be December 2025.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
HB 264 Principal Line # 4.050	$40,000	$40,000	$45,000	$45,000	$50,000
Source	**FY 22**	**FY 23**	**FY 24**	**FY 25**	**FY 26**
Interest on Borrowing Line 4.060	$2,500	$2,500	$2,500	$2,500	$1,000

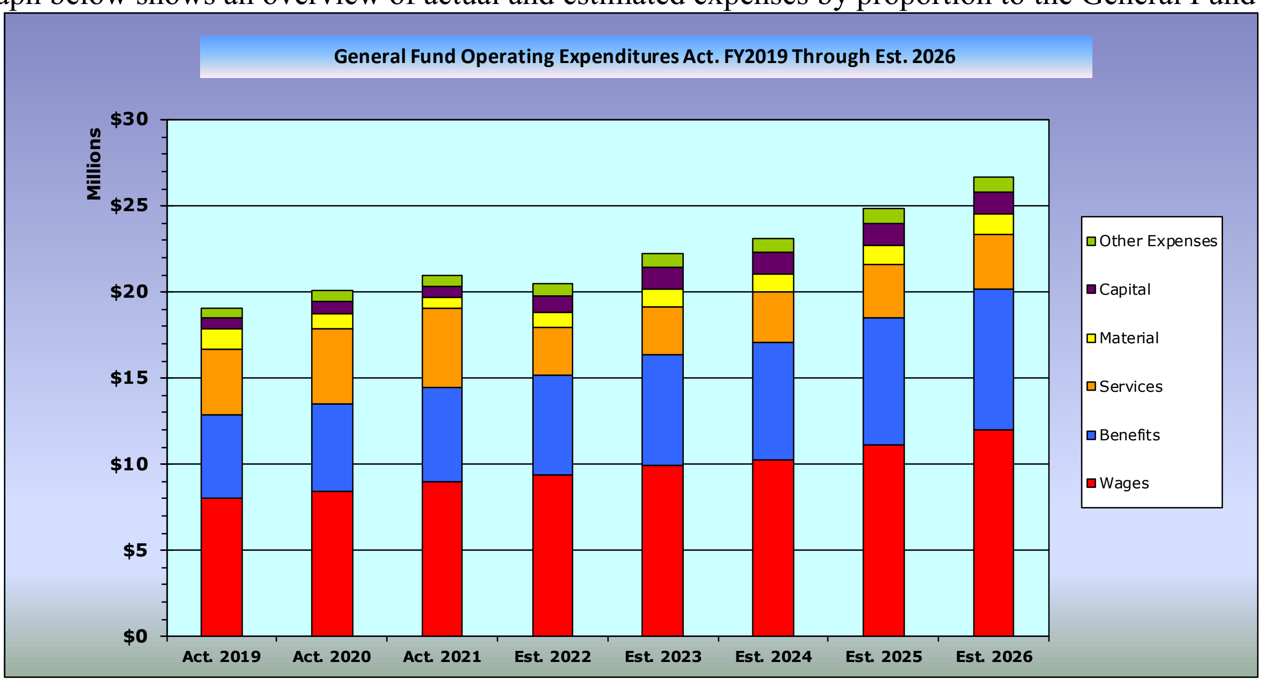
Other Expenses – Line #4.300

The category of Other Expenses consists primarily of the County ESC deductions for specialized services provided to the District and Auditor & Treasurer fees. Also, any increase in local taxes will cause Auditor and Treasurer fees to increase as more dollars are collected. A rate of 1% increase is projected in this area.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
County Auditor & Treasurer Fees	$437,366	$454,861	$473,055	$491,977	$511,656
County ESC	57,809	60,699	63,734	66,921	70,267
Other expenses	158,347	159,930	161,529	163,144	164,775
Miscellaneous	75,028	115,348	131,211	132,373	133,346
Total Other Expenses Line #4.300	$728,550	$790,838	$829,529	$854,415	$880,044

Total Expenditure Categories Actual FY19 through FY21 and Estimated FY22 through FY26

The graph below shows an overview of actual and estimated expenses by proportion to the General Fund total.



Transfers Out/Advances Out – Line# 5.010

The expenditures that are reflected are for those transfer of funds from the general fund (001 no special cost center) to the set aside fund~~s~~ (001 with special cost center~~s~~). The board set up the Capital Improvement Fund in FY17. The board of education has determined these revisions were necessary to the success of the new facility and to meet the needs of the students. These costs are not covered by the Ohio School Facility Commission. The building project is officially closed by the Ohio School Facilities Commission, any excess funds may be returned to the general fund. It is the goal of the board of education to provide a facility that will meet the needs of the district and its students for many years to come. For this reason, we have increased the transfer out in FY22 for a new baseball field and complex and transferring $2 million a year to bond retirement to help fund projects.

Source	FY 22	FY 23	FY 24	FY 25	FY 26
Operating Transfers Out Line #5.010	$6,645,731	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Advances Out Line #5.020	700,000	350,000	350,000	350,000	350,000
Total Transfer & Advances Out	$7,345,731	$2,350,000	$2,350,000	$2,350,000	$2,350,000

Encumbrances – Line #8.010

These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered. Encumbering funds is based on the financial condition of the district.

	FY 22	FY 23	FY 24	FY 25	FY 26
Estimated Encumbrances	$555,000	$555,000	$555,000	$555,000	$555,000

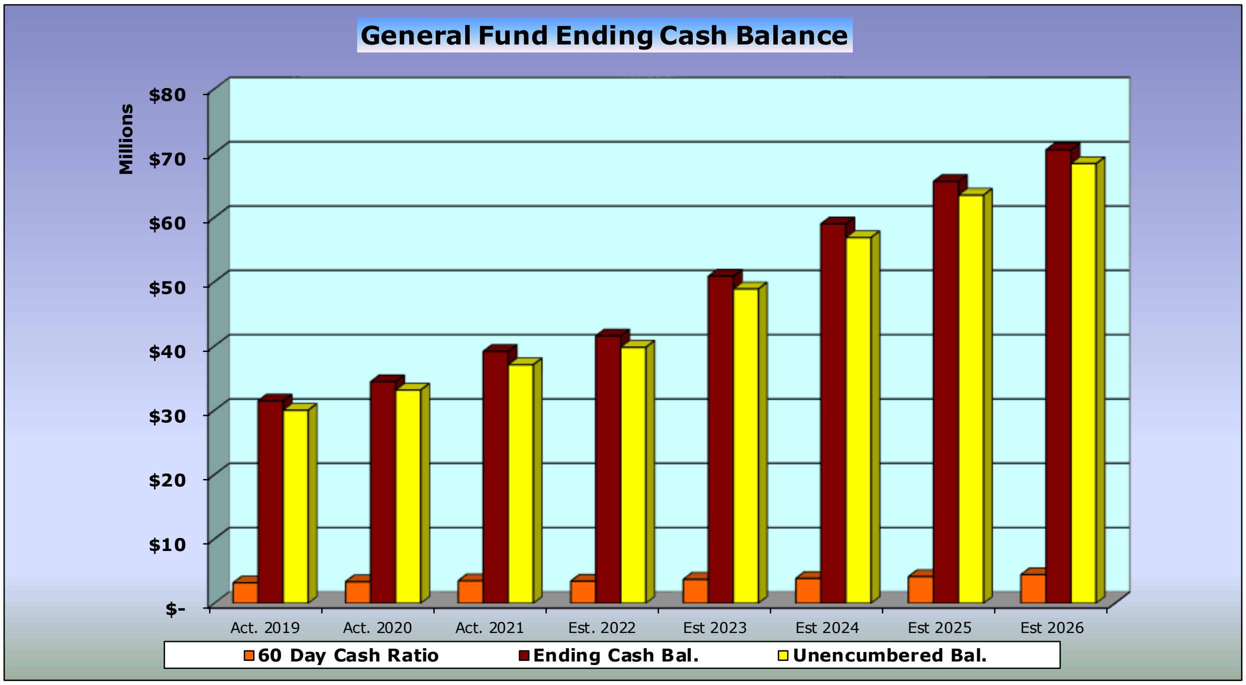
Reserve Assumptions

The district is planning a small budget reserve each of the forecast years. We also are carrying a set aside for capital improvements as required by state law.

Ending Unencumbered Cash Balance – Line#15.010

This line must **not** go below $-0- or the district's General Fund will violate all Ohio Budgetary Laws. Any multi-year contract which is knowingly signed and results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of $10,000.

	FY 22	FY 23	FY 24	FY 25	FY 26
Ending Cash Balance	$ 39,812,415	$ 48,881,364	$ 56,863,822	$ 63,460,662	$ 68,370,259



True Cash Days Ending Balance

Another way to look at ending cash is to state it in 'True Cash Days". In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The government finance officers association recommends no less than two (2) months or 60 days cash is on hand at year end but could be more depending on each districts complexity and risk factors for revenue collection. This is calculated including transfers as this is a predictable funding source for other funds such as capital, athletics and severance reserves.