



Springboro Community City School District

# Five Year Forecast Financial Report

November, 2023

*Terrah Stacy - Treasurer/CFO*

## Table of Contents

	<u>Page</u>
Table of Contents	2
Forecast Summary	3
Revenue Sources and Forecast Year-Over-Year Projected Overview	4
1.010 - General Property Tax (Real Estate)	5
1.020 - Public Utility Personal Property	6
1.030 - Income Tax	7
1.035 - Unrestricted Grants-in-Aid	8
1.040 & 1.045 - Restricted Grants-in-Aid	9
1.050 - State Share-Local Property Taxes	10
1.060 - All Other Operating Revenues	11
2.070 - Total Other Financing Sources	12
Expenditures Overview	13
3.010 - Personnel Services	14
3.020 - Employee Benefits	15
3.030 - Purchased Services	16
3.040 - Supplies and Materials	17
3.050 - Capital Outlay	18
3.060 - 4.060 - Intergovernmental & Debt	19
4.300 - Other Objects	20
5.040 - Total Other Financing Uses	21
Five Year Forecast	22

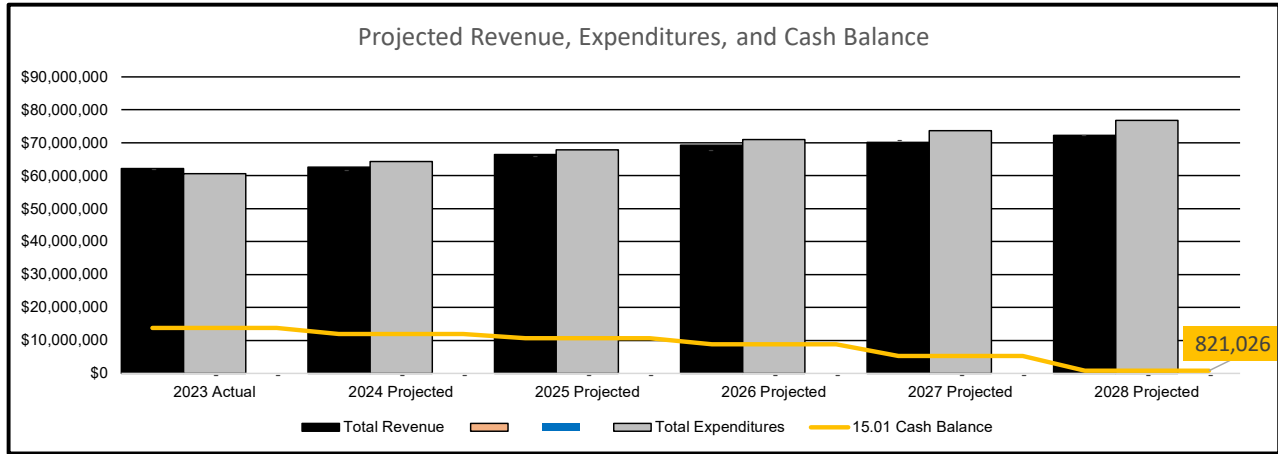
### Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the 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.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

## Forecast Summary



Note: Cash balance (Line 7.020) plus any existing levy modeled as renewed or new during the forecast.

Financial Forecast	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028
Beginning Balance (Line 7.010) Plus Renewal/New Levies Modeled	13,801,102	12,030,199	10,631,386	8,808,952	5,341,805
+ Revenue	62,593,142	66,457,265	69,213,691	70,152,560	72,213,211
+ Proposed Renew/Replacement Levies	-	-	-	-	-
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(64,364,045)	(67,856,078)	(71,036,125)	(73,619,706)	(76,733,989)
= Revenue Surplus or Deficit	(1,770,903)	(1,398,813)	(1,822,434)	(3,467,147)	(4,520,779)
Line 7.020 Ending Balance with renewal/new levies	12,030,199	10,631,386	8,808,952	5,341,805	821,026

**Analysis Without Renewal Levies Included:**

Revenue Surplus or Deficit w/o Levies	(1,770,903)	(1,398,813)	(1,822,434)	(3,467,147)	(4,520,779)
Ending Balance w/o Levies	12,030,199	10,631,386	8,808,952	5,341,805	821,026

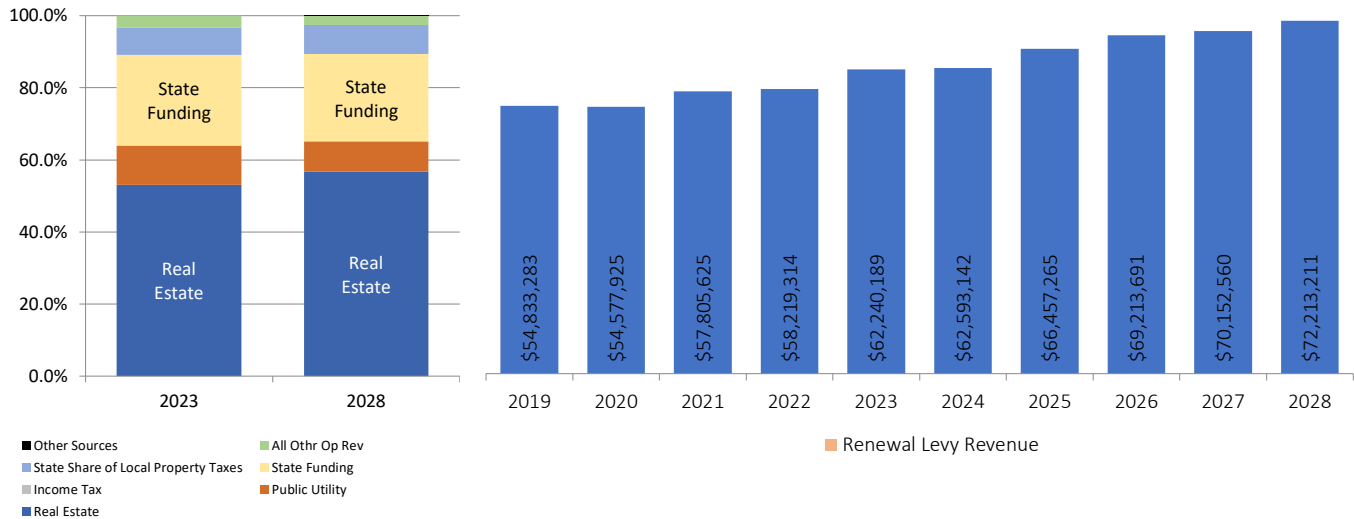
In FY 2024 a revenue shortfall is expected. This means that expenditures are expected to be greater than revenue by \$1,770,903 in FY 2024. By the last year of the forecast, FY 2028, the district is expected to have a revenue shortfall where expenditures are projected to be greater than revenue by \$4,520,779. The district would need to cut its FY 2028 projected expenses by 5.89% in order to balance its budget without additional revenue.

The district's cash balance is positive at year-end in FY 2024 and is projected to worsen by FY 2028. A worsening cash balance can erode the district's financial stability over time.

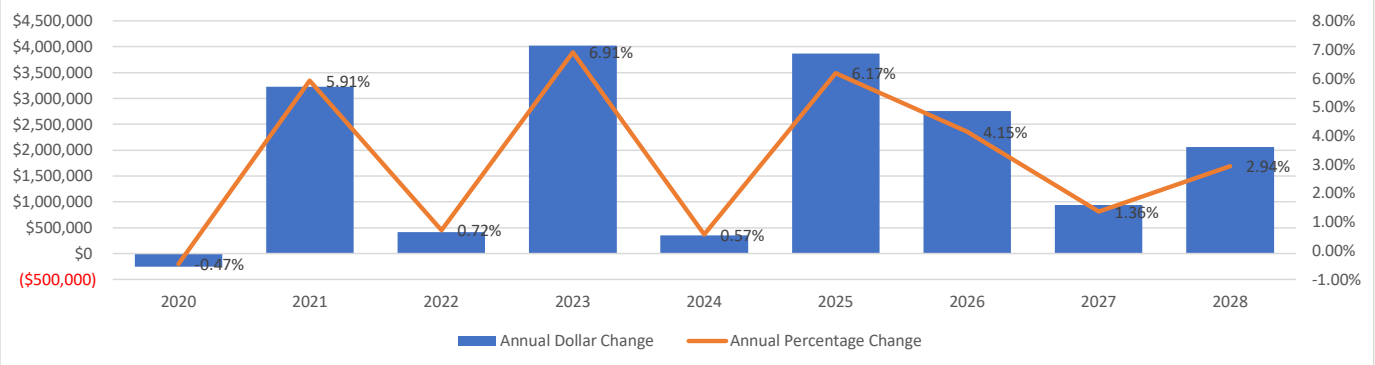
Ohio adopted the Fair School Funding Plan (FSFP) in FY 2022. The plan was continued with increasing phase-in of the formula results. In FY 2024 the per pupil base cost calculations were updated from FY 2018 cost data to FY 2022. For Springboro Community City School District the calculated Base Cost total is \$46,093,104 in FY 2024. The state's share of the calculated Base Cost total is \$5,665,577 or \$993 per pupil.

## Revenue Sources and Forecast Year-Over-Year Projected Overview

### Sources of Revenue Over Time



### Year-Over-Year Dollar & Percentage Change



4-Year Historical Actual Average Annual Dollar Change Compared to 5-year Projected

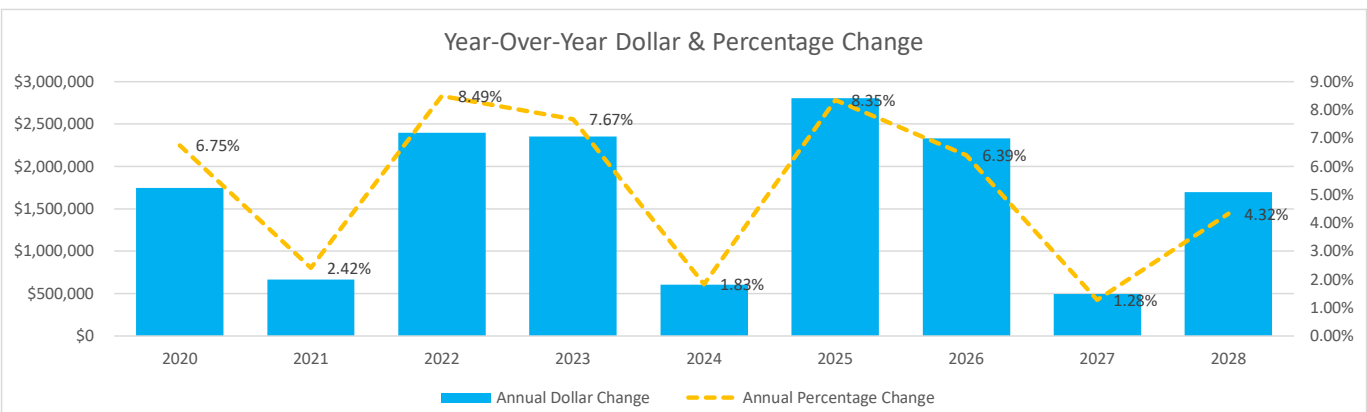
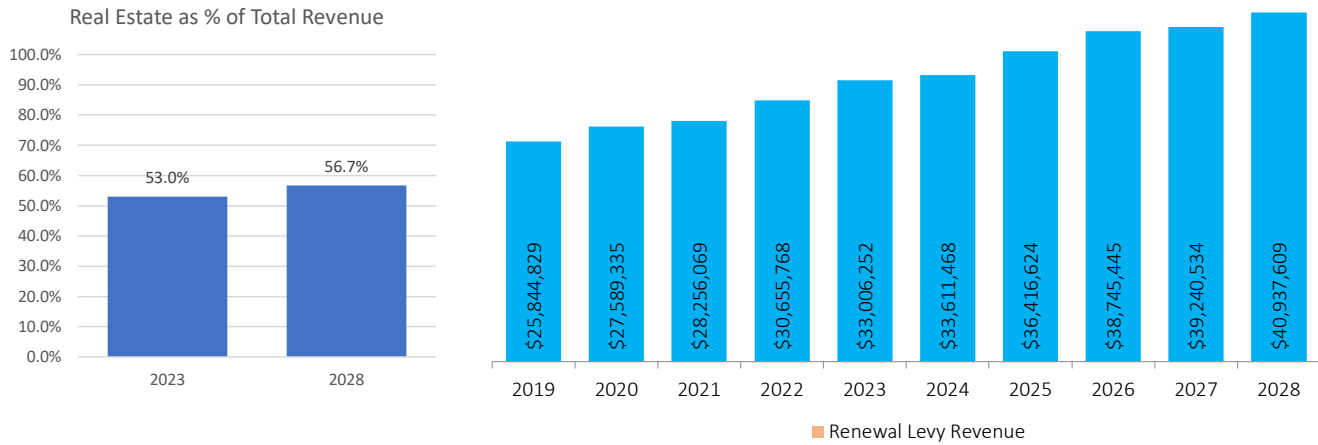
	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	
Real Estate	1,790,356	1,586,271	(\$204,084)	Total revenue increased 3.27% or \$1,851,726 annually during the past 4-Year period and is projected to increase 3.04% or \$1,994,604 annually through FY2028. State Funding has the most projected average annual variance compared to the historical average at \$610,555  <b>In FY24, the District will receive 71% of its total operating revenue from property taxes. If that 54% Class I and II, 9% from PUPP, and 8% coming from the State Share of Local Property Taxes (RB/HM). 26% of our operating funding comes from State Funding, while the remaining 3% is from local funding such as school fees and PTP fees.</b>
Public Utility	\$110,561	(\$147,129)	(\$257,690)	
Income Tax	\$0	\$0	\$0	
State Funding	(\$249,776)	360,778	\$610,555	
Prop Tax Alloc	\$221,445	\$239,863	\$18,418	
All Othr Op Rev	\$92,182	(\$44,016)	(\$136,198)	
Other Sources	(\$113,041)	(\$1,164)	\$111,877	
<b>Total Average Annual Change</b>	<b>1,851,726</b> 3.27%	<b>1,994,604</b> 3.04%	<b>\$142,878</b> -0.23%	

Note: Expenditure average annual change is projected to be >

\$3,231,550 On an annual average basis, expenditures are projected to grow faster than revenue.

### 1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2022	1,490,111,630	30,082,760	25.43	-	25.48	-	99.8%
2023	1,533,361,630	43,250,000	25.44	0.01	25.44	(0.04)	99.6%
2024	1,781,261,630	247,900,000	24.79	(0.65)	24.79	(0.65)	99.6%
2025	1,805,011,630	23,750,000	24.77	(0.01)	24.77	(0.01)	99.6%
2026	1,828,761,630	23,750,000	24.76	(0.01)	24.76	(0.01)	99.6%
2027	1,980,511,630	151,750,000	24.46	(0.30)	24.46	(0.30)	99.6%

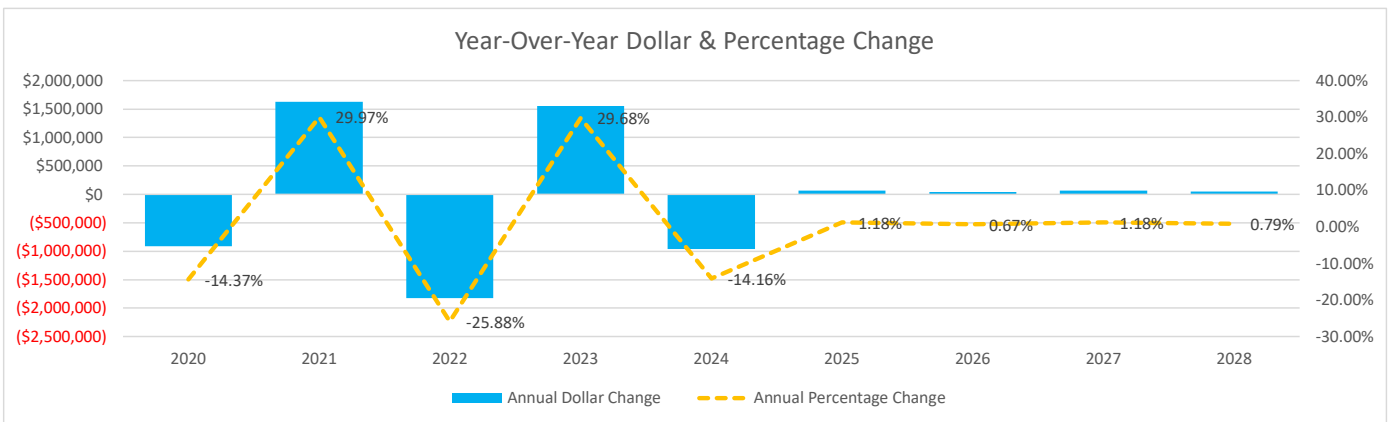
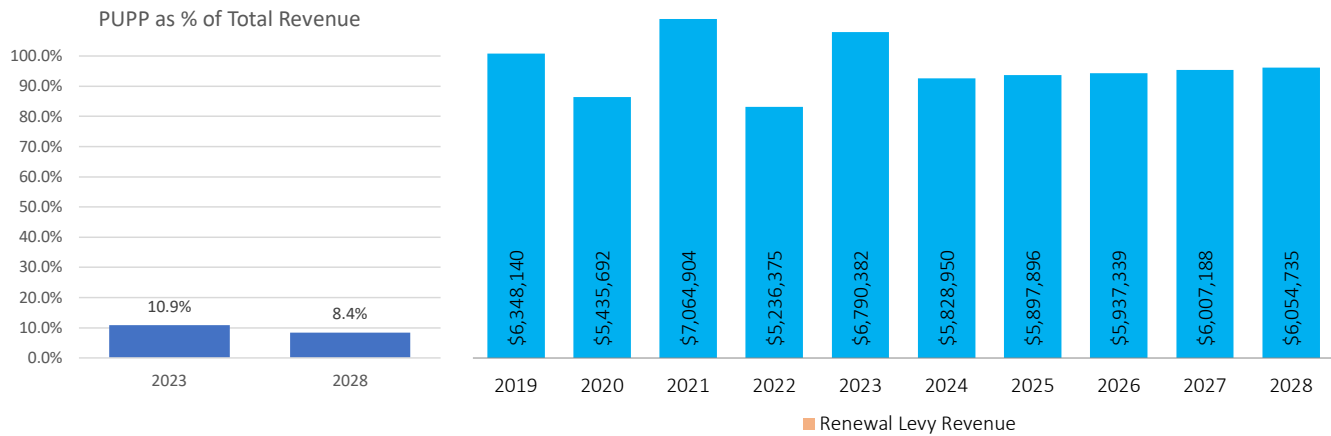
Real estate property tax revenue accounts for 53.03% of total revenue. Class I or residential/agricultural taxes make up approximately 91.95% of the real estate property tax revenue. The Class I tax rate is 25.44 mills in tax year 2023. The projections reflect an average gross collection rate of 99.6% annually through tax year 2027. The revenue changed at an average annual historical rate of 6.33% and is projected to change at an average annual rate of 4.44% through FY 2028.

The district is assuming a 16% increase for class I real estate for tax year 2024 payable in 2025. Using calendar year 2023 only, our increase could be as high as 25%, but with using an average of 3 years, it is approx. 16%. For future planning, we are using the conservative estimate as legislation has been swirling, and we have an entire calendar year that something could change.

\*Projected % trends include renewal levies

### 1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Values and Tax Rates					Gross Collection Rate Including Delinquencies	
Tax Year	Valuation	Value Change	Full Voted Rate	Change		
2022	128,009,470	(4,314,130)	48.64	-	91.8%	
2023	122,562,005	(5,447,465)	48.65	0.01	91.8%	
2024	124,062,005	1,500,000	48.00	(0.65)	99.0%	
2025	125,562,005	1,500,000	47.98	(0.01)	99.0%	
2026	127,062,005	1,500,000	47.97	(0.01)	99.0%	
2027	128,562,005	1,500,000	47.67	(0.30)	99.0%	

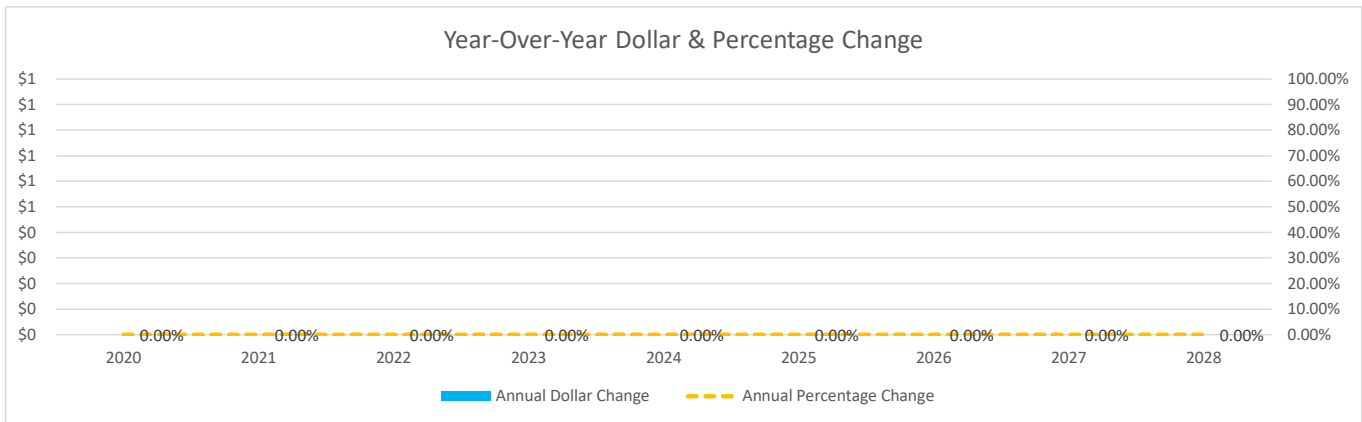
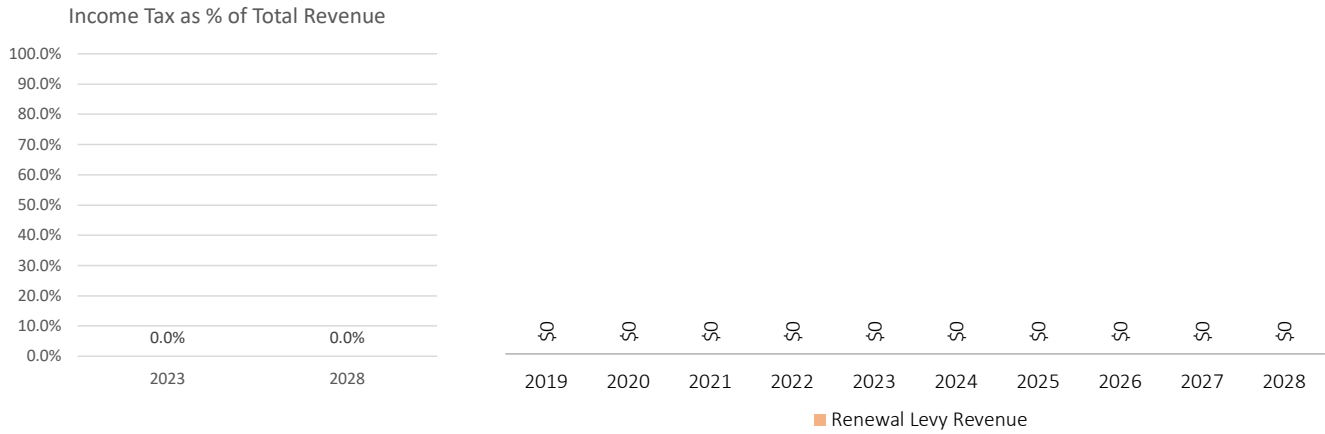
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. This category currently makes up 10.91% of total district revenue. The property is taxed at the full voted tax rate which in tax year 2023 is 48.65 mills. The forecast is modeling an average gross collection rate of 97.56%. The revenue changed historically at an average annual dollar amount of \$110,561 and is projected to change at an average annual dollar amount of -\$147,129 through FY 2028.

Due to Rover settling and the Nexus pipeline appeal closing in on an end, we anticipate the Rockies Express Pipeline Appeal to be concluded in the near future. When the pipeline appeal was initially filed in 2021, I removed 10,894,930 in value which represented a 45% reduction. Since then, Rockies has only paid on the appealed value. I have added 50% of that reduction back which is 5,447,465 as an estimate of the appeal being settled for 50% of their requested reduction. This increase our revenue by approx. 120k annually beginning in 2025. I do not have any back revenue that they could owe, this would increase our revenue slightly depending on what is settled. I am estimating 1.5 million in additional value annually on our other public utilities.

\*Projected % trends include renewal levies

### 1.030 - No Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.

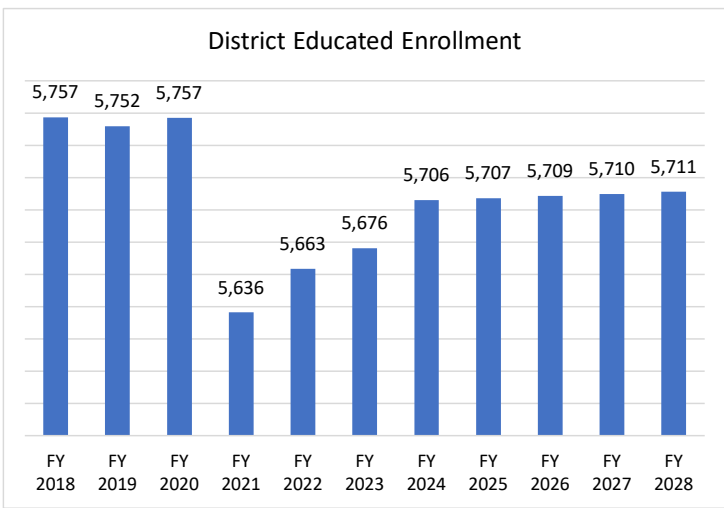
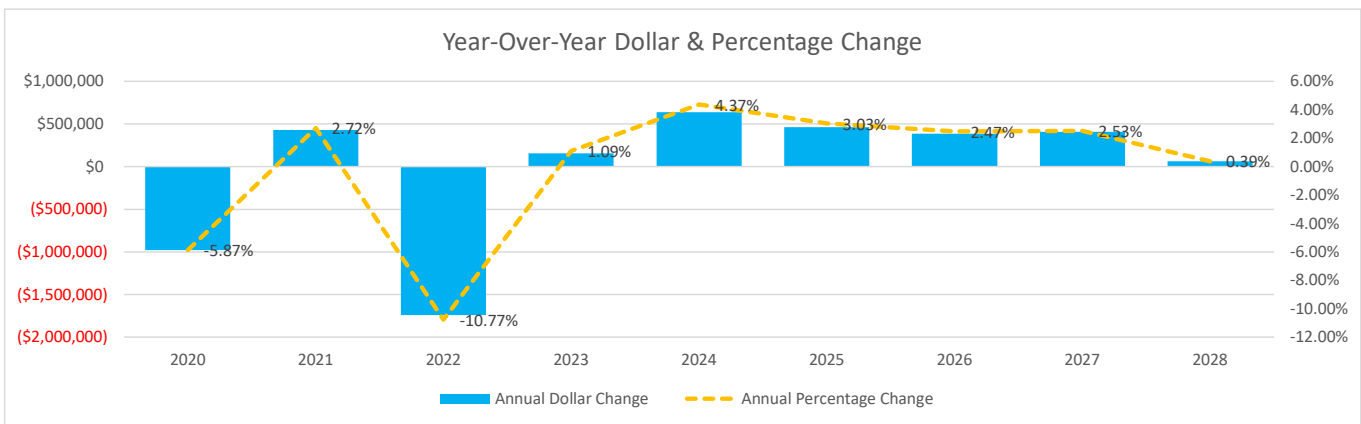
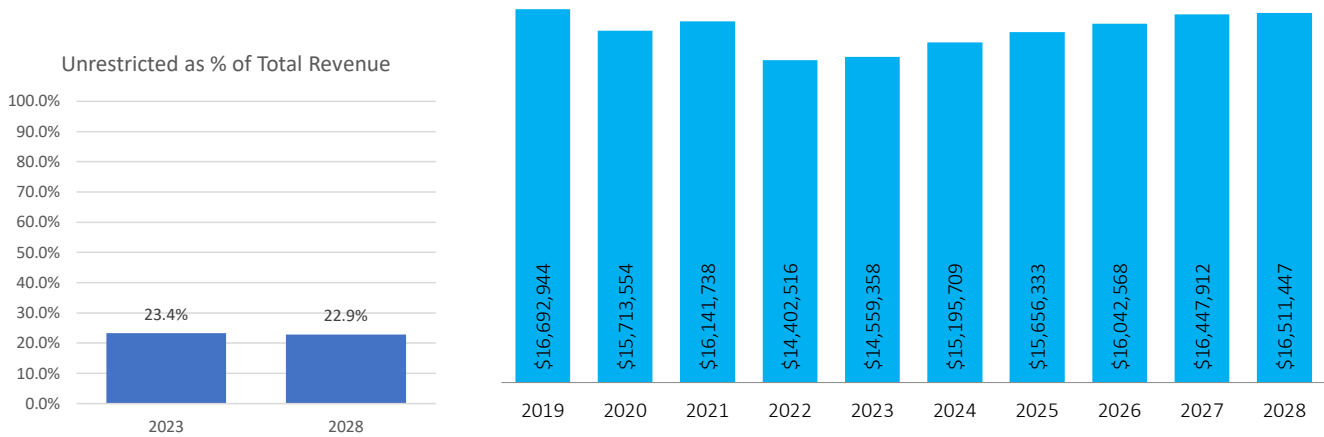


The district does not have an income tax levy.

*\*Projected % trends include renewal levies*

### 1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

For Springboro Community City School District the calculated Base Cost total is \$46,093,104 in FY 2024. The state's share of the calculated Base Cost total is \$5,665,577 or \$993 per pupil.

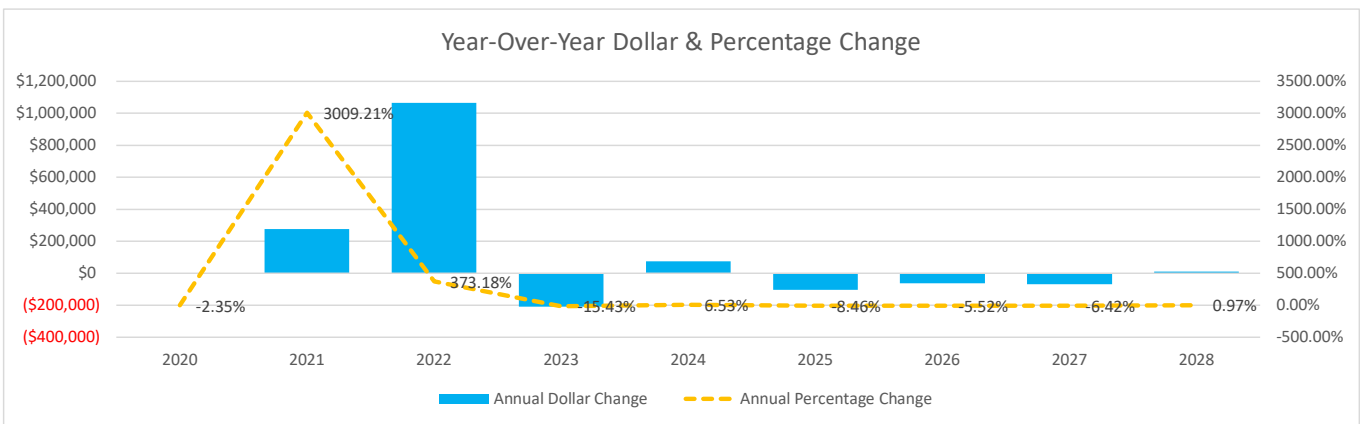
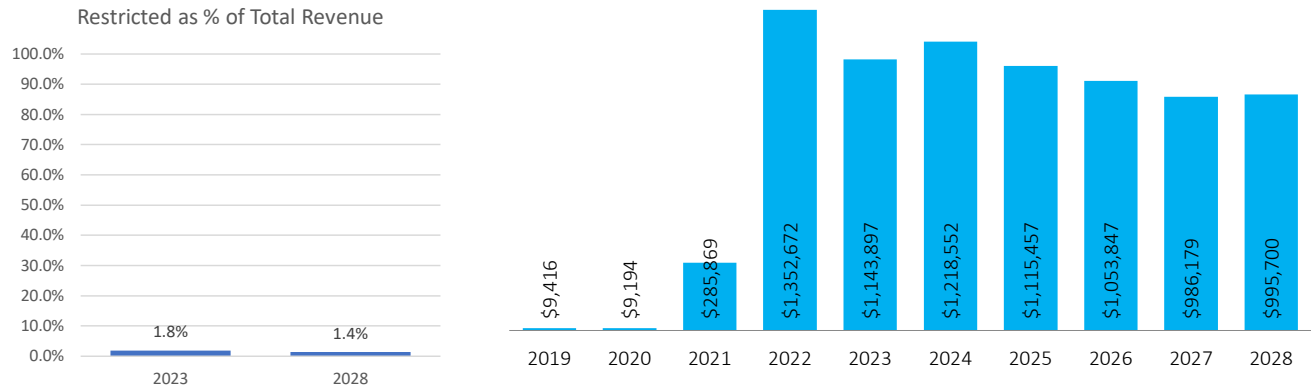
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts.

**See the Fair School Funding insert, for additional information on state funding.**



### 1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.

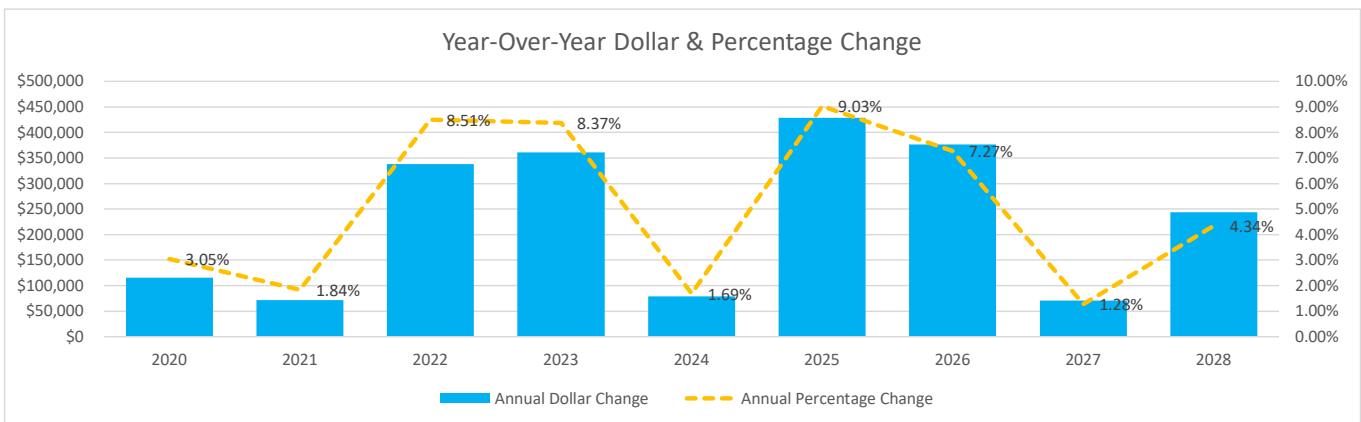
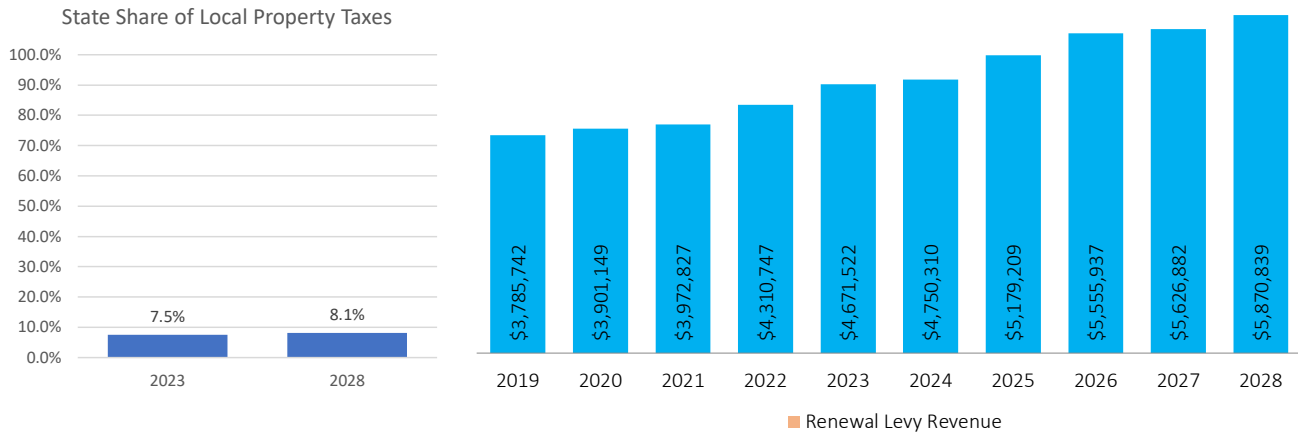


Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$378,234 and is projected to change annually on average by -\$29,639. Restricted funds represent 1.84% of total revenue. Starting in FY 2022 the district's Success & Wellness funding is considered restricted, the state's share of this funding is recorded as restricted is \$415,489. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

See the state funding insert for additional information on state funding.

### 1.050 - State Share of Local Property Taxes

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



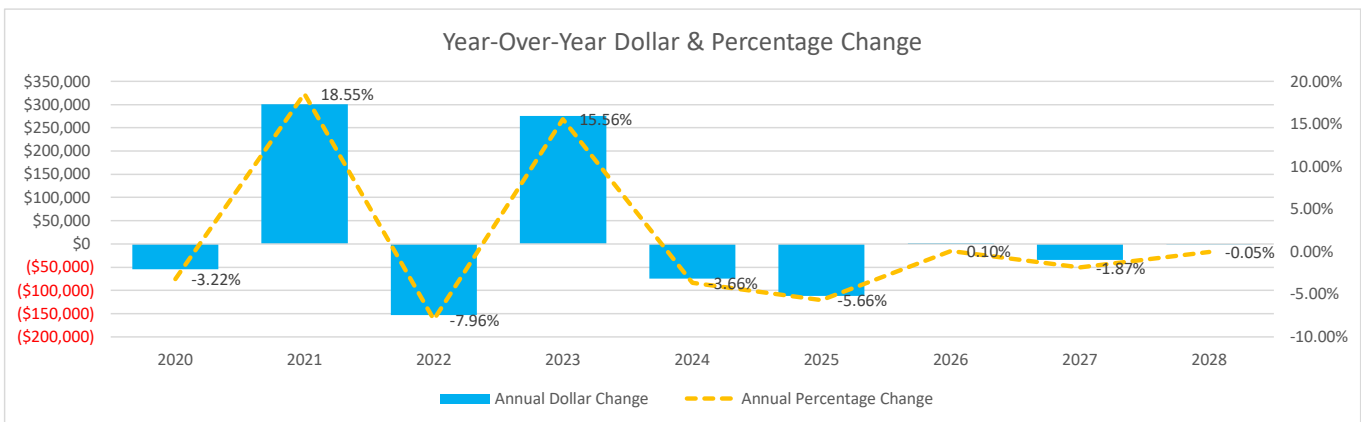
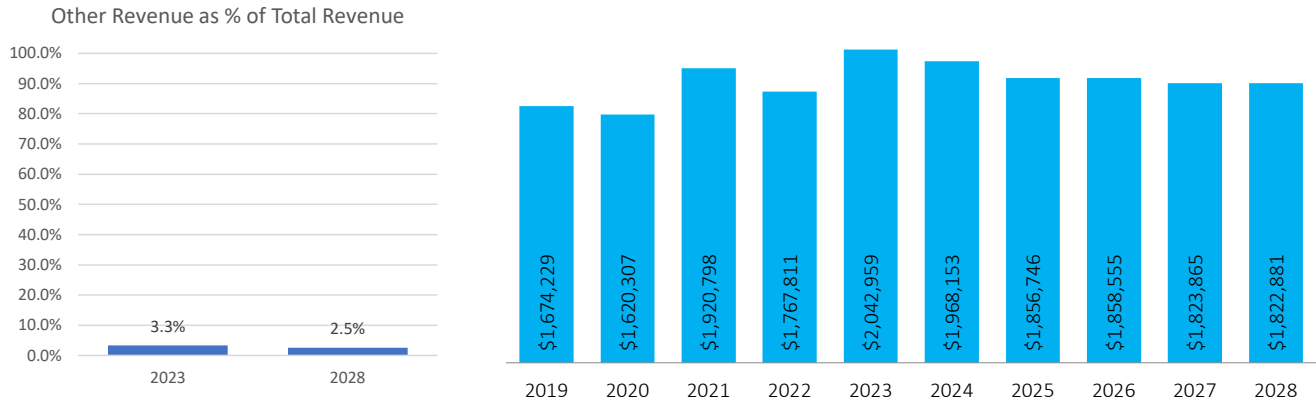
State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In FY 2024, approximately 12.2% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 0.9% will be reimbursed in the form of qualifying homestead exemption credits.

The state share of local property tax estimates for the triennial update in 2024, payable in 2025 are using a 16% increase. If the increase ends up higher, these estimates will increase.

*\*Projected % trends include renewal levies*

### 1.060 - All Other Operating Revenues

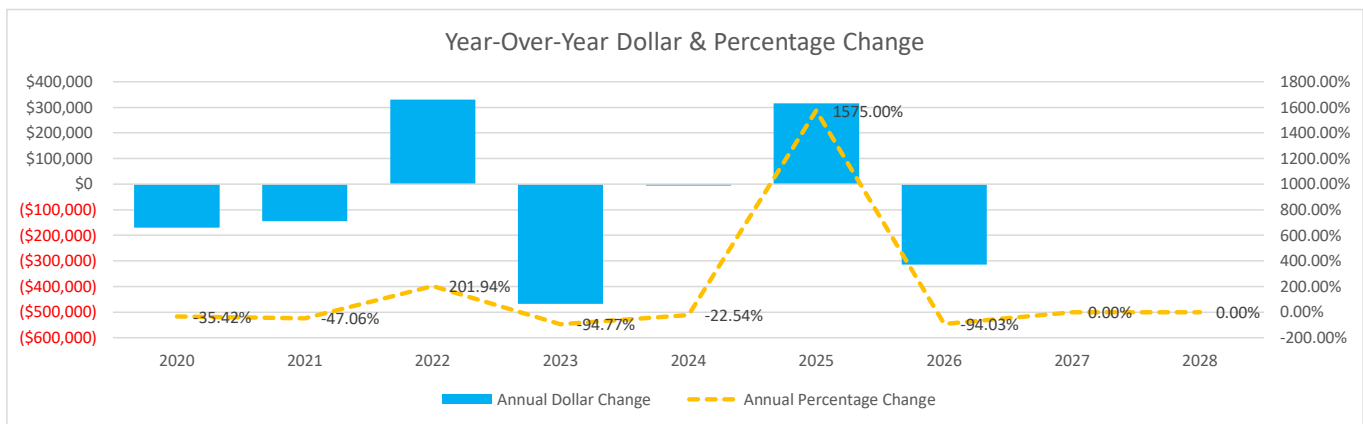
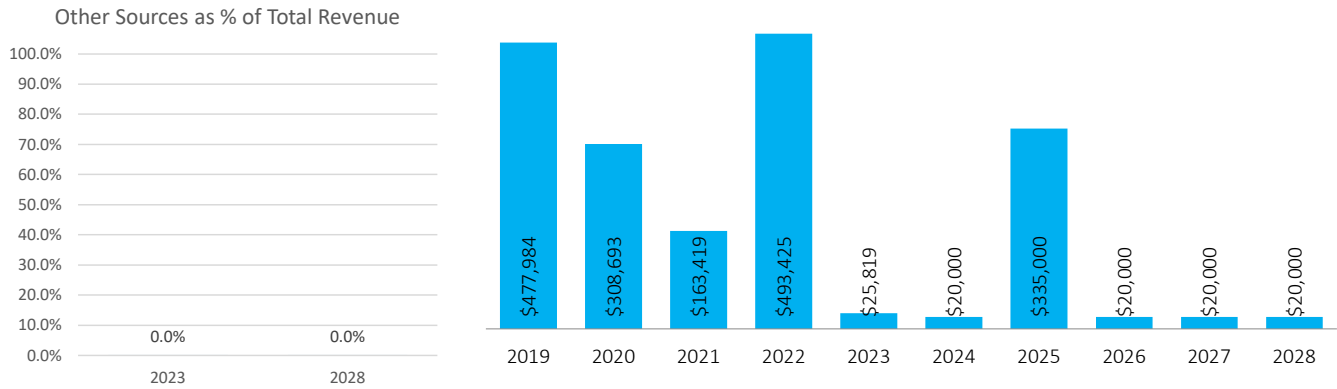
Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$92,182. The projected average annual change is -\$44,016 through FY 2028.

## 2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



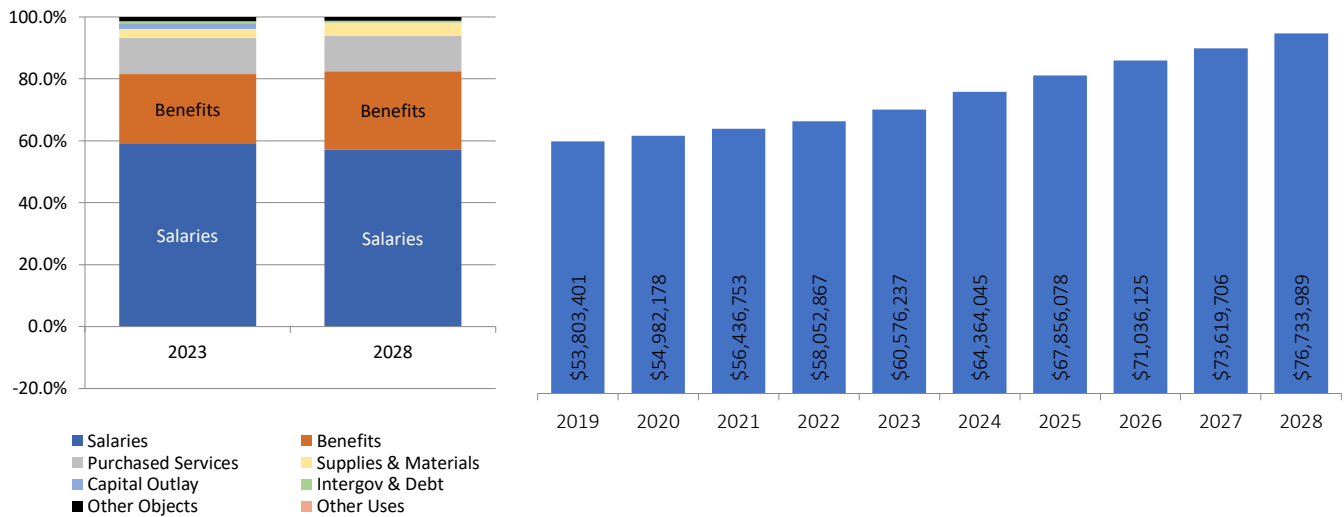
	2023	2024	2025	FORECASTED		
				2026	2027	2028
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	25,819	20,000	335,000	20,000	20,000	20,000

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In FY 2023 the district receipted \$0 as advances-in and is projecting advances of \$0 in FY 2024. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$20,000 in FY 2024 and average \$98,750 annually through FY 2028.

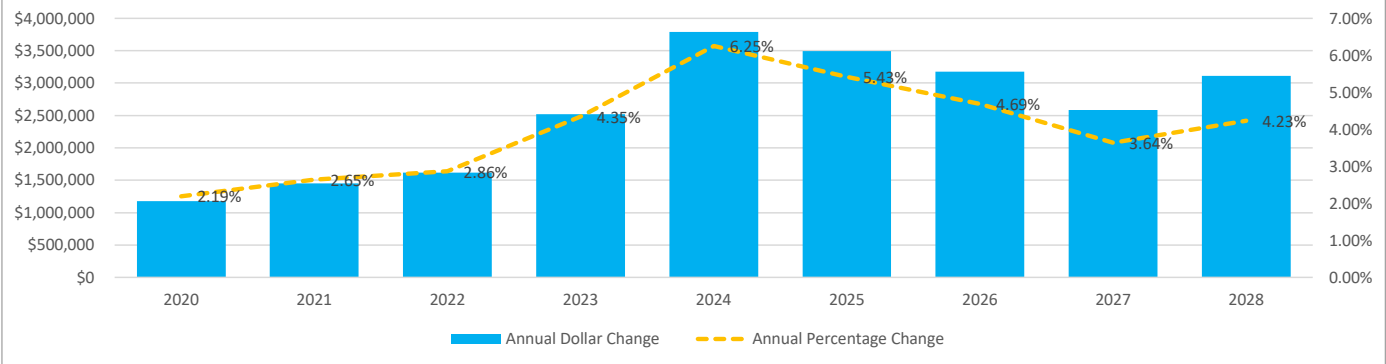
**Every 3 years the auditors office settles up the REA assessment fund. We typically receive a 335k refund when this occurs. We are estimating this for FY25.**

## Expenditure Categories and Forecast Year-Over-Year Projected Overview

### Expenditure Categories Over Time



### Year-Over-Year Dollar & Percentage Change



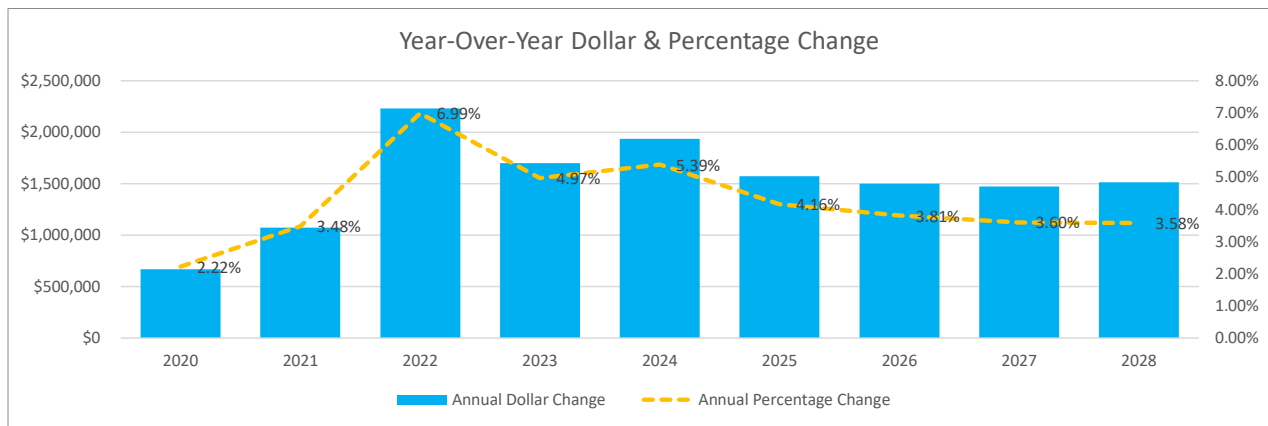
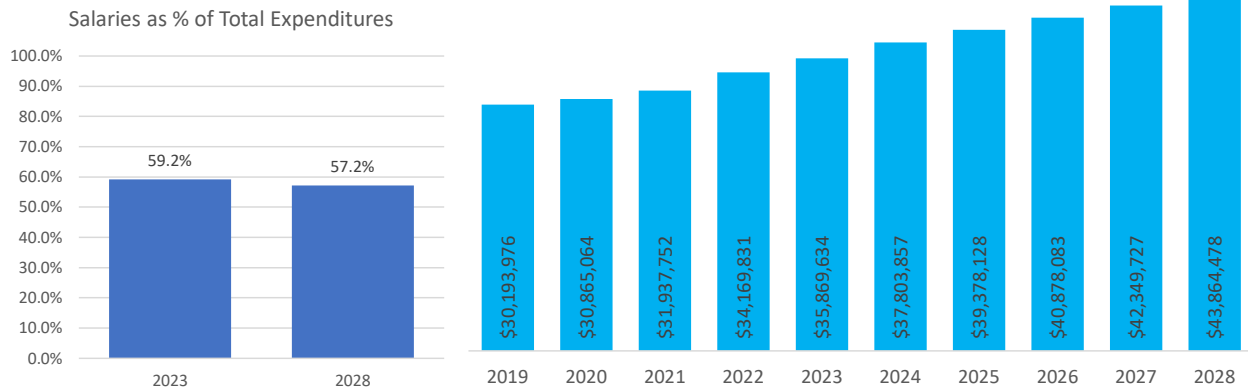
4-Year Historical Actual Average Annual Dollar Change Compared to 5-Year Projected

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Total expenditures increased 3.01% or \$1,693,209 annually during the past 4-Year period and is projected to increase 5.33% or \$3,231,550 annually through FY2028. Purchased Services has the largest projected average annual variance compared to the historical average at \$566,438.
Salaries	1,418,915	1,598,969	\$180,054	
Benefits	\$729,098	\$1,175,895	\$446,796	
Purchased Services	(\$204,726)	\$361,712	\$566,438	
Supplies & Materials	\$5,175	\$258,616	\$253,441	
Capital Outlay	(\$298,366)	(\$171,780)	\$126,585	
Intergov & Debt	(\$18,766)	(\$1,807)	\$16,958	
Other Objects	\$61,879	\$9,946	(\$51,932)	
Other Uses	\$0	\$0	\$0	
<b>Total Average Annual Change</b>	<b>\$1,693,209</b> 3.01%	<b>\$3,231,550</b> 5.33%	<b>\$1,538,341</b> 2.32%	

Note: Revenue average annual change is projected to be > \$1,994,604 On an annual average basis, revenues are projected to grow slower than expenditures.

### 3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.

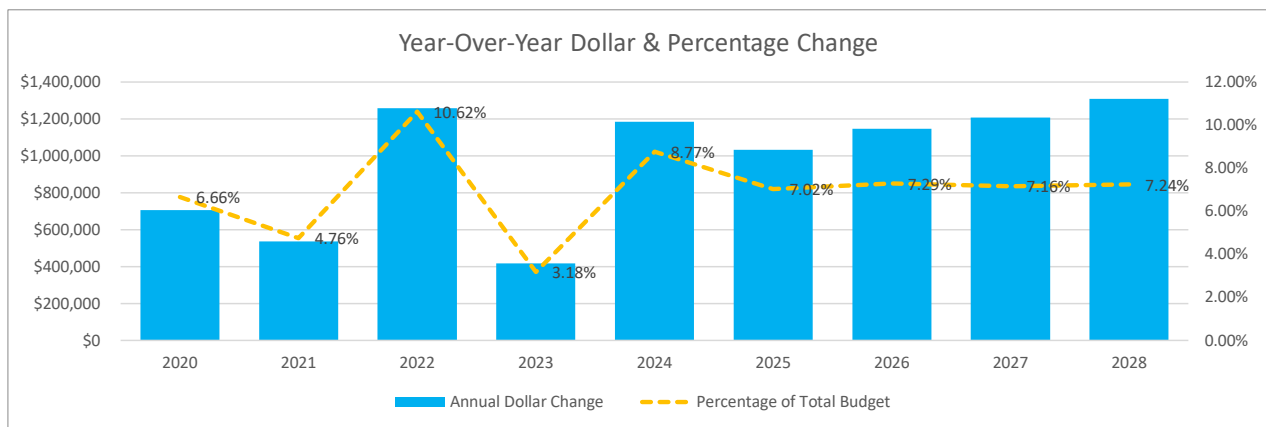
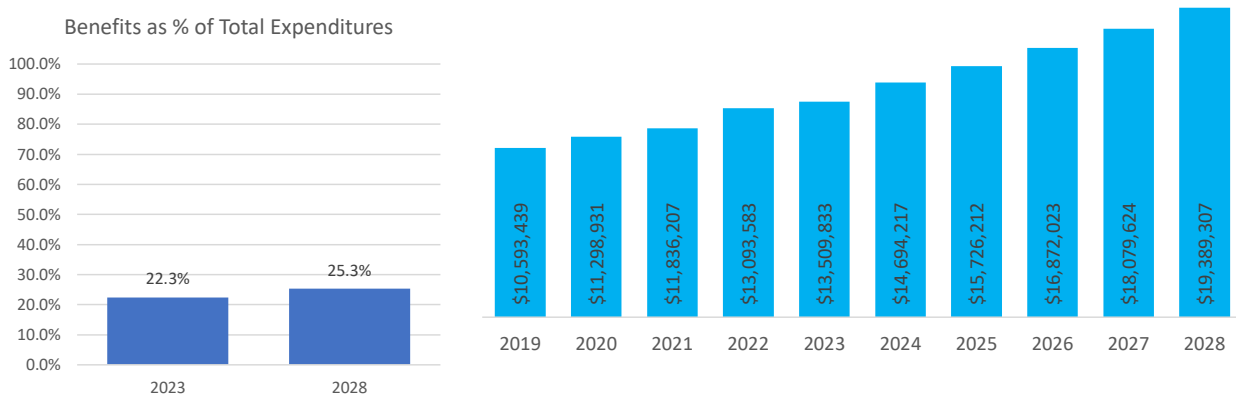


Salaries represent 59.21% of total expenditures and increased at a historical average annual rate of 4.42% or \$1,418,915. This category of expenditure is projected to grow at an annual average rate of 4.11% or \$1,598,969 through FY 2028. The projected average annual rate of change is -0.31% less than the five year historical annual average.

**We begin negotiating with both unions in the Spring. Our current contract with our certified and classified staff ends June 30, 2024. Currently our forecast includes a step in each year of the forecast for all staff (law), and 1/2% for column changes, and a 1% estimate for staffing changes. All other staffing is paid for through attrition. Any base salary increases agreed upon through negotiations will affect our expenses for FY25 and beyond.**

### 3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.

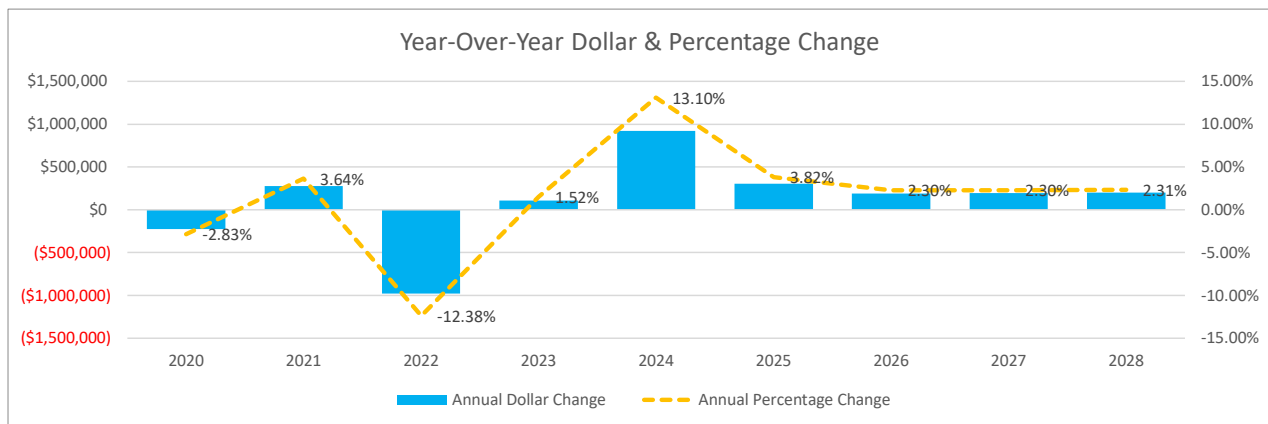
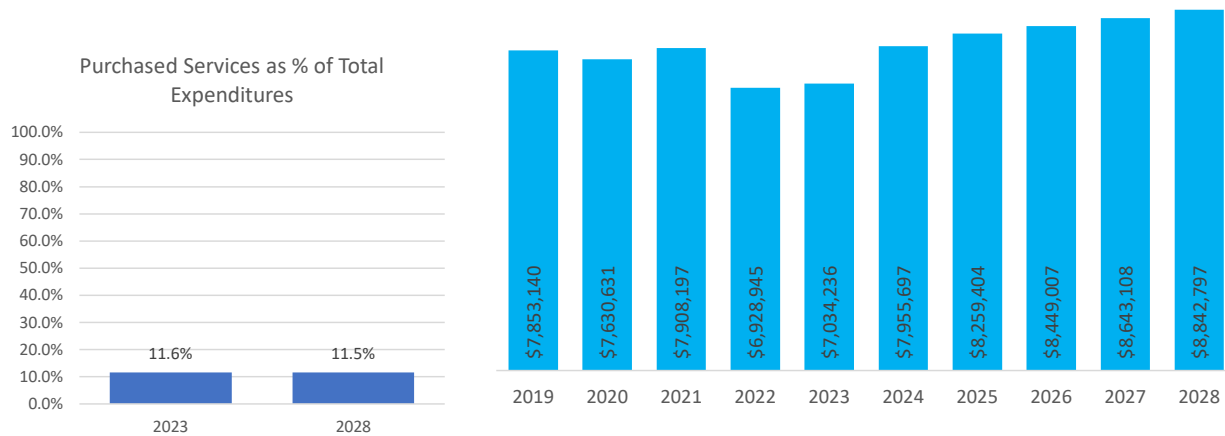


Benefits represent 22.30% of total expenditures and increased at a historical average annual rate of 6.30%. This category of expenditure is projected to grow at an annual average rate of 7.50% through FY 2028. The projected average annual rate of change is 1.19% more than the five year historical annual average.

Benefit increases for medical, dental, life, and vision are estimated at 10% annually over the forecast period. Our loss ratio has improved over time, and is currently at 88.3%. There could be savings if future renewal increases come in lower than the 10% estimated annually over the forecast. For each 1% under the 10% amount set aside, would improve our forecast by 46k annually. Any changes to benefits that occur through negotiations would change our expenditure estimates annually beginning in FY25.

### 3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utilities costs and other services which the school district may purchase.



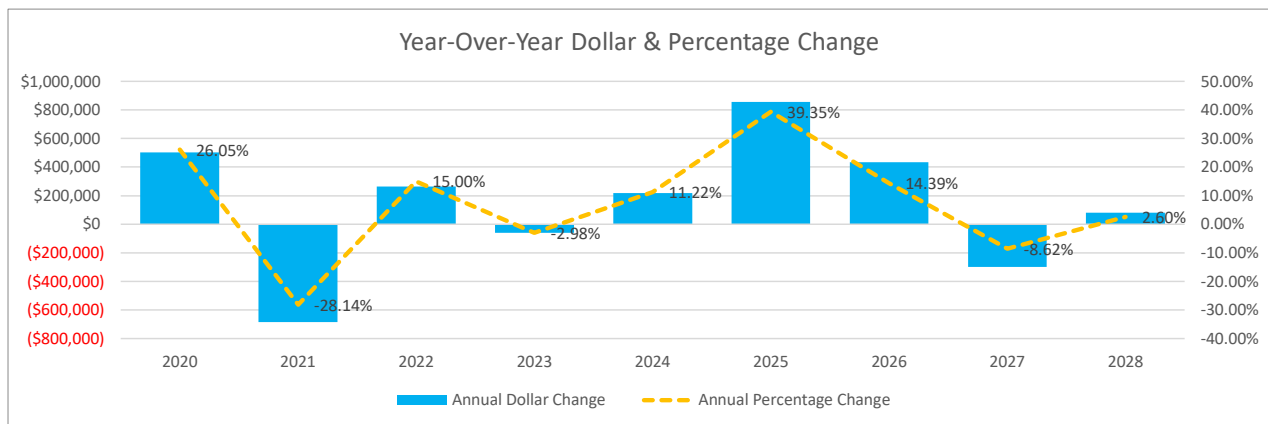
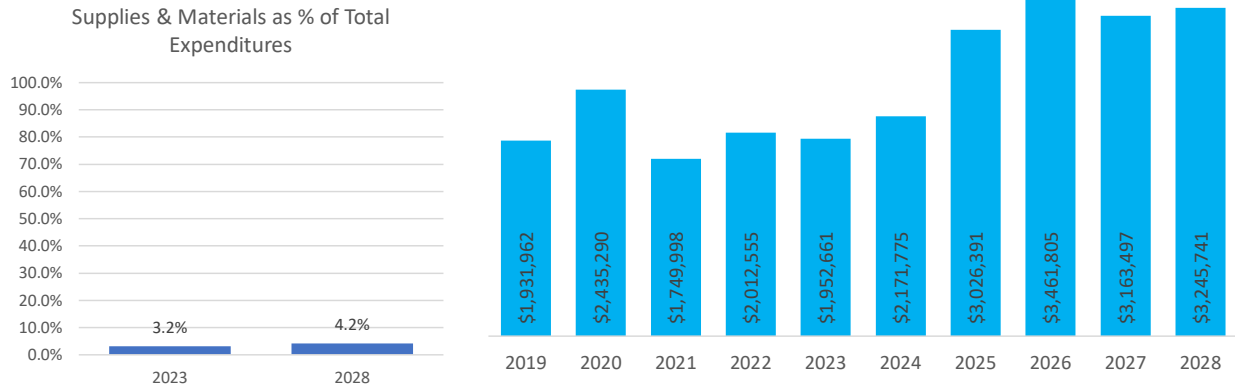
Purchased Services represent 11.61% of total expenditures and decreased at a historical average annual rate of -2.51%. This category of expenditure is projected to grow at an annual average rate of 4.76% through FY 2028. The FSFP funds only district educated enrollment thereby reducing tuition cost for open enrollment out, community schools, STEM, and scholarships starting in FY 2022. This change resulted in lower district cost but also less per pupil state revenue since per pupil funding was paid directly by the state to the attending school.

Purchase services continue to increase annually due to additional costs of special education services including nursing services. We have added 440k in FY24 to cover additional special education costs for outside placements, nursing services, and transportation costs. We entered into a contract with Midwest Utilities that will create a savings of 202k annually for 5 years. This helped to offset some of the increased costs in special education. Additionally, we entered into a 5 year lighting agreement with Energy Optimizers to replace the stage and auditorium lighting at the HS. We secured financing and the 100k annual cost has been added to the forecast.



### 3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.

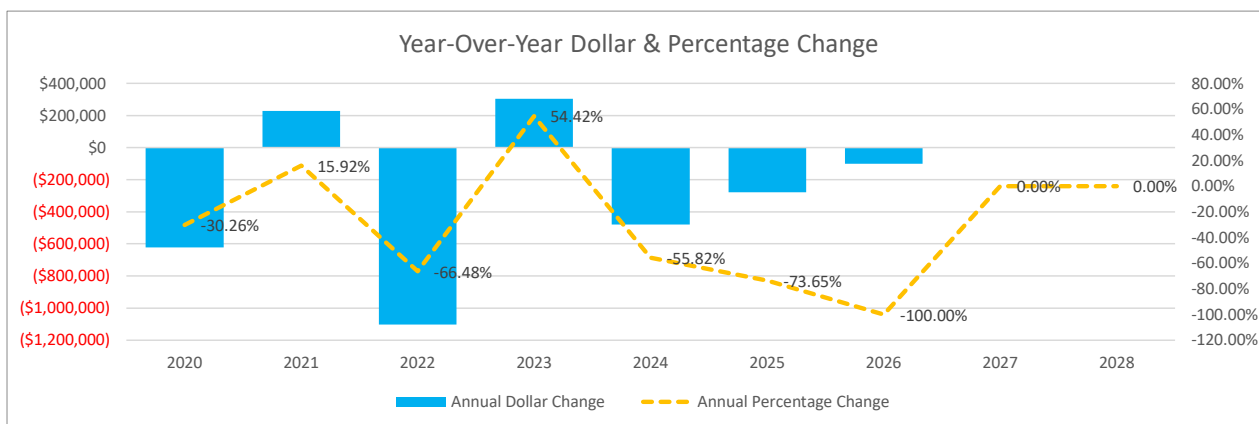
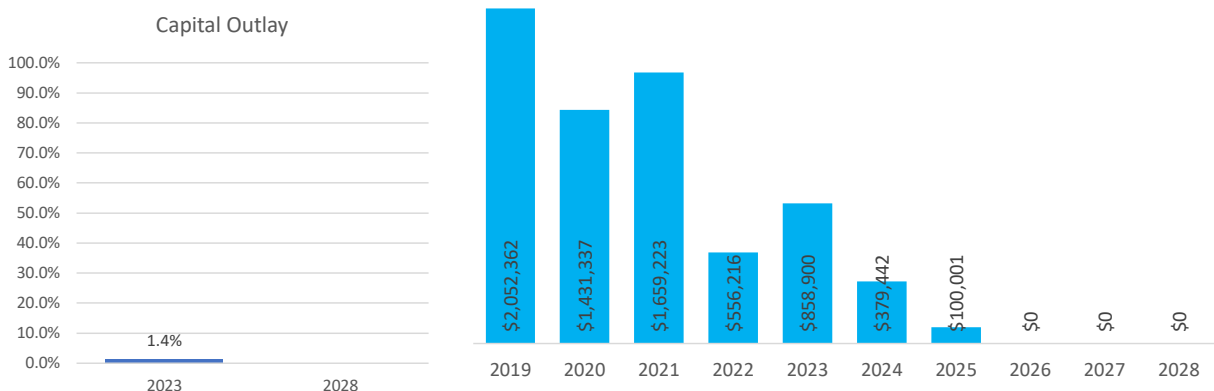


Supplies & Materials represent 3.22% of total expenditures and increased at a historical average annual rate of 2.48%. This category of expenditure is projected to grow at an annual average rate of 11.79% through FY 2028. The projected average annual rate of change is 9.30% more than the five year historical annual average.

Supplies and materials have continued to increase due to inflation. We also have moved a 5 year adoption for ELA/Math to a 6 year adoption. This cost will now appear in FY26 instead of FY25. Additionally, we have set aside 500k annually to address textbook needs.

### 3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.

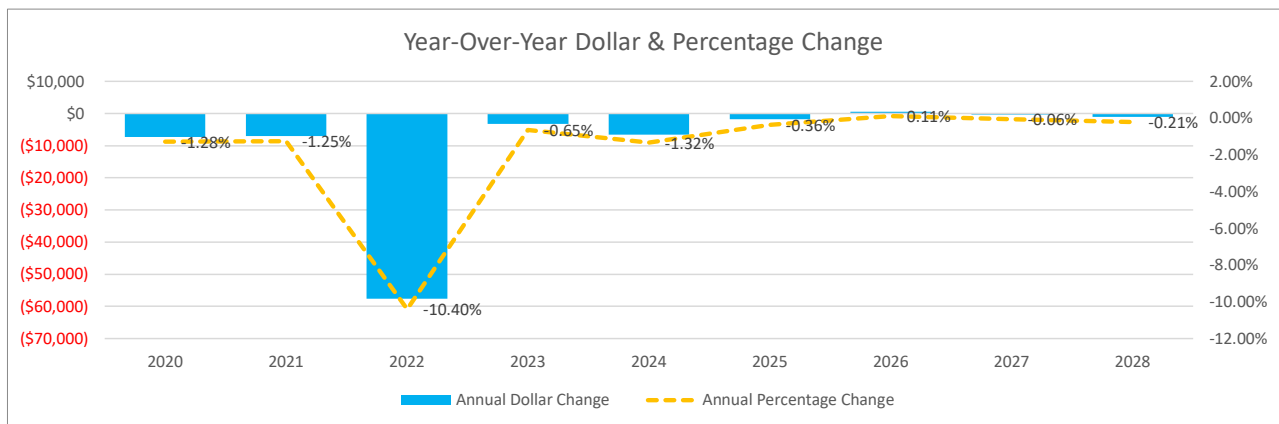
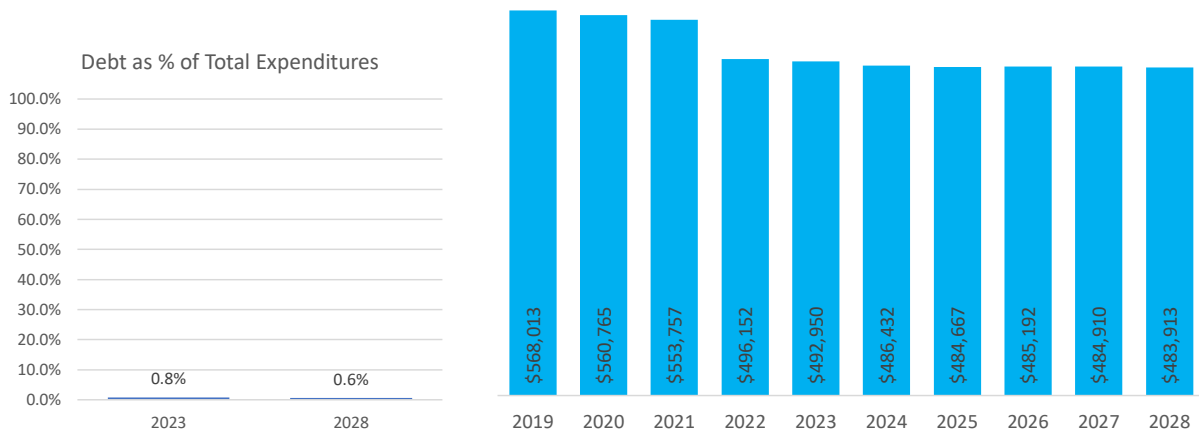


Capital Outlay represent 1.42% of total expenditures and decreased at a historical average annual amount of -\$298,366. This category of expenditure is projected to decrease at an annual average rate of -\$171,780 through FY 2028. The projected average annual change is less than the five year historical annual average.

**We purchased a special education van for 85k in FY24 to be used to transport special education students when possible to offset some of our transportation costs. Permanent improvement funds are being utilized to complete district projects, but there are still a significant amount of unmet facility needs. The district is undergoing a full inventory of all assets, and beginning to plan for future facility and capital needs.**

### 3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.

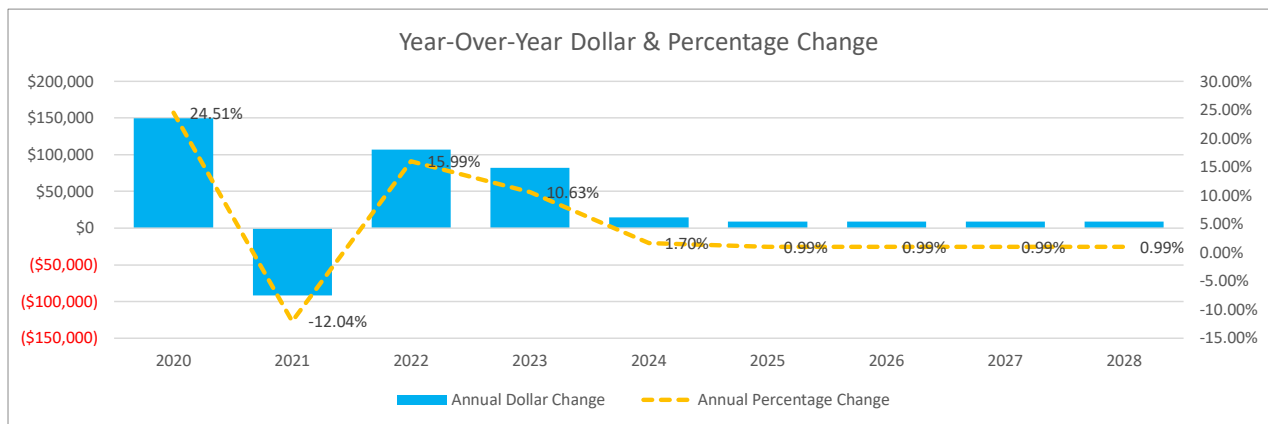
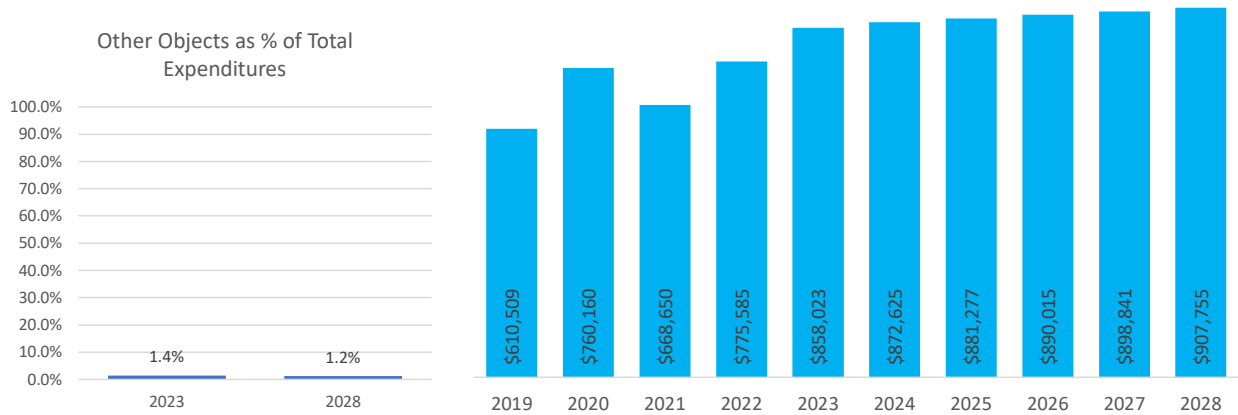


The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

**Debt Payments are made annually for 2 OASBO loans and an Energy Conservation Project. These debts expires between 2031 and 2034.**

### 4.300 - Other Objects

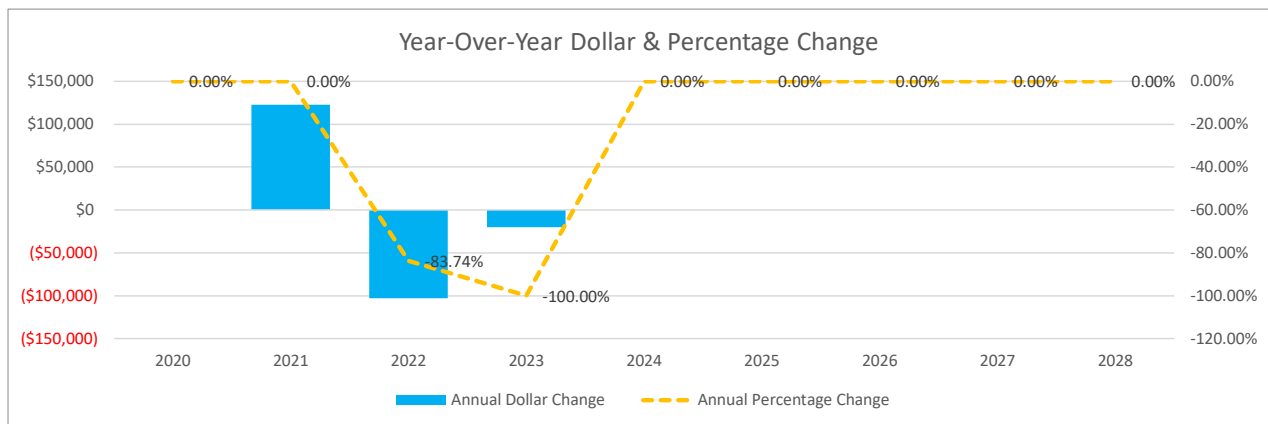
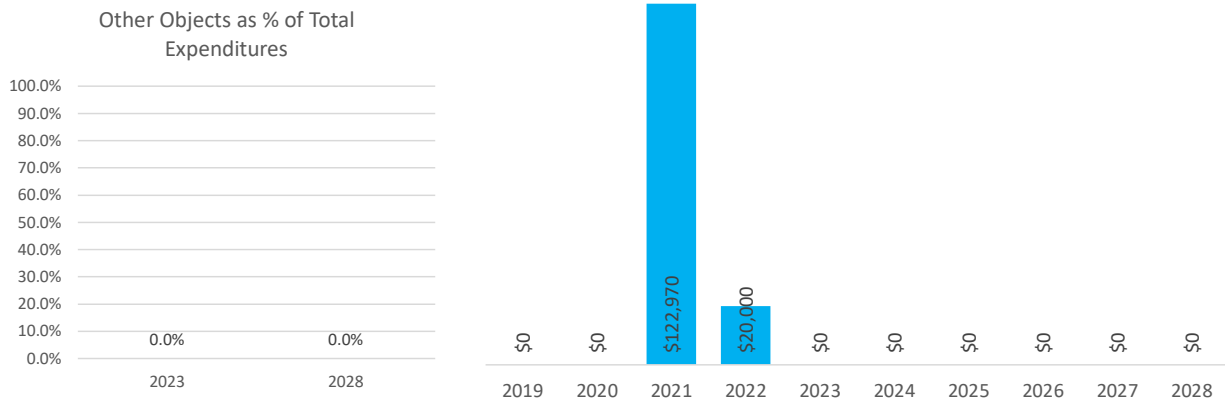
Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects represent 1.42% of total expenditures and increased at a historical average annual rate of 9.77%. This category of expenditure is projected to grow at an annual average rate of 1.13% through FY 2028. The projected average annual rate of change is -8.64% less than the five year historical annual average.

### 5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



	FORECASTED					
	2023	2024	2025	2026	2027	2028
Transfers Out	-	-	-	-	-	-
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In FY 2023 the district had no advances-out and has no advances-out forecasted through FY 2028. The district can also move general funds permanently to other funds and as the schedule above presents, the district has no transfers forecasted through FY 2028. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

## Springboro Community City School District

### Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2023	2024	2025	2026	2027	2028
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	33,006,252	33,611,468	36,416,624	38,745,445	39,240,534	40,937,609
1.020 - Public Utility Personal Property	6,790,382	5,828,950	5,897,896	5,937,339	6,007,188	6,054,735
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	14,559,358	15,195,709	15,656,333	16,042,568	16,447,912	16,511,447
1.040 - Restricted Grants-in-Aid	1,143,897	1,218,552	1,115,457	1,053,847	986,179	995,700
1.050 - State Share-Local Property Taxes	4,671,522	4,750,310	5,179,209	5,555,937	5,626,882	5,870,839
1.060 - All Other Operating Revenues	2,042,959	1,968,153	1,856,746	1,858,555	1,823,865	1,822,881
<b>1.070 - Total Revenue</b>	<b>62,214,370</b>	<b>62,573,142</b>	<b>66,122,265</b>	<b>69,193,691</b>	<b>70,132,560</b>	<b>72,193,211</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	25,819	20,000	335,000	20,000	20,000	20,000
<b>2.070 - Total Other Financing Sources</b>	<b>25,819</b>	<b>20,000</b>	<b>335,000</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>62,240,189</b>	<b>62,593,142</b>	<b>66,457,265</b>	<b>69,213,691</b>	<b>70,152,560</b>	<b>72,213,211</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	35,869,634	37,803,857	39,378,128	40,878,083	42,349,727	43,864,478
3.020 - Employee Benefits	13,509,833	14,694,217	15,726,212	16,872,023	18,079,624	19,389,307
3.030 - Purchased Services	7,034,236	7,955,697	8,259,404	8,449,007	8,643,108	8,842,797
3.040 - Supplies and Materials	1,952,661	2,171,775	3,026,391	3,461,805	3,163,497	3,245,741
3.050 - Capital Outlay	858,900	379,442	100,001	(0)	(0)	(0)
Intergovernmental & Debt Service	492,950	486,432	484,667	485,192	484,910	483,913
4.300 - Other Objects	858,023	872,625	881,277	890,015	898,841	907,755
<b>4.500 - Total Expenditures</b>	<b>60,576,237</b>	<b>64,364,045</b>	<b>67,856,078</b>	<b>71,036,125</b>	<b>73,619,706</b>	<b>76,733,989</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	-	-	-	-	-	-
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	-	-	-	-	-	-
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>60,576,237</b>	<b>64,364,045</b>	<b>67,856,078</b>	<b>71,036,125</b>	<b>73,619,706</b>	<b>76,733,989</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>1,663,952</b>	<b>(1,770,903)</b>	<b>(1,398,813)</b>	<b>(1,822,434)</b>	<b>(3,467,147)</b>	<b>(4,520,779)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>12,137,150</b>	<b>13,801,102</b>	<b>12,030,199</b>	<b>10,631,386</b>	<b>8,808,952</b>	<b>5,341,805</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>13,801,102</b>	<b>12,030,199</b>	<b>10,631,386</b>	<b>8,808,952</b>	<b>5,341,805</b>	<b>821,026</b>
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	50,000	100,000	150,000	200,000	250,000
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>13,801,102</b>	<b>11,980,199</b>	<b>10,531,386</b>	<b>8,658,952</b>	<b>5,141,805</b>	<b>571,026</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>13,801,102</b>	<b>11,980,199</b>	<b>10,531,386</b>	<b>8,658,952</b>	<b>5,141,805</b>	<b>571,026</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>13,801,102</b>	<b>11,980,199</b>	<b>10,531,386</b>	<b>8,658,952</b>	<b>5,141,805</b>	<b>571,026</b>





Springboro Community City School District

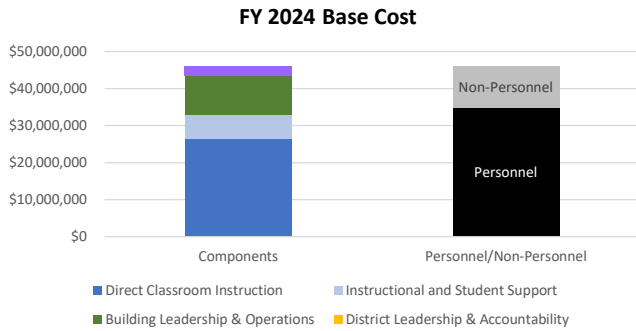
# State Funding Supplement to Five-Year Forecast

November, 2023

*Terrah Stacy - Treasurer/CFO*



### Ohio's Fair School Funding Plan Base Cost State Share Overview - FY 2024

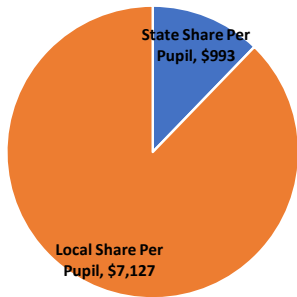


Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

For Springboro Community City School District the calculated Base Cost total is \$46,093,104 in FY 2024.

There are four Base Cost component areas: Direct Classroom Instruction \$26,316,202, Instructional and Student Support \$6,441,205, Building Leadership and Operations \$10,727,009, Leadership and Accountability \$2,608,688. Of the total base cost about 76% is estimated for personnel related cost. Note: Calculations are based upon Financial Planning Software - Assumption Assist.

### FY 24 Base Cost Per Pupil - Local and State Share



Using the total Base Cost of \$46,093,104 shown above, with an enrollment of 5,676 the total per pupil base cost is \$8,120. The FSFP local capacity methodology, using a per pupil wealth/capacity of . calculates that the local portion of total base cost is \$7,127 per pupil in FY 2024. The local per pupil portion is updated each fiscal year and is projected to go down -\$115 by FY 2028. At the same time, the total base cost per pupil is estimated to increase to a total per pupil base cost of \$8,783.

Note: Enrollment used for base cost calculations is the higher of the three year average (district educated) for years 2021, 2022, and 2023, or 2023.

**Local and State Share - Key Funding Demographics**

Total base cost is driven by enrollment (determines number of teachers, etc), and the base cost component amount. Currently the base cost components are using FY 2022 cost data. In FY 2024 the district's total base cost is \$52,072,518. When this total is divided by the district's base cost enrollment of 5,676 the resulting per pupil base cost funding is \$8,120.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Total Base Cost</b>	\$52,072,518	\$52,332,174	\$54,445,777	\$54,423,409	\$56,621,397
YOY Change		0.5%	4.0%	0.0%	4.0%
			FY 24 to FY 28 Change		8.7%
<b>Base Cost Enrollment</b>	5,676	5,706	5,707	5,709	5,710
YOY Change		0.5%	0.0%	0.0%	0.0%
			FY 24 to FY 28 Change		0.6%
<b>Total Per Pupil Base Cost</b>	\$8,120	\$8,123	\$8,450	\$8,444	\$8,783
YOY Change		0.0%	4.0%	-0.1%	4.0%
			FY 24 to FY 28 Change		8.2%

The base cost per pupil amount is reduced by the district's local share which results in the state's share. Property Values and Taxpayer Incomes are the significant variables impacting the calculation of district local share of state funding. Property values have the most weight (60 percent) in calculating per pupil local wealth (capacity). Taxpayer income determines the balance. In FY 2024 Local per pupil wealth/income of \$285,094. The resulting local per pupil capacity (subtracted from total state funding) is \$7,127 per pupil.

Local PP Wealth/Income Factor =	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Property Values + Taxpayer Income</b>	\$285,094	\$303,363	\$323,751	\$343,211	\$362,746
YOY Change		6.4%	6.7%	6.0%	5.7%
			FY 24 to FY 28 Change		27.2%
<b>Calculated Amount Generated Locally</b>					
<b>Local Per Pupil Capacity</b>	\$7,127	\$7,311	\$7,605	\$7,599	\$7,904
YOY Change		2.6%	4.0%	-0.1%	4.0%
			FY 24 to FY 28 Change		10.9%
<b>Total PP Base Cost - Local PP Capacity =</b>					
<b>State Per Pupil Funding</b>	\$993	\$812	\$845	\$844	\$878
YOY Change		-18.2%	4.0%	-0.1%	4.0%
			FY 24 to FY 28 Change		-11.5%

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Total Per Pupil Base Cost</b>	\$8,120	\$8,123	\$8,450	\$8,444	\$8,783
<b>Less Local Per Pupil Capacity</b>	(\$7,127)	(\$7,311)	(\$7,605)	(\$7,599)	(\$7,904)
<b>State Per Pupil Funding</b>	\$993	\$812	\$845	\$844	\$878

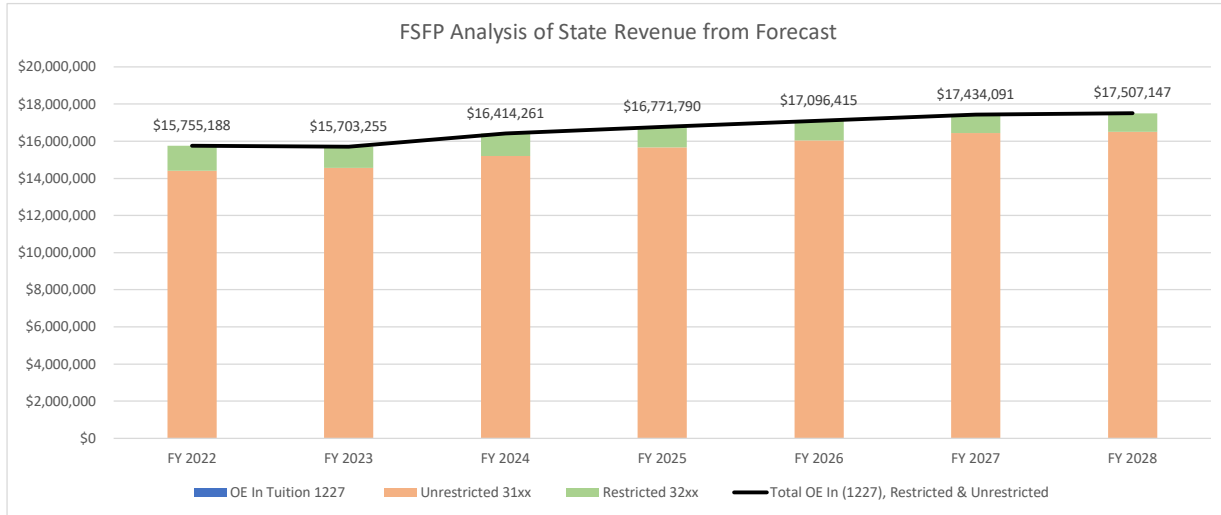
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
<b>Local Demographics</b>						
.A						
.A1	Per Pupil Base Cost (SF4 Line C )	\$8,120	\$8,123	\$8,450	\$8,444	\$8,783
.A2	State Per Pupil Share (SF4 Line E)	\$993	\$812	\$845	\$844	\$878
.B	Current District Educated Enrollment (SF1a)	5,706.0	5,707.3	5,708.6	5,709.9	5,711.2
<b>Current Year's FSFP Formula Funding:</b>						
.C	State's Share of Base Cost Amt. (SF4 Line I)	\$5,665,577	\$4,636,190	\$4,823,528	\$4,821,150	\$5,015,955
.D	State's Share of Categoricals (SF5)	\$933,235	\$782,977	\$807,100	\$807,238	\$832,335
.E	Targeted SF6 (without Supplemental)	\$0	\$0	\$0	\$0	\$0
.F	Calculated FSFP Formula Funding (C+D+E)	\$6,598,812	\$5,419,166	\$5,630,628	\$5,628,388	\$5,848,290
<b>FY 2020 Guarantee Base Funding:</b>						
.G	2020 SFPR Base Funding w/o DPIA (Result 1)	\$12,977,420	\$12,977,420	\$12,977,420	\$12,977,420	\$12,977,420
.H	FSFP Formula to FY20 Base Difference (F - G)	(\$6,378,608)	(\$7,558,254)	(\$7,346,792)	(\$7,349,032)	(\$7,129,130)
.I	Formula Phase In or CFO's (below)	50.00%	66.67%	83.33%	100.00%	100.00%
.J	FSFP Formula Phase In Current Years' (H x I)	(\$3,189,304)	(\$5,039,088)	(\$6,122,082)	(\$7,349,032)	(\$7,129,130)
.K	2020 SFPR + FSFP Formula Phase In (G + J)	\$9,788,116	\$7,938,332	\$6,855,339	\$5,628,388	\$5,848,290
<b>Add-on DPIA and Supplemental Targeted</b>						
.L	2020 DPIA Base (Step SF6)	\$2,363	\$2,363	\$2,363	\$2,363	\$2,363
.M	Calculated DPIA (Step SF6)	\$16,147	\$16,151	\$16,154	\$16,158	\$16,162
.N	DPIA Phase In or CFO's (below)	50.00%	66.67%	83.33%	100.00%	100.00%
.O	Phased In DPIA Funding (L +(M - L)*N)	\$9,255	\$11,555	\$13,855	\$16,158	\$16,162
.P	Supplemental Targeted (SF6)	\$0	\$0	\$0	\$0	\$0
.Q	Add-on DPIA and Supplemental Targeted (O + P)	\$9,255	\$11,555	\$13,855	\$16,158	\$16,162
<b>Base FY20 Guarantee Calculation</b>						
.R	Current FY Funding (K+ Q)	\$9,797,371	\$7,949,888	\$6,869,194	\$5,644,546	\$5,864,451
.R1	2020 Base (G) Plus DPIA Base (L)	\$12,979,784	\$12,979,784	\$12,979,784	\$12,979,784	\$12,979,784
.R2	'20 Base Transitional Aid (R1 - R) (Result 1)	\$3,182,412	\$5,029,896	\$6,110,590	\$7,335,238	\$7,115,332
	Formula Phase In or CFO's (below)	\$12,979,784	\$12,979,784	\$12,979,784	\$12,979,784	\$12,979,784
<b>YOY Analysis</b>						
	Unphased-in Formula (H - J)	\$0	\$0	\$0	\$0	\$0
	YOY Change		\$0	\$0	\$0	\$0
	FY 2020 Guarantee Line R2	\$3,182,412	\$5,029,896	\$6,110,590	\$7,335,238	\$7,115,332
	YOY Change		\$1,847,483	\$1,080,694	\$1,224,648	(\$219,906)

## Ohio's Fair School Funding Plan - Summary Funding Results (SF8)

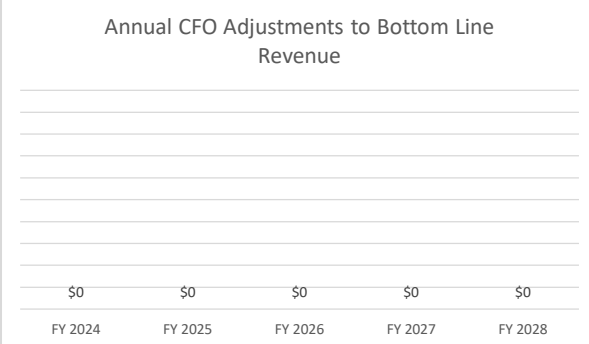
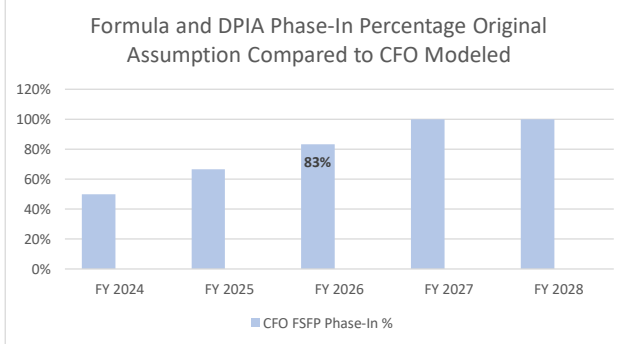
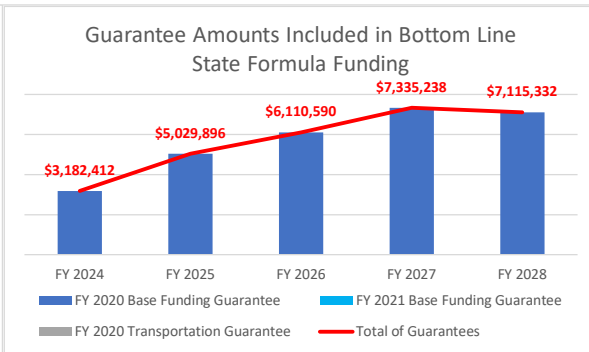
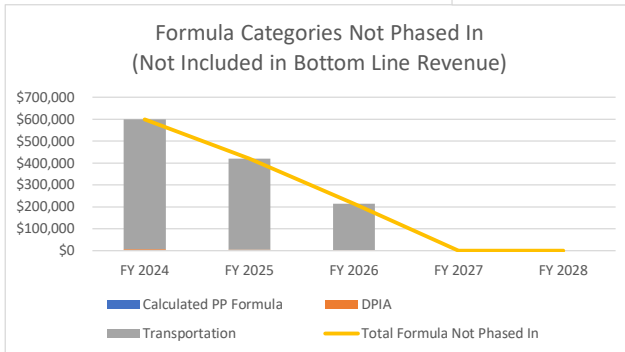
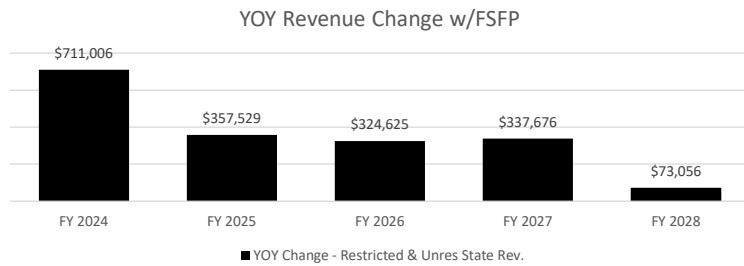
<b>Funding Summary</b>		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
.R3	Current Year's Funding (R + R2)	\$12,979,784	\$12,979,784	\$12,979,784	\$12,979,784	\$12,979,784
.S1	Open Enrolled ADM Loss Impact (Result 2)	\$0	\$0	\$0	\$0	\$0
.S2	Special Education Set-Aside (SF5)	(\$83,610)	(\$71,115)	(\$67,212)	(\$61,729)	(\$64,212)
.T1	Career Awareness Revenue	\$0	\$0	\$0	\$0	\$0
.T2	CTC Associated Services Adj.	\$0	\$0	\$0	\$0	\$0
.T3	Transportation (SF7)	\$1,869,491	\$2,181,911	\$2,461,049	\$2,752,957	\$2,822,864
.U	FY 2021 Transition Supp Result 3	\$0	\$0	\$0	\$0	\$0
.V	CFO Bottom Line Funding Adjustment Below	\$0	\$0	\$0	\$0	\$0
.V2	Supplemental Targeted SF6	\$0	\$0	\$0	\$0	\$0
.W	<b>Total State Funding</b>	\$14,765,665	\$15,090,580	\$15,373,620	\$15,671,011	\$15,738,435
	YOY Change		\$324,914	\$283,041	\$297,391	\$67,424
	YOY % Change		2.20%	1.88%	1.93%	0.43%
<b>Trend Indicator of Funding Status</b>		<b>Guarantee</b>	<b>Guarantee</b>	<b>Guarantee</b>	<b>Guarantee</b>	<b>Guarantee</b>
<b>FY 20 + FY 21 Base Guarantee Total</b>		\$3,182,412	\$5,029,896	\$6,110,590	\$7,335,238	\$7,115,332

These funding estimates culminating to row R3 above and beyond should be considered a trend estimate based upon current information. Many assumptions are made regarding future inflationary pressures and funding decisions based upon current law practice. Current laws can be changed and with it funding results.

**Ohio's Fair School Funding Plan - CFO Bottom Line Revenue Analysis**

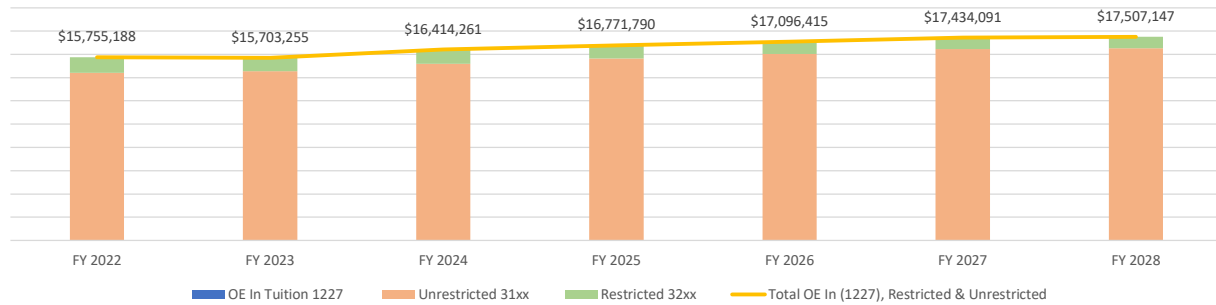


The FSFP is a formula that is being phased in and includes guarantees. With phase-ins some districts may have formula funding that is not phased-in. Other districts may experience guarantee funding. The graphs below point out these key points and the CFO's adjustment response, if any, in the bottom two charts.



**Ohio's Fair School Funding Plan - Results in Forecast**

Current Forecasted State Revenue (FSFP)



The above graph summarizes key state revenue line items impacted by the FSFP plan. Districts that had open enrollment 'in' revenue will not see this source of revenue in the future. Overall the district's projected revenue increased \$711,006 from FY 2022 to FY 2023. The above results are from the district's forecast and assume USAS codification standards. Note: FY 2021 and FY 2022 are actual. FY 2023 through FY 2027 are current forecast results.

**Ohio's Fair School Funding Plan - Transitional Aid "Guarantee Analysis"**

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
FY 2020 Base Transitional Aid Guarantee	\$3,182,412	\$5,029,896	\$6,110,590	\$7,335,238	\$7,115,332
Calculated Formula Phased In	\$110,102	(\$1,426,130)	(\$1,430,079)	(\$1,720,645)	(\$1,280,841)
FY 2020 Guarantee as % of Calculated Formula	2890.4%	-352.7%	-427.3%	-426.3%	-555.5%
State Base Cost Per Pupil Funding	\$993	\$812	\$845	\$844	\$878
Memo Only: Guarantee Reflected as Student Count	3,205	6,192	7,232	8,687	8,102

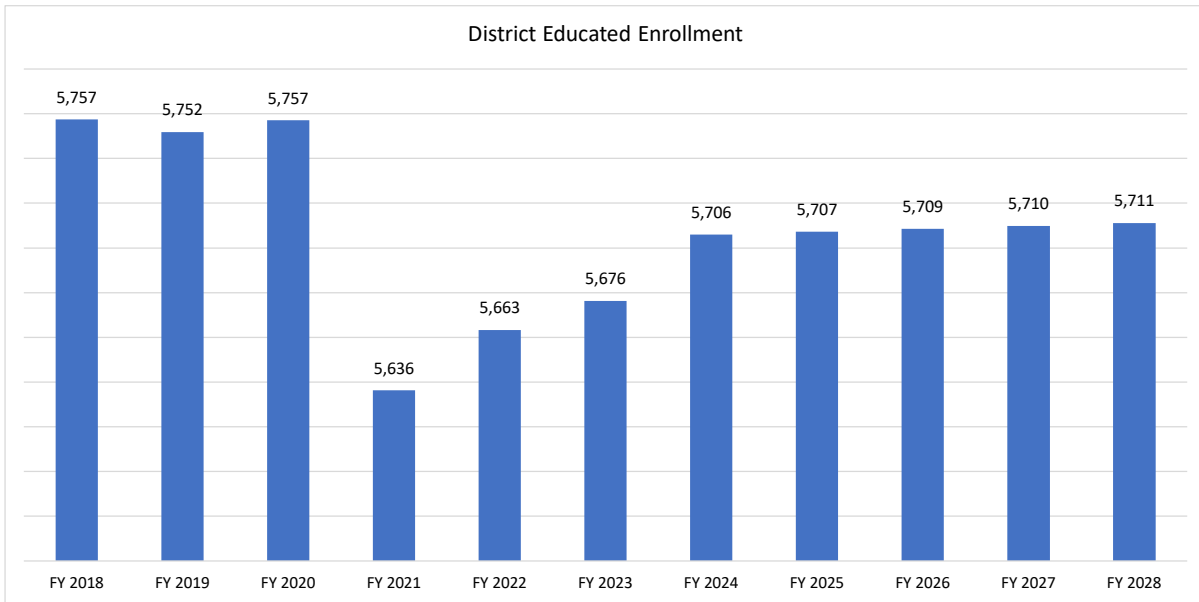
Note: Concept only, if students were added PP Funding would change.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
FY 2021 Base Supplemental Transitional Guarantee	\$0	\$0	\$0	\$0	\$0
Calculated Formula Phased In	\$110,102	(\$1,426,130)	(\$1,430,079)	(\$1,720,645)	(\$1,280,841)
FY 2021 Guarantee as % of Calculated Formula	-	-	-	-	-
State Base Cost Per Pupil Funding	\$993	\$812	\$845	\$844	\$878
Memo Only: Guarantee Reflected as Student Count	-	-	-	-	-

Note: Concept only, if students were added PP Funding would change.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Transportation Guarantee	\$0	\$0	\$0	\$0	\$0
Open Enrollment Reduction to FY 2020 Guarantee	\$0	\$0	\$0	\$0	\$0

District Educated Enrollment



How does calculated FSFP cost-based revenue compare to the district's cost per pupil?

