

Tuscarawas Valley Local Schools
Schedule Of Revenue, Expenditures and Changes In Fund Balances
Actual and Forecasted Operating Fund

	ACTUAL			FORECASTED				
	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Revenue:								
1.010 - General Property Tax (Real Estate)	6,580,476	6,666,498	6,592,958	6,029,025	5,874,142	5,790,515	5,608,855	5,406,537
1.020 - Public Utility Personal Property	655,096	711,723	2,169,061	5,620,348	5,377,441	5,201,197	4,920,251	4,650,626
1.030 - Income Tax	-	-	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	6,049,399	6,080,292	6,107,937	6,100,000	6,100,000	4,600,000	6,100,000	6,100,000
1.040 - Restricted Grants-in-Aid	40,150	49,947	52,473	53,551	53,450	53,349	53,248	53,147
1.045 - Restricted Federal Grants-in-Aid - SFSF	-	-	-	-	-	-	-	-
1.050 - Property Tax Allocation	827,634	832,593	819,158	787,219	751,125	733,652	706,371	680,147
1.060 - All Other Operating Revenues	1,114,701	1,377,927	1,403,648	1,270,898	1,260,898	1,250,898	1,240,898	1,230,898
1.070 - Total Revenue	15,267,456	15,718,980	17,145,235	19,861,041	19,417,056	17,629,611	18,629,623	18,121,355
Other Financing Sources:								
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-	-	-
2.020 - State Emergency Loans and Advancements	-	-	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-	-	-
2.060 - All Other Financing Sources	-	350	686	-	-	-	-	-
2.070 - Total Other Financing Sources	-	350	686	-	-	-	-	-
2.080 - Total Revenues and Other Financing Sources	15,267,456	15,719,330	17,145,921	19,861,041	19,417,056	17,629,611	18,629,623	18,121,355
Expenditures:								
3.010 - Personnel Services	7,215,341	7,397,149	7,449,858	7,747,758	8,052,318	8,352,423	8,663,712	8,956,603
3.020 - Employees' Retirement/Insurance Benefits	2,930,041	2,989,843	3,140,734	3,279,498	3,461,431	3,677,682	3,909,070	4,151,707
3.030 - Purchased Services	2,641,381	2,721,760	3,006,871	3,107,871	3,117,871	3,122,871	3,277,871	3,432,871
3.040 - Supplies and Materials	517,564	474,444	418,733	674,613	687,113	687,113	710,613	730,613
3.050 - Capital Outlay	665,569	387,066	333,008	400,000	400,000	400,000	400,000	400,000
3.060 - Intergovernmental	-	-	-	-	-	-	-	-
Debt Service:								
4.010 - Principal-All Years	40,813	66,173	72,315	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	-	-	-	-	-
4.030 - Principal - State Loans	-	-	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	66,000	66,000	40,000	40,000	40,000
4.055 - Principal - Other	-	-	-	110,000	110,000	110,000	-	-
4.060 - Interest and Fiscal Charges	694	14,014	6,682	11,500	11,500	2,500	2,500	2,500
4.300 - Other Objects	215,500	199,592	225,128	232,128	198,628	198,628	198,628	156,128
4.500 - Total Expenditures	14,226,903	14,250,041	14,653,329	15,629,368	16,104,861	16,591,217	17,202,394	17,870,422
Other Financing Uses								
5.010 - Operating Transfers-Out	-	-	1,000,000	3,800,000	3,675,000	3,525,000	3,400,000	3,275,000
5.020 - Advances-Out	-	-	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-	-	-
5.040 - Total Other Financing Uses	-	-	1,000,000	3,800,000	3,675,000	3,525,000	3,400,000	3,275,000
5.050 - Total Expenditures and Other Financing Uses	14,226,903	14,250,041	15,653,329	19,429,368	19,779,861	20,116,217	20,602,394	21,145,422
Excess of Rev & Other Financing Uses Over (Under)								
6.010 - Expenditures and Other Financing Uses	1,040,553	1,469,289	1,492,592	431,673	(362,805)	(2,486,606)	(1,972,771)	(3,024,067)
Cash Balance July 1 - Excluding Proposed Renewal/ Replacement and New Levies	3,302,439	4,342,992	5,812,281	7,304,873	7,736,546	7,373,742	4,887,136	2,914,365
7.020 - Cash Balance June 30	4,342,992	5,812,281	7,304,873	7,736,546	7,373,742	4,887,136	2,914,365	(109,702)
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-	-	-
Reservations of Fund Balance:								
9.010 - Textbooks and Instructional Materials	-	-	-	-	-	-	-	-
9.020 - Capital Improvements	-	-	-	-	-	-	-	-
9.030 - Budget Reserve	-	-	-	-	-	-	-	-
9.040 - DPIA	-	-	-	-	-	-	-	-
9.050 - Debt Service	-	-	-	-	-	-	-	-
9.060 - Property Tax Advances	-	-	-	-	-	-	-	-
9.070 - Bus Purchases	-	-	-	-	-	-	-	-
9.080 - Subtotal	-	-	-	-	-	-	-	-
Fund Balance June 30 for Certification								
10.010 - of Appropriations	4,342,992	5,812,281	7,304,873	7,736,546	7,373,742	4,887,136	2,914,365	(109,702)
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal	-	-	-	-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement	-	-	-	-	239,903	481,252	959,835	1,436,905
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	239,903	721,155	1,680,990	3,117,895
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	4,342,992	5,812,281	7,304,873	7,736,546	7,613,644	5,608,290	4,595,354	3,008,193
Revenue from New Levies								
13.010 - Income Tax - New	-	-	-	-	-	-	-	-
13.020 - Property Tax - New	-	-	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-	-	-
14.010 - Revenue from Future State Advancements	-	-	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	4,342,992	5,812,281	7,304,873	7,736,546	7,613,644	5,608,290	4,595,354	3,008,193

**Tuscarawas Valley Local Schools
Five-Year Forecast
Fiscal Years Ending June 30, 2020 Through 2024**

GENERAL OVERVIEW

This report, prepared for the Tuscarawas Valley Local School District Board of Education, projects revenues and expenses for the period fiscal year 2020 – fiscal year 2024. The report was prepared using the most readily available financial data at the time of preparation. The Tuscarawas Valley Local School District Board of Education and administration consider the forecast a continual “work-in-progress.” All assumptions in this forecast are based on current legislation, historical trends, and known future events. The assumptions contained in the **forecast could change drastically** with the passage of new legislation. Other factors such as changes in local property values, the state funding formula, enrollment, and educational program offerings **could also result in significant differences from forecasted amounts**. No one, under any circumstances, should translate the assumptions included in the forecast as a guarantee of services, employment, compensation, or benefits. This report is a tool, to be used for planning purposes.

Revenue Over/Under Expenditures – Line 6.01

This line is the true gauge to a school district’s fiscal health. When this line is negative it means expenses are outpacing revenues and depleting the district’s cash balance. FY23 and future years included in this forecast project deficit spending which is the result of budgeted capital improvements and becoming a “GUARANTEE” district. A “guarantee” district receives no more than the same amount in state foundation aide year after year.

REVENUE ASSUMPTIONS

Property Taxes – Line 1.01

Property tax revenue estimates are based on valuation data, scheduled updates and reappraisals combined with input from the county auditors in both Tuscarawas and Stark counties.

The forecast includes revenues to be received from the passage of a new 8.9 mill, 10 year, emergency levy passed on May 6, 2014. The district reached the 20 mill floor because of the 2016 reappraisal, creating an increase in property tax revenue. The forecast includes a 13.5% valuation increase in calendar 2019 for the countywide triennial update. The forecast also assumes a very modest (1% or less) increase in new construction through FY23.

Public Utility Personal Property Taxes – Line 1.02

The valuation of Tangible Personal Property and Public Utility Property within the district will increase dramatically over the next 2 years due to the Rover Pipeline. Tax year 2018 values will increase \$40,000,000, and it is anticipated tax year 2019 values will increase an additional \$136,000,000. Net of corresponding Property Allocation tax decrease, Revenue will increase \$1,000,000 in FY2019, and \$2,800,000 in FY20 for a total cumulative increase of \$3,800,000.

Unrestricted Grants-in-Aid (state foundation) – Line 1.035

Revenues from unrestricted grants-in aid are based on the amounts set by the State. Unfortunately, the district is now on the GUARANTEE because of declining enrollment and increasing property values. Projections include a \$1,500,000 one-time decrease in FY22 due to the Rover Pipeline. Casino Tax revenue of approximately \$70,000 is projected annually in FY20- FY24.

Restricted Grants-in-Aid (Career Tech, Economically Disadvantage, & Catastrophic) – Line 1.04

FY20-FY24 include revenues for economically disadvantage funding.

REVENUE ASSUMPTIONS (Continued)

Property Tax Allocation (Homestead & Rollback) – Line 1.05

The property tax allocation is calculated as a fixed percentage of real property tax receipts. The growth/decline in this revenue parallels the anticipated growth/decline in real property taxes. The District also receives approximately \$40,000 from electric deregulation replacement revenue. This revenue will be reduced by 20% in each year for five years, starting in FY 18, until it is completely eliminated in FY22.

All Other Revenues – Line 1.06

These receipts are primarily from open enrollment into the district, excess cost reimbursements, interest on investments and class fees.

EXPENDITURE ASSUMPTIONS

Personal Services and Retirement/Benefits – Lines 3.01 & 3.02

The amounts for salaries are based on present negotiated agreements. Future projected salaries increases are based on salary schedule steps being granted.

Retirement, Medicare, and Workers Compensation are all driven by salaries at the mandated rates of (14%, 1.45% and .98% respectively). Health insurance costs increased 7.23% for FY17, 5.62% for FY18, 6.67% for FY19, and 3.86 for FY20. FY21-FY24 increases are projected at 8%. There are no insurance moratoria forecasted.

Purchased Service – Line 3.03

The forecast assumes between 1% and 5% annual increase for FY20-FY24 due to estimated inflation and utility increases. The largest FY19 expense was \$1,000,000 in community school and open enrollment costs due to students leaving the District. Community school and open enrollment costs are projected to increase to \$1,200,000 by FY20. ESC services, all utilities, and repairs (building and vehicles) are contained in this expense line as well as legal and other professional fees.

Supplies and Materials – Line 3.04

This line of the forecast contains all classroom supplies and textbooks. The second biggest contributor to this line is fuel, which accounted for \$85,000 in expenses in FY19. FY20 includes a \$120,000 increase for instructional supply purchases, of which \$70,000 will remain an ongoing expense. The forecast assumes between 2 and 3% annual increases for FY21-FY24 due to estimated inflation and fluctuating fuel costs.

Capital Outlay – Line 3.05

FY20 and future years of this forecast include projected expenses to address new facilities, vehicle replacements, technology purchases.

Principal/Interest – Lines 4.05 & 4.06

These lines include the annual principal and interest payment for the energy conservation loan which runs through FY23.

Other Objects – Line 4.30

Other objects include expenditures for county auditor/treasurer fees as well as fees for the district's annual state audit.

Operating Transfers Out – Line 5.01

Transfers Out are equal to projected annual Rover Pipeline revenue received in line 1.020 Public Utility Personal Property. Monies will be appropriated and transferred annually, as approved by the Board of Education, to a permanent improvement fund.