

Wapakoneta City School District

Five Year Forecast Financial Report

May 2021

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Treasurer/CFO

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Forecast Purpose/Objectives:

The 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. Estimates are prepared for subsequent years based on these trends. The forecast variables can change multiple times throughout the fiscal year. It will be monitored and adjusted for variables as they arise throughout the year. 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

	Actual		Forecasted				
	Fiscal Year 2020	Average Change	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
Revenues							
1.070 Total Revenues	30,178,771	0.1%	31,131,934	31,284,159	31,320,004	31,573,356	31,868,064
Other Financing Sources							
2.070 Total Other Financing Sources	384,884	128.1%	78,248	13,700	13,700	13,700	13,700
2.080 Total Revenues and Other Financing Sources	30,563,655	0.5%	31,210,182	31,297,859	31,333,704	31,587,056	31,881,764
Expenditures							
4.500 Total Expenditures	29,091,916	4.0%	29,763,394	30,787,214	31,881,206	32,176,517	32,717,344
Other Financing Uses							
5.040 Total Other Financing Uses	225,347	20.8%	14,050	175,000	175,000	175,000	175,000
5.050 Total Expenditures and Other Financing Uses	29,317,263	4.1%	29,777,444	30,962,214	32,056,206	32,351,517	32,892,344
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	1,246,392	-37.0%	1,432,738	335,645	722,502-	764,461-	1,010,580-
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	21,359,720	14.6%	22,606,112	24,038,850	24,374,495	23,651,993	22,887,532
7.020 Cash Balance June 30	22,606,112	7.9%	24,038,850	24,374,495	23,651,993	22,887,532	21,876,952
8.010 Estimated Encumbrances June 30	229,998	93.5%	400,000	200,000	200,000	200,000	200,000

Ohio Revised Code (ORC) Sections 5705.391 and Ohio Administrative Code (OAC) Section 3301-92-04 require a Board of Education to submit a five-year forecast of operational revenues and expenditures along with assumptions to the Ohio Department of Education (ODE) prior to November 30th of each fiscal year and to update this forecast by May 31 of each fiscal year. The BOE is recognized as the official owner and has ultimate responsibility for its development.

The forecast represents the best and most current information available to us at this date, which helps explain some of the variances in forecasted amounts from the forecast filed in November 2020 vs. the current one. The forecast allows the District to examine historical revenue and expenditure patterns and future years' projections and identify challenges so the District can be proactive in meeting those challenges. This document is a work in progress and is updated throughout the year as significant events occur at the District and State level. The following assumptions are an integral part of the forecast and should be read in conjunction with the forecast for a more complete understanding of the projections.

The classified contract expires at the end of Fiscal Year 2021. The certified contract approved at the May 12, 2020 Board meeting will expire at the end of Fiscal Year 2023. The previous forecast did not include any base increases past the current contract in effect. The current forecast includes a 1% base increase past the current contracts in effect. The following is a detailed line-by-line description of the assumptions made in developing the forecast.

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 1 (residential/agricultural) and class II (business).



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total With Renewal Levies	\$6,913,844	\$7,265,134	\$7,554,669	\$7,581,799	\$7,599,332	\$7,619,389
YOY \$ Change		\$351,290	\$289,535	\$27,130	\$17,533	\$20,057
YOY % Change		5.08%	3.99%	0.36%	0.23%	0.26%
Percentage of Total Revenue	22.62%	23.28%	24.14%	24.20%	24.06%	23.90%

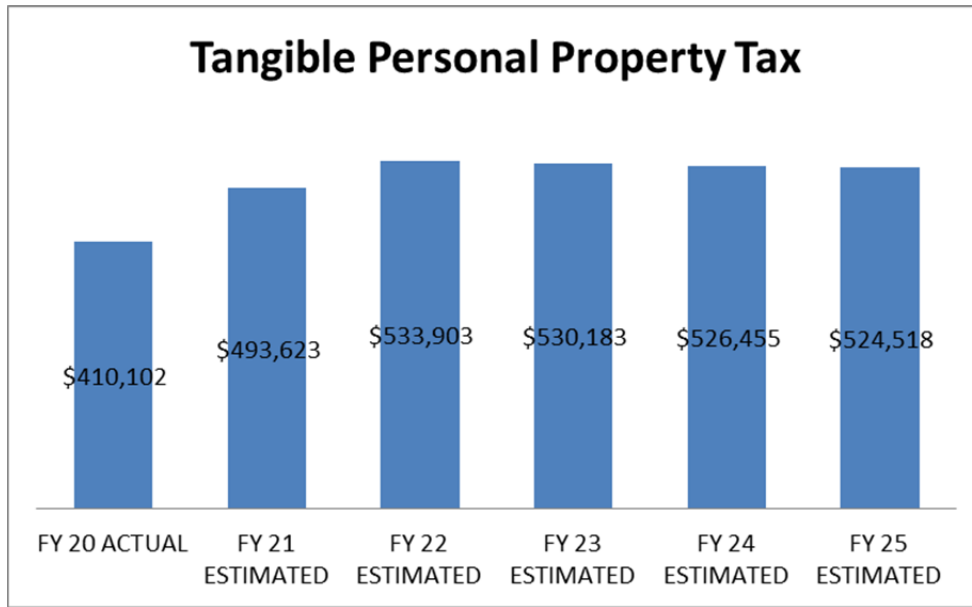
Residential/agricultural and commercial/industrial real estate property tax revenue collection estimates are based on valuation and effective tax rates provided by the Auglaize County Auditor. Real estate property, by Ohio Law, has a reappraisal or update performed every three years by the County Auditor's Office. The last triennial update occurred for tax year 2020 and will occur next in tax year 2026. The scheduled reappraisal will occur in 2023 for taxes payable in calendar year 2024.

Upon discussion with staff at the Auglaize County Auditor's office, the State Department of Taxation informed them how much of a change to apply to real estate values. For tax year 2020, payable in calendar year 2021, real estate valuations increased around 22%, while CAUV valuations decreased 28%. Since the District is at the 20 mill floor, the tax burden shifts once again from the ag land owners to residential property owners. The increase proposed by the State Department of Taxation will cause an increase in real estate tax revenues for FY 2021 and FY 2022. Large fluctuations are not expected for the last three years of the forecast. The only potential change could be if the State Department of Taxation would decide to lower residential values to offset the 22% increase from tax year 2020.

The District approved ten-year abatements for Golden Fresh Farms, Flex Arm, and Pratt Industries. The District should realize an increase in property tax revenue for Golden Fresh Farms in tax year 2027 and for Flex Arm and Pratt Industries in tax year 2029.

1.020 – Public Utility Personal Property

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

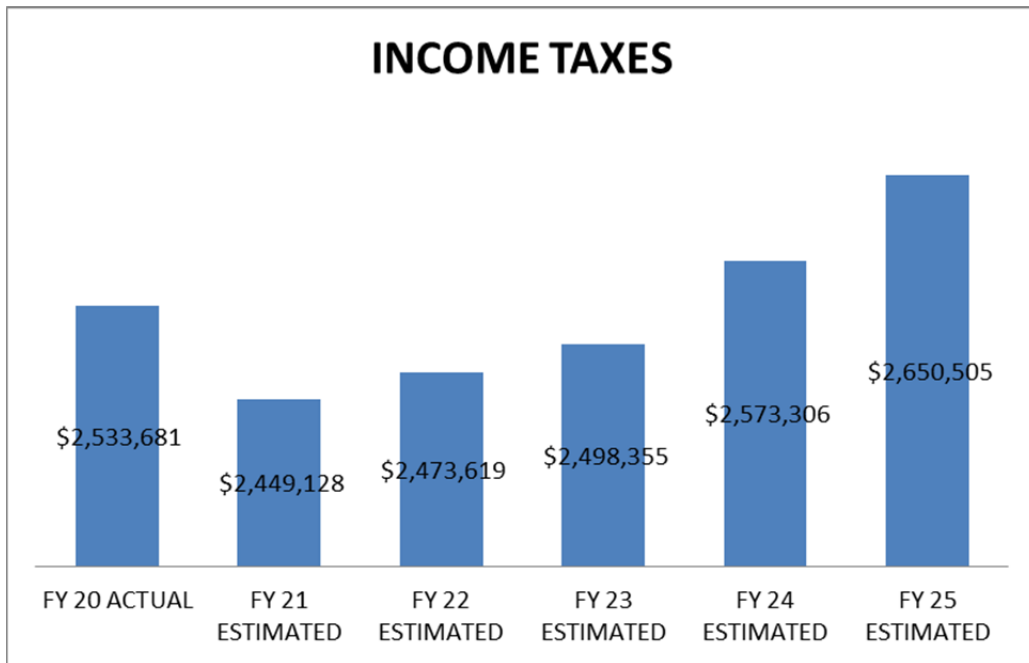


	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total With Renewal Levies	\$410,102	\$493,623	\$533,903	\$530,183	\$526,455	\$524,518
YOY \$ Change		\$83,521	\$40,280	(\$3,720)	(\$3,728)	(\$1,937)
YOY % Change		20.37%	8.16%	-0.70%	-0.70%	-0.37%
Percentage of Total Revenue	1.34%	1.58%	1.71%	1.69%	1.67%	1.65%

Personal Property Tax represents less than 2% of the District's budget and includes such items as power transmission lines and substations, as well as natural gas lines and similar public utility assets. Unlike Real Estate values, Public Utility values are taxed at the full unreduced rate. Values in this class of property increased for tax year 2020, which is likely due to increased electric utility valuations. The values are expected to decrease slightly in future years due to depreciation on the assets.

1.030 – 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.



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$2,533,681	\$2,449,128	\$2,473,619	\$2,498,355	\$2,573,306	\$2,650,505
YOY \$ Change		(\$84,553)	\$24,491	\$24,736	\$74,951	\$77,199
YOY % Change		-3.34%	1%	1%	3%	3%

Percentage of Total Revenue	8.29%	7.85%	7.90%	7.97%	8.15%	8.31%
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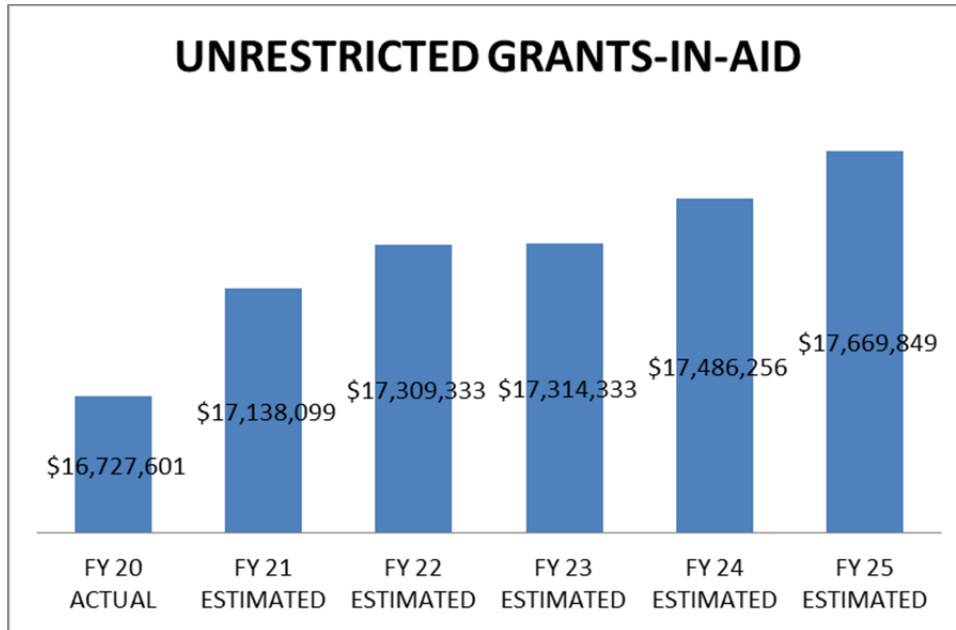
The District has a 0.5% continuing traditional income tax levy. There are three main components of income tax distributions: (1) withholdings (2) payments with returns and (3) estimated payments. The District's collections from these sources have been stable throughout the years.

COVID-19 saw many businesses shut-down in March of 2020. Many have re-opened, but are not at full capacity. The current unemployment rate is 3.3% for the end of March. In November, 8% decrease was projected in income taxes for FY '21 because the true effects of COVID-19 were not known. The 8% decrease was based on the reduction experienced back FY '09 and '10 by the District when the great recession took place. Income tax revenue came in better than previously expected for FY '21. A 3.34% decrease from FY '20 was realized.

At this time, a 1% increase has been projected for FY '22 & '23 and a 3% increase for FY '24 & '25.

1.035 – Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$16,727,601	\$17,138,099	\$17,309,333	\$17,314,333	\$17,486,256	\$17,669,849
YOY \$ Change		\$410,498	\$171,234	\$5,000	\$171,923	\$183,593
YOY % Change		2.45%	1.00%	0.03%	0.99%	1.05%

Percentage of Total Revenue	54.73%	54.91%	55.31%	55.26%	55.36%	55.42%
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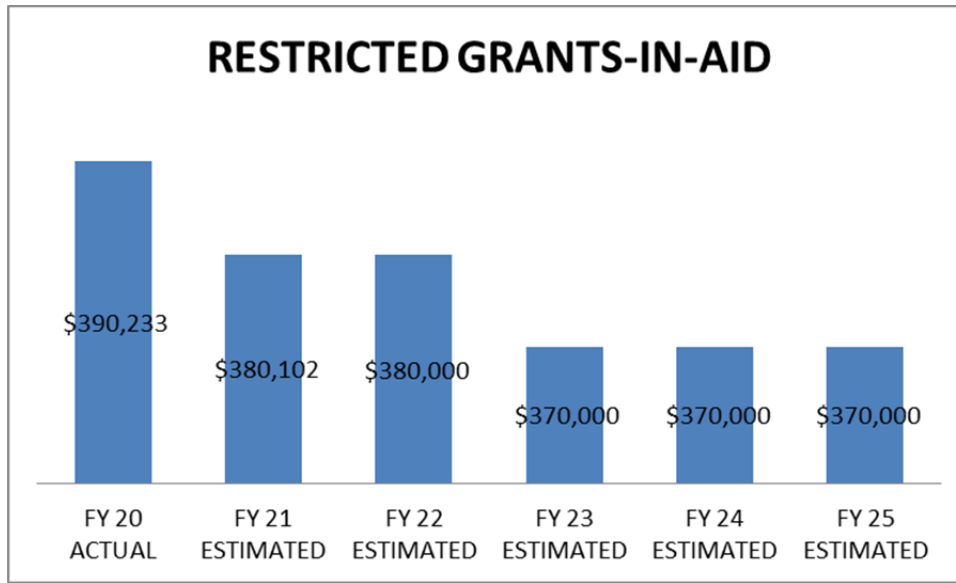
In the past, the state funding system was a per pupil revenue-based system incorporating both property valuation and income. A State Share Index (SSI) was calculated for each District and was used to calculate the main component of State Aid known as Core Opportunity Aid. This system was eliminated with the approval of the new biennium budget for FY 20 and FY 21. State funding was flat-lined for FY 20 and FY 21 and is based on what the District received in FY 19. COVID-19 caused the Governor to decrease unrestricted aid to districts in FY 20. Wapakoneta realized a \$549,847 (3.2%) decrease in base funding. The funding level for FY 21 initially remained at the same level as post-COVID FY 20 amounts. In February 2021, Districts received half of their FY 20 cut back, therefore the District received an additional \$274,000 in state aid. The District also received \$76,551 in additional state funding in FY 21 due to the final FY 20 reconciliations. House Bill 110 – Fair School Funding Plan – has been approved by the House. Simulations released show a small increase for the District. Districts have also been told that it is fairly certain that no matter what funding model is approved, the remaining portion of the Governor’s cuts in FY 20 will be restored, which has been included in the forecast. The increase from HB 110 has not. Updates to the forecast will be done when the final biennium budget is approved.

In FY 20, the Governor announced the addition of Student Wellness and Success Funds, which helps offset the flat-lined base funding. The District received \$807,567 in FY 21. This revenue is required to be reported in a separate fund (Fund 467) and is not included in the Five-Year Forecast. HB 110 will include these funds as part of the formula. If approved, all activity from fund 467 will be rolled into the general fund. The forecast will be updated at that time.

The other components of this line item are preschool special needs and special education transportation funding, casino revenue, and Medicaid funding. Special education transportation funding should remain consistent from year-to-year. Casino revenue decreased in FY 21 by \$38,979 due to the stay-at-home orders and a slow return by patrons. Medicaid is expected to increase by \$95,866 as long as the final reconciliation amount is received by June 30th.

1.040 & 1.045 – Restricted Grants-in-Aid

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



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$390,233	\$380,102	\$380,000	\$370,000	\$370,000	\$370,000
YOY \$ Change		(\$10,131)	(\$102)	(\$10,000)	\$0	\$0
YOY % Change		-2.6%	-0.03%	-2.63%	0%	0%

Percentage of Total Revenue	1.28%	1.22%	1.21%	1.18%	1.17%	1.16%
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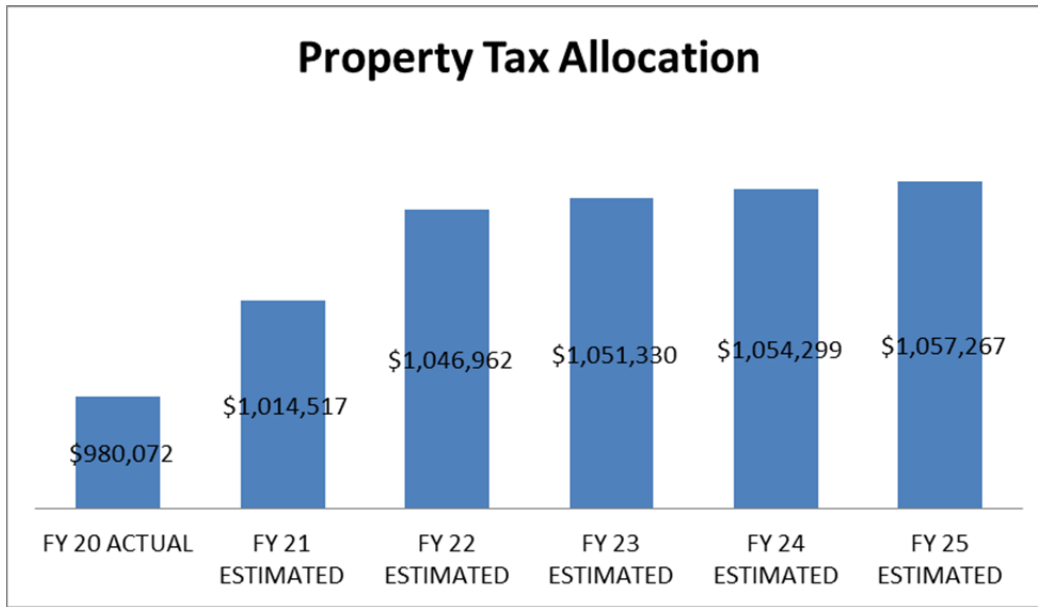
Restricted Grants-In-Aid consist of Career Tech Education Funding and Economic Disadvantaged Funding. Both are received through the foundation settlements from ODE. Due to the new biennium budget approved for FY 20 and FY 21, these amounts are flat-lined for FY 20 and FY 21. Funding totals are no longer based on the actual number of students enrolled in career-tech classes that qualify for funding or the number of economically disadvantaged students in the District. Senate Bill 376 and Substitute House Bill 305 – Fair School Funding Plan – has been introduced and has a strong emphasis on economic disadvantaged funding. At this time, no projection will be included based on these bills since, if approved, would be phased in over a six-year period. Also, no information has been released on how it would affect the District specifically in terms of economic disadvantaged funding and career-tech funding. The District’s career-tech program enrollment has been declining, therefore, a decrease in funding for FY 23 was projected and then flat-lined for FY 24-25.

The District also receives one catastrophic cost payment each year, which is posted as restricted grants-in-aid. This payment is based on the number of high needs special education students open-enrolled into the District. The amount received generally does not fluctuate significantly from year-to-year.

Due to these factors, Restricted Aid will be flat-lined for FY 22, decreased for FY 23 and then flat-lined again for FY 24-25. The forecast will be updated accordingly once more information is received.

1.050 - Property Tax Allocation

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



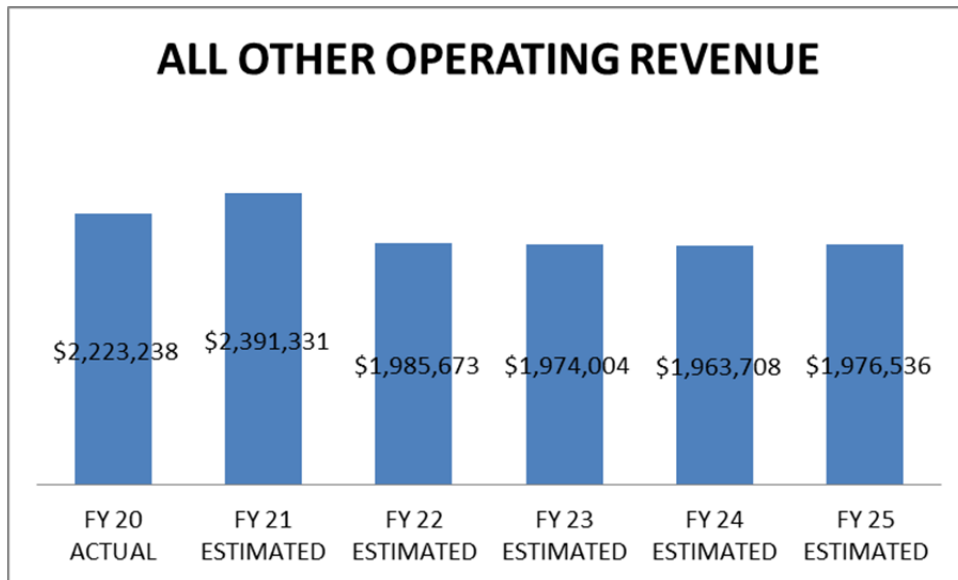
	ACTAUL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$980,072	\$1,014,517	\$1,046,962	\$1,051,330	\$1,054,299	\$1,057,267
YOY \$ Change		\$34,445	\$32,445	\$4,368	\$2,969	\$2,969
YOY % Change		3.51%	3.20%	0.42%	0.28%	0.28%
Percentage of Total Revenue	3.21%	3.25%	3.35%	3.36%	3.34%	3.32%

This line item includes state reimbursements for funds received for homestead and rollback for tax credits given to residents equaling 12.5% of the gross property taxes charged, and the "ten thousand dollar exemption" where businesses are exempt from paying the first \$10,000 of property taxes.

Fluctuations in property tax allocations will correlate with the change in general property tax revenues. The Property Tax Allocation revenue for FY 21 and FY 22 will increase since residential property tax valuations increased for tax year 2020. Revenues should remain steady then for FY 23-FY 25.

1.060 – All Other Operating Revenues

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



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$2,223,238	\$2,391,331	\$1,985,673	\$1,974,004	\$1,963,708	\$1,976,536
YOY \$ Change		\$168,0936	(\$405,658)	(\$11,669)	(\$10,296)	\$12,828
YOY % Change		7.6%	-17.0%	-0.6%	-0.5%	0.7%

Percentage of Total Revenue	7.27%	7.66%	6.34%	6.30%	6.22%	6.20%
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The largest portion of Other Operating Revenues consists of Open Enrollment revenues paid to the District through the foundation settlements from ODE. FY 21 open enrollment funding is \$1,170,250, up just slightly from FY 20. The District receives payment for 196 students. Preschool tuition revenue should increase at least \$9,000, even though the students only went two days a week at the start of the school year. The increase is due to credits being issued for part of March and all of April and May 2020 since preschool was closed during the pandemic.

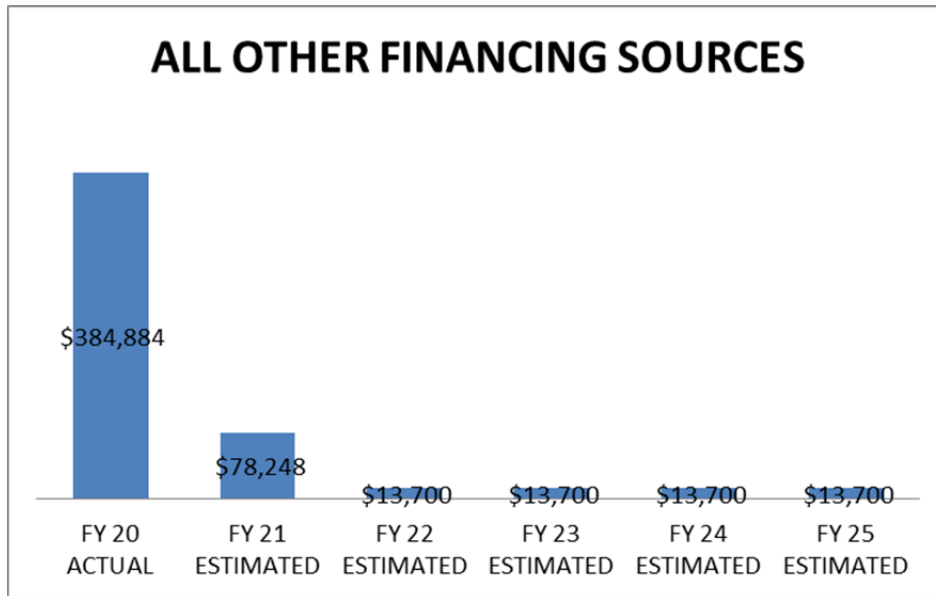
COVID-19 also affected interest rates for FY 21 and beyond. Fortunately, various long-term investments have been made with interest rates that will not decrease until maturity. We expect interest rates to be less at that time, thus less interest will be earned by the District. Currently, interest earnings are projected to decrease around 40% this fiscal year. However, this decrease of around \$240,000 is offset by the receipt of two dividends from BWC in FY 21 totaling \$270,787. Also, the District approved a tax abatement for Pratt Industries. A TIF payment of \$50,610 will be received each year starting in FY 21. This has been included in the forecast for FY 21 through FY 25.

The dividends are not expected to be received again in FY 22 and interest rates for new investments will be lower, thus a decrease is expected for FY 22. Lower interest rates are also the cause for the decreases projected in FY 23 and 24

Other Operating Revenue also consists of preschool snack fees, school fees, donations and various other miscellaneous revenue items, which all should remain constant from year-to-year.

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.



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$384,884	\$78,248	\$13,700	\$13,700	\$13,700	\$13,700
YOY \$ Change		(\$306,636)	(\$64,548)	\$0	\$0	\$0
YOY % Change		-80%	-82%	0%	0%	0%

Percentage of Total Revenue	1.26%	0.25%	0.04%	0.04%	0.04%	0.04%
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The District received \$276,661 from the Auglaize County Educational Service Center in FY 20, which represents a refund of the cash balance the ESC had on hand at the end of FY 19. This balance was built up from the excess cost charges paid by the member districts for the services performed by the ESC.

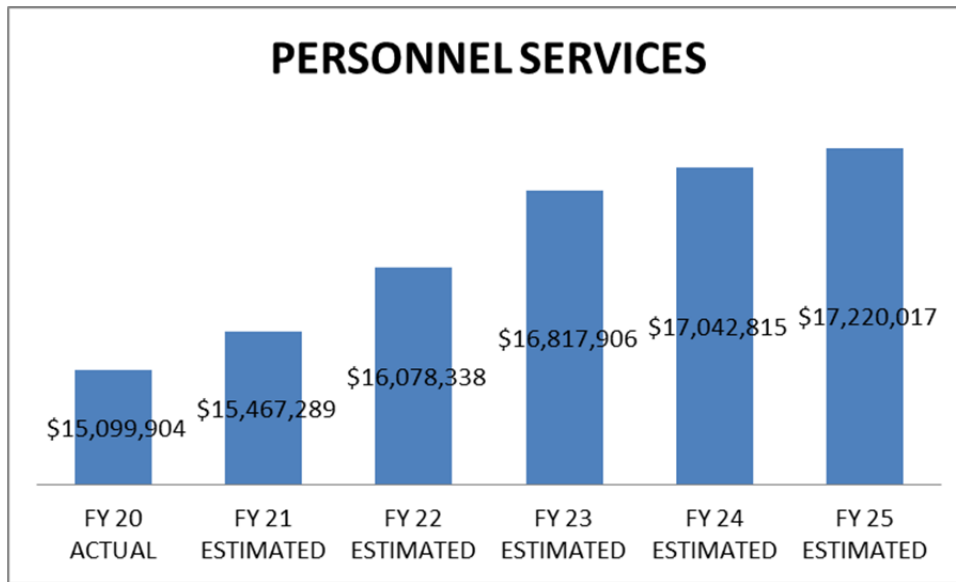
The remaining portion of Other Financing Sources consists of refunds from BWC. Two dividend payments will be received in FY 21, but will be posted as miscellaneous revenue, and not as a refund of prior year expense, thus causing a decrease from FY 20 to FY 21.

The District received \$47,248 from the bus purchase program from the State of Ohio, which was used to assist with the purchase of a bus. The bus could be ordered in FY 20, but funding was not received until FY 21. Therefore, an advance was made to the Bus Purchase Fund (State Grant Fund) in FY 20 to cover the negative encumbrance. In FY 21, the advance will be returned, thus requiring an advance in to be reported in the General Fund in FY 21. The District also advanced the ESSER Federal Grant Fund \$2,100 in FY 20 to cover grant expenses that would not be reimbursed until FY 21. Funding has been received for them, therefore, the advance will be returned to the General Fund in FY 21. The General Fund also advanced the Class of 2022 \$12,000 for prom expenses in FY 21, which will be returned once money is collected from attendants.

A decrease in revenue will be projected for FY 21 and FY 22 but then will remain constant through FY 25.

3.010 – Personnel Services

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



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$15,099,904	\$15,467,289	\$16,078,338	\$16,817,906	\$17,042,815	\$17,220,017
YOY \$ Change		\$367,385	\$611,049	\$739,568	\$224,910	\$177,201
YOY % Change		2.43%	3.95%	4.60%	1.34%	1.04%
Percentage of Total Budget	51.51%	51.94%	51.93%	52.46%	52.68%	52.35%

Personnel services represent the largest expense for the District. In FY 2021, all personnel received a 3% increase on base, as well as a step increase as a result of the negotiated agreements in place with the WEA and WCA. This also creates a 3% increase on base for supplemental contracts. This represents the main reason for the increase in wages from FY 20 to FY 21. The various other changes as described next all had an impact on wages, but the net effect was close to zero.

The District hired three speech therapists for the 2020-21 school year, which causes payroll expenses to increase. Substitute teacher, bus driver, casual labor, and paraeducator budgets have been restored back to the pre-COVID level to anticipate the students remaining in school for the entire year. The personal leave payout increased \$25,000 from FY 20 since personnel did not take personal leave in the final quarter of the school year, which is generally when the leave is used.

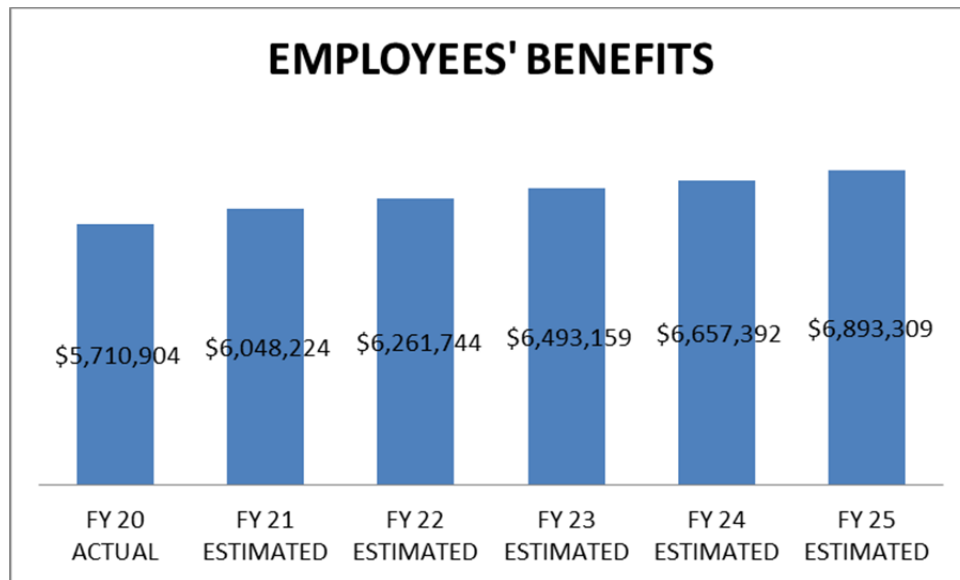
These increases are offset by guidance counselor wages for the High School and Middle School being moved to the Student Wellness and Success Fund for FY 21, elimination of a 0.4 FTE teaching position, and the retirement of the EMIS Coordinator. The EMIS position was filled by two employees during FY 20 in order to train the incoming EMIS Coordinator.

The current certified agreement includes an attendance bonus for non-use of sick leave days. The estimate after three quarters is approximately \$69,400. Therefore an additional \$96,000 was included in personnel service expenses in FY 22 and beyond. A clause in the agreement does state that this will be re-evaluated after the first year. All virtual tutor expenses included in the November forecast have been removed because they are all covered by the ESSER funding received by the District.

The certified contract expires June 30, 2023. The forecast reflects a 2.25% and 2% base increase for FY 22 and FY 23, respectively. It also includes a step advancement for each certified staff member plus the restoration of two years of service to employees who lost years of service in 2012-2013 and 2013-2014, with one being restored in 2021-22 and the other being restored in 2022-2023. Administration receives the same increases. The classified agreement expires June 30, 2021. A 1%

3.020 – Employees’ Benefits

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



	FORECASTED					
	2020	2021	2022	2023	2024	2025
Total	\$5,710,904	\$6,048,224	\$6,261,744	\$6,493,159	\$6,657,392	\$6,893,309
YOY \$ Change		\$337,320	\$213,520	\$231,416	\$164,233	\$235,917
YOY % Change		5.91%	3.53%	3.70%	2.53%	3.54%
Percentage of Total Budget	19.48%	20.31%	20.22%	20.26%	20.58%	20.96%

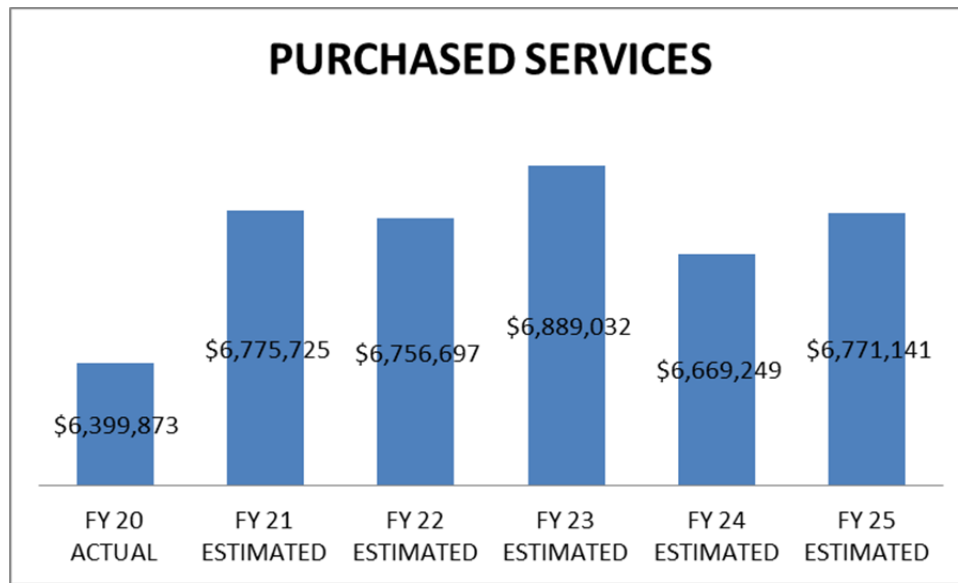
The District pays 14% of each dollar paid in wages to either the State Teachers or School Employees Retirement System as required by Ohio law. These contributions are withheld through the foundation settlements and are based on estimated wages provided to each respective retirement system. Therefore, the District could potentially pay out more than 14% in a year if payroll expenses are less than estimated. Medicare will continue to increase at the rate of increase in wages. Contributions are 1.45% for all new employees to the District on or after April 1, 1986. Expenses related to retirement payments, Medicare payments, and worker's compensation are projected to increase over the next five years as wages increase.

The District changed insurance consortiums for calendar year 2020, resulting in the District being responsible for paying the prior consortium \$72,900 for three months of administrative costs in FY 20 and a buy-in amount of \$702,225.35 over the course of three years to the new consortium. \$117,038 was paid in FY 20. One less month of health and dental insurance expenses were incurred in FY 20 due to the change in billing procedures between the two consortiums. This resulted in a savings of approximately \$226,000 in FY 20, which offset the increase due to the administrative cost and new buy-in expense incurred in FY 20. In FY 21, the District will incur an additional \$117,038 in buy-in expenses since four quarterly payments will be made instead of just two. The buy-in will be complete in FY 23.

The board-share of health and dental insurance expenses will increase by 8% and 4%, respectively, for calendar year 2021. An 8% and 4% increase have also been projected for them for FY 22 – FY 25.

3.030 – Purchased Services

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



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$6,399,873	\$6,775,725	\$6,756,697	\$6,889,032	\$6,669,249	\$6,771,141
YOY \$ Change		\$375,852	(\$19,028)	\$132,335	(\$219,783)	\$101,893
YOY % Change		5.87%	-0.28%	1.96%	-3.19%	1.53%
Percentage of Total Budget	21.83%	22.75%	21.82%	21.49%	20.62%	20.59%

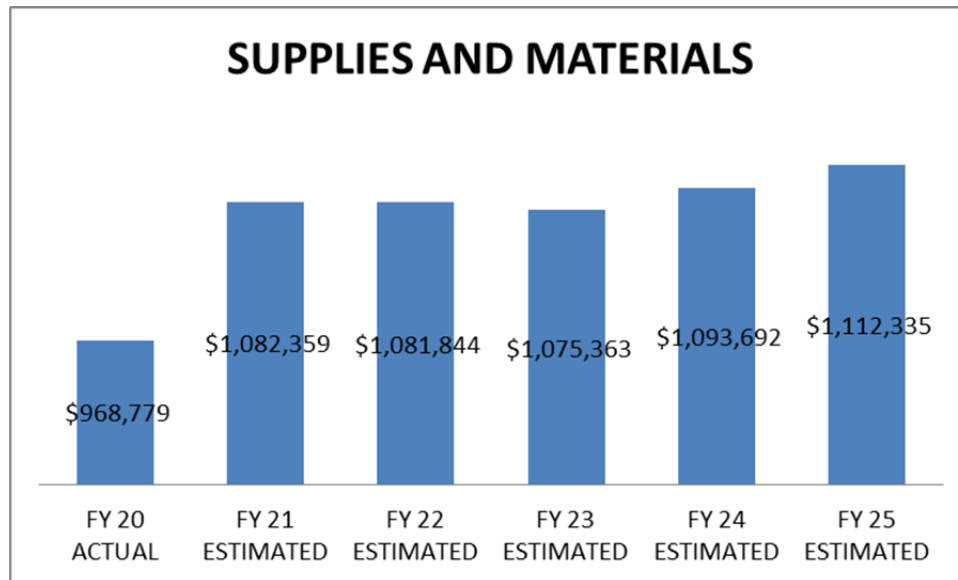
The largest expense in the purchased services category is open enrollment out/community school expenses. According to the latest foundation settlement sheet, these two expenses total \$2,208,749. Community School expenses have increased more than \$140,000 from FY 20 due to additional students choosing an on-line option offered from a virtual school and not Wapakoneta City Schools. Open enrollment out increased to around 302 students.

The other significant portion of purchased services is excess costs paid to the Auglaize County Educational Service Center (ESC) for therapy services, multi-handicap classes, and the City-County agreement for paraeducators. The fee for therapy services increased 0.5% for FY 21. A minimal increase in minutes for occupational and physical therapy is expected, but will be offset by a decrease in speech therapy expenses by approximately \$225,000 since the District hired three speech therapists in FY 21. Currently nurse expenses are paid out of the Student Wellness and Success Funds. If this funding goes away, these expenses will be reported back in the General Fund.

An LED project was completed at the high school. The FY 20 payment was not paid until FY 21, causing expenses to increase \$159,750. The second phase at the high school was also paid in FY 21, which is \$179,311. LED expenses are scheduled out through FY 23 in order to complete the remaining two buildings. Only one LED payment will be made in FY 22 for the Middle School, thus the decrease in overall purchased services. The increase in FY 23 & FY 25 is due to the general increase in the remaining other components of purchased services (utilities, professional/legal services, professional development./travel, etc.). The decrease then again in FY 24 is due to the final LED project at WES being paid in FY 23.

3.040 – Supplies and Materials

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



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$968,779	\$1,082,359	\$1,081,844	\$1,075,363	\$1,093,692	\$1,112,335
YOY \$ Change		\$113,581	(\$515)	(\$6,481)	\$18,328	\$18,643
YOY % Change		11.72%	-0.05%	-0.60%	1.70%	1.70%
Percentage of Total Budget	3.30%	3.63%	3.49%	3.35%	3.38%	3.38%

Supplies and materials expenses have steadily increased over the life of the forecast due to normal inflation as well as emerging classroom needs, and general overall maintenance needs to keep the District's buildings and bus fleet in peak condition.

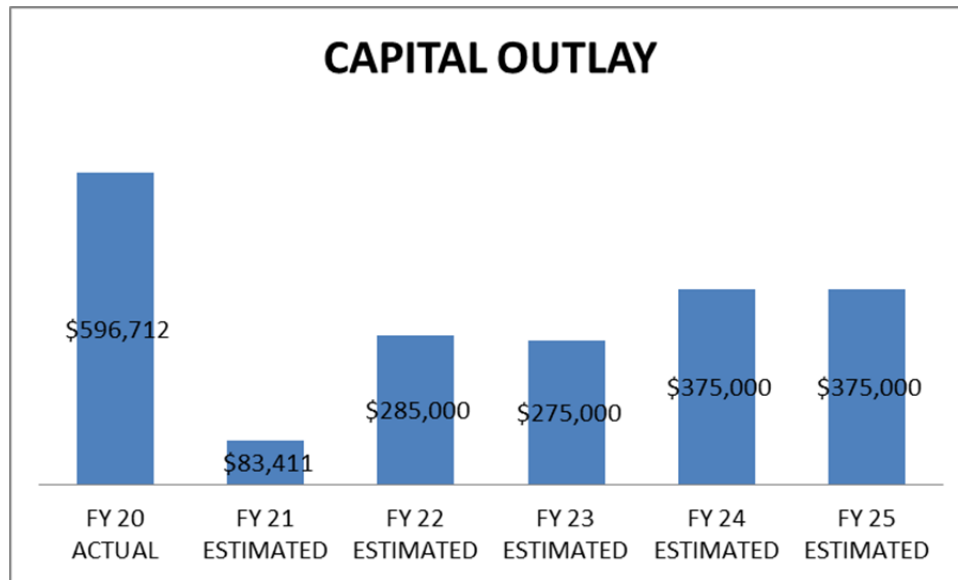
The District reduced expenses in FY 20 due to COVID-19. Bus fuel expenses were less than normal since school was not in session for two and a half months and no spring athletic events or field trips were taken. The Superintendent also asked all building principals to prioritize spending between wants and needs due to the budget cuts enacted by the Governor during FY 20.

Students have been attending school in-person thus far for the 2020-2021 school year, therefore we expect normal spending to resume for supplies and materials needed for the classroom. Expenses also increased for FY 21 due to the purchase of networking equipment in the amount of \$99,161, the purchase of computer equipment and furniture for the new E-sports team at the high school for approximately \$23,000, and \$31,000 for weights and athletic equipment for the new weight room that will be installed at the high school next school year. These increases are offset by a general decrease in building supply expenses from FY 20 to FY 21.

We will project a slight decrease in FY 22 due to the expenses mentioned above being a one-time event and then a 1.7% general increase for FY 24 & FY 25.

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.



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$596,712	\$83,411	\$285,000	\$275,000	\$375,000	\$375,000
YOY \$ Change		(\$513,301)	\$201,589	(\$10,000)	\$100,000	\$0
YOY % Change		-86.02%	241.68%	-3.51%	36.36%	0%
Percentage of Total Budget	2.04%	0.28%	0.92%	0.86%	1.16%	1.14%

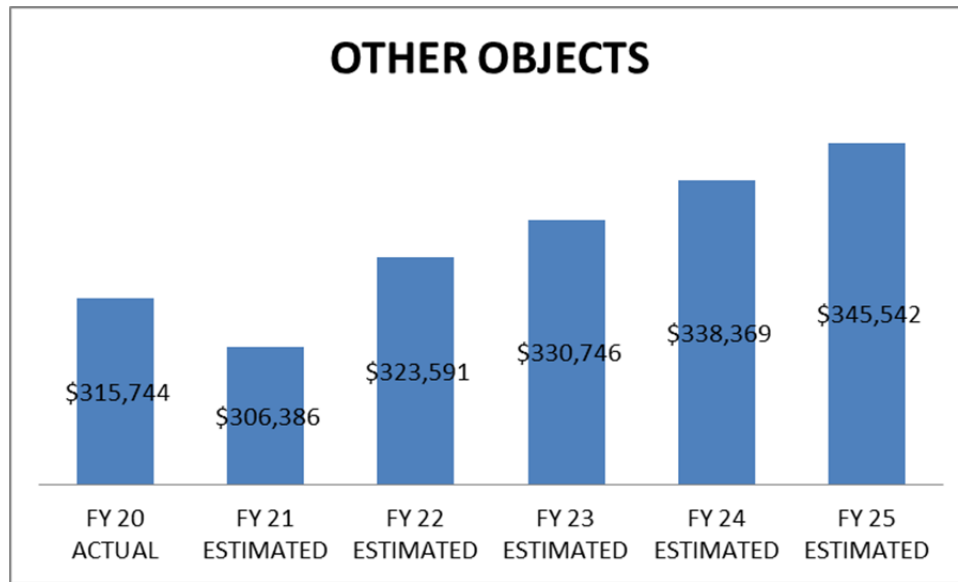
The Board of Education continues their commitment to technology by providing Chromebooks for student use within the District. The IT Department has established a replacement schedule for the older Chromebooks as well as staff and lab computers, which represents \$350,000 of the projected capital outlay expenses for FY 23-25. The District shifted the Chromebook purchase to the CARES Act federal grant fund for FY 21, thus decreasing the capital outlay expense for FY 21. The expense will be placed back on the general fund for FY 24-25. FY 20 expenses included \$187,967 for the concession stand/restroom facility at the football field. These will not be incurred in FY 21, thus also contributing to the decrease in FY 21 expenses.

The IT Department has identified the need to replace lab and classroom computers, laptops, and two servers, thus attributing to the increase in FY 22 from FY 21. We will anticipate replacing additional computers in FY 23, thus expenses will remain consistent from FY 22 to FY 23.

An additional \$25,000 is set aside annually for other equipment purchases that may be needed outside of those made with PI funds (i.e. additional technology equipment for new classes, bus monitoring systems, etc.).

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.



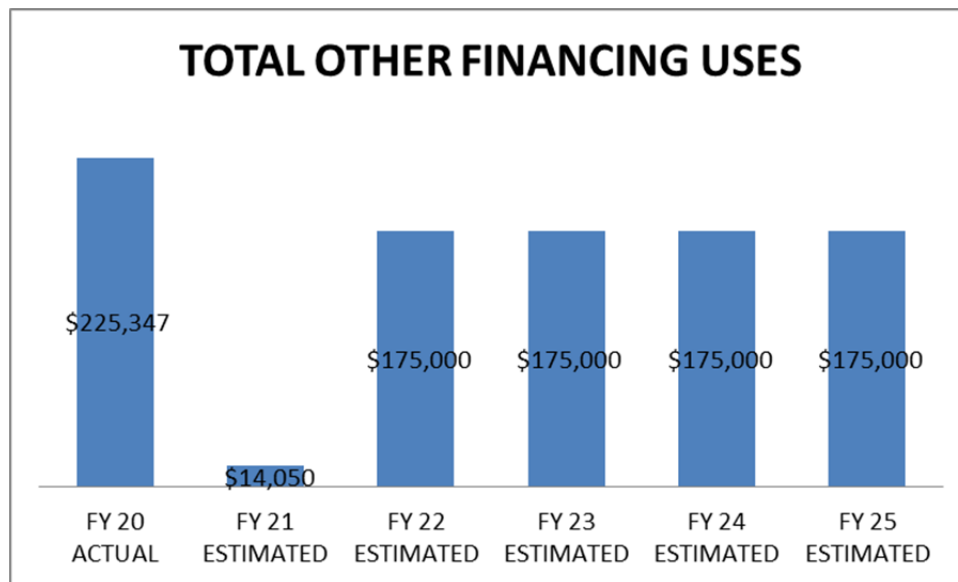
	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$315,744	\$306,386	\$323,591	\$330,746	\$338,369	\$345,542
YOY \$ Change		(\$9,358)	\$17,205	\$7,155	\$7,623	\$7,172
YOY % Change		-2.96%	5.62%	2.21%	2.30%	2.12%
Percentage of Total Budget	1.08%	1.03%	1.05%	1.03%	1.05%	1.05%

Fees were assessed in FY 20 for the safety and security levy placed on the ballot for the District. These fees were not assessed again in FY 21, thus causing a decrease in Auditor/Treasurer fees assessed on property tax collections. The income tax administrative fees also decreased slightly because of a decrease in income taxes collected. In FY 21, the District reported expenses for PBIS related activities in the Student Wellness and Success fund, which also accounts for the decrease in expenses from FY 20 to FY 21. These expenses were offset though by a \$5,000 increase in bus fleet liability insurance and general liability insurance in FY 21.

Both bus fleet and general liability insurance expenses, income tax administrative fees and auditor and treasurer fees are expected to increase from FY 22 through FY 25 due to an increase in collections and the trend of increasing insurance expenses. The District will also bring back PBIS award-related expenses to the General Fund in FY 22, due to increasing social worker and guidance counselor wages in the Student Wellness and Success Funds. Therefore, increases in Other Object expenses are projected for FY 22 through FY 25.

5.040 – Total Other Financing Uses

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



	ACTUAL	FORECASTED				
	2020	2021	2022	2023	2024	2025
Total	\$225,347	\$14,050	\$175,000	\$175,000	\$175,000	\$175,000
YOY \$ Change		(\$211,297)	\$160,950	\$0	\$0	\$0
YOY % Change		-93.77%	1145.55%	0%	0%	0%
Percentage of Total Budget	0.77%	0.05%	0.57%	0.55%	0.54%	0.53%

In the past, the Board transferred \$175,000 from the General Fund to the Severance Fund and PI Fund. This continued for FY 20. The transfer will not occur in FY 21 due to the budget cuts enacted in FY 20 by the Governor and a decrease in income tax and interest revenue. This results in the majority of the decrease from FY 20 to FY 21. The transfer will resume in FY 22-FY 25, thus accounting for the increase in those years.

The District also advanced money to the Bus Purchase Fund, the ESSER Fund, and the Class of 2021 during FY 20. The District is hosting prom this year. Therefore \$12,000 was advanced to the Class of 2022 for expenses incurred with prom. Once ticket sales are over, the advance will be returned to the General Fund.

The \$2,050 expense reported in FY 21 is due to a refund issued for PAC rental deposits paid in FY 20 for events to be held in FY 21, but canceled due to COVID.

Wapakoneta City

Auglaize

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2018, 2019 and 2020 Actual;
Forecasted Fiscal Years Ending June 30, 2021 Through 2025

	Actual				Average Change	Forecasted				
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021		Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	
Revenues										
1.010 General Property Tax (Real Estate)	\$6,808,919	\$6,834,329	\$6,913,844	0.8%	\$7,265,134	\$7,554,669	\$7,581,799	\$7,599,332	\$7,619,389	
1.020 Tangible Personal Property Tax	445,166	430,417	410,102	-4.0%	493,623	533,903	530,183	526,455	524,518	
1.030 Income Tax	2,287,178	2,425,671	2,533,681	5.3%	2,449,128	2,473,619	2,498,355	2,573,306	2,650,505	
1.035 Unrestricted State Grants-in-Aid	17,334,165	17,424,319	16,727,601	-1.7%	17,138,099	17,309,333	17,314,333	17,486,256	17,669,849	
1.040 Restricted State Grants-in-Aid	373,023	385,346	390,233	2.3%	380,102	380,000	370,000	370,000	370,000	
1.045 Restricted Federal Grants-in-Aid - SFSF										
1.050 Property Tax Allocation	975,204	977,277	980,072	0.2%	1,014,517	1,046,962	1,051,330	1,054,299	1,057,267	
1.060 All Other Revenues	1,929,947	2,170,296	2,223,238	7.4%	2,391,331	1,985,673	1,974,004	1,963,708	1,976,536	
1.070 Total Revenues	30,153,602	30,647,655	30,178,771	0.1%	31,131,934	31,284,159	31,320,004	31,573,356	31,868,064	
Other Financing Sources										
2.010 Proceeds from Sale of Notes										
2.020 State Emergency Loans and Advancements (Approved)										
2.040 Operating Transfers-In										
2.050 Advances-In	16,118	42,433	1,000	32.8%	61,348					
2.060 All Other Financing Sources	68,592	81,974	383,884	193.9%	16,900	13,700	13,700	13,700	13,700	
2.070 Total Other Financing Sources	84,710	124,407	384,884	128.1%	78,248	13,700	13,700	13,700	13,700	
2.080 Total Revenues and Other Financing Sources	30,238,312	30,772,062	30,563,655	0.5%	31,210,182	31,297,859	31,333,704	31,587,056	31,881,764	
Expenditures										
3.010 Personal Services	13,412,126	14,553,433	15,099,904	6.1%	15,467,289	16,078,338	16,817,906	17,042,815	17,220,017	
3.020 Employees' Retirement/Insurance Benefits	5,283,822	5,531,783	5,710,904	4.0%	6,048,224	6,261,744	6,493,159	6,657,392	6,893,309	
3.030 Purchased Services	6,528,880	6,518,407	6,399,873	-1.0%	6,775,725	6,756,697	6,889,032	6,669,249	6,771,141	
3.040 Supplies and Materials	1,065,355	1,081,510	968,779	-4.5%	1,082,359	1,081,844	1,075,363	1,093,692	1,112,335	
3.050 Capital Outlay	368,746	618,853	596,712	32.1%	83,411	285,000	275,000	375,000	375,000	
3.060 Intergovernmental										
Debt Service:										
4.010 Principal-All (Historical Only)										
4.020 Principal-Notes										
4.030 Principal-State Loans										
4.040 Principal-State Advancements										
4.050 Principal-HB 264 Loans										
4.055 Principal-Other										
4.060 Interest and Fiscal Charges										
4.300 Other Objects	256,778	263,216	315,744	11.2%	306,386	323,591	330,746	338,369	345,542	
4.500 Total Expenditures	26,915,707	28,567,202	29,091,916	4.0%	29,763,394	30,787,214	31,881,206	32,176,517	32,717,344	
Other Financing Uses										
5.010 Operating Transfers-Out	175,000	175,000	175,000			175,000	175,000	175,000	175,000	
5.020 Advances-Out		42,433	50,347		12,000					
5.030 All Other Financing Uses		66,770			2,050					
5.040 Total Other Financing Uses	175,000	284,203	225,347	20.8%	14,050	175,000	175,000	175,000	175,000	
5.050 Total Expenditures and Other Financing Uses	27,090,707	28,851,405	29,317,263	4.1%	29,777,444	30,962,214	32,056,206	32,351,517	32,892,344	
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	3,147,605	1,920,657	1,246,392	-37.0%	1,432,738	335,645	722,502-	764,461-	1,010,580-	
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	16,291,458	19,439,063	21,359,720	14.6%	22,606,112	24,038,850	24,374,495	23,651,993	22,887,532	
7.020 Cash Balance June 30	19,439,063	21,359,720	22,606,112	7.9%	24,038,850	24,374,495	23,651,993	22,887,532	21,876,952	
8.010 Estimated Encumbrances June 30	92,251	281,599	229,998	93.5%	400,000	200,000	200,000	200,000	200,000	