



PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT

Assumptions for November, 2020 Forecast

Pamela Harrington, Treasurer

November 2020

This forecast is an ever-changing document due to uncontrollable factors. All school districts in Ohio are required to file a five year forecast by November 30 and an update by May 31 in each fiscal year. This forecast is being submitted during health and financial struggles that encompass not only our schools but the entire state, country and global economy. Ohio schools were ordered closed in March due to a pandemic (COVID) and the closure continued through the end of the 2019-2020 school year. While our buildings were shut down, we continued to educate our students remotely. Our expenditures for FY20 came in just shy of \$500,000 under budget due to the pandemic. The forecast and assumptions reflect the best information available and known at this time and with the continuation of the pandemic.

Revenues

Real Estate – (Line 1.01) - Real estate taxes have been projected with growth based on current information from the County Auditor and past trends. A new levy was passed in November of 2019 that began collecting one half the amount (\$3,752,500) in FY2020. This incremental levy will also grow by \$1.5 million each year for 5 years. Wood County just completed a required triennial update to property values and Perry'sburg's overall valuation is projected to increase over 12%. Real estate collections continue to increase due to the incremental levy in an attempt to keep up with our growth.

Public Utility Personal Property Tax – (Line 1.02) – The public utility tax category is much less material to the District's overall revenue base as it only supplies about 2% of total operating revenue. The future collection estimates are based upon the assumption of continued PUPP valuation growth.

Income Tax – (Line 1.03) - This forecast assumes a -2.5% decrease in FY 21 and then 4% average annual rate of income tax growth for the duration of this forecast.

State Foundation –Tuition & Preschool (Unrestricted State Aid) (Line 1.035) – We receive this money from court placed students in our district from the state. We also receive over funds from preschool tuition. Foundation from the State - due to the Fair State Funding we are optimistically looking out in years FY24 and FY25 to gain 4% each year. The state also provides student wellness and success monies that will be coded to Fund 467, not the General Fund. We also will receive a student growth component.

State of Ohio Tax Allocation – (Line 1.05) – This line represents the 10% & 2.5% rollback, homestead exemptions, and \$10,000 personal property exemptions.

All Other Revenues – (Line 1.06) - Generally, revenue reflected in this category represents tuition payments, revenue for incoming open enrollment students (the District does not accept open enrolled students), class fees, and interest earnings.

EXPENDITURES

Salaries & Wages – (Line 3.01) – FY21 is based upon current negotiated schedules. Years FY22-FY25 are projected with between a 4 to 5% increase to accommodate increases in steps and base increases and the possible need for additional staff members due to growth.

Fringes – (Line 3.02) – FY21 is based upon benefits for all current staff. FY22-25 are projected with an approximate 4.8% overall increase. Fringes included State Teachers Retirement System, School Employees Retirement System, medical, dental, vision, life and tuition.

Purchased Services – (Line 3.03) - Includes utilities, open enrollment, expenses, ESC contract for special services and excess costs and other entities. Significant increases are expected in this category. This is led by a large increase in students enrolling in community schools and due to COVID expenses.

Supplies & Materials – (Line 3.04) – FY21 is based upon expenses to date and are slightly higher this year. FY22-FY25 are expected to return to normal with an overall inflation of roughly 2% each year.

Capital Outlay – One new school bus was purchased. We have increased this category to accommodate technology needs and the possible need to purchase portables.

Principal Notes - (Line 4.02 and 4.05) – These expenditures are to cover outstanding loans for Energy and Other Projects. The final payment for the Athletic Husk. Center will take place in FY21.

Other – (Line 4.30) – Annual Increases for associated fees and memberships are included. Real estate and income tax collection fees are also included on this line.

Transfers Out - We have budgeted an amount that may be needed for Food Service if the Pandemic continues and for creating a severance fund for future retirements.

What is the future for Perrysburg Schools? We will try to build our financials strategically by promoting fiscal health and following a strategic plan. This is such unknown territory - we are trying to provide the best education in an unusual time. Changes in student population and state level funding unknowns during this unusual time could and probably will change this forecast and call for new assumptions as we move forward.

