



PERRYSBURG EXEMPTED VILLAGE SCHOOL DISTRICT

Assumptions for November, 2019 Forecast

Pamela Harrington, Treasurer

November 2019

This forecast is an ever-changing document due to uncontrollable factors. Changes in student population, state level education budgeting and the changes in current economic conditions could and probably will change this forecast and call for new assumptions as we move forward. The forecast and assumptions reflect the best information available and known at this time

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 will begin 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. Real estate collection was up 6% after the July collection. A 3% growth has been factored in through FY2023. A reappraisal will be conducted in 2023 payable in 2024. In FY 2024, a 5% increase has been forecasted.

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 (averaging 8% per year). The Nexus Pipeline is estimated to bring in an additional \$236,000 to the district.

Income Tax – (Line 1.03) - This forecast assumes a 4% increase in FY 20 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 \$100,000 from preschool tuition. The new state biennium budget gives no increase to state basic aid. They did provide student wellness and success monies that will be receipted 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. This line is based upon historical collection trends and projects a 1% increase for FY20-24.

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. The ADK tuition is also included on this line. A one-time donation of \$509,000 is added to FY20. A 2% increase has been projected for FY21-FY24.

EXPENDITURES

Salaries & Wages – (Line 3.01) – FY20 is based upon current negotiated schedules. Years FY21-FY24 are projected with a 5.80% increase to accommodate increases in steps and base increases and the additional staff members employed.

Fringes – (Line 3.02) – FY20 is based upon benefits for all current staff. FY21-24 are projected with a 5% 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. FY20 should be increasing but it is reduced due to the cuts the district has made. FY21 through FY24 are increased by 4% each year. This is to allow for growth in services with the projected student enrollment growth.

Supplies & Materials – (Line 3.04) – FY20 is based upon expenses to date and remaining estimates. FY20-FY24 are increased by 5% each year.

Capital Outlay – A modest amount of \$80,000 has been assumed for equipment needs throughout the remainder of this forecast. In addition, there is an additional \$100,000 budget in each year for a new bus lease as well as an additional \$200,000 added in FY21 & FY22 for modular units that will likely be needed.

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) – 2% Annual Increases for associated fees and memberships. Real estate and income tax collection fees are also included on this line.

The district continues to find ways to contain our costs. The Board of Education has been entrusted to provide our students with the best education possible within the resources available to us. The primary consideration in the development of this plan, therefore, has been to minimize the negative impact of budget constraints on our students and staff.

Priority continues to be given to not impact our students' program availability and quality any more than absolutely necessary. While providing the best education to our students is a top priority, we also want to be respectful of our community and note our appreciation for their continued support.

