

Bellbrook\_Sugarcreek-047274

Five Year Forecast ~ FY 2022 through FY 2026

Projection Assumptions

Revenue Assumptions:

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

Revenue for real estate taxes is based upon revenue received in the two tax settlements.

We are not at the 20 mill floor and do not realize inflationary growth on real estate taxes, except for the 4.50 mills of inside millage.

For each year after FY 22 the real estate tax revenue is increased by 1%.

A 7-year Emergency Operating Levy was passed in May of 2021 to collect beginning in January of 2022. FY 22 is increased by \$1.65 million and FY 23 is increased by an additional \$1.65 million to reflect this levy passage in revenues.

#### 1.035 Unrestricted Grants-in-Aid (State Foundation Funding)

Unrestricted grants-in-aid were calculated using the State's current funding formula. We are currently on the state funding formula. For previous years the state funding has been at or near zero increase each year. A \$657,000 reduction in state funding for FY 20 occurred at the end of FY 20 due to the pandemic. A freeze in state funding each year has been built into this forecast in FY 23-26. This line item includes the state foundation funding and \$145,000 for State Casino Revenues.

1.04 Includes Economically Disadvantaged student funding..

#### 1.050 Property Tax Allocation

Historically this estimate was based upon homestead and rollbacks calculated at approximately 12.5% of real estate taxes. This amount only shows small increases because in FY 19 and thereafter, all newly passed levies will contain no additional rollback payments. According to law those monies will be paid by the local taxpayer.

#### 1.060 All Other Revenues

This includes transportation reimbursements, class fees, refunds, rentals, tuition, participation fees, and all other miscellaneous revenues. Lowered amounts are shown in the forecast to reflect losses in all of the previously mentioned items due to on site school being closed from the pandemic.

2.06 Includes Refund of Prior Year Expenditures and Sale of Equipment.

Expenditure Assumptions:

### 3.010 Personal Services

Phase 3 and Phase 4 cutbacks in salaries totaled \$544,790 in FY 21 and \$594,818 in FY 22.

The negotiated contracts both expired in FY 21. THE ENTIRE STAFF TOOK A PAY FREEZE WITH NO MERIT PAY, NO EXPERIENCE STEPS AND NO BASE INCREASE FOR FY 2021. For forecast years 2022-26 the same percentages are used (2% on base with steps). An ESSER II grant has funded a large portion of the additional 10 teacher assistants for FY 22 and additional 11.5 teachers to be added in FY 23 costing about \$563,000 from the general fund. After FY 24 there is \$725,000 added to pay these salaries out of general fund that are no longer funded by the grant.

Elementary STEM, 2 Librarians, and several supplemental contracts are reinstated in FY 22. Through a partnership with the Greene County Career Center, two teacher salaries are shifted to the Career Center in FY 22 and two more in FY 23.

### 3.020 Employee's Retirement/Insurance Benefits

Employee Retirement assumption was based on employer mandated contribution amounts adjusted for salary increases and personnel employed on line 3.010. (Retirement share, Medicare, and Worker's Comp)

Employee Insurance benefits for FY 22 to FY 26 for vision and dental were adjusted to reflect 2% increases in each year. Medical insurance premiums increased 24% (\$691,000) beginning with FY 2020. After FY 2020 this line item is increased by 5.0% per year. The school district pays 14% to SERS and STRS for the employer's share of employee retirement, and that cost increases with salary increases.

The Board of Ed approved cutbacks in personnel that saved \$187,000 in fringe benefits expenses beginning with FY 2019. As noted above, about half this amount needed to be reinstated. Additional Phase 3 and Phase 4 cutbacks saved \$150,910 in FY 21 and \$172,822 in FY 22 in this category.

### 3.03 Purchased Services

Beginning with FY 20 purchased services are increased by 6% each year. The Board of Ed approved cutbacks in purchased services totaling \$113,000 beginning with FY 2019. Purchased services include fuel, utilities, building repair services, legal fees, professional meetings, community school deductions in state funding, mandated special education teacher assistants, GCESC general fund service costs, etc. Huge savings in utility expenses have been realized from the HB 264 Energy Project and are reflected herein.

Phase 3 and Phase 4 cutbacks reduced expenditures for purchased services by \$119,280 in FY 21 and by \$56,136 in FY 22.

In FY 22 a full-time Special Education Coordinator was employed by GCESC and contracted to work at our district. The expenses related to that position are included in this line item.

The buy in to the Butler Health Program group for Medical, Dental, Vision, and Life Insurance is shown in FY 22 on this line item at approximately \$900,000.

#### 3.04 Supplies and Materials

This line is increased approximately 5% per year from FY 19 onward. Separate from that increase reductions were made in Phase 3 and Phase 4 of \$175,000 in FY 21 and \$25,000 in FY 22.

#### 3.05 Capital Outlay

In FY 23 - FY 26 this line increases by an estimated 0% per year. Phase 4 cutbacks delayed the \$250,000 tech purchases by one year from FY 22 to now making that expenditure beginning in FY 23. A grant was received that will pay for Chromebook refresh that had previously been represented here.

#### 4.01 Debt Principal

There is no debt to be charged to the general fund other than the HB 264 Energy Project. The stadium project is repaid from the Permanent Improvement Fund. (Stadium debt payments are made from private donations, stadium usage fees and the Miami Valley Hospital naming rights contract.)

#### 4.05 & 4.06 HB 264 Debt

Line 4.05 reflects the payment of the unvoted bond issue to fund the HB 264 Energy Savings Project, which is paid off in FY 25. Line 4.06 shows the interest payments on this same project.

#### 4.30 Other Objects

This line reflects auditor/treasurer collection fees, Board of Ed memberships and other charges.