

**FREMONT CITY SCHOOLS**

# **FIVE YEAR FORECAST**

**NOVEMBER 2022**



**LITTLE GIANTS**



**MEGAN PARKHURST, TREASURER**

# KEY TAKEAWAYS

FOR THE CURRENT FISCAL YEAR



FY23

Revenues

+4.4%

FY23

Expenses

+4.2%

FY23

Projected surplus

\$2.9M

**SALARIES**

-5%

ESSER  
WRITE-OFFS



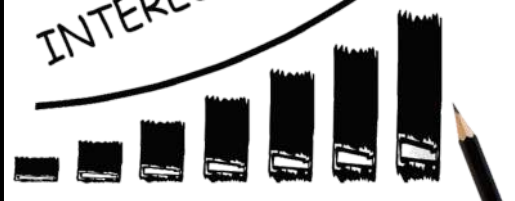
**REAL ESTATE**

includes public ut.

+8.9%



INTEREST RATES %

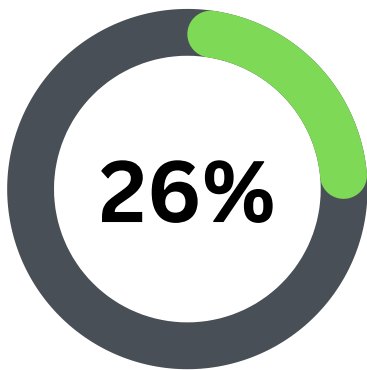


Added Revenue



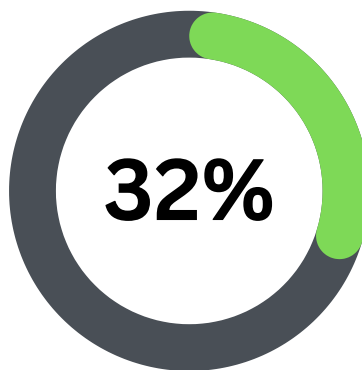
# REVENUE DRIVERS

**REAL ESTATE**



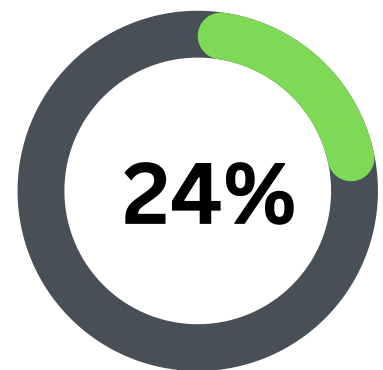
**OF TOTAL  
REVENUE**

**ODE**



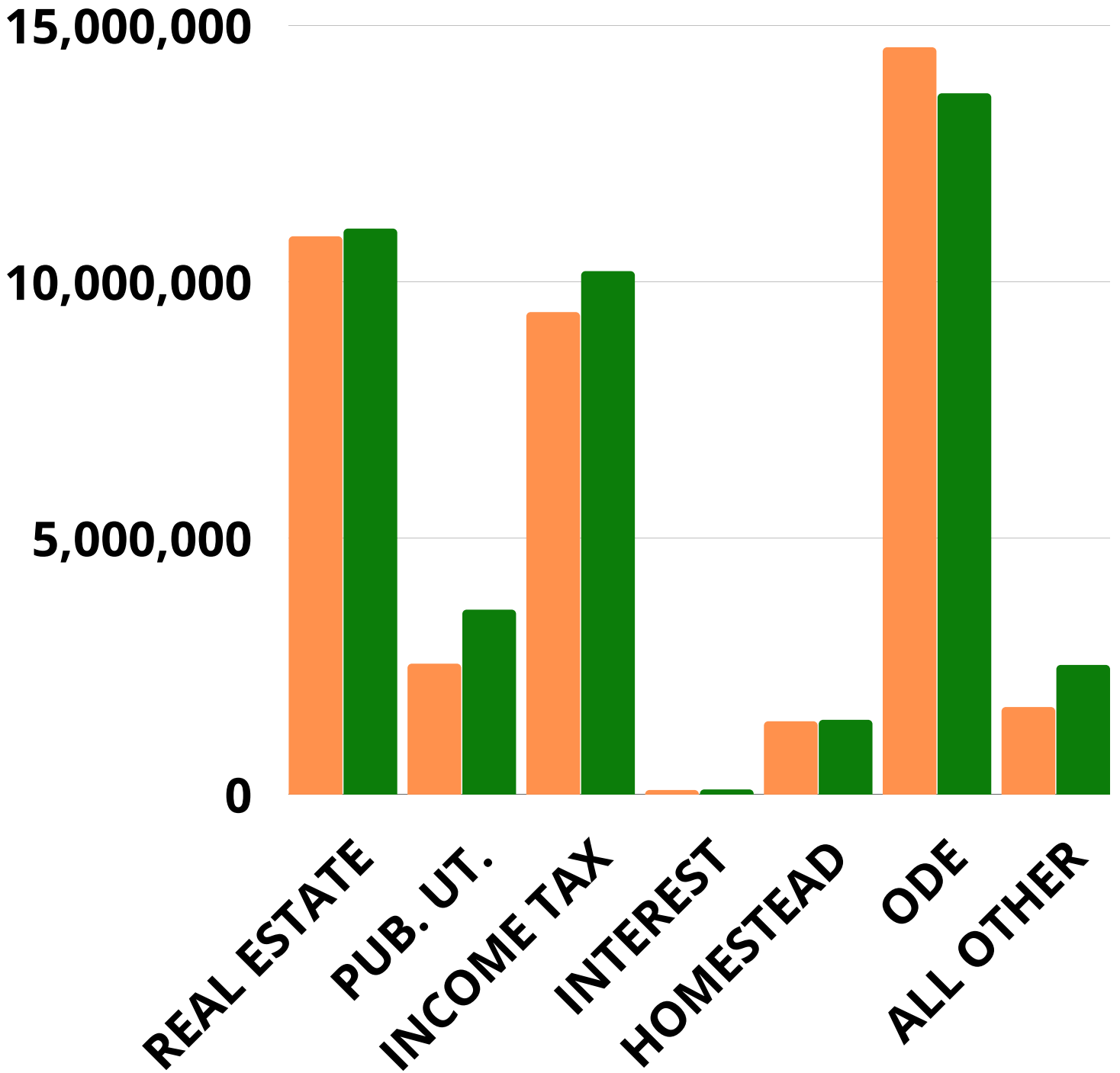
**OF TOTAL  
REVENUE**

**INCOME TAX**



**OF TOTAL  
REVENUE**

# OVERALL REVENUES



**FY22**

**41,126,575**

**FY23**

**\$42,959,330**

# REVENUES



- **Assumes state-aid being frozen to current levels**
- **Assumes passing our income tax renewal**
- **Assumes no change in NEXUS pipeline funding or a repayment in back taxes. This was all put on hold when Lorain County filed an appeal.**
- **This fiscal year will mark the end of repayments of the AMP payback (this is driving our real estate to be higher, coming from public utility).**

# EXPENSES

**FY23** **\$40,030,612**



25,000,000

20,000,000

15,000,000

10,000,000

5,000,000

0



SALARIES

BENEFITS

PURCHASED SERVICES

SUPPLIES

BUILDING EXPENSES

OTHER EXPENSES

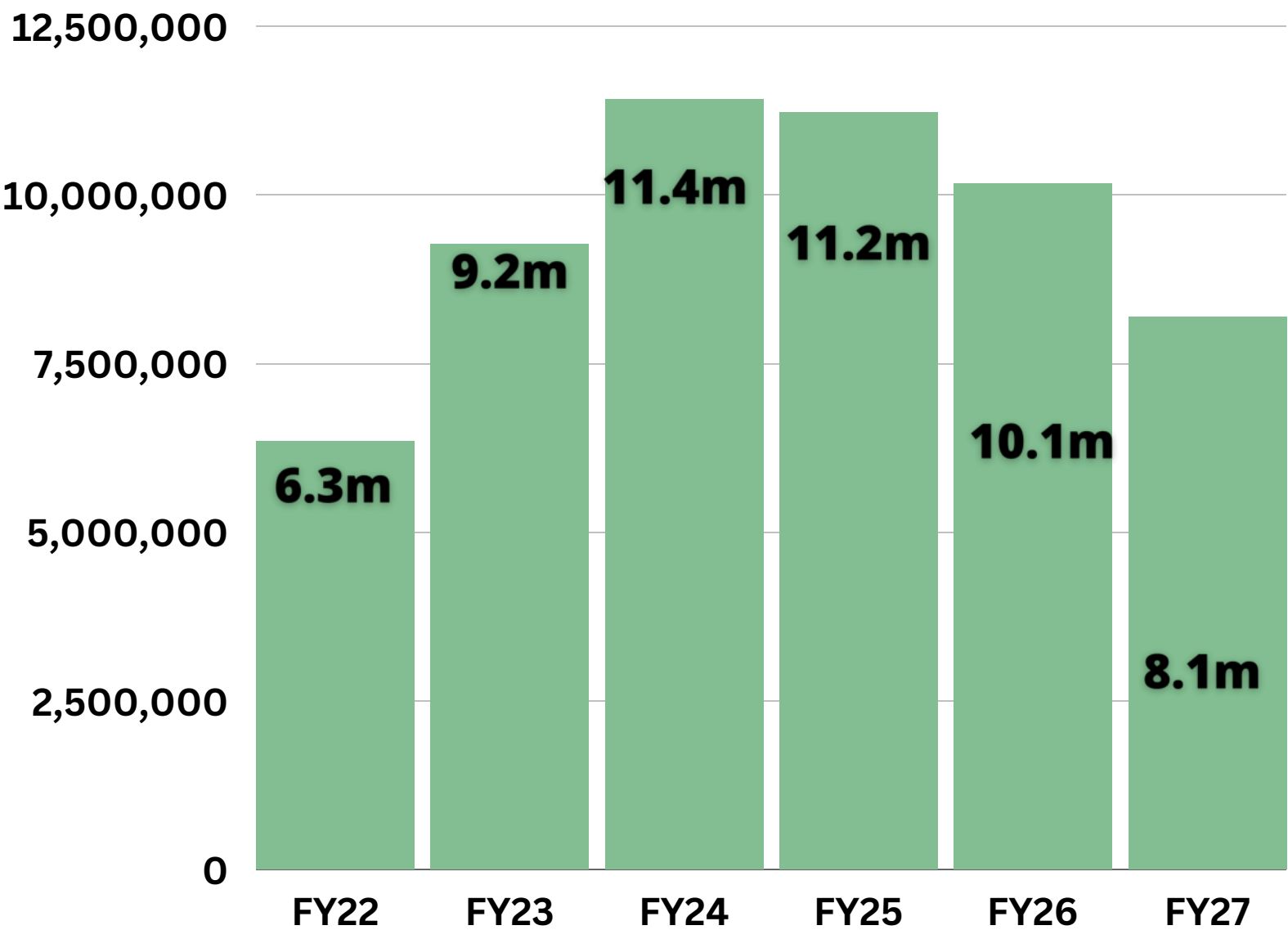
TRANSFERS OUT

# EXPENSES



- **Anticipating larger increases to medical insurance rates versus prior years. Medical inflation is historically higher than normal consumer inflation and we are experiencing this each month as I pay our medical claims.**
- **Salaries are coming in great, just under 1% for FY23. We will be offsetting our salaries using federal Esser dollars by \$1.5 million in FY23 and again in FY24.**
  - **This causes salaries to appear inflated in FY25.**
  - **In FY22 we offset benefits by \$1.3 million which is why this item looks so inflated for FY23.**
- **Inflation is hitting all Ohio businesses hard and we too cannot escape this. Everything from book to gasoline, we find ourselves paying more for less. This is reflected especially in Purchased Services and Supplies.**
  - **We also were able to write some items a year ago off using Esser and Wellness Dollars, this year we will not have the funds to do that (chromebooks, some curriculum, camera's, ect...)**

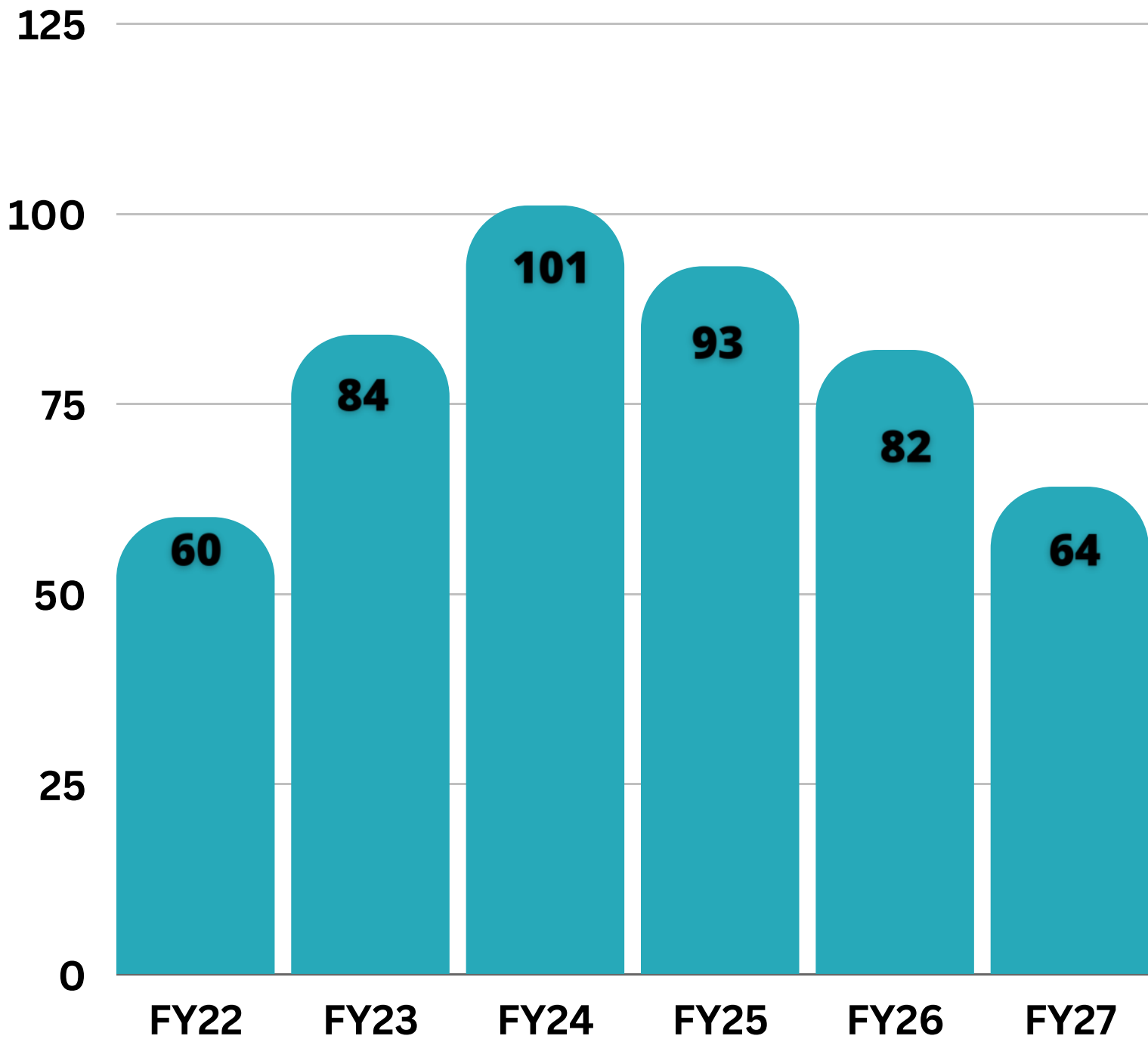




# ENDING CASH ANALYSIS







# TRUE DAYS CASH





# SALARIES & BENEFITS AS A PERCENT OF REVENUE

100

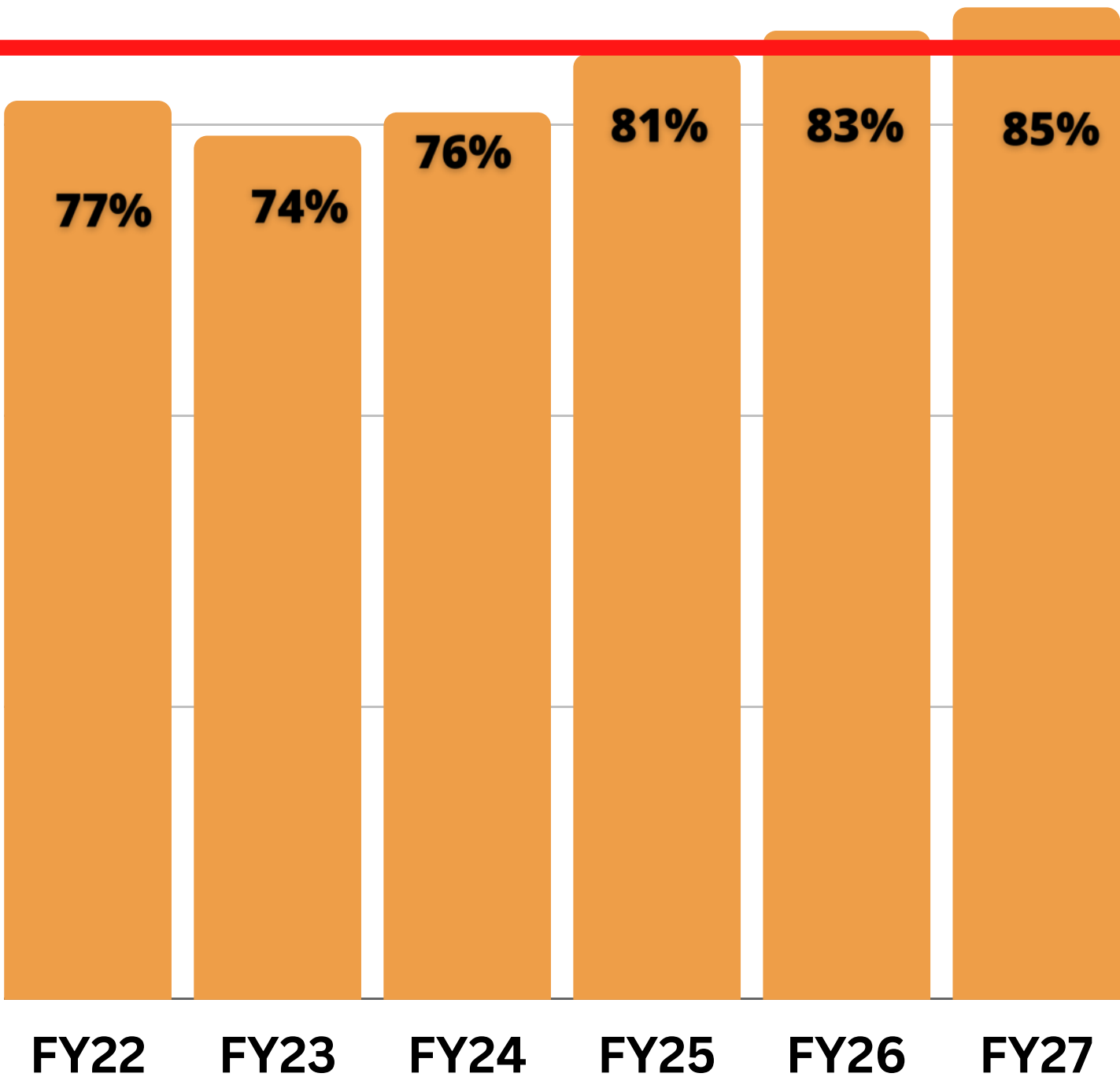
\*80% GOAL

75

50

25

0



FY22

FY23

FY24

FY25

FY26

FY27



BEGINNING FY23

# OTHER FUND BALANCES

**FUND  
002**

BOND  
FUND



**\$4,841,631**

**FUND  
034**

CLASSROOM FAC.



**\$2,775,713**

**FUND  
006**

FOOD SERVICE



**\$859,023**

PERMANENT  
IMPROVEMENT



**\$1,692,241**

**FUND  
003**



# OVERALL



**FY22**

**\$6,332,757**

**FY27**

**\$8,176,497**



Inflation, medical insurance increases, and uncertainty in State funding could cause a diminished fund balance moving out over the next five years. We have time to make adjustments to changing revenue and expenses.

# FREMONT CITY SCHOOL DISTRICT

SANDUSKY

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2020, 2021 and 2022 Actual;  
Forecasted Fiscal Years Ending June 30, 2023 Through 2027

|  | Actual              |                     |                     |                | Average<br>Change | Forecasted          |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|----------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | Fiscal Year<br>2020 | Fiscal Year<br>2021 | Fiscal Year<br>2022 |                |                   | Fiscal Year<br>2023 | Fiscal Year<br>2024 | Fiscal Year<br>2025 | Fiscal Year<br>2026 | Fiscal Year<br>2027 |
| <b>Revenues</b>  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 1.010 General Property Tax (Real Estate)   | \$10,611,912        | \$10,822,604        | \$10,879,401        | 1.3%           | \$11,029,401      | \$11,139,695        | \$11,251,092        | \$11,363,603        | \$11,477,239        |                     |
| 1.020 Tangible Personal Property Tax   | 1,681,822           | 1,219,356           | 2,548,679           | 40.8%          | \$3,600,000       | \$3,672,000         | \$3,745,440         | \$3,820,349         | \$3,896,756         |                     |
| 1.030 Income Tax   | 8,711,771           | 8,306,527           | 9,401,938           | 4.3%           | \$10,200,000      | \$7,650,000         |                     |                     |                     |                     |
| 1.035 Unrestricted State Grants-in-Aid   | 16,426,672          | 18,698,676          | 14,942,753          | -3.1%          | \$14,092,867      | \$14,042,867        | \$14,042,867        | \$14,042,867        | \$14,042,867        |                     |
| 1.040 Restricted State Grants-in-Aid   | 1,435,126           | 511,580             | 1,324,897           | 47.3%          | \$2,097,283       | \$2,097,283         | \$2,097,283         | \$2,097,282         | \$2,097,282         |                     |
| 1.045 Restricted Federal Grants-in-Aid - SFSF  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 1.050 Property Tax Allocation  | 1,393,687           | 1,403,297           | 1,423,914           | 1.1%           | \$1,452,392       | \$1,481,440         | \$1,511,069         | \$1,541,290         | \$1,572,116         |                     |
| 1.060 All Other Revenues   | 1,280,962           | 937,930             | 604,839             | -31.1%         | \$487,386         | \$480,846           | \$474,340           | \$467,869           | \$461,433           |                     |
| 1.070 <b>Total Revenues</b>  | <b>41,541,952</b>   | <b>41,899,970</b>   | <b>41,126,421</b>   | <b>-0.5%</b>   | <b>42,959,330</b> | <b>40,564,131</b>   | <b>33,122,090</b>   | <b>33,333,260</b>   | <b>33,547,692</b>   |                     |
| <b>Other Financing Sources</b>   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 2.010 Proceeds from Sale of Notes  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 2.020 State Emergency Loans and Advancements (Approved)  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 2.040 Operating Transfers-In   | 67,187              |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 2.050 Advances-In  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 2.060 All Other Financing Sources  |                     | 100,445             | 154                 |                |                   |                     |                     |                     |                     |                     |
| 2.070 <b>Total Other Financing Sources</b>   | <b>67,187</b>       | <b>100,445</b>      | <b>154</b>          | <b>-25.2%</b>  |                   |                     |                     |                     |                     |                     |
| 2.080 <b>Total Revenues and Other Financing Sources</b>  | <b>41,609,139</b>   | <b>42,000,415</b>   | <b>41,126,575</b>   | <b>-0.6%</b>   | <b>42,959,330</b> | <b>40,564,131</b>   | <b>33,122,090</b>   | <b>33,333,260</b>   | <b>33,547,692</b>   |                     |
| <b>Expenditures</b>  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 3.010 Personal Services  | 23,534,762          | 22,543,181          | 23,517,411          | 0.1%           | \$22,379,409      | \$23,103,291        | \$25,350,317        | \$26,129,955        | \$26,937,212        |                     |
| 3.020 Employees' Retirement/Insurance Benefits   | 8,890,024           | 8,516,905           | 8,013,407           | -5.1%          | \$9,392,436       | \$9,728,746         | \$10,079,783        | \$10,446,271        | \$10,828,971        |                     |
| 3.030 Purchased Services   | 9,862,643           | 9,943,607           | 5,025,963           | -24.3%         | \$6,229,383       | \$6,333,725         | \$6,441,006         | \$6,551,271         | \$6,664,576         |                     |
| 3.040 Supplies and Materials   | 1,097,159           | 730,793             | 1,095,301           | 8.2%           | \$1,223,910       | \$1,247,881         | \$1,272,977         | \$1,299,249         | \$1,326,752         |                     |
| 3.050 Capital Outlay   | 156,041             | 93,046              | 51,666              | -42.4%         | \$112,000         | \$60,000            | \$60,000            | \$60,000            | \$60,000            |                     |
| 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  | 669,921             | 695,338             | 696,324             | 2.0%           | \$668,474         | \$680,677           | \$693,405           | \$706,698           | \$720,595           |                     |
| 4.500 <b>Total Expenditures</b>  | <b>44,210,550</b>   | <b>42,522,870</b>   | <b>38,400,072</b>   | <b>-6.8%</b>   | <b>40,005,612</b> | <b>41,154,321</b>   | <b>43,897,490</b>   | <b>45,193,444</b>   | <b>46,538,105</b>   |                     |
| <b>Other Financing Uses</b>  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 5.010 Operating Transfers-Out  | 67,187              |                     |                     |                | \$25,000          | \$25,000            | \$25,000            | \$25,000            | \$25,000            |                     |
| 5.020 Advances-Out   | 70,000              |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 5.030 All Other Financing Uses   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 5.040 <b>Total Other Financing Uses</b>  | <b>137,187</b>      |                     |                     |                | <b>25,000</b>     | <b>25,000</b>       | <b>25,000</b>       | <b>25,000</b>       | <b>25,000</b>       |                     |
| 5.050 <b>Total Expenditures and Other Financing Uses</b>   | <b>44,347,737</b>   | <b>42,522,870</b>   | <b>38,400,072</b>   | <b>-6.9%</b>   | <b>40,030,612</b> | <b>41,179,321</b>   | <b>43,922,490</b>   | <b>45,218,444</b>   | <b>46,563,105</b>   |                     |
| 6.010 <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses</b> | <b>2,738,598-</b>   | <b>522,455-</b>     | <b>2,726,503</b>    | <b>-351.4%</b> | <b>2,928,718</b>  | <b>615,190-</b>     | <b>10,800,399-</b>  | <b>11,885,184-</b>  | <b>13,015,413-</b>  |                     |
| 7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies                              | 6,867,307           | 4,128,709           | 3,606,254           | -26.3%         | 6,332,757         | 9,261,475           | 8,646,285           | 2,154,115-          | 14,039,299-         |                     |
| 7.020 <b>Cash Balance June 30</b>  | <b>4,128,709</b>    | <b>3,606,254</b>    | <b>6,332,757</b>    | <b>31.5%</b>   | <b>9,261,475</b>  | <b>8,646,285</b>    | <b>2,154,115-</b>   | <b>14,039,299-</b>  | <b>27,054,712-</b>  |                     |
| 8.010 <b>Estimated Encumbrances June 30</b>  | <b>778,984</b>      | <b>554,184</b>      | <b>560,147</b>      | <b>-13.9%</b>  | <b>500,000</b>    | <b>500,000</b>      | <b>500,000</b>      | <b>500,000</b>      | <b>500,000</b>      |                     |
| <b>Reservation of Fund Balance</b>   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.010 Textbooks and Instructional Materials  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.020 Capital Improvements   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.030 Budget Reserve   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.040 DPIA   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.045 Fiscal Stabilization   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.050 Debt Service   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.060 Property Tax Advances  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.070 Bus Purchases  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 9.080 <b>Subtotal</b>  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 10.010 <b>Fund Balance June 30 for Certification of Appropriations</b>   | <b>3,349,725</b>    | <b>3,052,070</b>    | <b>5,772,610</b>    | <b>40.1%</b>   | <b>8,761,475</b>  | <b>8,146,285</b>    | <b>2,654,115-</b>   | <b>14,539,299-</b>  | <b>27,554,712-</b>  |                     |
| <b>Revenue from Replacement/Renewal Levies</b>   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 11.010 Income Tax - Renewal  |                     |                     |                     |                |                   | 2,754,000           | 10,612,080          | 10,824,322          | 11,040,808          |                     |
| 11.020 Property Tax - Renewal or Replacement   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 11.300 <b>Cumulative Balance of Replacement/Renewal Levies</b>   |                     |                     |                     |                |                   | <b>2,754,000</b>    | <b>13,366,080</b>   | <b>24,190,402</b>   | <b>35,231,210</b>   |                     |
| 12.010 <b>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</b>      | <b>3,349,725</b>    | <b>3,052,070</b>    | <b>5,772,610</b>    | <b>40.1%</b>   | <b>8,761,475</b>  | <b>10,900,285</b>   | <b>10,711,965</b>   | <b>9,651,103</b>    | <b>7,676,498</b>    |                     |
| <b>Revenue from New Levies</b>   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 13.010 Income Tax - New  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 13.020 Property Tax - New  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 13.030 <b>Cumulative Balance of New Levies</b>   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 14.010 Revenue from Future State Advancements  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 15.010 <b>Unreserved Fund Balance June 30</b>  | <b>3,349,725</b>    | <b>3,052,070</b>    | <b>5,772,610</b>    | <b>40.1%</b>   | <b>8,761,475</b>  | <b>10,900,285</b>   | <b>10,711,965</b>   | <b>9,651,103</b>    | <b>7,676,498</b>    |                     |
| <b>ADM Forecasts</b>   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 20.010 Kindergarten - October Count  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 20.015 Grades 1-12 - October Count   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| <b>State Fiscal Stabilization Funds</b>  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 21.010 Personal Services SFSF  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 21.020 Employees Retirement/Insurance Benefits SFSF  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 21.030 Purchased Services SFSF   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 21.040 Supplies and Materials SFSF   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 21.050 Capital Outlay SFSF   |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |
| 21.060 <b>Total Expenditures - SFSF</b>  |                     |                     |                     |                |                   |                     |                     |                     |                     |                     |

See accompanying summary of significant forecast assumptions and accounting policies  
Includes: General fund, Emergency Levy fund, DPIA fund, Textbook fund and any portion of Debt Service fund related to General fund debt