BRADFORD EXEMPTED VILLAGE SCHOOL DISTRICT
MIAMI COUNTY

SCHEDULE OF REVENUE, 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

APPROVED RESOLUTION NO 093-2022

Forecast Provided By
Bradford Exempted Village School District
Treasurer's Office
Carla Surber, CPA, CGMA, Treasurer/CFO
November 15, 2022

Bradford Exempted Village School District

Miami County

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				Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Average Change	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
	Revenues									
1.010	General Property Tax (Real Estate)	$957,162	$985,057	$1,006,051	2.5%	$997,098	$1,030,992	$1,039,241	$1,055,111	$1,079,391
1.020	Public Utility Personal Property Tax	48,591	50,290	51,799	3.2%	55,024	59,965	62,555	65,145	67,735
1.030	Income Tax	1,262,569	1,248,986	1,400,828	5.5%	1,645,937	1,521,422	1,544,244	1,567,409	1,590,921
1.035	Unrestricted State Grants-in-Aid	4,097,479	4,164,956	4,170,451	0.9%	4,195,403	4,192,014	4,192,901	4,193,813	4,194,748
1.040	Restricted State Grants-in-Aid	54,303	65,622	300,327	189.3%	320,442	320,443	320,444	320,445	320,446
1.045	Restricted Federal Grants-in-Aid	0	0	0	0.0%	0	0	0	0	0
1.050	Property Tax Allocation	157,554	160,587	161,192	1.2%	163,536	166,283	167,834	170,241	174,371
1.060	All Other Revenues	626,606	594,504	309,452	-26.5%	422,577	375,886	1,168,240	396,440	399,202
1.070	*Total Revenues*	$7,204,264	$7,270,002	$7,400,100	1.4%	$7,800,017	$7,667,005	$8,495,459	$7,768,604	$7,826,814
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020	State Emergency Loans	0	0	0	0.0%	0	0	0	0	0
2.040	Operating Transfers-In	0	0	0	0.0%	0	0	0	0	0
2.050	Advances-In	259,177	545,439	744,709	73.5%	800,000	700,000	350,000	350,000	350,000
2.060	All Other Financing Sources	135,363	91,599	35,679	-46.7%	35,679	35,679	35,679	35,679	35,679
2.070	*Total Other Financing Sources*	$394,540	$637,038	$780,388	42.0%	$835,679	$735,679	$385,679	$385,679	$385,679
2.080	*Total Revenues and Other Financing Sources*	$7,598,804	$7,907,040	$8,180,488	3.8%	$8,635,696	$8,402,684	$8,881,138	$8,154,283	$8,212,493
	Expenditures									
3.010	Personal Services	$3,486,659	$3,695,717	$3,927,467	6.1%	$4,090,668	$4,319,265	$4,589,456	$4,769,259	$4,976,022
3.020	Employees' Retirement/Insurance Benefits	1,359,004	1,478,692	1,727,933	12.8%	1,769,421	1,933,406	2,128,450	2,328,542	2,545,828
3.030	Purchased Services	1,478,095	1,380,178	923,841	-19.8%	1,035,959	1,040,754	1,080,878	1,142,501	1,181,282
3.040	Supplies and Materials	88,330	129,684	104,345	13.6%	135,177	133,858	160,561	156,772	159,907
3.050	Capital Outlay	215,334	194,877	45,297	-43.1%	327,562	78,013	995,573	301,164	193,037
3.060	Intergovernmental	0	0	0	0.0%	0	0	0	0	0
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	0	0	0	0.0%	0	0	0	0	0
4.020	Principal-Notes	0	0	0	0.0%	0	0	0	0	0
4.030	Principal-State Loans	0	0	0	0.0%	0	0	0	0	0
4.040	Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0
4.050	Principal-HB 264 Loans	0	0	0	0.0%	0	0	0	0	0
4.055	Principal-Other	0	0	0	0.0%	0	0	0	0	0
4.060	Interest and Fiscal Charges	0	0	-	0.0%	72,672	66,650	65,150	63,000	60,200
4.300	Other Objects	99,349	116,392	131,615	15.1%	128,364	124,115	124,298	124,066	123,098
4.500	*Total Expenditures*	$6,726,771	$6,995,540	$6,860,498	1.0%	$7,559,823	$7,696,061	$9,144,366	$8,885,304	$9,239,374
	Other Financing Uses									
5.010	Operating Transfers-Out	$564	$20,000	$3,205,000	9685.5%	$172,672	$136,650	$135,150	$153,000	$170,850
5.020	Advances-Out	228,488	645,354	753,709	99.6%	800,000	700,000	350,000	350,000	350,000
5.030	All Other Financing Uses	0	1,578	0	0.0%	0	0	0	0	0
5.040	*Total Other Financing Uses*	$229,052	$666,932	$3,958,709	342.4%	$972,672	$836,650	$485,150	$503,000	$520,850
5.050	*Total Expenditures and Other Financing Uses*	$6,955,823	$7,662,472	$10,819,207	25.7%	$8,532,495	$8,532,711	$9,629,516	$9,388,304	$9,760,224
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses*	$642,981	$244,568	($2,638,719)	-620.4%	$103,201	($130,027)	($748,378)	($1,234,021)	($1,547,731)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	$6,712,980	$7,355,961	$7,600,529	6.5%	$4,961,810	$5,065,011	$4,934,984	$4,186,606	$2,952,585
7.020	*Cash Balance June 30*	$7,355,961	$7,600,529	$4,961,810	-15.7%	$5,065,011	$4,934,984	$4,186,606	$2,952,585	$1,404,854
8.010	*Estimated Encumbrances June 30*	$522,444	$217,616	$452,387	24.8%	$500,000	$500,000	$500,000	$500,000	$500,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials	0	0	0	0.0%	0	0	0	0	0
9.020	Capital Improvements	0	0	0	0.0%	0	0	0	0	0
9.030	Budget Reserve	0	0	0	0.0%	0	0	0	0	0
9.040	DPIA	0	0	0	0.0%	0	0	0	0	0
9.045	Fiscal Stabilization	0	0	0	0.0%	0	0	0	0	0
9.050	Debt Service	0	0	0	0.0%	0	0	0	0	0
9.060	Property Tax Advances	0	0	0	0.0%	0	0	0	0	0
9.070	Bus Purchases	0	0	0	0.0%	0	0	0	0	0
9.080	*Subtotal Reservations of fund Balance*	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
10.010	*Fund Balance June 30 for Certification of Appropriations*	$6,833,517	$7,382,913	$4,509,423	-15.4%	$4,565,011	$4,434,984	$3,686,606	$2,452,585	$904,854

Bradford Exempted Village School District

Miami County

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				Forecasted				
		Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Average Change	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	0	0
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	0	0	0
11.300	Cumulative Balance of Renewal Levies	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	$6,833,517	$7,382,913	$4,509,423	-15.4%	$4,565,011	$4,434,984	$3,686,606	$2,452,585	$904,854
	Revenue from New Levies									
13.010	Income Tax - New	0	0	0	0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	$6,833,517	$7,382,913	$4,509,423	-15.4%	$4,565,011	$4,434,984	$3,686,606	$2,452,585	$904,854

Bradford Exempted Village School District – Miami County
Notes to the Five Year Forecast
General Fund Only
November 15, 2022

Introduction to the Five Year Forecast

A forecast is somewhat like a painting of the future based upon a snapshot of today. That snapshot, however, will be adjusted and the further into the future the forecast extends, the more likely it is that the projections will deviate from actual experience. A variety of events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal/ replacement), salary increases, or businesses moving in or out of the district. The five-year forecast is viewed as a key management tool and must be updated periodically. In Ohio, most school districts understand how they will manage their finances in the current year. The five-year forecast encourages district management teams to examine future years' projections and identify when challenges will arise. This then helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with ODE when events take place that will significantly change their forecast or, at a minimum, when required under statute.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions to the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are especially important to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science, and entails many intricacies, it is recommended that you contact the Treasurer/Chief Fiscal Officer or Board of Education (BOE) of the individual school district with any questions you may have. The Treasurer or CFO submits the forecast, but the BOE is recognized as ultimately responsible for the development of the forecast and the official owner.

Here are at least three purposes or objectives of the five-year forecast:

(1) To engage the local board of education and the community in 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

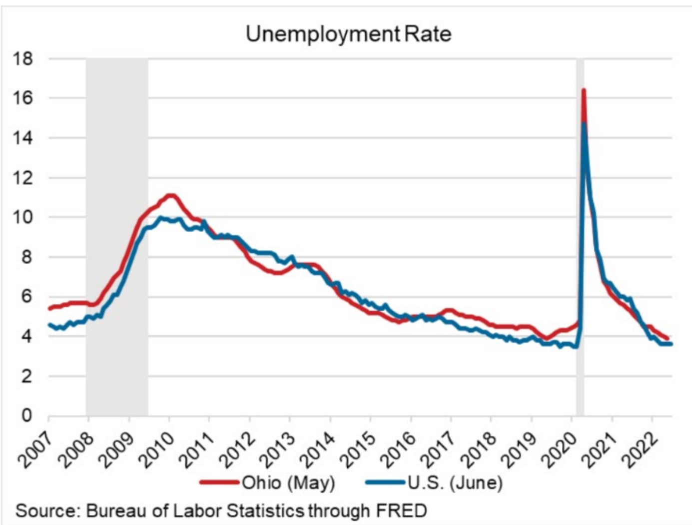
O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five (5) year financial forecast by November 30, 2022, and May 31, 2023, for the fiscal year 2023 (July 1, 2022, to June 30, 2023). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The fiscal year 2023 (July 1, 2022-June 30, 2023) is the first year of the five-year forecast and is considered the baseline year. Our forecast is updated to reflect the most current economic data available for the November 2022 filing.

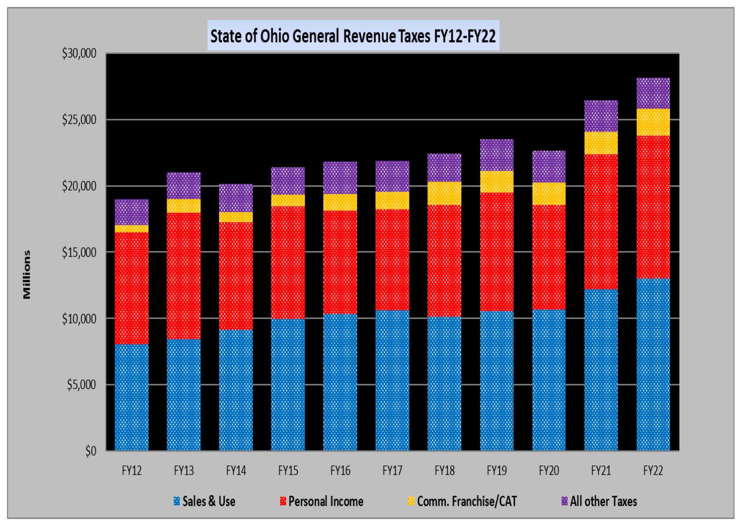
Economic Outlook

This five-year forecast is being filed during a two-year economic recovery following the COVID-19 Pandemic, which began in early 2020. The effects of the pandemic have lessened, but several supply chain concerns and high inflation continues to impact our state, country, and broader globalized economy. Inflation in June 2022 hit a 40-year high of 9.1% before falling to 8.3% in August. Costs in FY22 were notably impacted in areas such as diesel fuel for buses, electric and natural gas, and building materials for facility maintenance and repair. Increased inflation affecting district costs is expected to continue in FY23; it remains to be seen if these costs are transitory or will last over the next few years, which could significantly impact our forecast and adversely affect state and local funding.

The Federal Reserve Bank has made fighting inflation its number one concern. It is expected that interest rate increases before December 2022 will result in increased unemployment, and many economists anticipate an economic recession in the first half of the calendar year 2023. If that occurs, the recession will happen as the state legislature considers the next biennium budget for FY24 and FY25. Despite the solid economic recovery, the state of Ohio has enjoyed over the past two years, as noted below in the graphs, a recession may impact funding for primary and secondary education.

As noted in the graphs below the State of Ohio's economy has steadily recovered over the past two years. School funding cuts made in FY20 have been fully restored, and a new state funding formula is in year two of a projected five-year phase. While increased inflation impacting district costs is expected to continue over the next few years, the state's economy has grown, as indicated in the graphs below. It may enable the state to continue the phase-in of the new funding formula even if a cyclical recession occurs in the first half of the 2023 calendar year.





While all school districts are being aided by three (3) rounds of federal Elementary and Secondary Schools Emergency Relief Funds (ESSER), which began in the fiscal year 2020, the most recent allocation of ESSER funds must be spent or encumbered by September 30, 2024.

Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

Forecast Risks and Uncertainty:
A five-year financial forecast has risks and uncertainty not only due to economic uncertainties noted above but also due to state legislative changes that will occur in the spring of 2023 and 2025 due to deliberation of the next two (2) state biennium budgets for FY24-25 and FY26-27, both of which affect this five year forecast. We have estimated revenues and expenses based on the best data available to us and the laws in effect at this time. The items below give a short description of the current issues and how they may affect our forecast long term:

1) Property tax collections are the largest single revenue source for the school system. The housing market in our district is stable and growing. We project growth in appraised values every three (3) years, and new construction growth with modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Total local revenues, predominately local taxes, equating to 40% of the district's

resources. Our tax collections in the August 2022 settlement fell slightly from the prior year. We believe there is a low risk that local collections would fall below projections throughout the forecast.

2) Miami County will have a triennial update in tax year 2022 for collection in 2023, while Darke and Shelby Counties will go through reappraisal in tax year 2023 for collection in 2024. Combined, we anticipate value increases, including new construction for Class I and II property by $2.2 million or 3.8%. This includes an adjustment for lower Current Agricultural Use Values (CAUV) authorized by HB49. There is always a minor risk that the district could sustain a reduction in values in the next reappraisal/update but we do not anticipate that at this time.

3) The state budget represents 57.9% of district revenues, which means it is a significant area of risk to revenue. The future risk comes in FY24 and beyond if the state economy stalls or worsens and the fair school funding plan is not funded in future state budgets or an economic downturn results in a reduction in state aid. There are two future State Biennium Budgets covering the period from FY24-25 and FY26-27 in this forecast. Future uncertainty in both the state foundation funding formula and the state's economy makes this area an elevated risk to district funding. We have projected our state funding to be in line with the FY23 funding levels through FY27, which we feel is conservative and should be close to what the state approves for the FY24-FY27 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

4) HB110, the current state budget, implements what has been referred to as the Fair School Funding Plan (FSFP) for FY22 and FY23. The full release of the new Fair School Funding Plan formula calculations was delayed until March 2022. The FSFP has many significant changes to how foundation revenues are calculated for school districts and how expenses are charged off. State foundation basic aid will be calculated on a base cost methodology with funding paid to the district where a student is enrolled to be educated. Beginning in FY22, a district's open enrollment payments were no longer be paid separately as those payments are included with basic aid. A change in expenditures beginning in FY22 will also occur, in that there will no longer be deductions for students that attend elsewhere for open enrollment, community schools, STEM schools, and scholarship recipients, as these payments will be paid directly to those districts from the state. The initial impact of these changes on the forecast will be noticed in that the actual historical costs for FY20 through FY21 reflect different trends on Lines 1.035, 1.04, 1.06, and 3.03 beginning in FY22. In June 2022, the legislature passed HB583 to resolve issues and possible unintended consequences in the new funding formula. Some of these changes impacted FY22 and future years' funding. Our state aid projections have been based on the best information on the new HB110 formula as amended by HB583 that are available as of this forecast.

5) HB110 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs will no longer be deducted from our state aid. However, there still are education option programs such as College Credit Plus, which continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs that are not directly paid for by the state of Ohio can expose the district to new expenditures that are not currently in the forecast. We closely monitor any new threats to our state aid and increased costs as new proposed laws are introduced in the legislature.

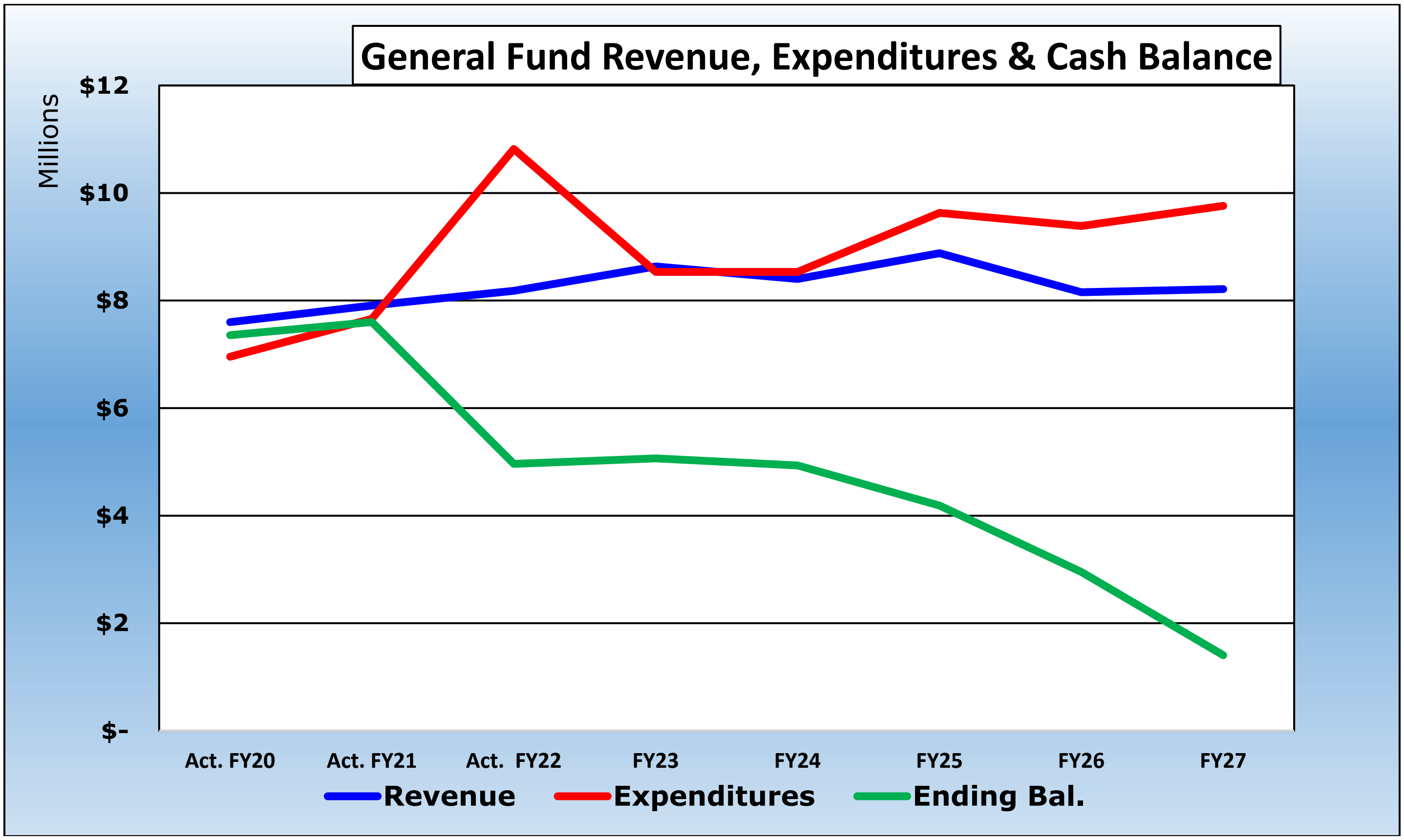
6) Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we face. We believe as we move forward our positive working relationship will continue and will only grow stronger. This was represented by an agreement voted upon by the Board of Education, defining increases for FY23 of 2%, FY24 of 2.5% and FY25 of 3.0%, which exceeds the average for both the State of Ohio and the area in question.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district.

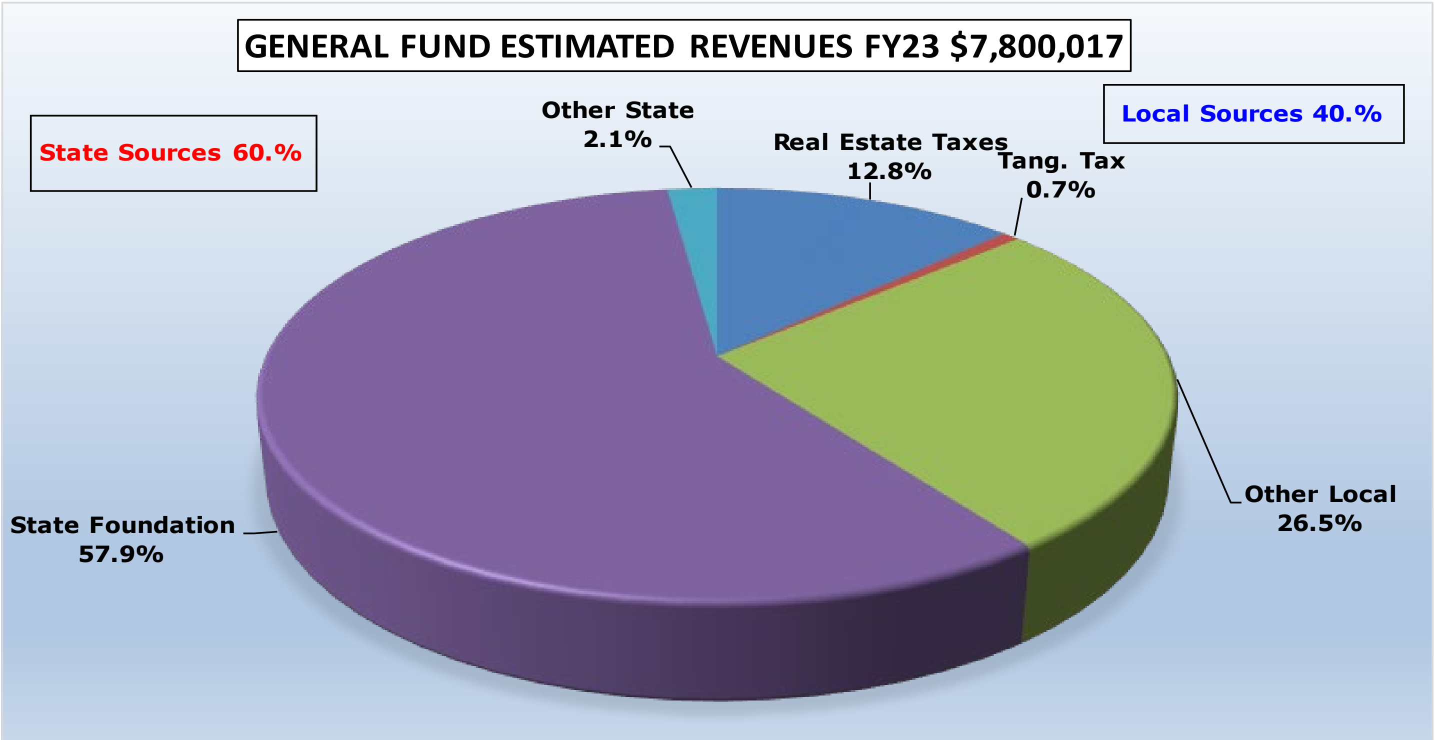
If you would like further information please feel free to contact Carla G. Surber, Treasurer/CFO of Bradford Exempted Village School District at 937-448-2770, Extension 1116.

General Fund Revenue, Expenditures and Ending Cash Balance Act. FY20-22 and Estimated FY23-27

The graph captures in one snapshot the operating scenario facing the District over the next few years.



Revenue Assumptions
Operating Revenue Categories - General Fund FY23



Real Estate Value Assumptions – Line # 1.010
Property Values are established each year by each County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Darke and Shelby Counties experienced an update for the 2020 tax year, collected in 2021. Residential/agricultural values increased 1.87% or $1 million due to an improving housing market.

An update will occur in Miami County for 2022 for collection in 2023. We are estimating a 2% increase in residential and a 0% increase for commercial/industrial property. We anticipate values to increase $1.3 million. In addition, Darke and Shelby Counties will undergo a reappraisal in Tax Year 2023 for collection in 2024.We expect very modest increases in values. Combined, we anticipate value increases, including new construction for Class I and II property by $2.2 million or 3.8%.

Public Utility Personal Property (PUPP) values increased by $133,000 in Tax Year 2021. We expect our values to continue to grow by $100,000 each year of the forecast.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

	Estimated	Estimated	Estimated	Estimated	Estimated
	TAX YEAR2022	TAX YEAR2023	TAX YEAR2024	TAX YEAR 2025	TAX YEAR 2026
Classification	COLLECT 2023	COLLECT 2024	COLLECT 2025	COLLECT 2026	COLLECT 2027
Res./Ag.	$56,929,452	$57,748,746	$57,998,746	$59,408,721	$60,846,896
Comm./Ind.	2,960,230	2,989,832	2,989,832	3,019,731	3,049,928
Public Utility Personal Property (PUPP)	2,265,270	2,365,270	2,465,270	2,565,270	2,665,270
Total Assessed Value	$62,154,952	$63,103,849	$63,453,849	$64,993,722	$66,562,094

ESTIMATED REAL ESTATE TAX (Line #1.010)

Source	FY23	FY24	FY25	FY26	FY27
Est. Real Estate Taxes	997,098	1,030,992	1,039,241	1,055,111	1,079,391
Total Line #1.01 Real Estate Taxes	$997,098	$1,030,992	$1,039,241	$1,055,111	$1,079,391

Property tax levies were collected at 96.65% of the annual amount in CY22. We will continue to estimate this percentage of collection. This allows for County Auditor fees and a 1.9% delinquency factor. In general, 58.45% of the Residential/Agricultural and Commercial/Industrial property taxes are expected to be collected in the February tax settlement and 41.55% collected in the August tax settlement.

Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in March and 50% in August settlement from the County Auditor and are noted in Line #1.02 totals below.

Renewal and Replacement Levies – Line #11.02
No renewal or replacement levies are modeled in this forecast.

New Tax Levies – Line #13.030
No new levies are modeled in this forecast.

Estimated Tangible Personal Tax & Public Utility Personal Property – Line#1.020
As noted earlier, the phase-out of TPP taxes began in FY06 with HB66, which was adopted in June 2005. The amounts below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted on the table above under P.U. Personal, which was $2.16 million in assessed values in 2021 and is collected at the district's gross voted millage rate. Collections are typically 50% in March and 50% in August, along with the real estate settlements from the county auditor. The values in 2021 rose by .06% or $133,000 and are expected to grow by $100,000 each year of the forecast.

Source	FY23	FY24	FY25	FY26	FY27
Public Utility Personal Property	$55,024	$59,965	$62,555	$65,145	$67,735
Total PUPP Tax Line #1.020	$55,024	$59,965	$62,555	$65,145	$67,735

School District Income Tax –Line #1.030
The 1.75% SDIT was approved in 1983 and is continuing. As we move into post-pandemic economic times, we see that income tax collections are beginning to increase with the economic recovery. So far, in FY23, income tax collection statewide has risen by around 9%. Our income tax in FY22 was up 12.16% over FY21. In July and October 2022, we noted an unusual increase in collections in SD100 returns and Certified Collections. To date, our collections are up 31% over last year for the same time period. We do not think these will be reoccurring in FY24 and have adjusted our expectation to not overestimate. We will assume that income from withholdings will continue in future collections. We will assume an annual growth rate of 1.5% for FY24-FY27 as the concerns over inflation may slow growth in this area.

Source	FY23	FY24	FY25	FY26	FY27
School District Income Tax	$1,400,828	$1,498,937	$1,521,422	$1,544,244	$1,567,409
Adjustments	245,109	22,485	22,822	23,165	23,512
Total SDIT Line #1.030	$1,645,937	$1,521,422	$1,544,244	$1,567,409	$1,590,921

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045

Current State Funding Model per HB110 through June 30, 2023

A) Unrestricted State Foundation Revenue – Line #1.035
The full release of the new Fair School Funding Plan formula occurred in March, 2022 and was amended in HB583, passed in June 2022. Complete calculations of the new formula were not available for nearly all of the last fiscal year. We have projected FY23 funding based on the September 2022 foundation settlement and funding factors.

Our district is currently a formula district in FY23 and is expected to be FY24-FY27 on the new Fair School Funding Plan (FSFP). The state foundation funding formula has gone through many changes in recent years. The most recent funding formula began in FY14. It was dropped in FY19 after six (6) years, followed by no foundation formula for two (2) years in FY20 and FY21, and now HB110, as amended by HB583, implements the newest and possibly the most complicated funding formula in recent years for FY22 and FY23. The current formula introduces many changes to how state foundation is calculated and expenses deducted from state funding which will potentially make the actual five-year forecast look different with estimates FY23 through FY27 compared to actual data FY20 through FY21 on Lines 1.035, 1.04, 1.06, and 3.03 of the forecast.

Overview of Key Factors that Influence State Basic Aid in the Fair School Funding Plan

A. Student Population and Demographics
B. Property Valuation Per Pupil
C. Personal Income of District Residents Per Pupil
D. Historical Funding - CAPS and Guarantees from prior funding formulas “Funding Bases” for guarantees.

<u>Base Cost Approach - Unrestricted Basic Aid Foundation Funding</u>
The new funding formula uses FY18 statewide average district costs and developed a base cost approach that includes minimum service levels and student teacher ratios to calculate a unique base cost for each district. Newer more up to date state wide average costs will not update for FY23 and remains frozen at FY18 levels, while other factors impacting a districts local capacity will update for FY23. Base costs per pupil includes funding for five (5) areas:

1. Teacher Base Cost (4 subcomponents)
2. Student Support (7 subcomponents-including a restricted Student Wellness component)
3. District Leadership & Accountability (7 subcomponents)
4. Building Leadership & Operations (3 subcomponents)
5. Athletic Co-curricular (contingent on participation)

<u>State Share Percentage – Unrestricted Basic Aid Foundation Funding</u>
Once the base cost is calculated, which is currently at a state wide average of $7,351.71 per pupil in FY23, the FSFP calculates a state share percentage (SSP) calculation. The state share percentage in concept will be higher for districts will less capacity (lower local wealth) and be a lower state share percentage for districts with more capacity (higher local wealth). The higher the district’s ability to raise taxes based on local wealth the lower the state share percentage. The state share percentage will be based on 60% property valuation of the district, 20% on federally adjusted gross income and 20% on federal median income, as follows:

1. 60% based on most recent three (3) year average assessed values or the most recent year, whichever is lower divided by base students enrolled.

2. 20% based on most recent three (3) year average federal adjusted gross income of districts residents or the most recent year, whichever is lower divided by base students enrolled.
3. 20% based on most recent year federal median income of district residents multiplied by number of returns in that year divided by base students enrolled.
4. When the weighted values are calculated and item 1 through 3 above added together the total is then multiplied by a Local Share Multiplier Index from 0% for low wealth districts to a maximum of 2.5% for wealthy districts.

When the unrestricted base cost is determined and multiplied by the state share percentage, the resulting amount is multiplied by the current year enrolled students (including open enrolled students being educated in each district), and finally multiplied by the local share multiplier index for each district. The result is the local per pupil capacity amount of the base per pupil funding amount.

Categorical State Aid
In addition to the base state foundation funding calculated above the FSFP also has unrestricted categorical funding and new restricted funding beginning in FY22, some of which will have the state share percentage applied to these calculations as noted below:

Unrestricted Categorical State Aid

1. Targeted Assistance/Capacity Aid – Provides additional funding based on a wealth measure using 60% weighted on property value and 40% on income. Uses current year enrolled average daily membership (ADM). Also will provide supplemental targeted assistance to lower wealth districts whose enrolled ADM is less than 88% of their total FY19 ADM.
2. Special Education Additional Aid – Based on six (6) weighted funding categories of disability and moved to a weighted funding amount and not a specific amount. An amount of 10% will be reduced from all district's calculation to be used toward the state appropriation for Catastrophic Cost reimbursement.
3. Transportation Aid – Funding based on all resident students who ride including preschool students and those living within 1 mile of school. Provides supplemental transportation for low density districts. Increases state minimum share to 29.17% in FY22 and 33.33% in FY23. In general, districts whose state share percentage is less than 33.33% will see a benefit from the increase to 33.33% funding.

Restricted Categorical State Aid

1. Disadvantage Pupil Impact Aid (DPIA) - Formerly Economically Disadvantaged Funding is based on number and concentration of economically disadvantaged students compared to state average and multiplied by $422 per pupil. Phase in increases are limited to 0% for FY22 and 14% in FY23. There is no legislation indicating the percentage increase for FY24 and beyond for DPIA.
2. English Learners – Based on funded categories based on time student enrolled in schools and multiplied by a weighted amount per pupil.
3. Gifted Funds – Based on average daily membership multiplied by a weighted amount per pupil.
4. Career-Technical Education Funds – Based on career technical average daily membership and five (5) weighted funding categories students enrolled in.
5. Student Wellness and Success Funds- These funds in FY20 and FY21 were accounted for in Fund 467 but are now restricted funds to be accounted for in the General Fund as part of the foundation formula.

State Funding Phase-In FY22 and FY23 and Guarantees

While the FSFP was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB110, which was amended by HB583 in June 2022. The FSFP does not include caps on funding; instead, it will consist of a general phase-in percentage for most components of 16.67% in FY22 and 33.33% in FY23. DPIA funding will be phased in at 0% in FY22 and 14% in FY23. Transportation categorical funds will not be subject to a phase-in.

HB110 includes three (3) guarantees: 1) "Formula Transition Aid"; 2) Supplemental Targeted Assistance, and 3) Formula Transition Supplement. The three (3) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY22 and FY23 than they received in FY21. The guarantee level of funding for FY22 is a calculated funding guarantee level based on total state funding cuts from May 2020 restored, net of transfers and deductions, plus Student Wellness and Success funds (based on FY21 SWSF amounts), enrollment growth supplement funds paid in FY21 and special education preschool and special education transportation additional aid items. It is estimated that nearly 420 districts are on one form of guarantee in FY22. In general, the same number will occur in FY23 since state average costs were frozen at FY18 in the Base Cost calculations. In contrast, property values and Federal Adjusted Gross Income will be allowed to update and increase for FY23, pushing districts toward one of the three (3) guarantees.

Student Wellness and Success Funds (SWSF) - (Restricted Fund 467)

In FY20 and FY21 HB166, provided Student Wellness and Success Funds (SWSF) to be deposited in a Special Revenue Fund 467. HB110 the new state budget essentially eliminated these funds by merging them into state aid and wrapped into the expanded funding and mission of DPIA funds noted above and on Line 1.04 below, with only a smaller portion devoted to SWSF. Any remaining funds in Special Revenue Fund 467 from FY20 and FY21 will be required to be used for the restricted purposes governing these funds until spent fully.

Future State Budget Projections beyond FY23

Our funding status for the FY24-27 will depend on unknown (2) new state budgets. There is no guarantee that the current Fair School Funding Plan in HB110 will be funded or continued beyond FY23. For this reason, funding is held constant in the forecast for FY23 through FY27.

Casino Revenue

On November 3, 2009 Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos one each in Cleveland, Toledo, Columbus and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% Gross Casino Revenue that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year which began for the first time on January 31, 2013.

Casino revenue fell slightly in FY21 due to COVID-19 and casinos closing for over two months. We have increased the amount in FY22 back to pre-pandemic FY20 levels as casino revenues appear to have dipped mainly due to their closure and not in response to the economic downturn. Before the COVID-19 closure, casino revenues grew modestly as the economy improved. Original projections for FY23-27 estimated a .4% decline in pupils to 1,778,441 and GCR increasing to $106.35 million or $59.80 per pupil; actual payments in FY22 were $62.87 per pupil. FY23 Casino revenues have resumed their historical growth rate and assume a 2% annual growth rate for the forecast period.

Source	FY23	FY24	FY25	FY26	FY27
Basic Aid-Unrestricted	$4,125,322	$4,121,064	$4,121,064	$4,121,064	$4,121,064
Additional Aid Items	35,491	35,491	35,491	35,491	35,491
Basic Aid-Unrestricted Subtotal	4,160,813	4,156,555	4,156,555	4,156,555	4,156,555
Ohio Casino Commission ODT	34,590	35,459	36,346	37,258	38,193
Total Unrestricted State Aid Line #1.035	$4,195,403	$4,192,014	$4,192,901	$4,193,813	$4,194,748

B) Restricted State Revenues – Line # 1.040

HB110 has continued Disadvantaged Pupil Impact Aid (formerly Economically Disadvantaged funding) and Career Technical funding. In addition, new restricted funds have been added as noted above under "Restricted Categorical Aid" for Gifted, English Learners (ESL), and Student Wellness. The amount of DPIA is limited to a 0% phase in growth for FY22 and 14% in FY23. We have flat-lined funding at FY23 levels for FY24-FY27 due to uncertainty on continued funding of the current funding formula.

Source	FY23	FY24	FY25	FY26	FY27
DPIA	$46,110	$46,111	$46,112	$46,113	$46,114
Career Tech - Restricted	1,275	1,275	1,275	1,275	1,275
Gifted	48,756	48,756	48,756	48,756	48,756
EL	0	0	0	0	0
Student Wellness	224,301	224,301	224,301	224,301	224,301
Catastrophic Aid	0	0	0	0	0
Total Restricted State Revenues Line #1.040	$320,442	$320,443	$320,444	$320,445	$320,446

C) Restricted Federal Grants in Aid – line #1.045

No federal unrestricted grants are projected FY22-26.

SUMMARY	FY23	FY24	FY25	FY26	FY27
Unrestricted Line #1.035	$4,195,403	$4,192,014	$4,192,901	$4,193,813	$4,194,748
Restricted Line #1.040	320,442	320,443	320,444	320,445	320,446
Rest. Federal Funds #1.045	0	0	0	0	0
Total State Foundation Revenue	$4,515,845	$4,512,457	$4,513,345	$4,514,258	$4,515,194

State Taxes Reimbursement/Property Tax Allocation

A) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given owner-occupied residences. Credits equal 12.5% of the gross property taxes charged residential taxpayers on levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after that time.

Homestead Exemptions are credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007, HB119 expanded the Homestead Exemption for all seniors 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013 will not lose it going forward and will not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the state is increasing the tax burden on our local taxpayers.

Summary of State Tax Reimbursement – Line #1.050

Source	FY23	FY24	FY25	FY26	FY27
Rollback and Homestead	$163,536	$166,283	$167,834	$170,241	$174,371
Total Tax Reimbursements #1.050	$163,536	$166,283	$167,834	$170,241	$174,371

Other Local Revenues – Line #1.060

All other local revenue encompasses any type of revenue that does not fit into the above lines. The main sources of revenue in this area have been open enrollment, tuition for court placed students, student fees, and general rental fees. This area of revenue also includes our Medicaid and catastrophic cost reimbursements. HB110, the new state budget, stopped paying open enrollment as an increase to other revenue for the district. This is projected below as zeros to help show the difference between projected FY23-FY27 Line 1.06 revenues and historical FY20 through FY22 revenues on the five year forecast. Open enrolled students will be counted in the enrolled student base at the school district they are being educated at and state aid will follow the students. Open enrolled student revenues will be included in Line 1.035 as state basic aid. In FY21 and FY22 interest income fell due to fed rate reductions due to the pandemic which will impact our earning capability in this area until rates begin to increase. All other revenues are expected to continue on historic trends.

Source	FY23	FY24	FY25	FY26	FY27
Tuition Related Payments	$151,225	$151,225	$151,225	$151,225	$151,225
Open Enrollment	0	0	0	0	0
Class & Sports Oriented Fees	21,164	21,270	21,376	21,483	21,590
Interest Earnings	140,000	91,000	91,000	91,000	91,000
Miscellaneous(medicaid,cat cost,erate)	110,188	112,391	904,639	132,732	135,387
Total Other Local Revenue Line #1.060	$422,577	$375,886	$1,168,240	$396,440	$399,202

Short-Term Borrowing – Lines #2.010 & Line #2.020

The district entered into a COPS financing agreement in FY23 of $1,790,000. This debt will be repaid over 20 years, with the last payment due 12/1/2041.

Transfers In / Return of Advances – Line #2.040 & Line #2.050

These are non-operating revenues which are the repayment of short term loans to other funds during the fiscal year. All advances during the current year are planned to be returned at fiscal year-end.

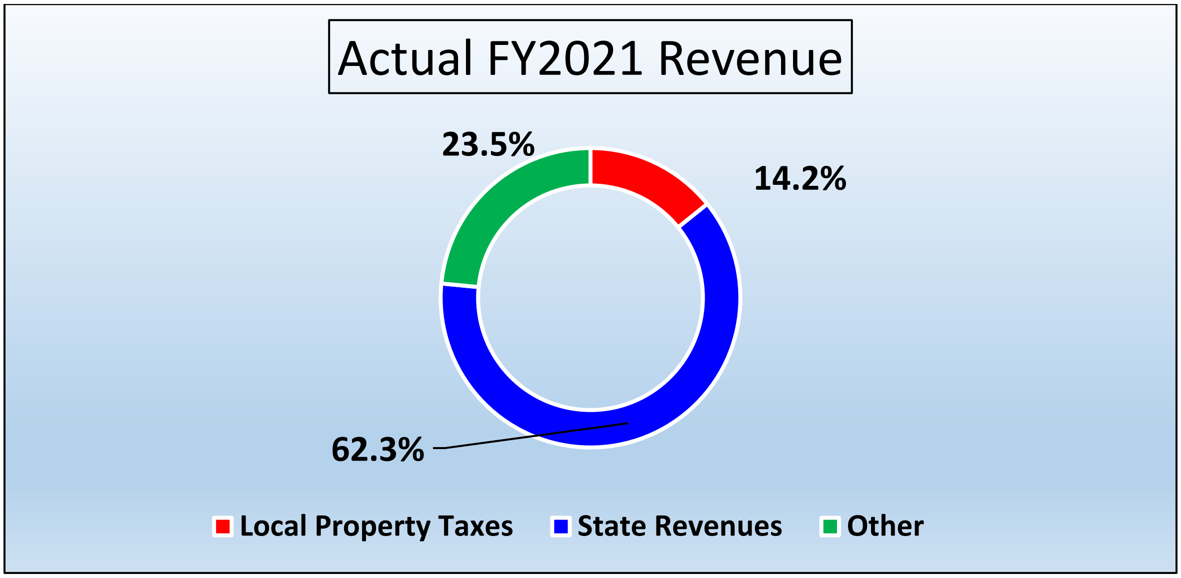
Source	FY23	FY24	FY25	FY26	FY27
Transfers In - Line #2.040	$0	$0	$0	$0	$0
Advance Returns - Line #2.050	800,000	700,000	350,000	350,000	350,000
Total Transfer & Advances In	$800,000	$700,000	$350,000	$350,000	$350,000

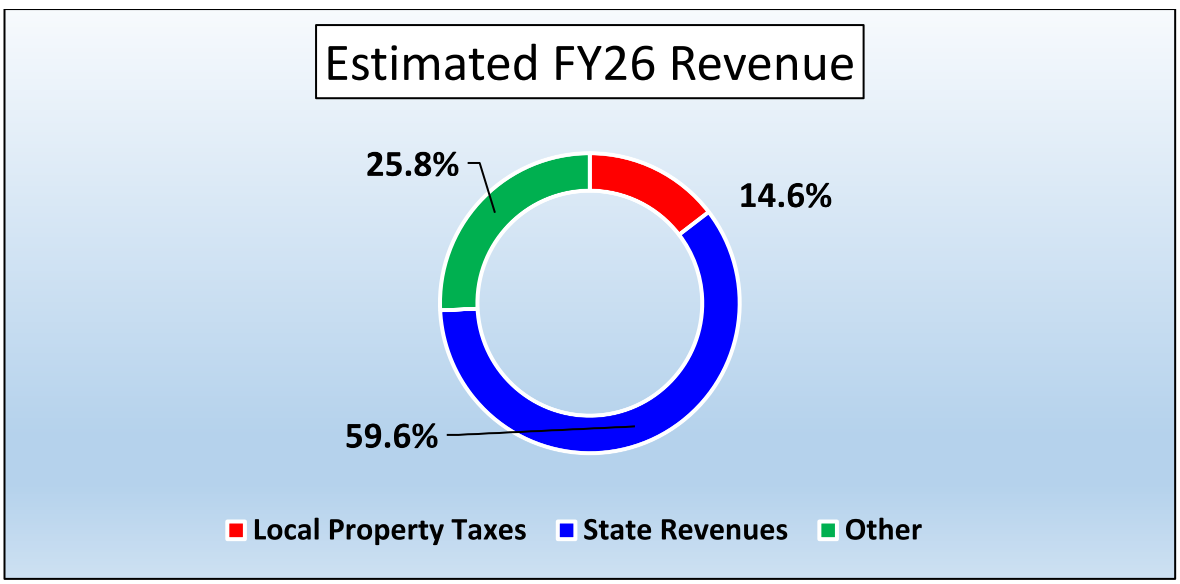
All Other Financial Sources – Line #2.060

This funding source is typically a refund of prior year expenditures that is very unpredictable. We received several Bureau of Workers Compensation refunds over the past two years and do not expect to receive a refund in FY23. These revenues are inconsistent year to year and we will not project that occurring in the remainder of the forecast.

Source	**FY23**	**FY24**	**FY25**	**FY26**	**FY27**
Refund of prior years expenditures	$35,679	$35,679	$35,679	$35,679	$35,679

Comparison of Actual Historical Revenue and Future Revenues based on changing demographics as the district looks to other revenues for funding

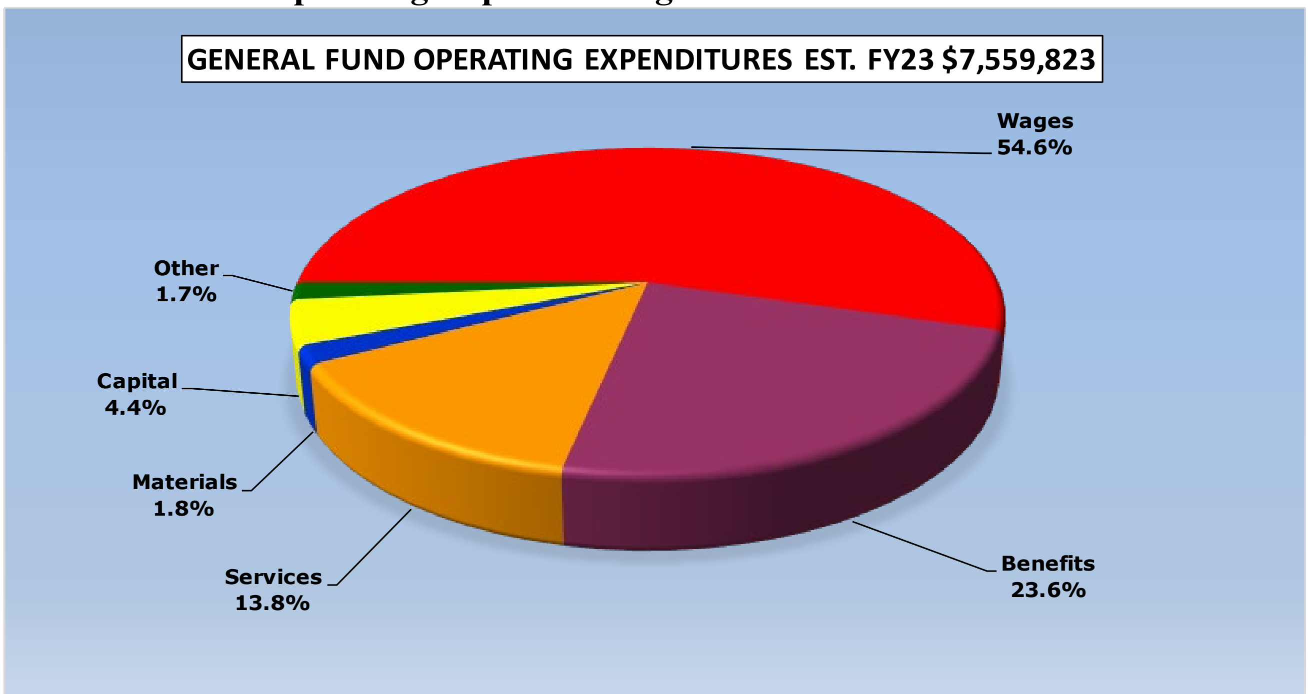




Expenditure Assumptions

The district's leadership team is always looking at ways to improve the education of the students whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

All Operating Expense Categories - General Fund FY23



Wages – Line #3.010

In April, 2022, the Board ratified a contract with the Bradford Exempted Village Education Association (BEA) effective July 1, 2022. The agreement called for a 2% base wage increase in FY23 with an anticipated step increase of 2.0% as well as step and training increase. A recovered step increase from a freeze in FY13 was put into place in 2019. FY24 will increase 2.50% and a subsequent 3.0% in FY 25 as agreed upon in the master agreement. For FY26-FY27, we have included a 2% increase in base wages and increases for step and training adjustments.

Source	FY23	FY24	FY25	FY26	FY27
Base Wages	$3,675,223	$3,816,080	$4,034,623	$4,293,595	$4,463,261
Based Pay Increase	73,504	95,402	121,039	85,872	89,265
Steps & Academic Training	61,376	95,188	77,085	59,712	82,866
Substitutes	127,579	133,958	140,656	147,689	155,073
Supplementals	147,009	150,684	155,205	158,309	161,475
Other Adjustments/Reductions	5,977	27,953	60,848	24,082	24,082
Total Wages Line #3.010	$4,090,668	$4,319,265	$4,589,456	$4,769,259	$4,976,022

Fringe Benefits Estimates Line 3.02

This area of the forecast captures all costs associated with benefit and retirement costs, except for health insurance, are directly related to the wages paid.

A) STRS/SERS will increase as Wages Increase
The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law.

B) Insurance
The increase for medical insurance was 8% for benefit year 2022. The district introduced an HSA as well as spousal carve-out provisions and incentives in 2017 with an increase in rates for employees in the years beginning 2023 in the amount of 1% for each succeeding year during the contract. The district rewards nonparticipants in order to help curb costs. For a point of reference, the current billing of $ 93,724.12 as compared to September 2017 of $ 50,484.40 nearly doubled in fifty months. The current loss ratio of nearly 200% is contributory to these escalating costs. For planning purposes, we have included a 12% increase annually for FY24-FY27.

The Further Consolidated Appropriations Act of 2020, included a full repeal of three taxes originally imposed by the Affordable Care Act (ACA): the 40% Excise Tax on employer-sponsored coverage (a.k.a. "Cadillac Tax"), the Health Insurance Industry Fee (a.k.a. the Health Insurer Tax), and the Medical Device Tax. These added costs are no longer an uncertainty factor for our health care costs in the forecast.

C) Workers Compensation & Unemployment Compensation
Workers Compensation is expected to be approximately .25% of wages FY23– FY27. Unemployment is expected to remain at a very low level FY23-FY27. The district is a direct reimbursement employer, which means unemployment costs are only incurred and due if we have employees who are eligible and draw unemployment.

D) Medicare
Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages. Very few wages are not subject to this tax and exemption will eventually be phased out completely.

Summary of Fringe Benefits – Line #3.020

Source	FY23	FY24	FY25	FY26	FY27
A) STRS/SERS	$621,473	$652,300	$688,473	$722,289	$753,526
B) Insurance's	1,012,316	1,141,621	1,295,653	1,457,874	1,639,562
C) Workers Comp/Unemployment	10,227	10,798	11,474	11,923	12,440
D) Medicare	57,035	59,633	63,106	66,014	69,154
Other/Tuition/Annuities	68,370	69,054	69,744	70,442	71,146
Total Fringe Benefits Line #3.020	$1,769,421	$1,933,406	$2,128,450	$2,328,542	$2,545,828

Purchased Services – Line #3.030
HB110, the new state budget, impacted Purchased Services beginning in FY22. The Ohio Department of Education began to direct pay these costs to the educating districts for open enrollment, community, and STEM schools and for scholarships granted to students to be educated elsewhere, as opposed to deducting these amounts from our state foundation funding and shown below as expenses. We have continued to show these amounts below as zeros to help reflect the difference between projected FY23-FY27 Line 3.03 costs and historical FY20 through FY21 costs on the five-year forecast. College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on

historical trends. This area of expenses also includes utilities, ESC costs, maintenance expenses and the lease payment for the COPS, aka Certificates of Participation borrowing. General inflation of 3% -5% is used for all categories.

Source	FY23	FY24	FY25	FY26	FY27
Professional & Technical Services, ESC	$499,151	$514,126	$529,550	$545,437	$561,800
Maintenance, Insurance & Garbage Removal	170,984	146,114	150,497	175,012	180,262
Professional Development	5,950	6,129	6,313	6,502	6,697
Communications, Postage, & Telephone	30,301	31,816	33,407	35,077	36,831
Utilities	131,560	138,138	150,045	162,547	170,674
Tuition, Excess Costs & Scholarship Costs	103,461	106,565	109,762	113,055	116,447
Open Enrollment & Community School Costs	0	0	0	0	0
College Credit Plus	64,647	66,586	68,584	70,642	72,761
Contract Transportation	6,002	6,182	6,367	6,558	6,755
Other Adjustments SWSF, CARES, Etc.	0	0	0	0	0
Miscellaneous Purchased Services	23,903	25,098	26,353	27,671	29,055
Total Purchased Services Line #3.030	$1,035,959	$1,040,754	$1,080,878	$1,142,501	$1,181,282

Supplies and Materials – Line #3.040

An overall inflation of 2%-5% is being estimated for this category of expenses which are characterized by textbooks, copy paper, maintenance supplies and fuel. The District is working to improve the report card by funding innovative strategies with ESSERS money and will more than likely be returning to more spending from the general fund in the 2024 year and beyond. Much thought is going into changes that will make the district more successful from a curriculum standpoint and as those plans are developed, funding will be firmer within the forecast.

Source	FY23	FY24	FY25	FY26	FY27
General Office Supplies & Materials	$32,581	$34,210	$35,921	$36,639	$37,372
Textbooks & Instructional Supplies	15,708	16,022	51,342	52,369	53,416
Facility Supplies & Materials	58,161	54,324	50,410	51,418	52,446
Transportation Fuel & Supplies	28,727	29,302	22,888	16,346	16,673
Other adjustments SWSF, CARES, Etc.	0	0	0	0	0
Total Supplies Line #3.040	$135,177	$133,858	$160,561	$156,772	$159,907

Equipment – Line # 3.050

The expenditures within the equipment object line includes the ongoing investment in maintaining the bus fleet. The district received a state grant to help offset the cost of a bus purchase in and is adding bus stations in the new garage. The district will receive reimbursement from the EPA for the purchase of electric busses in FY25. At this time, another bus purchase is planned for FY26. The District has a five-year plan for improvements to the facilities and parking lots and yearly Chromebook upgrades which have been coming from ESSERS funding. The use of grants has greatly diminished the general fund activity for the time being and no large capital outlays are planned in the future until 2025 when there will be a need to start replacing chrome books and other technology. Without the use of grant funds, the General Fund will become of source of expenditures. Inflation of 2% will be factored into these expenses into the future.

Source	FY23	FY24	FY25	FY26	FY27
Capital Outlay & Maintenance	$272,562	$78,013	$79,573	$81,164	$82,787
Technology/Curriculum Purchases	0	0	100,000	105,000	110,250
Busses & Other Vehicles	55,000	0	816,000	115,000	0
Other adjustments SWSF, CARES, Etc.	0	0	0	0	0
Total Equipment Line #3.050	$327,562	$78,013	$995,573	$301,164	$193,037

Principal and Interest Payment – Lines # 4.01-4.06
Interest expense for the COPS borrowing is shown here.

Other Expenses – Line #4.300
The category of Other Expenses consists primarily of the County ESC deductions for specialized services provided to the District and Auditor & Treasurer (A&T) fees. Auditor and Treasurer Fees will increase sharply anytime a new operating levy is collected. Also new construction will cause A&T fees to increase as more dollars are collected. Currently, we are estimating annual increase of 1%- 3% for the expenses in this area.

Source	FY23	FY24	FY25	FY26	FY27
County Auditor & Treasurer Fees	$21,148	$22,205	$23,315	$24,481	$25,705
ESC Deduction	18,544	19,100	19,673	20,263	20,871
Annual Audit Costs	16,000	16,160	16,160	16,322	16,322
Dues, Fees & other Expenses	72,672	66,650	65,150	63,000	60,200
Total Other Expenses Line #4.300	$128,364	$124,115	$124,298	$124,066	$123,098

Transfers Out/Advances Out – Line# 5.010
Transfers to other funds occur for various purposes. We are transferring funds to Fund 070 for several Permanent Improvement needs. This includes but is not limited to a roofing project in which a company gave the district an inclusive cost analysis for future repairs and upgrades. In addition, the district provided 1/3 of the anticipated costs for the track project for the district residents. Additionally, the Athletic Fund annually requires supplements from the General Fund and that annual allocation has been built into the forecast. As for years FY24 through FY27 and beyond, payments for the certificates of participation, are incorporated into transfers from the general fund as that will be the only source of income to make payments for the ensuing debt.

This account group also covers advances (end of year short term loans) from the General Fund to other funds until they have received reimbursements to repay the General Fund. These amounts are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund.

Source	FY23	FY24	FY25	FY26	FY27
Operating Transfers Out Line #5.010	$172,672	$136,650	$135,150	$153,000	$170,850
Advances Out Line #5.020	800,000	700,000	350,000	350,000	350,000
Total Transfer & Advances Out	$972,672	$836,650	$485,150	$503,000	$520,850

Debt Service:
The District currently has General Fund Debt issues created during May 2022. The certificates of participation which were sold in May of 2022, in the amount of $ 1,790,000, will be funded from transfers into the debt service

fund from the general fund. The proceeds are being used to supplement track construction along with an all-purpose activity center for use in the school district. Debt repayment will continue through 12/1/2041.

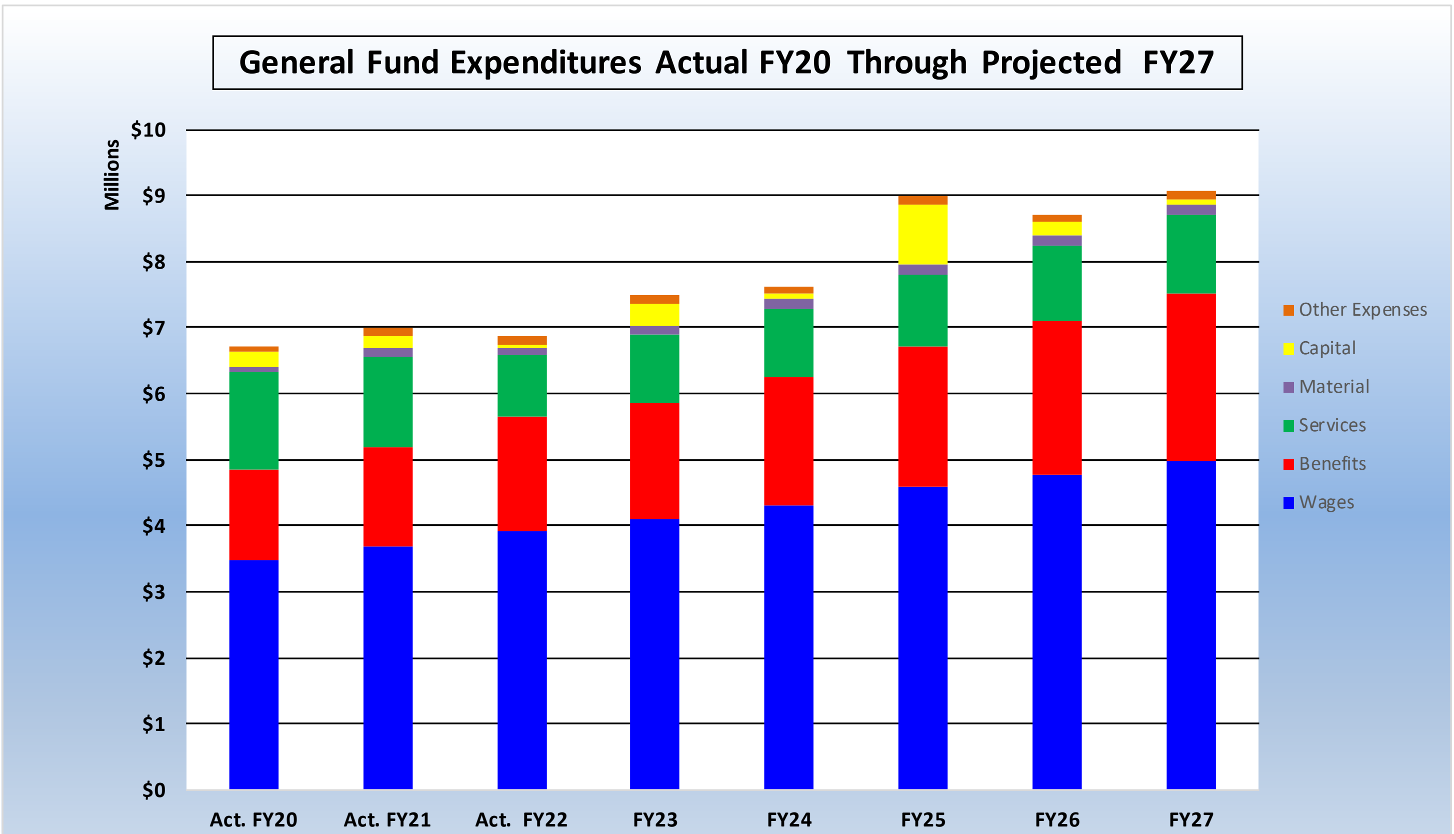
Encumbrances –Line#8.010

These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

	FY23	FY24	FY25	FY26	FY27
Estimated Encumbrances Line #8.010	$500,000	$500,000	$500,000	$500,000	$500,000

Operating Expenditures Actual FY20 through FY22 and Estimated FY23-FY27

As the graph indicates costs are rising steadily. We will need to watch these expenses closely as we are in deficit spending, which will erode our cash balance.



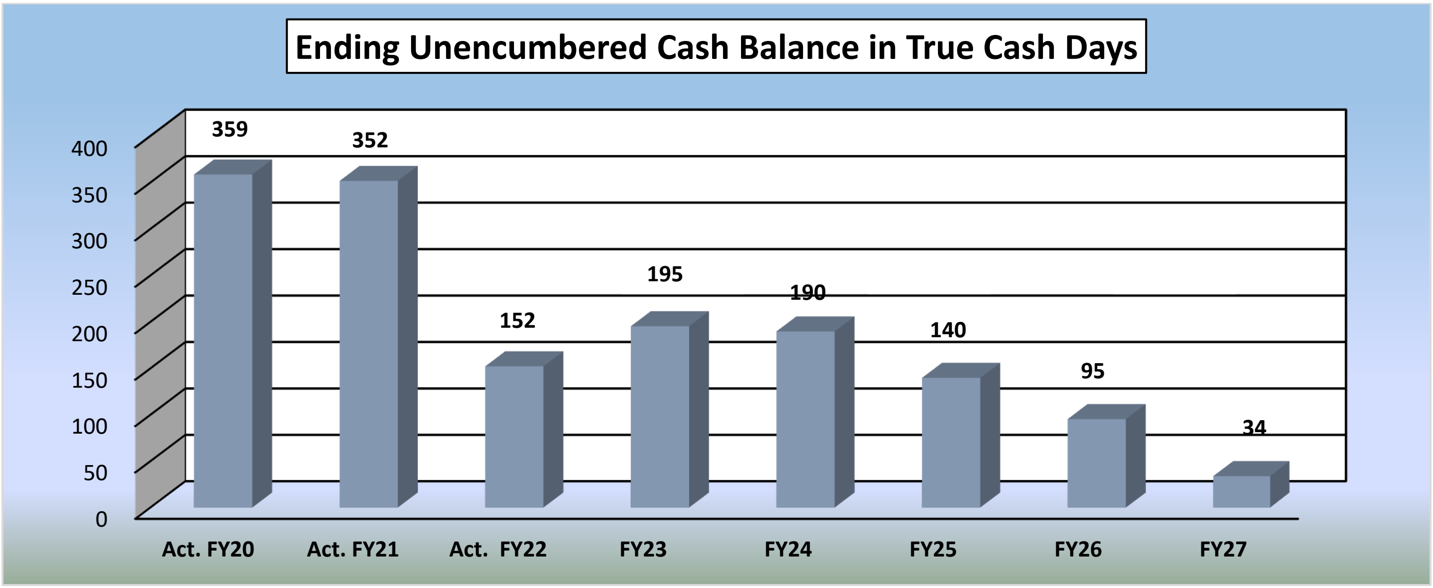
Ending Unencumbered Cash Balance "The Bottom-line" – Line#15.010

This amount must not go below $-0- or the district General Fund will violate all Ohio Budgetary Laws. Any multi-year contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of Ohio Revised Code section 5705.412, punishable by personal liability of $10,000

	FY23	FY24	FY25	FY26	FY27
Ending Unreserved Cash Balance Line #15.01	$4,565,011	$4,434,984	$3,786,606	$2,657,585	$1,220,104

True Cash Days Ending Balance

Another way to look at ending cash is to state it in 'True Cash Days". In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association (GFOA) recommends no less than two (2) months or 60 days' cash to be on hand at year end but could be more depending on each district's complexity and risk factors for revenue collection. This is calculated including transfers as this is predictable funding source for other funds.

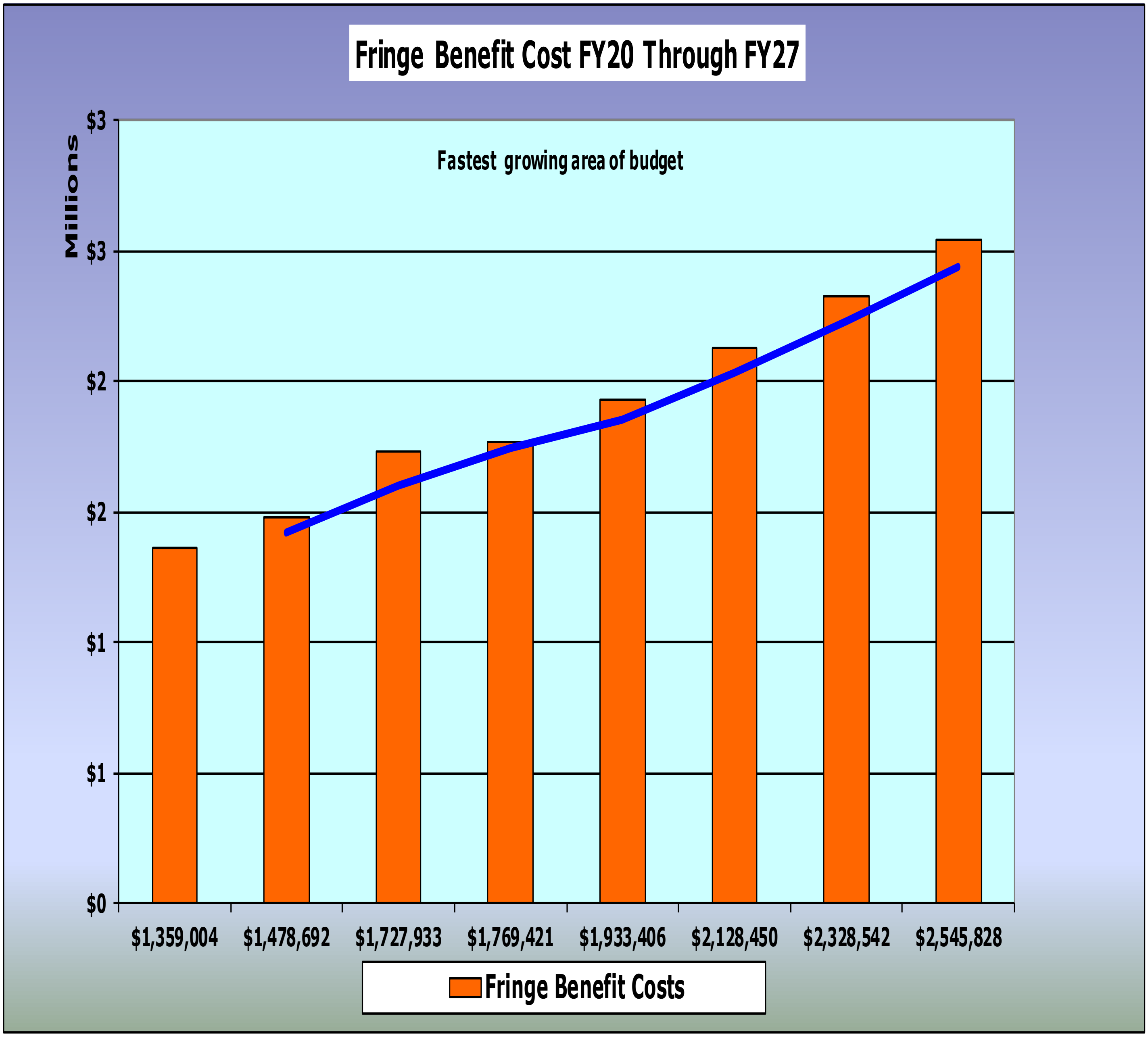


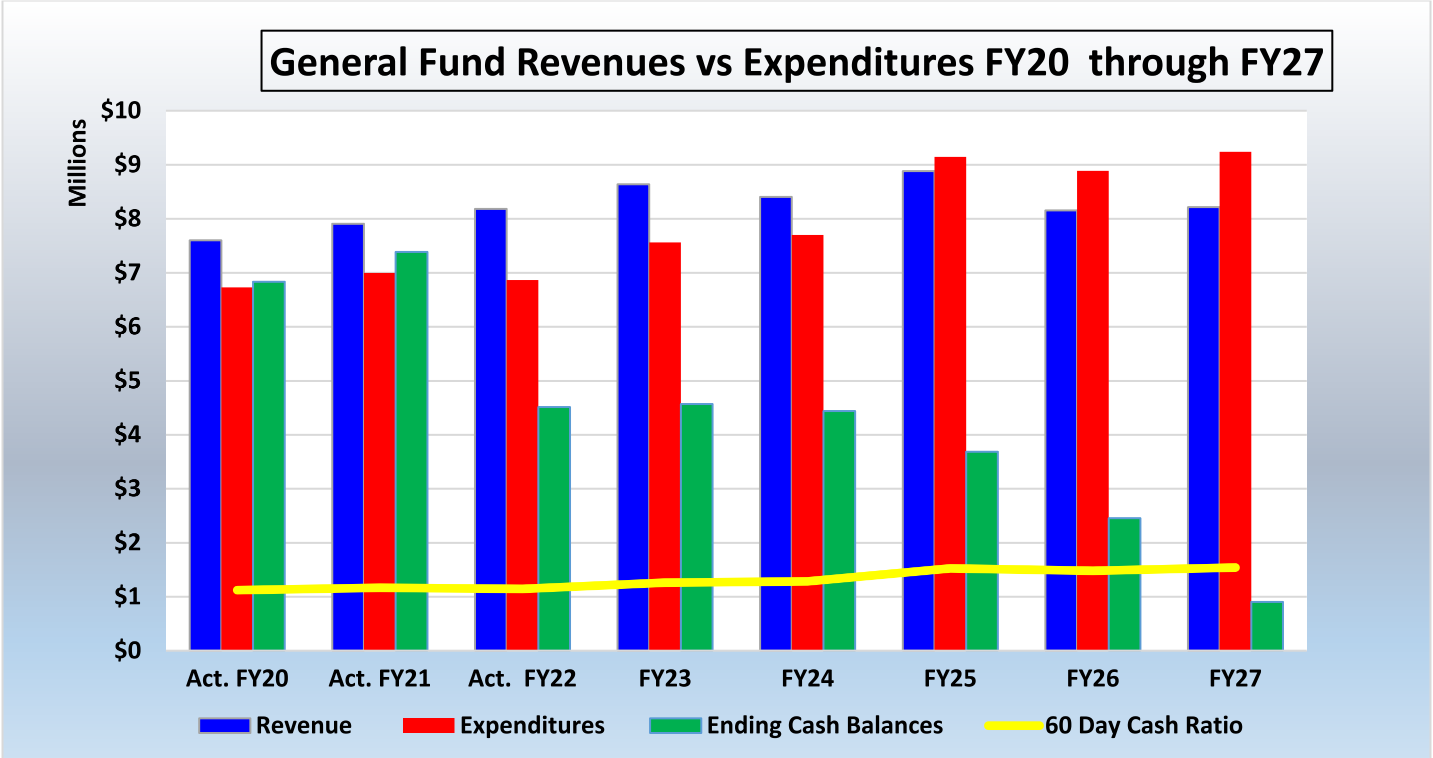
Plan to Improve Financial Standing within the School District
The district is experiencing a deficit in the fifth year of the forecast which is a signal that the district must take measures to eliminate future deficit spending. The administration has been analyzing this, knowing that the resulting construction project could create this situation and knowingly has some areas to mitigate the effects of the transfers from the general fund. The district is currently promoting legislation to enable regular general fund spending to be displaced from the general fund. This will elevate the balances for the fund and will be implemented in FY23.

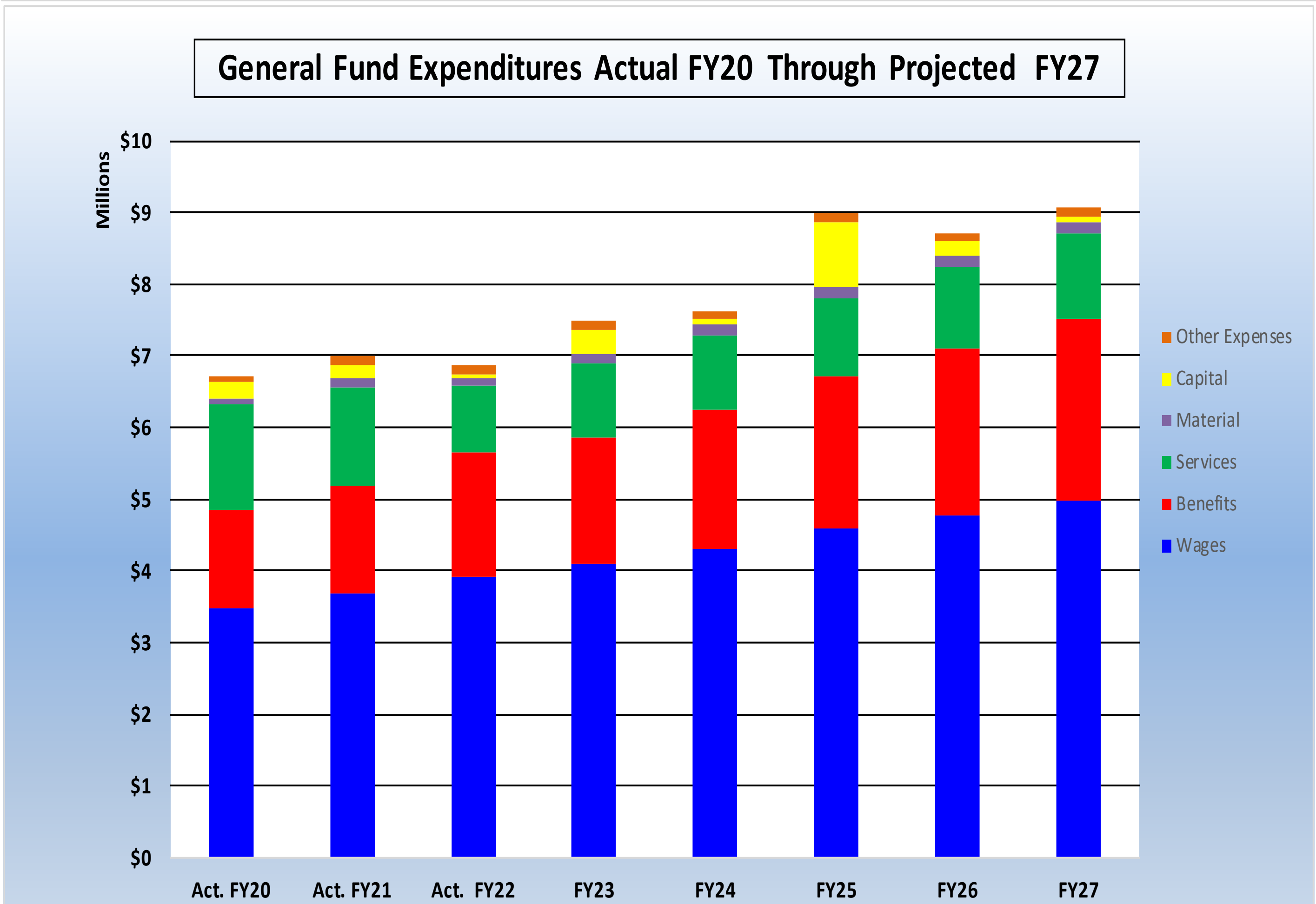
Additionally, the administration has been analyzing particular expenditures and has a long term plan to reduce spending with the general fund spending of various specialized expenditures without a reduction of services. Various details need to be vetted and the process is ongoing. Implementation of these actions will be implemented over the next few years to bring the forecast on course.

The district is hopeful that the increase of the employee's share of Preferred Provider Organization will create a greater interest in the Health Savings Plan and drive a more consumer oriented view of health insurance within the district. This has been the greatest growing single expense with the district and will continue to be a problem for the district. An analysis was done in the year 2018-2019 to determine whether we were a group which could benefit from an individual plan for the district outside the consortium in which we currently participate. It was inclusive at the time. Our loss ratios have increased to the point that it is no longer feasible to consider any other option.

Additional Analytical Data
Graphs subsequently displayed allows the viewer to glean visual information about the district.


Fringe Benefit Cost FY20 Through FY27
Millions
$3
$3
$2
$2
$1
$1
$0
Fastest growing area of budget
$1,359,004
$1,478,692
$1,727,933
$1,769,421
$1,933,406
$2,128,450
$2,328,542
$2,545,828
Fringe Benefit Costs


General Fund Revenues vs Expenditures FY20 through FY27
Millions
$10
$9
$8
$7
$6
$5
$4
$3
$2
$1
$0
Act. FY20
Act. FY21
Act. FY22
FY23
FY24
FY25
FY26
FY27
Revenue
Expenditures
Ending Cash Balances
60 Day Cash Ratio


General Fund Expenditures Actual FY20 Through Projected FY27
Millions
$10
$9
$8
$7
$6
$5
$4
$3
$2
$1
$0
Act. FY20
Act. FY21
Act. FY22
FY23
FY24
FY25
FY26
FY27
Other Expenses
Capital
Material
Services
Benefits
Wages

Conclusion

The forecast presented includes assumptions and facts that can be altered by external and internal issues. As you read through the notes and review the forecast, remember that the forecast is based on the best information that is available to us at the time the forecast is prepared. A PowerPoint presentation was provided to the Board of Education at the meeting of November 15, 2022 and can be viewed at www.bradford.k12.oh.us.

All questions can be directed to Carla G. Surber, CPA, CGMA, Treasurer, CFO
760 Railroad Avenue
Bradford, Ohio 45308

Respectfully submitted on November 15, 2022