Waynedale Local Schools
Financial Forecast

OVERVIEW

The financial forecast for the Waynedale Local School District (the "District") represents the best projections of revenues and expenses for the General Fund of the District based on the assumptions made. The Overview summarizes the assumptions and background information used to develop the forecast. The detailed assumptions are included in the "Detailed Information and Projections" which contains background information for each line item.

REVENUES

Recent legislation adopted by the Ohio General Assembly, including House Bills 186, 335, 129, and 309, introduces new limits and adjustments to how property tax revenues are calculated and collected by school districts, with the intent of moderating revenue growth associated with rising property values.

Implementation of these changes is ongoing. In addition, these bills were enacted in close succession, and questions remain regarding how certain provisions interact.

Accordingly, revenue assumptions reflect the best information available at the time of this forecast and may be revised as additional guidance, certified rates, or statutory changes occur.

Property Taxes – The current estimates are based on the passage of several bills (HB186, HB 335, HB309 and HB129). The County Auditor provides property valuations for the District for all classes of property. The District has two Emergency levies on the books. One Emergency was renewed in November 2009 and November 2019. The last year of collection is 2030 and it raises $1,017,000 annually. The other Emergency was approved in November 2010 and renewed in November 2014 and renewed in May of 2025. The last year of collection is 2035 and it raises $1,800,000 annually.

Pipeline Utility Taxes – The Forecast includes the actual revenue generated by the Rover pipeline in FY2024 through FY2026. In FY2026, the district received a payment for the 2019 back taxes owed by the pipeline. The Forecast assumes that the remaining deligquent taxes will not be received during the forecast period. Those payments/valuation are under litigation. The results of the valuation case and possible tax payments are unknown at the current time. The FY2027 and beyond estimates are based on the company paying at the current rate and includes the 1% reduction for depreciation. The results of the valuation case and possible tax payments are unknown at the current time.

Unrestricted Grant-in-Aid – This line item represents the State Foundation funds received by the District. The amounts used in the forecast are based on ODE projections for FY27. It is assumed that state funding will remain flat during final four years of the Forecast.

State Reimbursement of Property Tax Credits – This line item denotes the amount of funding received from the State for the Homestead Exemption, Property Tax Rollback and Tangible Personal Property reimbursement. The Homestead and Rollback estimates are assumed stable through the forecast period.The reimbursement for the property tax credits is included for FY27.

Other Revenue – Items included in the other category are interest income, fees and other miscellaneous income. It is assumed that class fees and participation fees will continue for the period of the forecast.

EXPENSES

Personal Services –The negotiated agreement with the teaching staff of the District expires June 30, 2029. Salary increases are per the negotiated agreements through FY29. The salary increases after FY2029 represent the longevity amounts and a base salary increase.

The Forecast reflects the current staffing level. It is assumed that the staffing levels will remain at current levels.

Employees' Retirement/Insurance Benefits – The District's share of retirement (State Teachers Retirement System and School Employee Retirement System), workers compensation and Medicare payments are based upon a percentage of salary and wages. It is assumed that the amount for all of these will remain at approximately 17% of salary. The cost of health insurances is assumed to increase by 8% per year for the length of the forecast.

Purchased Services – This line item represents the amounts paid for utilities, contracts for services, mileage/meeting expenses, property insurance, computer service contracts, legal services and other services. The Forecast includes the continuation of a school resources officer and mental health purchased services. It is assumed that this line item will increase at a rate of 1% per year.

Supplies and Materials – The projected amount in this line item is based upon historical patterns. It assumed that the budgeted amounts in this area would remain relatively flat.

Capital Outlay – This item is low because of the Permanent Improvement (PI) levy in place.

Transfers – The Forecast includes the following transfers. The annual School Wide Pool is included in the transfer. Also shown in the transfers is the annual COPs payments transfer to the Bond retirement fund.

FUND BALALNCE

The General Fund balance of the District is at a stable amount based upon this Forecast. The Districts policy calls for the Treasurer and Superintendent to develop options to increase the fund balance if the General balance falls below 20% of the prior year operating expenses. The District will conversely review its capital and/or strategic plans if the General Fund exceeds 80% of the prior year operating expenses.

Waynedale Financial Forecast

District Type: Local
IRN: 050583
County: Wayne

		Actual			Projected				
	Revenues	2024	2025	2026	2027	2028	2029	2030	2031
1.010	General Property Tax (Real Estate)	11,339,188	12,813,663	12,884,901	12,884,901	12,884,901	12,884,901	12,884,901	12,884,901
	Reappraisal					644,245	644,245	644,245	1,320,702
1.01B	Rover Pipeline Funds	2,690,349	2,590,597	5,112,780	2,729,997	2,334,787	2,264,743	2,196,801	2,130,897
	Inflationary Cap Credits			0	(1,334,561)	(889,707)	(889,707)	(889,707)	(889,707)
		14,031,561	15,406,285	17,997,681	14,280,337	14,974,226	14,904,182	14,836,240	15,446,793
1.035	Unrestricted State Grants-in-Aid	5,933,077	5,995,330	6,075,452	6,075,000	6,050,000	6,050,000	6,050,000	6,050,000
1.040	Restricted State Grants-in-Aid	329,312	228,843	191,366	200,000	200,000	200,000	200,000	200,000
		6,262,389	6,224,173	6,266,818	6,275,000	6,250,000	6,250,000	6,250,000	6,250,000
1.050	Property Tax Allocation	1,284,768	1,422,430	1,465,703	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
	Tax Credit Reimbursements				889,707	0			
1.060	All Other Revenues	1,301,932	869,043	2,105,593	950,000	950,000	950,000	950,000	950,000
1.070	*Total Revenues*	22,878,626	23,919,906	27,835,795	23,845,044	23,624,226	23,554,182	23,486,240	24,096,793
	Expenditures								
3.010	Personal Services	8,095,374	7,160,497	7,063,732	7,149,120	7,432,438	7,728,326	7,958,930	8,196,795
3.020	Employees' Retirement/Insurance Benefits	4,465,559	3,605,145	3,911,017	3,943,624	4,210,050	4,496,074	4,789,857	5,105,242
3.030	Purchased Services	1,983,013	2,215,579	2,423,976	2,548,216	2,573,698	2,599,435	2,625,429	2,651,684
3.040	Supplies and Materials	607,902	800,705	769,783	777,481	783,256	789,088	794,979	800,929
3.050	Capital Outlay	153,486	300,161	113,324	75,000	75,000	75,000	75,000	75,000
4.300	Other Objects	312,459	337,810	350,682	350,000	35,000	350,000	350,000	350,000
5.040	SWP Transfer	2,960,000	4,041,958	4,548,024	4,707,204	4,871,957	5,042,475	5,193,749	5,349,562
	Capital Projects		7,000,000	5,869,000					
	Termination Benefits		502,000		125,000				
	Self Insurance		1,000,000						
	COPs Payment Transfer	2,820,325	2,186,375	1,751,350	1,753,025	1,755,000	1,755,001	1,755,002	1,755,003
	Building Down Payment	700,000	500,000						
5.050	*Total Expenditures*	22,098,118	29,650,230	26,800,887	21,428,671	21,736,398	22,835,399	23,542,948	24,284,214
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	780,508	(5,730,324)	**1,034,908**	2,416,373	1,887,828	718,783	(56,708)	(187,421)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	8,951,214	9,731,722	4,001,398	5,036,306	7,452,679	9,340,507	10,059,289	10,002,581
7.020	*Cash Balance June 30*	9,731,722	4,001,398	5,036,306	7,452,679	9,340,507	10,059,289	10,002,581	9,815,160
	% of Previous Year Exp Total			16.99%	27.81%	43.59%	46.28%	43.80%	41.69%

DETAILED PROJECTIONS AND INFORMATION

REVENUE

Real Estate Taxes – The valuation history of the District must be reviewed when making an estimate of real estate tax revenues. The table below details the District's real estate valuation history.

DOLLAR AMOUNT		Real Estate			
	Res/ Ag	New Constr	Other	New Constr	TOTAL
Tax Year 2020, Paid 2021**	331,884,521	4,534,100	52,396,190	2,024,440	390,839,251
Tax Year 2021, Paid 2022	336,911,090	6,112,150	53,525,850	3,747,890	400,296,980
Tax Year 2022, Paid 2023	354,172,360	3,844,550	61,248,490	2,571,350	421,836,750
Tax Year 2023, Paid 2024*	460,198,400	5,794,290	63,569,280	4,550,040	534,112,010
Tax Year 2024, Paid 2025	466,869,350	8,489,720	68,160,080	7,628,330	551,147,480
Tax Year 2025, Paid 2026	493,556,720	7,748,000	73,770,055	3,027,800	578,102,575
* This is an Update year.					
** This is an Reappraisal year.					

The real estate valuation has been very stable. However, the increases occur in the reappraisal and update years. The Update that occurred in 2023, payable in 2024 brought a significant increase in value. The FY2026 collections include $2.8 million in deliquent collections from Rover's 2019 tax bill. Real estate collection are below

REAL ESTATE TAX COLLECTION HISTORY					
	Amount	% Inc		Amount	% Inc
CY2021	13,015,688	1.01%	FY2021	13,128,172	5.37%
CY2022	12,401,118	-4.72%	FY2022	12,434,439	-5.28%
CY2023	12,995,144	4.79%	FY2023	12,698,099	2.12%
CY2024	14,877,045	14.48%	FY2024	14,031,561	10.49%
CY2025	15,175,581	2.01%	FY2025	15,406,285	9.08%
CY2026			FY2026	17,997,981	17.60%

The following law changes have effected the future collections:

HB 186 – Caps growth if you are at 20 mill floor; Retroactively reduces the update in tax year 2023; Puts in place a reimbursement payments for 2 years.

HB 335 – Caps growth from inside millage

HB 129 – Includes emergency levies in 20 mill floor calculations

The following are the Real Estate Tax Estimates

	FY2027	FY2028	FY2029	FY2030	FY2031
Base Real Estate	15,614,898	15,219,688	15,146,644	15,081,702	15,015,798
New Tax Credits	(1,334,561)	(889,707)	(889,707)	(889,707)	(889,707)
Net Reappraisal		644,245	644,245	644,245	1,320,702
TOTAL	14,280,337	14,974,226	14,904,182	14,836,240	15,446,793

Unrestricted Grant-in-Aid - This line item represents the State Foundation funds received by the District. The amounts used in the forecast are based on ODE projections for FY2027 and include the new funding formula approved by the legislature. It is assumed that the district state funding will be flat in FY2028 through FY2031.

	FY27	FY28	FY29	FY30	FY31
State Foundation	6,075,000	6,050,000	6,050,000	6,050,000	6,050,000
Other State	200,000	200,000	200,000	200,000	200,000

State Reimbursement for Property Tax – This line item denotes the amount of funding received from the State for the Homestead Exemption and Property Tax Rollback. The amount of revenue from this source corresponds directly with the property tax value in the District.. The following chart details the estimated revenue for this line item
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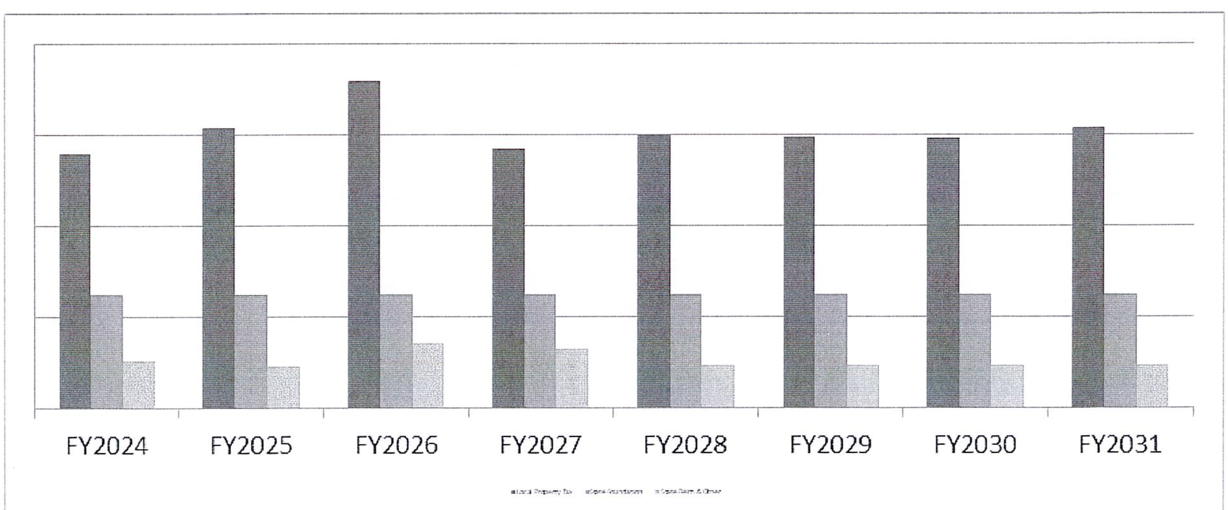
	FY2026	FY2027	FY2028	FY2029	FY2030
Rollback	$975,000	$975,000	$975,000	$975,000	$975,000
Homestead Exemption	$475,000	$475,000	$475,000	$475,000	$475,000
Tax Credit Reimbursement	$889,707				
TOTAL	$2,339,707	$1,450,000	$1,450,000	$1,450,000	$1,450,000

Other Revenue – Items included in the other category are interest income, fees and other miscellaneous income. This line item is reduced to reflect the change in the funding formula and districts no longer receiving open enrollment revenue. It is assumed that class fees and participation fees will continue for the period of the forecast.

WHERE THE MONEY COMES FROM?



EXPENSES

Personal Services - The negotiated agreement with the teaching staff of the District expires June 30, 2029. Salary increases are per the negotiated agreements through FY29. The salary increases after FY2029 represent the longevity amounts and a base salary increase.

The Forecast reflects the current staffing levels with the new building open. It is assumed that the staffing levels will remain at current levels.

Description	FY2027	FY2028	FY2029	FY2030	FY2031
Certificated Staff	4,752,274	4,985,135	5,229,407	5,407,206	5,591,051
Classified Staff	1,786,109	1,826,297	1,867,389	1,909,405	1,952,366
Extra Curricular Stipends	410,737	421,006	431,531	442,319	453,377
Substitutes	150,000	150,000	150,000	150,000	150,000
Overtime / Other	50,000	50,000	50,000	50,000	50,000
	7,149,120	7,432,438	7,728,326	7,958,930	8,196,795

Certified staff includes all individuals holding a license to perform their job. This would include administrator, principals and all teachers. Classified staff includes custodians, aides, secretaries and bus drivers.

Employees' Retirement/Insurance Benefits – The District's share of retirement (State Teachers Retirement System and School Employee Retirement System), workers compensation and Medicare payments are based upon a percentage of salary and wages. It is assumed that the amount for all of these will remain at approximately 17% of salary. The cost of health insurances is assumed to increase by 8% per year for the length of the forecast.

	FY2027	FY2028	FY2029	FY2030	FY2031
Retirement, Medicare, WC	1,215,350	1,263,514	1,313,815	1,353,018	1,393,455
Life and Health Insurance	2,728,274	2,946,536	3,182,259	3,436,839	3,711,786
Total Fringe Benefits	3,943,624	4,210,050	4,496,074	4,789,857	5,105,242

Purchased Services – This line item represents the amounts paid for utilities, contracts for services, mileage/meeting expenses, property insurance, computer service contracts, legal services and other services. The Forecast includes the continuation of a school resources officer and mental health purchased services. It is assumed that this line item will increase at a rate of 1% per year. The chart below gives you a breakdown of the categories

	2027	2028	2029	2030	2031
Legal, Contract, Preschool, STEM, Wellness	1,080,632	1,091,438	1,102,353	1,113,376	1,124,510
Repairs and Maintenance	358,226	361,809	365,427	369,081	372,772
Trainings, Meetings, Inservice	21,456	21,670	21,887	22,106	22,327
Utilities	654,095	660,636	667,242	673,915	680,654
Tuition	433,807	438,145	442,527	446,952	451,421
	2,548,216	2,573,698	2,599,435	2,625,429	2,651,684

Supplies and Materials – The projected amount in this line item is based upon historical patterns. With some reduction for items purchases allowable under ESSER funding. It assumed that the budgeted amounts in this area would remain relatively flat.

Capital Outlay – This item is low because of the Permanent Improvement (PI) levy in place.

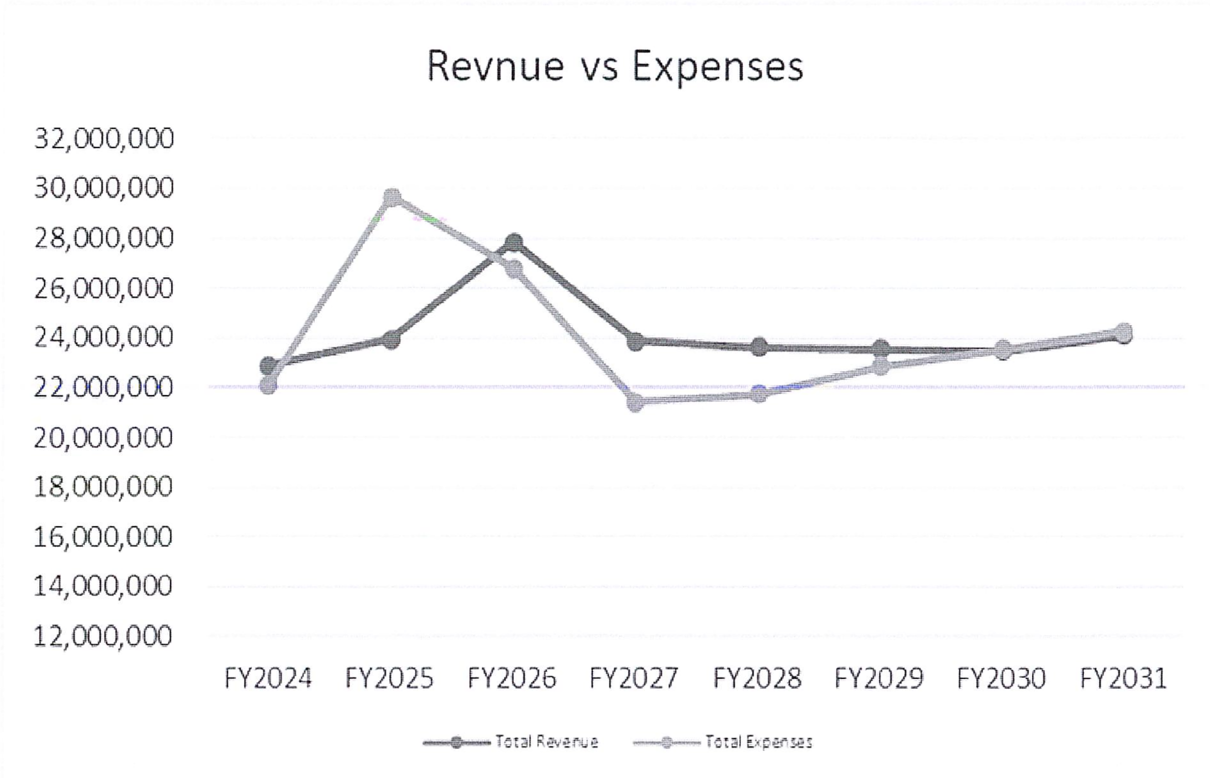
Transfers – The Forecast includes the following transfers. The annual School Wide Pool is included in the transfer. Also shown in the transfers is the annual COPs payments transfer to the Bond retirement fund.

FUND BALALNCE

The General Fund balance of the District is at a stable amount based upon this Forecast. The Districts policy calls for the Treasurer and Superintendent to develop options to increase the fund balance if the General balance falls below 20% of the prior year operating expenses. The District will conversely review its capital or strategic if the General Fund exceeds 80% of the prior year operating expenses.

CONCLUSIONS

The Forecast does not show a deficit. The District needs to continue to explore additional opportunities for savings and increasing revenue. However, the District will need to watch the valuation appeal by the pipeline company and the State funding formula. This could have an impact on future finances.


Revnue vs Expenses
32,000,000
30,000,000
28,000,000
26,000,000
24,000,000
22,000,000
20,000,000
18,000,000
16,000,000
14,000,000
12,000,000
FY2024
FY2025
FY2026
FY2027
FY2028
FY2029
FY2030
FY2031
Total Revenue
Total Expenses